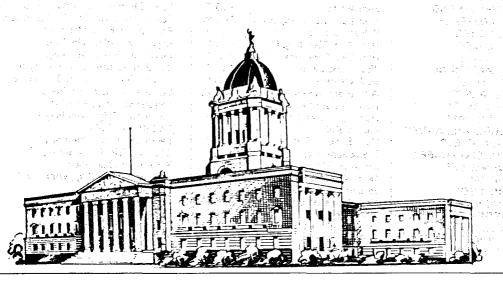


Legislative Assembly of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XIX No. 146 2:30 p.m., Wednesday, July 5th, 1972.

Fourth Session, 29th Legislature.

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Electoral Division	Name	Political Affiliation	Address
ARTHUR	J. Douglas Watt	P.C.	Reston, Manitoba
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Place, Winnipeg 12
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Manitoba
BRANDON EAST	Hon. Leonard S. Evans	N.D.P.	Legislative Bldg., Winnipeg 1
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon, Man.
BURROWS	Hon. Ben Hanuschak	N.D.P.	Legislative Bldg., Winnipeg 1
CHARLESWOOD CHURCHILL	Arthur Moug Gordon Wilbert Beard	P.C. Ind.	29 Willow Ridge Rd., Winnipeg 20 148 Riverside Drive, Thompson, Man.
CRESCENTWOOD	Cy Gonick	N.D.P.	1 - 174 Nassau Street, Winnipeg 13
DAUPHIN	Hon, Peter Burtniak	N.D.P.	Legislative Bldg., Winnipeg 1
ELMWOOD	Hon. Russell J. Doern	N.D.P.	Legislative Bldg., Winnipeg 1
EMERSON	Gabriel Girard	P.C.	25 Lomond Blvd., St. Boniface 6
FLIN FLON	Thomas Barrow	N.D.P.	Cranberry Portage, Manitoba
FORT GARRY	L. R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg 9
FORT ROUGE	Mrs. Inez Trueman	P.C.	179 Oxford St., Winnipeg 9
GIMLI	John C. Gottfried	N.D.P.	44 - 3rd Ave., Gimli Man.
GLADSTONE	James Robert Ferguson	P.C.	Gladstone, Manitoba
INKSTER	Sidney Green, Q.C.	N.D.P.	Legislative Bldg., Winnipeg 1
KILDONAN	Hon. Peter Fox	N.D.P.	244 Legislative Bldg., Winnipeg 1
LAC DU BONNET	Hon. Sam Uskiw	N.D.P.	Legislative Bldg., Winnipeg 1
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Manitoba
LA VERENDRYE	Leonard A. Barkman William Jenkins	Lib. N.D.P.	Box 130, Steinbach, Man. 1294 Erin St., Winnipeg 3
LOGAN MINNEDOSA	David Blake	P.C.	Minnedosa, Manitoba
MORRIS	Warner H. Jorgenson	P.C.	Box 185, Morris, Man.
OSBORNE	lan Turnbull	N.D.P.	284 Wildwood Park, Winnipeg 19
PEMBINA	George Henderson	P.C.	Manitou, Manitoba
POINT DOUGLAS	Donald Malinowski	N.D.P.	361 Burrows Ave., Winnipeg 4
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	Room 248, Legislative Bldg., Winnipeg
RADISSON	Harry Shafransky	N.D.P.	4 Maplehurst Rd., St. Boniface 6
RHINELAND	Jacob M. Froese	Soc. Cr.	Box 40, Winkler, Manitoba
RIEL	Donald W. Craik	P.C.	2 River Lane, Winnipeg 8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	250 Legislative Bldg., Winnipeg 1
ROBLIN	J. Wally McKenzie	P.C. P.C.	Inglis, Manitoba Glenboro, Manitoba
ROCK LAKE ROSSMERE	Henry J. Einarson Hon. Ed. Schreyer	N.D.P.	Legislative Bldg., Winnipeg 1
RUPERTSLAND	Jean Allard	N.D.P.	602 - 245 Provencher Ave., St. Boniface
ST. BONIFACE	Hon. Laurent L. Desjardins	N.D.P.	357 Des Meurons St., St. Boniface 6
ST. GEORGE	William Uruski	N.D.P.	Box 580, Arborg, Manitoba
ST. JAMES	Hon. A.H. Mackling, Q.C.	N.D.P.	Legislative Bldg., Winnipeg 1
ST. JOHNS	Hon. Saul Cherniack, Q.C.	N.D.P.	Legislative Bldg., Winnipeg 1
ST. MATTHEWS	Wally Johannson	N.D.P.	23 - 500 Burnell St., Winnipeg 10
ST. VITAL	D. J. Walding	N.D.P.	31 Lochinvar Ave., St. Boniface 6
STE. ROSE	A.R. (Pete) Adam	N.D.P.	Ste. Rose du Lac, Manitoba
SELKIRK	Hon. Howard Pawley	N.D.P.	Legislative Bldg., Winnipeg 1
SEVEN OAKS	Hon. Saul A. Miller	N.D.P.	Legislative Bldg., Winnipeg 1
SOURIS-KILLARNEY	Earl McKellar	P.C.	Nesbitt, Manitoba
SPRINGFIELD STUDGEON CREEK	Hon. Rene E. Toupin Frank Johnston	N.D.P. P.C.	Legislative Bldg., Winnipeg 1 310 Overdale St., Winnipeg 12
STURGEON CREEK SWAN RIVER	James H. Bilton	P.C.	Swan River, Manitoba
THE PAS	Hon. Ron McBryde	N.D.P.	228 Legislative Bldg., Winnipeg 1
THOMPSON	Joseph P. Borowski	N.D.P.	La Salle, Manitoba
TRANSCONA	Hon. Russell Paulley	N.D.P.	Legislative Bldg., Winnipeg 1
VIRDEN	Morris McGregor	P.C.	Kenton, Manitoba
WELLINGTON	Philip M. Petursson	N.D.P.	681 Banning St., Winnipeg 10
WINNIPEG CENTRE	J. R. (Bud) Boyce	N.D.P.	777 Winnipeg Ave., Winnipeg 3
WOLSELEY			1

THE LEGISLATIVE ASSEMBLY OF MANITOBA 2:30 o'clock, Wednesday, July 5, 1972

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Finance.

HON. SAUL CHERNIAK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to table the report of the Manitoba Lotteries Commission, accompanied by the Auditors reports in the same folder.

MR. SPEAKER: Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is to the Minister of Finance and may I simply express from this side, on his return, our condolences for the passing of his father.

I wonder if the Minister could indicate whether in the discussion that took place with the Federal Minister of Finance any proposals for income tax reductions for Manitoba and for Canada were discussed.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, there were a number of matters discussed at some length. The specific item referred to by the honourable member was indeed dealt with in the terms of Manitoba's long-standing request that there be a mechanism whereby the Manitoba Government could make selective tax reductions in rates, and I can report no progress in that respect. May I just elaborate by saying that there was no indication for selective tax reductions other than, as this House is well aware, the property tax, Education Property Tax rebate which was passed by this House.

MR. SPIVAK: A supplementary question. I wonder if the Minister of Finance could indicate whether there was some indication given to the Federal Government that Manitoba would be reducing it's income tax, personal income tax.

MR. CHERNIACK: Mr. Speaker. I do not think that we would favour even the Federal Government or the kind of information that we are not prepared to favour this House with, since it's a matter of policy.

MR. SPIVAK: Mr. Speaker, I have another question for the Minister of Finance. I wonder if he could indicate whether any information was given with respect to the forecast of jobless situation in Manitoba for the coming winter season. And if he did, would he indicate what those figures were?

MR. CHERNIACK: Mr. Speaker, this was not the occasion for us to make that kind of information available to the Minister, Federal Minister, rather that he discussed with us the situation and the fact that they in the federal level have not yet reached the stage in making any forecasts of the jobless situation. We did indicate however that for all of Canada we did not see the probability of a reduction below the six percent but in relation to all of Canada, which is what we did discuss. May I say in the same respect that we have urged, and are continuing to urge, a quick indication from the Federal Government of the plans that are being formulated by them, or if they are being formulated in relation to special employment programs.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'd like to direct a question ...

MR. SPEAKER: The honourable member has had two. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my first question had a supplementary. The next was a second question. It was not related to the first item and I do not believe that I have asked two supplementaries on that question. I would like now, Mr. Speaker, to ask a supplementary. I wonder if the Minister of Finance could indicate whether the Federal Minister of Finance agreed with Manitoba's forecast of unemployment for this coming winter season?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I don't want to speak for the Federal Minister. I would say that he listened to our statement in that respect and did not indicate agreement.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: I'd like to direct a question to the First Minister. I would wonder whether he could indicate whether negotiations are taking place between the government and NATO, or the Department of Defence, in respect to the use of Churchill or Shilo, or any other of the Manitoba areas.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, as the honourable member will appreciate the government of a province would not be negotiating with any foreign power. However, I have had communication from the Minister of Defence indicating that there was some interest on the part of a NATO country in the use of Camp Shilo as a training ground in 1973/74 and possibly 75, and to that end the Minister of Defence, the Honourable Edgar Benson will be in Winnipeg possibly in the next two weeks.

MR. BEARD: A subsequent question. Would there by any further indication as to why the Armed Forces are taking up the buildings as they become vacant at Fort Churchill.

MR. SCHREYER: Mr. Speaker, I'm sure that the Honourable Member for Churchill will agree that that is good news regardless of the particular reason they are so doing. The only information I have is that the Department of Defence of Canada feels that it requires these facilities on a contingency basis pending developments in Arctic training, etc.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. I. H. (IZZY) ASPER (Leader of the Liberal Party) (Wolseley): Mr. Speaker, my question is for the Minister of Industry and Commerce. In view of the fact that Tantalum Mining Corporation has now lost its lawsuit to the extent of \$5 million to General Host of New York and has now confirmed that it owes the \$5 million.

MR. SPEAKER: Order please. The honourable member place his question?

MR. ASPER: Does this loss of \$5 million place in jeopardy the MDC proposed investment of \$1.5 million?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

 $\mbox{HON.}$ LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): No, Mr. Speaker.

MR. ASPER: A supplementary, Mr. Speaker. What security will the people of Manitoba through MDC be given for the loan now?

MR. EVANS: Mr. Speaker, we hope to make a statement in the near future at an appropriate time and I can assure you that it will be good news not the doom and gloom attitude or suggestion of the honourable members and Leader of the Liberal Party.

MR. ASPER: A further supplementary but point of order, the point of privilege rather is that I made no suggestions or statement in my question about doom and gloom or anything. The supplementary question, is it true as reported in today's Globe and Mail that the Government of Manitoba has made further guarantees of obligations of Chemaloy and Tantalum Mining Corporation.

MR. EVANS: Mr. Speaker, I have already indicated to members of the House that a government statement will be forthcoming in the near future.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD McGILL (Brandon West): Mr. Speaker, my question is for the Honourable the Minister of Industry and Commerce. Has the government through the MDC exercised its option to purchase a 15 percent interest in Tantalum's Bernic Lake Mine as indicated in this morning's Globe and Mail.

MR. EVANS: Mr. Speaker, the answer I gave in reply to the previous question I think should suffice for the Honourable Member from Brandon West as well.

MR, SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture but in his absence I shall direct it to the Acting Minister, concerning the seriousness of the grasshopper situation in parts of Manitoba. I wonder could we get the information as to whether it's correct or not, all supplies at the wholesale level have been purchased by the Department of Agriculture in the Province of Manitoba. Is this correct?

MR. SPEAKER: The Honourable Minister of Transportation.

 ${\tt HON.}$ PETER BURTNIAK (Minister of Transportation) (Dauphin): Mr. Speaker, as Acting Minister, I'll take that as notice.

MR. EINARSON: A second question, Mr. Speaker, in view of the very great concern of

(MR. EINARSON cont'd).... many farmers in Swan River and many other points in northern Manitoba and along the Red River, could the Minister indicate what policy is being followed in seeing to it that the farmers receive this spray.

MR. BURTNIAK: Again, Mr. Speaker, I'll take that as notice as well.

MR. EINARSON: A third question, Mr. Speaker. Would the Minister also indicate what will the price be to the farmer for a gallon of hoppertox and lindane.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. BURTNIAK: Mr. Speaker, I have suggested already on two occasions that I'll take the questions as notice, and I perhaps should indicate that I'll take that as notice as well. But perhaps the honourable member should wait until the Minister of Agriculture is in the House and ask him the questions that he referred to today.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, some time ago the Honourable the Member from Thompson had asked a question relative to the possibility of restrictions being placed on the use of DDT. I indicated at the time that I would check further but that I believe that the Government of Canada had taken action with respect to the uniform application of restrictions on the use of DDT across Canada – and upon checking, I am advised that in fact the use of DDT under federal law is now restricted to 22 categories of use, considerably below the 60 identified categories of use that was in effect prior to the imposition of the restrictions. And that furthermore, this is being applied uniformly across Canada.

While I'm on my feet, I'd like to advise the Member for Rock Lake that the Minister of Agriculture has advised me that they are very well aware of the incipient problem of grass-hopper infestation both with respect to this summer and certainly with respect to next summer as well. Current signs are that it may be even more serious next summer and for that reason the department has taken steps to gear up for the possible purchase of supplies on a jobber or wholesale basis of the required chemicals. I would like the Honourable Member for Rock Lake however to be aware that if this program is carried out in this fashion that it will mean some deviation from the past practice of relying on private enterprise to get the chemicals distributed in traditional ways.

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, a question to the Premier as a result of his statement. Is the Provincial Government going to take action to ban some of the other chemicals that, while not called DDT in fact have a high concentration of DDT in them?

MR. SCHREYER: Mr. Speaker, the suggestion implicit in the honourable member's question certainly will have to be taken up with the appropriate staff people, and if necessary consideration will be given to the province taking action if the Government of Canada for some reason or another feels that it wouldn't be advisable.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. My question is to the Minister of Finance - and may I take the liberty to express my own and the Liberal Party's condolences and sympathy in the passing of his father also.

My question is, in view of the substantial amount of foreign debt owed by the Province of Manitoba and its instrumentality, and because many respected observers of international monetary affairs are predicting an upheavel in currency values following the devaluation of the British pound - my question is, will the Minister inform the House what steps his department is taking to protect and improve Manitoba's position in international monetary markets to protect its debt position, both short term and long term.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, firstly may I also ask your permission to thank honourable members who spoke to me about my personal loss.

In reply to the question itself, there are a number of assumptions which remind me of the fact that the Minister of Finance of Germany, I think resigned yesterday and I'm wondering whether I should be more cautious --(Interjection)-- The domino theory may apply. Mr. Speaker, it will be of interest no doubt in replying to the honourable member, if I indicate that a survey of the borrowings of the Province of Manitoba in the last two and a half years would indicate that there has been a greater outflow of actual foreign cash from the Province of Manitoba to some \$45 million in excess of the inflow of foreign cash. So that the suggestion that Manitoba is very heavily encumbered with foreign debt is one which I reject and which I

(MR. CHERNIACK cont'd) say is very much within the control of the province.

As to what steps are being taken, it is a question of cautious observance and the knowledge that we are not in any desperate situation and are in a position where we can sit back and evaluate the developments as they take place because the fact is that we are now at a stage of immediate variation due seriously to the - probably to the resignation of the Minister of Finance of Germany, the Premier of France, this morning I believe. All these of course are unsettling. The election which is taking place to the south of us, or the election campaign too, if a factor, as may well be the election which will take place federally within this country itself in the near future. All of these are factors of which we are aware over which we have little control.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: A supplementary question, then, Mr. Speaker. While we're aware of how much foreign capital is leaving Manitoba, my question really was, does the Minister or his department regularly engage in foreign currency transactions to stabilize forward pushing of foreign currency in order to stabilize our debt position, which could be affected by several millions of dollars if we don't.

MR. CHERNIACK: Mr. Speaker, firstly I think the honourable member has misunderstood my statement when he repeated it in such a way as to indicate that foreign capital is leaving the Province of Manitoba. That is not the statement I made. I said that foreign currency has been paid out by the Province of Manitoba substantially in excess of foreign currency having been received by Manitoba. And to be a little bit more explicit, the amount of payoffs, both in terms of principle and interest in foreign currency by the Province of Manitoba greatly exceeded the borrowings that the Province of Manitoba had in the foreign market, so that there's quite a difference in interpretation.

Secondly, I would say that the Government of Manitoba does not speculate on the market. and if the honourable member is suggesting we ought to be buying in advance in the event of speculation, then I would say that we have not done so. If he wants to explore that I would be happy to discuss that with him. I would only say that we are aware of our immediate commitments so when I say that, I would say for the next year and feel relatively assured that we have sufficient moneys to take care of the requirements for the next year in payoffs. May I also say that we have substantial moneys on what we call the Swap Market in Europe where there is considerable moneys in the possession or owned by the Province of Manitoba in foreign currency.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: A supplementary then. Just to take the last part of your response, Mr. Minister, the Minister's response is the Department of Finance of Manitoba prepared to explore that avenue of forward purchasing as an avenue of mustering savings in our foreign markets?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I thought I made it clear that we are indeed, we do do that, we do explore that, we have taken care of what we consider the immediate problem - and I say "immediate" being in terms of let us say the next period of months, and I don't think there's any further to be done. The fact is we don't want to hedge or speculate on the market other than what we know are our requirements, and for that we have substantial moneys in foreign currency now.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. Is it the intention of Autopac Corporation to take over the functions of the Motor Vehicle Branch?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, that's a policy question.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to file a Return to an Order of the House No. 22 filed by the Honourable the Member for Portage la Prairie.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MATTER OF GRIEVANCE

MR. PETE ADAM (Ste. Rose): Thank you, Mr. Speaker. I'd like to rise on a point of privilege at this time if I'm in order. It has to do with an article that appeared in the June 14th

(MR. ADAM cont'd) issue of the Dauphin Herald under the heading of "McKenzie Reports" by one Wally McKenzie, MLA for Roblin. The article is completely false. It refers to me, Mr. Speaker, and in case that some of the people in my constituency have been confused by this falsification I want to set the record straight. The article reads, "Cattle rustling no problem in the province, says NDP", falsification No. 1: "This week the Manitoba legislature of the NDP Majority made it clear that they do not believe that cattle rustling is a problem in Manitoba. Progressive Conservative, Harry Graham of Birtle-Russell had introduced a resolution calling for stiffer penalties for cattle thieves and for more conscientious enforcement of existing laws. Attorney-General Al Mackling voiced the NDP position when he denied that any new action to control rustling was necessary. One of the leaders of the NDP fight against this resolution was A. R. Pete Adam, the newly elected member of Ste. Rose. 'The Attorney-General's attitude is bad enough', said one PD spokesman 'but Pete Adam should know that this is a problem that affects his area as seriously as any other.'"

Mr. Speaker, the record will show that last year in this House, I supported a resolution by the Member for Birtle-Russell. In fact I gave his resolution some substance with facts and figures, and I supported that resolution again this year and brought it an amendment which was supported by my caucus – all the members in my caucus – and the opposition brought in a sub amendment which they knew that we couldn't help but defeat, and the motion as amended was accepted ...

MR. SPEAKER: Order, please. I do think the honourable member has made his point. Order, please. The honourable member may use whatever legal resources that are at his availability, but I do not think that this House can retract something it hasn't done.

Oral questions. The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I just wonder what the disposition of this question of privilege is? I wanted to comment on it because I don't think it constitutes a question of privilege. A question of privilege is one that affects the privilege of the members of this Chamber, only as it affects the members of this Chamber and their responsibilities within this Chamber. This matter is completely outside that area and therefore does not qualify as a question of privilege under any circumstances.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if it's your ruling, Sir, that a statement made by a member in this House, that is then allegedly grossly misrepresented or distorted by another honourable member in writing a column in a newspaper; if it is your ruling that because the breach of an honourable member's privilege in a sense has taken place but not within the confines of this Chamber, then according to my best understanding of the rules of this House I would concur with you, Sir. Certainly if the Member for Roblin in this case had made the same kind of statement in this House, it would according to my understanding of the matter it would constitute a valid point of privilege which could be then raised by the Member for Ste. Rose. But inasmuch as the matter which the Honourable Member for Ste. Rose disputes about has to do with an article in a newspaper, even though it's written by an honourable member of this House, I do not believe comes under the purview of this House or the Speaker to be able to remedy it for him.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I would ask you to rule whether or not the Member for Ste. Rose has a question of privilege.

MR. SPEAKER: I do believe that I indicated that the honourable member had a question. He indicated he wanted to explain something. I would concur with the two members who spoke on the point of order that it was not a matter of privilege, and I did indicate to the honourable member that he could avail himself of whatever legal resources were available to rectify the matter that was indicated.

The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I would liked to have spoken to the point of order on the matter of privilege. My suggestion is that any member of this House who feels he's been abused by a journalist, and from time to time we do have that feeling that a journalist has misquoted us, the Member for Ste. Rose can take libel action if he so chooses.

MR. SPEAKER: Oral questions. The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I'd like to speak on the same point of order. There has

- (MR. BOROWSKI cont'd).... been a precedent set in this House where other members have rose on a point of privilege and have complained because of something in the paper, and I ask you to reconsider the decision that he has just as much right as any other member to get up in this House. He may not have the right to demand an apology, but surely he has the right to get up and make a correction if there's no question that he is accurate in the statement that he is making.
- MR. SPEAKER: Order, please. I should like to indicate that the floor has been denied to no one and I do believe it will not be denied in the future either, so there is no question on that matter. The Honourable Member for Crescentwood.
- MR. CY GONICK (Crescentwood): I have a question for the Attorney-General. Has the Attorney-General received an itemized expense account from the three candidates in the Wolseley by-election as of yet?
 - MR. SPEAKER: The Honourable Attorney-General.
- HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): Not to my knowledge, Mr. Speaker, although I think pursuant to the provisions of the Act the information is sent to the Chief Returning Officer.
 - MR. SPEAKER: The Honourable Leader of the Opposition.
- MR. SPIVAK: Mr. Speaker, my question is to the Attorney-General. I wonder whether he or officials of his department have had the opportunity of examining Quebec's proposal to radically expand the search and investigation powers of the Quebec Police Commission?
- MR. SPEAKER: Order, please. I have no reason to believe that it's valid to the procedures of this House.
 - The Honourable Leader of the Opposition.
- MR. SPIVAK: Mr. Speaker, with all due reference, I'm asking the Attorney-General whether he's had an opportunity of examining an act that has been introduced in the ...
- MR. SPEAKER: Order, please. If the honourable member can prove to me that it's a procedure of this House, I'll accept it.
 - The Honourable Member for Point Douglas.
- MR. DONALD MALINOWSKI (Point Douglas): Mr. Speaker, I would like to direct my question to the Honourable Minister of Attorney-General, and ask him whether in view of the decision of the Supreme Court concerning breathalyzer, I wonder if the Honourable the Attorney-General would indicate to the House what should be done if a thief will break into my house, whose lawyer shall I call to ask him what he's doing in this house?
- ${\tt MR.SPEAKER:}$ Order, please. The question is hypothetical; out of order. The Honourable Leader of the Opposition.
- MR. SPIVAK: My question is to the Attorney-General. I wonder whether he can indicate to the House whether the government is considering the constitutional implications of the act brought into the Quebec Legislature dealing with the extension of search investigation powers by the Quebec Police Commission?
 - MR. SPEAKER: The Honourable Attorney-General.
- MR. MACKLING: Mr. Speaker, I haven't had an opportunity to examine the bill that the Honourable Leader of the Opposition refers to. It may be an interesting matter for consideration particularly at discussion of Attorneys-General, if and when they meet again later on this year.
 - MR. SPEAKER: The Honourable Leader of the Liberal Party.
- MR. ASPER: My question, Mr. Speaker, is to the Attorney-General. In view of the Manitoba Bar Association's submission to the Government of Manitoba suggesting that Bills 5 and 6, the Succession Duty and the Gift Tax Act may be unconstitutional because of their retroactivity, is there any plan on the part of the government ...
- MR. SPEAKER: Order, please. The House has already made a decision second reading in principle on these matters. It's out of order. The Honourable Member for Thompson.
- MR. BOROWSKI: Mr. Speaker, I have a question for the Attorney-General. In view of his great concern for various lawbreakers in Manitoba, I wonder what action he's taking to safeguard the rights of Bertha Rand who is being persecuted because she has more than three cats?
 - MR. SPEAKER: The Attorney-General.
- MR. MACKLING: Mr. Speaker, I don't take umbrage at the phrase that I'm concerned about the welfare of lawbreakers, I'm concerned about the welfare of all people of Manitoba as

(MR. MACKLING cont'd) a responsible member of this Cabinet.

In respect to the case that the honourable member refers to, I have spoken on a number of occasions with the lady in question. I consider her to be very dedicated to the preservation of animal life and I respect her views, but the fact nevertheless remains that there is a law and it's expected that she will abide by the law.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, my question is directed to the First Minister and in particular his comments with regard to chemicals. I wonder if he is aware that the government have purchased all chemicals – bulk purchased the chemicals. The farmers in my area are finding that going to their traditional suppliers they are unable to do so. I wonder if the First Minister has any plans to release or distribute some of this chemical for sale to the farmers if they so desire to purchase it?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I can answer the question only in part but may I say that I have been advised that the problem is much along the lines that the Member for Swan River has just described. That in fact there is a rather amazing and unacceptable differential in price being charged for various chemicals as between one region of Manitoba and another and as between one distributor and another. And that for that reason the Department of Agriculture is studying in as systematic a way as it can the feasibility of procuring adequate supplied of pesticides so that there need not be any significant differential in price to the ultimate user, the farmer.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: I wonder if the First Minister could assure the House that the need is great and the farmers are waiting and wanting this material now.

MR. SCHREYER: Mr. Speaker, since my information on this is several days now out of date, I will have to await the Minister of Agriculture in order to have the Member for Swan River given up-to-date information on it. I believe in any case that the Minister of Highways the Acting Minister of Agriculture has taken this as notice. Hopefully a reply can be given tomorrow.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. Are there any plans to increase the commission rates for Autopac agents for 1973 and 1974?

MR. SPEAKER: Question of policy. The Honourable Member for Brandon West.

MR. McGILL: Mr. Speaker, my question's for the Honourable Minister of Industry and Commerce. As the result of loan guarantees provided to Tantalum Mining Corporation by MDC, does MDC now have an option to buy a further ten percent interest in Tantalum Mining Corporation?

MR. SPEAKER: The Honourable First Minister on a point of order.

MR. SCHREYER: Earlier this question period, the Minister of Industry was asked the same question or substantially the same question to which he replied that a statement would be made very soon. I believe it can be said that a statement should be forthcoming on Friday, certainly if not Friday then Monday next. I believe that's correct.

MR. SPEAKER: The point is well taken. The Honourable Leader of the Opposition.

MR. SPIVAK: On the point of order, there is a substantial difference between owning 15 percent and 25 percent as the Leader of the House should know.

MR. SPEAKER: Order, please. Order, please. The Honourable Member for Point Douglas.

MR. MALINOWSKI: Mr. Speaker, I would like to direct my question to the Honourable Minister of Consumer Affairs. Is the Honourable Minister aware of the fact that the Uncle Ben Company is manufacturing soft drinks and selling them in beer bottles which creates confusion when they are used on the school grounds and I have received complaints from the teachers on this matter?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I've become aware of it. I noticed an article in the press the other night referring to it. Apparently this is maybe an extremely popular container but it does create confusion and I think concern and I'll have the matter looked into.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question's to the First Minister. I wonder whether he can indicate whether he 's been in contact with the Prime Minister for a Dominion-Provincial Conference with respect to the issue of unemployment?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, of course as I indicated to the Prime Minister last fall, last October, that there was need to convene a Dominion-Provincial Conference some months in advance of winter unemployment, and the Leader of the Opposition will recall that at the time the Prime Minister did not particularly appreciate my suggestion. But in any case, with reference to the coming winter and prospects of unemployment, it is certainly the intention to make representation to the Government of Canada that there ought to be a convening of a Dominion-Provincial Conference once again well in advance so as to better coordinate and liase with respect to winter works. However that will be done within the course of the summer.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, I wonder if the First Minister can indicate whether it was in the last month he has corresponded with the Prime Minister asking for such a conference?

MR. SCHREYER: Well, Mr. Speaker, two points. First of all the Minister of Finance has had some direct discussions with his federal counterpart on fiscal policy generally and specifically as regards policy to alleviate impending winter unemployment. The second point is that any sense of urgency with respect to the necessity of a federal-provincial conference on unemployment ought to be shared by all provinces and by most of the provinces more than Manitoba, since ours is the lowest rate of unemployment at this time. Nevertheless the validity of such a conference is not questioned here and we shall be making a direct request for such a conference early this fall.

MR. SPIVAK: One supplementary, Mr. Speaker. I wonder if the First Minister can indicate whether he has corresponded with any of the Premiers of any of the provinces in the last month asking for such a conference?

MR. SCHREYER: There has already been preliminary communication in this respect although the Leader of the Opposition should realize that we have just come through, we have just completed the last winter's winter works program, but in any case the Minister of Finance of Manitoba has communicated with his federal counterpart on this specific question and then it will be carried forward at the First Minister level early this fall.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, a question to the Minister of Health and Social Development. Further to the questions that were raised in the House on Monday regarding the proclamation of the Denturists Bill, can the Minister now advise the House of a target date for the proclaiming of this bill that was passed a year and a half ago?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Mr. Speaker, it's very difficult to pin it down to a target date in the future because meetings are still being held, and hopefully that it should be very soon in the future.

MR. ASPER: A supplementary. In view of the statement of the Minister to the House on Monday that the regulations which are the centre of the bill have been prepared, will the Minister table those regulations for debate or . . . by the House?

MR. TOUPIN: Mr. Speaker, the answer that I gave to the House was that the regulations had been worked on by the department, were prepared in consultation with the groups concerned but were not accepted by government. So it's not for publication at this stage.

MR. ASPER: Supplementary or clarification. Did I understand the Minister to say that the denturists and the dentists had agreed but the government had not agreed?

MR. TOUPIN: No, Mr. Speaker, I did not indicate such. I said that in consultation with groups concerned the Department of Health and Social Development had the regulations prepared but there wasn't a very clear consensus to allow us to proclaim the act.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I would like to direct a question to the Minister of Industry and Commerce. Can he advise whether Northwest Industries in Transcona is moving its manufacturing facilities to Calgary?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I'll take the question as notice.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. GONICK: I have a question for the Minister of Finance. In view of the interest in this House on the inflow and outflow of foreign currency can the Minister possibly table the data that he has on this subject?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Well, Mr. Speaker, it's not that lengthy that possibly I can just give the summarized portion of it to the House now. This is for the period January 1, 1970 to June 30, 1972. The borrowings by the Province of Manitoba in foreign currencies totalled \$62 million. There was during the same period of time - this is a financial term, they call it Retiral of the Province of Manitoba Debt, I suppose it means retirement of debt - during the same period amounted to \$52,550,000, making a net borrowing of \$9,450,000.00. Interest payments made during the same period in foreign currency and foreign bonds purchased in excess of provincial holdings of matured issues totalled \$55,126,250, thus making a net outflow of cash, foreign cash, during that period of \$45,676,250.00. I should say to round out the picture that this does not take into account the swaps which I've referred to, the holdings in foreign currency which I believe is somewhere in the neighbourhood of some \$70 million, and does not take into account the purchases by the utilities of foreign manufactured goods for which payment was made, and there was an additional outflow in that respect.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, Mr. Speaker, my question is to the Minister of Finance. I wonder whether he can indicate whether in the past few months he received communication from the Bank of Canada suggesting that they should not continue with negotiations with foreign lenders with respect to any of the borrowing of the province?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, not only did we not receive any such request but the fact is that they are fully aware, as is the Federal Department of Finance and the Minister of Finance, aware of our plans and there has been absolutely no criticism, Sir, made by any of them in respect to our plans.

MR. SPEAKER: Orders of the Day. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, moving to Orders of the Day, would you call Bill ... I'm sorry.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: I have a question for the Minister of Health. In view of the serious disturbance or the riot in Headingley and one over the weekend at Vaughan Street, could he indicate whether there has been any serious disturbances in the other institutions this year in Manitoba?

MR. TOUPIN: Well, Mr. Speaker, the Honourable Member for Thompson is qualifying his question by saying serious. There have been incidents and to report to the House the number of incidents in our institutions in the province I would have to take the question as notice. Serious incidents apart from Headingley and Vaughan Street I cannot at this time recall any that were as, or more serious, than the two quoted.

MR. BOROWSKI: Mr. Speaker, is he aware that a guard had his head bust open in January and was off on compensation for three months at Brandon?

MR. TOUPIN: Yes, Mr. Speaker.

MR. BOROWSKI: Is the Minister taking any action as a result of the assault on a guard over the weekend in Brandon again?

MR. TOUPIN: Yes, Mr. Speaker.

MR. BOROWSKI: A question for the Attorney-General. Is he causing to have an investigation as the result of the low morale in our institutions because of the attitude of the Department of Health and Social Development towards prisoners?

MR. SPEAKER: Order please. Order, please. I should indicate that the honourable member continually keeps expressing opinions which are contrary to our procedures. I should like to indicate to him, as I have indicated many times before, a question oral or written must be to obtain information and not to supply information to the House. The Honourable Minister of Health.

MR. TOUPIN: On a point of privilege. In the opinion of the Member for Thompson he's allegating a poor morale within the Department of Health and Social Development. This happens to be his humble opinion, it is not mine and it is not the opinion of this Cabinet, and he may feel that he is in a better position than any of us on this side to make that type of assessment.

(MR. TOUPIN cont'd) I can only say that the Honourable Member for Thompson is not helping in the morale that exists within my department.

- MR. SPEAKER: The Honourable Member for Thompson.
- MR. BOROWSKI: Mr. Speaker, I don't know if that was a question of privilege that the Minister had. My question is when you asked whether I was entitled to express an opinion, I was not expressing an opinion, Mr. Speaker, I was stating a fact ...
- MR. SPEAKER: Would the honourable member place his question? Order please. This is not the debating hour, this is the question period. The honourable member may place a question.
- MR. BOROWSKI: The question is to the Attorney-General. Is he going to have an investigation done in our penal institutions regarding the attacks that have been taken in the recent months on the guards?
 - MR. SPEAKER: The Honourable Attorney-General.
- MR. MACKLING: Mr. Speaker, any altercation that involves assault or any alleged wrongdoing is investigated either through the Health and Social Development Department itself or through the aegis of the Attorney-General's Department. That has been the case in the past under previous administrations and will continue to be the policy. I am also aware of the fact that a comprehensive review of the correctional program conducted under Health and Social Development is in the work and I'm sure there will be wide-ranging recommendations involved in that.
 - MR. SPEAKER: The Honourable Member for Rupertsland.
- MR. JEAN ALLARD (Rupertsland): Well, Mr. Speaker, I have a question for the Minister of Industry and Commerce, and Mines and Resources. In view of the urgency of the situation that was raised in Norway House Airport, could be advise the House if he has secured any information yet as to the land situation, the provincial position?
 - MR. SPEAKER: The Honourable Minister of Industry and Commerce.
- MR. EVANS: Mr. Speaker, I have relayed the honourable member's question to the staff. I have not yet received a reply.
 - MR. SPEAKER: The Honourable Member for Arthur.
- MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, in the absence of the Minister of Agriculture I direct a question to the First Minister. My question to the First Minister: is it a fact, an actual fact that the government are aware of, that the differential in the cost of insecticides as reported by the Minister of Agriculture is correct?
 - MR. SPEAKER: The Honourable the First Minister.
- MR. SCHREYER: Mr. Speaker, I'm not in a position to indicate with any precision just what the price differentials are for certain given insecticides as between one rural community in Manitoba and another, but it's suffice to say that I've been advised by the Minister of Agriculture and he in turn has been advised that the price differential is substantial. The Member for Swan River, I believe, can attest to that fact as well.
 - MR. SPEAKER: Orders of the Day. The Honourable Member for Rupertsland.
- MR. ALLARD: I have a question for the Minister of Mines and Resources. In view of the pollution caused by the Norway House Hospital, has he advised the Clean Environment Commission to establish a study of the situation or lay charges?
 - MR. SPEAKER: The Honourable Minister of Industry and Commerce.
- MR. EVANS: Well, Mr. Speaker, anyone can apply to the Clean Environment Commission or anyone can lay a charge or make a statement of concern to the Clean Environment Commission which they are obligated to investigate. However, in view of the honourable member's concern I will personally discuss this with the Chairman of the Clean Environment Commission.
- MR. ALLARD: Well, Mr. Speaker, I didn't catch the last part of the answer of the Minister. Did he say that he would see to it that the Clean Environment Commission would establish an investigation of the situation?
- MR. EVANS: I believe there is a restricted license in effect now. In other words I believe that one ... was brought before the Clean Environment Commission. However in view of the honourable member's concern I will endeavour to discuss this matter personally with the Chairman of the Clean Environment Commission.
 - MR. SPEAKER: The Honourable First Minister.
- MR. SCHREYER: Mr. Speaker, I am wondering, Sir, if you would call Bill 103 -- I'm sorry.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: I hate to take up the time of the House, Mr. Speaker, but I have one last question for the Attorney-General. Is he aware that about two weeks ago a prisoner walked away from the Sprucewoods Correctional Institute and was allowed to escape to British Columbia because the guards were afraid to manhandle him because their Superintendent of the jail would penalize them?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Well, Mr. Chairman, apparently the honourable member is aware or is assuming some facts that I'm not aware of, and certainly if the facts are as he indicates, you know, there is some cause for concern, but I'm not aware of the facts that he relates.

MR. SPEAKER: The Honourable First Minister. The Honourable Member for Thompson.

MR. BOROWSKI: One final question, Mr. Speaker. Is the Attorney-General considering changing the heads of the correctional institutions at Brandon and at Headingley where all the trouble is taking place?

MR. SPEAKER: Order, please. Policy question. It's out of order. The Honourable Attorney-General.

MR. MACKLING: The Honourable Member for Thompson, having been a member of this Cabinet, is aware of the fact that the Attorney-General does not have in his department the institutions he refers to and I'm in no position to make policy statements in respect to them.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Order. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker. I notice that the honourable lady member for Fort Rouge is in her place and I'm wondering therefore if you'd call Bill 103.

MR. SPEAKER: Proposed motion of the Honourable Minister of Health. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, as the Minister stated in his opening remarks, this Bill 103 does seem to be largely a housekeeping exercise and this is probably to be expected since the Act governing the Manitoba Hospital Services Insurance Plan is relatively new and anomalies were bound to turn up. The bill provides for some new coverage and it's interesting to learn from this where the government's priorities lie. They will apparently cover the cost of the mentally ill or defective in hospitals or institutions outside the province. I find this a very interesting idea and wonder exactly what brings this situation about where it's necessary.

Perhaps the Minister will tell us whether this provision will include the care for emotionally disturbed children. We are without adequate children's psychiatric services in this City, which is unfortunate, and I would like to know whether emotionally disturbed children will therefore be sent out of the province to institutions elsewhere.

Also, I think we would like to have a little elaboration on what is and who is mentally ill or defective, because it seems to me that this bill will cover the costs of retarded persons in institutions as well depending on interpretation and for that matter intention.

It is interesting too to see that the government is providing for alternative methods for paying doctors besides the traditional fee for service. I presume this means sessional payments. This is not really that new. I know that at the Municipal Hospitals doctors have been paid on a sessional basis for some time ... this will also permit payment by salary, and it looks to me as if this is sort of readying the team for the community clinic which the government is considering. Now I realize I'm not supposed to use that term any more, we are trying to cool that one down a little bit, and I forget what they're being called at the present time. However I think that we've made it clear on this side that we are not against community clinics as such where they are needed. We have said this on several occasions, the concept is not that bad depending on exactly how the plans are carried forward.

The provisions concerning the Medical Review Committee are not that new at least it's not a new concept. We realize that the Medical Review Committee idea has been carried forward since 1956 and the old Manitoba Medical Association brought such a method of policing their own members. It is interesting though that the government is now placing itself in a position where it can set up such a review committee without the doctor's agreement. Previously it was necessary to have the agreement of the Manitoba Medical Association and the College of Physicians and Surgeons. I can't think why the Minister would feel that it was necessary to

(MRS. TRUEMAN cont'd) provide for setting up such a committee in the event that that consent or agreement has not been received, unless he's expecting some trouble. I think there's no doubt that the medical profession has co-operated completely in this matter of reviewing patterns of practice.

The principal sources of trouble, of course, are the lab services and X-ray. This is not a simple matter to say when a doctor is going beyond the normal range of usage of such services. For instance it's difficult in some instances to say what is absolutely necessary. So far I think there has been reasonableness on all sides. We know that sometimes a patient may come to a doctor and be seeking reassurance and may ask for certain tests. One of the instances when this sort of thing happens is when someone has died in the family of cancer and everyone has witnessed this dreadful situation and quite often people end up with imaginary pains in the chest or perhaps stomach cramps or something, and the only way to reassure that patient is to actually do that test and prove to them that they have no problem. However this sort of thing, I am sure, a matter of reason on the part of all those represented.

The lab services, I think, represent the greatest problem. During the period of January 1st to October 31st, 1971, this medical review committee reviewed the patterns of practice of 86 physicians: 16 were interviewed, 46 were warned, and fiscal sanctions were applied to eight. Now those that are warned receive a letter pointing out the areas of deviation and they are asked to try to correct their pattern of practice so that it's more in line with that of their peers. Their profiles are studied monthly thereafter, and if a correction is not noted in a reasonable time then they're subject to further study and retroactive fiscal sanctions.

I have had a look at some of these patterns of practice, it makes an interesting picture to see. I think that there is, as I say, a considerable amount of leeway and reasonableness. We all know that in an instance where a professor is teaching his students, and teaching them, of course, to be completely thorough, in diagnosing his patient's disease and of course in treating it. We know that in institutions such as the General Hospital, which is practically in effect a University hospital that usage is greater there than it would be in some other institution where teaching is not going on.

One instance that was brought to my attention of a doctor who was ordering more lab tests than the average, this particular was apparently under surveillance but was not told that his patterns of practice were high, and something like four months went by while he was being observed, but he was not warned. I see no reason to let a person go on perhaps innocently ordering more tests than some other doctors would and then leave him in a position of having fiscal sanctions applied which could make him look pretty bad, could be difficult for him to produce the money to repay. So that this is a flaw in the procedures of the Medical Review Committee, in my opinion, that the doctors are not warned soon enough.

I think that, too, we can't overemphasize the importance of insuring that an adequate investigation is made of a patient's condition and that the economic aspects of this must take their proper place in the order of things.

The appeal procedures are interesting. First of all, for some reason it said in the bill that where a doctor is to repay some of the funds that have been paid to him when he appears to have been over-servicing, it actually says that the notice must be served on him in the last address shown in the records of the commission. I don't understand why that ever got into a bill, because all one would have to do would be to move out. According to this Bill that's the only place where you can serve notice on him. I think that should be reconsidered. The appeal procedures provide for a board of arbitration of three doctors and it is interesting that the arbitration is binding. This is inconsistent with the sort of legislation that has been brought forward in Bill 81, and I just don't quite understand why if arbitration or binding agreements are abhorrent to this government why they are placed in any legislation.

As I have said, Mr. Speaker, I think it's interesting to see where the governments priorities are. There is increased coverage for mentally ill, for oral surgery, for care that is necessary when one is out of the province. These are all admirable additions to the coverage, but I am sorry to see that nursing home care was not important enough to this government to have been included. The costs of the additional coverage that would be necessary are not that great. I would have hoped that they would have had better priorities.

Well, Mr. Speaker, I think that Bill 103 is evidence to us now that the doctor who used to work for the patient and the patient was the doctor's sole concern, that that doctor is now working for the government and that the government is keeping an eye on them all the time, so

(MRS. TRUEMAN cont'd) the doctor has to keep an eye on the government. He has to watch the government's temperature, pulse, and respirations, and bellyaching, and he can no longer direct his attentions to the patient without these considerations. So I think we have reached that point in the crossroads and in Bill 103 we recognize once and for all that the doctor is now working for the government and that the patient takes his place alongside, that the patient is no longer necessarily the first and most important partner of a partner in the medical care team.

I believe that's all that I have to say on this Bill at the present time, Mr. Speaker. MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, if nobody else wishes to speak at this time I beg to move, seconded by the Honourable Member for Roblin, that debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I notice the Member for Lakeside bright and eager in his place, so would you call Bill 100.

MR. SPEAKER: Proposed Motion of the Honourable Minister of Tourism and Recreation. The Honourable Member for Lakeside. Bill 100.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, we have had the opportunity to peruse the bill before us, Provincial Parklands Act, and while there may be one or two additional comments that other members of the caucus wish to add to it, in principle, we have no objection to seeing this bill move forward expediously at this time. After all, Mr. Speaker, we recognize that while we were busy building and creating the parks, we must give this government the mechanism to administer them. And with that short remark, Mr. Speaker, I move the bill forward, or at least invite a few other comments on the bill but indicate to the House that we will be glad to see this bill move forward to the committee stage.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I intend to be as brief or almost as brief as my colleague, the Member for Lakeside, but I do want to add one or two of those comments to which he referred in his remarks.

My comments are favourable and complimentary insofar as this Bill is concerned. I think that it reflects a long necessary and a very progressive step in terms of guaranteeing that our parks and recreation areas are kept in the kind of condition in terms of operation that Manitobans desire. For far too long, unfortunately, there has been a growing tendency for behaviour of a sometimes rowdy and unacceptable nature to develop in some of our park areas. It's been behaviour that has been carried out by an irresponsible few, but it has resulted in a great deal of discomfort and discomforture for a great many responsible Manitobans and visitors to Manitoba who have been denied the opportunity to enjoy our parks and our recreation areas to the extent to which they would like because of some of these unnecessary and irresponsible disturbances.

The salutory thing about this legislation in my view is that it gives the Minister and his department the power to act and to act quickly to ensure that rowdyism, vandalism and lawlessness and general irresponsibility can be stopped in our parks and the condition of enjoyment which our parks deserve can be restored for those who like to enjoy the wilderness environment that our province has to offer so richly. I commend the Minister and the government for this legislation. I think it puts into statutory form in an effective manner the kind of ministerial clout, the kind of ministerial teeth that has long been necessary to ensure that our parks are operated in a proper lawful and beneficial manner for us all. It gives the Minister, as I said, the opportunity either through himself or through his own officers to act and act quickly whenever there is any kind of unsatisfactory and unacceptable behaviour and or any kind of lawlessness and that will be greeted very warmly by all Manitobans who enjoy the use of our outdoors.

Those are my few comments, Mr. Speaker, but I want to put them on the record because I think the legislation deserves the commendation of all members of the House.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker, my comments are going to be very short. I want to deal with a section in the proposed legislation, Mr. Speaker, which deals with the question of with raw al of land from municipalities and the power that the

(MR. GRAHAM cont'd) Lieutenant-Governor may have by regulation to set up provincial parks. And when he is dealing with the problem, — while he is asking for the power to more or less expropriate by withdrawal land from municipalities, local government districts and the like, I would ask him if he would also consider going one step further and including national parks; because it may possibly be, Mr. Speaker, that at some time we may want to take a portion of a national park and make it a provincial park because of the possibility there might be cross purposes in the operation of national parks and the provincial parks, and the purpose and usage of the same. At the same time I would ask the Minister if in his usage of this section, and land is withdrawn from a municipality, I would urge him to look at the total effect it will have on the municipality and refer the matter to the Minister of Municipal Affairs, because now we find with the five percent ceiling removed from the grant in lieu of taxes, we find it is possible now for the Province to suitably reimburse the municipality for the loss of revenue in the takeover of the land for the provincial parks.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, there has been a long-standing problem with regard to taxation on provincially owned land, and in parklands, and we have undergone quite a number of changes with regards to parklands and this is a significant piece of legislation before us, but one of the problems seems to persist and that is that people that have summer cottages in parklands or on government Crown land, are running across the difficulty of in some cases double taxation and in other cases, if not double taxation, at least inequitable taxation commensurate with the level of services which they receive. In some of the LGDs we have the best possible tax based system as far as the summer home occupant wishes to find because there the level of taxation is low and he lives on leasehold land. We have other areas, municipalities, where the taxation level is quite high, but at least it is one type of taxation and they live by the local rules, but we have had problems in areas such as Grand Beach where people have been paying what they thought was all that was required in forms of taxation to the Provincial Government, but were also being assessed a local taxation for the same service which turns out to be seriously inequitable, and in the Pinawa and the Lee River area there has been a problem there that I'm sure most members of the Legislature are aware of, because there have been communications at fairly regular intervals that have come to all of us and the system of taxation under which they occupy their government lands is also very inequitable. Their taxation level is high and of course they are all summer homes. It's very high in comparison to other provincial properties, very high compared to an LGD. Being summer occupants, and of course, they have no children that go to school, but they still pay the local school tax, although they are still on Provincial Government land.

Now I was hopeful that the Minister would be able to assure us and perhaps solve part of the problem through this while the Act is now open, by making the accommodation that would allow these people who have summer homes to get out from under this problem, and I would like to hear his comments on this question and see if any moves can be made at this stage to relieve the problem.

MR. SPEAKER: The Honourable Minister shall be closing debate. The Honourable Minister HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, I'd like to thank the honourable members for their comments. I am pleased to see that this Act, this proposed Act, is well received by all the Members of this House. It would seem to be that way anyway.

I would like to explain to the Honourable Member of Birtle-Russell that the section that deals with the withdrawal of parkland from municipalities and local government districts or school districts, now - and this is an answer also to the Honourable Member for Riel - this Act, of course, deals only with the parks property. I think, definitely I think that this section would give us, the Lieutenant-Governor-in-Council, the government, the power to withdraw this land from the assessment of the different municipalities. Many of the parks and recreational areas in the province now overlap municipal local government district or school district boundaries. The various municipal governments include in their assessment, in their assessment rolls, all privately owned improvements located on these parklands for taxing purposes, ... pay a standard land rental fee and in some instances a charge for the various services provided by the Parks Branch, pays that to the government, to the Parks Branch, and with rare exception no services are provided parklands received by the municipal agencies. School taxes are also levied in some areas though cottage owners do not have access to schools in these

(MR. DESJARDINS cont'd) areas. The Act proposes authority by Order-In-Council to withdrawal of the parks affected by these tax inequities, and it is true that in the past there has been what we might call a double taxation.

Now the Honourable Member from Birtle-Russell talks about national parks. Well I don't think it is in our power to expropriate national parks. I think that —I know the problem that the honourable member is talking about: it's something that we have discussed, and we would like to see something done, and I suppose that we'll have to keep on with making representation to the Federal Government and hope that we can solve that problem. But, of course, this is an Act dealing with the Parklands Act, and we have not the power, it can't be as far-reaching as that to correct all the inequities in taxation in the recreational areas on the cottages owned by private individuals on private lands. We are only concerned, I should say we are concerned but the only right that we have under this Act is to deal with the areas that come under, that are designated as parkland. We will have the people from the department, of course, and the committee, who will be able to answer some of the more specific questions that might be asked.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

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MR. SCHREYER: Mr. Speaker, Bill 93, the adjournment standing in the name of the Member for Birtle-Russell.

MR. SPEAKER: Proposed Motion of the Honourable Minister of Industry and Commerce. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. Bill 93 in my opinion, Mr. Speaker, is a very significant bill which has far-reaching implications throughout the Province of Manitoba. I am sure when this bill goes to committee there will be a great deal of expression of opinion from the various segments of the community of Manitoba. One of the concerns I have is dealing with the question of the committee, or the commission that is going to be set up and it is suggested here a commission of three plus an advisory committee, and I would suggest, Mr. Speaker, that in the area of advisory committee that we have numerous segments in our society that will be greatly affected. I would sincerely hope that representation of all sectors be adequately maintained to insure that members of the commission become fully acquainted with the implications of activity of the commission in the realm that the particular decision will affect. We find that, for instance, in the field of agriculture, I would suggest that the entire Province of Manitoba is going to be seriously affected by the intent of this bill and the proposed or the draft regulations that have been circulated throughout the province. If those draft regulations are in effect, the regulations that will apply to this act, because we find, Mr. Speaker, that there's cross purposes of governments expressed in this bill. We find in the Department of Agriculture that the Minister of Agriculture has used considerable time and effort on his behalf and on his part, and by members of his staff, in promoting the small farmer in the Province of Manitoba, by encouraging the small farmer to diversify, to raise a few hens, raise a few pigs, milk the odd dairy cow, and have some beef cattle on his farm. And yet we find now through another department, through the Minister who is responsible for the Clean Environment Act, that regulations - and we're not too sure what those regulations are going to be, but judging from the intent of this bill, the direction taken by the Minister here is to restrict those activities that the Minister of Agriculture is attempting to encourage. So we find a cross purpose or a sort of double standard which is being employed by this government. And I suggest to you, Mr. Speaker, that this is not the only area where we find the double standard being employed by this government. Instead of encouraging the small farmer to stay on the farm, this act will encourage him to leave the farm, and in fact this act as I read it, is working only to the advantage of the large corporate farmer, the large farmer who has the capital and the resources to build the isolation strip which this act demands to protect his operation, or to, in other words, to protect one complainant from the operation of his farming enterprise.

So I have to say that this act is not acting in the best interests of the Department of Agriculture in the direction that the Minister of Agriculture is taking in this province. It will definitely encourage the operation of large corporate farming operations where they will have large tracts of land solely for the purpose of isolation which this act is going to demand. And I don't think that that is in the best interest of the agricultural economy of Manitoba, nor in fact in the interests of the people of Manitoba as a whole. We've heard numerous debates on this very subject of centralization and the role of the small farmer and I would seriously ask the Minister to reconsider in the light of the evidence we have brought forward here, the implications of this act on the role of the small farmer.

We find that the license that will be granted will be granted annually. It will be the discretion of the environmental officers to renew or cancel the license and if he wants improvements made, the small farmer is the man who is least able to afford the changes, the expensive changes of his operation.

We also find a rather strange thing in this act, Mr. Speaker. For many years we have had complaints from all members of the House depending on which side of the House they were sitting at that particular time, dealing with the power invested in regulations, but now we find that even the Lieutenant-Governor-in-Council will not be really setting all the regulations; that the regulations can in effect be set by the commission and the commission shall not approve the proposal until it meets the limits prescribed by the regulations which they set. But the rather strange part of it, Mr. Speaker, is the fact that where at the time of the receipt of a proposal where limits have not been prescribed by the regulation, we find that the commission shall require the person to submit an application to prescribe the limits, and the person shall then comply with the limits prescribed by the commission, so what does this mean? That the person—where there is no specific regulation laid down, the commission can set their own regulations,

(MR. GRAHAM cont'd) but they ask the person who is applying for a license to set what he considers to be the limits that should be reasonable for the operation, and then they will in turn, the commission then, in turn, will set the regulations. This seems to me a rather strange procedure, Mr. Speaker. The entire system of the regulation to me seems rather strange where they can be changed from time to time without reference to the Lieutenant-Governor-in-Council, that the commission itself can change the regulations, and in fact the environmental officer, and we don't know how many of them there are going to be may in fact give his interpretation to the regulations or set regulations pertaining to any particular circumstance.

Mr. Speaker, consistency in law and consistency in regulations I think are essential to provide direction both to those enforcing the law and those that have to abide by the law. And here I see a conflict or a confusion, or lack of direction which can confuse more people than it can help. And I would hope that when this goes to committee this particular situation can be cleared up so that we do know that regulations, whether they be incorporated in the act, or regulations as laid down by the Lieutenant-Governor-in-Council, will be the regulations that effect the implementation of this act, and that officers of the Clean Environment Commission will not be setting their own regulations to cover any particular item as they see fit.

The question of the appeal does cause me a little concern, Mr. Speaker, not because of the method of appeal but whether or not we may be overlaoding the municipal board, and in fact making the municipal board labour under a very very heavy load. I would maybe suggest that there may be an independent board other than the municipal board set up specifically to hear the appeals and in that way it might expedite the matters which are referred to it under the Clean Environment Act. It is one of my beliefs, Sir, that this could effectively delay if it's left the way it is at the present time, could effectively delay for several months approval of projects, projects which cannot proceed until they have the approval of the Clean Environment Commission and could stifle development rather than assist it. So I would ask the Minister to consider carefully the establishment of a special appeal board rather than the use of the municipal board as the Court of Appeal.

Mr. Speaker, these are just some of the concerns I have at this time and I'm sure there are many others who have greater concerns than that and they will no doubt be expressing them before this bill goes to committee.

MR. DEPUTY SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I move, seconded by the Member for Morris, that debate be adjourned.

 $\ensuremath{\mathsf{MR}}_{\:\raisebox{1pt}{\text{\circle*{1.5}}}}$ DEPUTY SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SCHREYER: Mr. Speaker, perhaps you could call Bill 79.

MR. DEPUTY SPEAKER: Bill No. 79 on the proposed motion of the Honourable Attorney-General. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, there are several aspects to the amendments that are proposed in this bill and it is my intention to deal specifically with the question of interest on trust accounts and to deal with both the principle and the manner of application that the act suggests that interest be charged for legal aid.

Mr. Speaker, we live in a society where new rules, new statutes, new regulations, federal and provincial and municipal law are upon us daily. And people must at a given time, because of the wide-ranging legislation that is imposed on them try and put some order into their affairs. And at one point, notwithstanding the comments of the Member from Logan, people require legal advice and they seek legal advice. And, Mr. Speaker, legal advice is required for people who require civil legal advice as opposed to criminal legal advice. There has been an assumption in our society that with respect to the question of legal aid that it only was to apply for those people who found themselves in a situation where a solicitor and a barrister was required to protect them in some criminal matter. But because of governments involvement over our lives people require legal advice; they will require the assistance of a lawyer, and because you have a low income, or because you are poor, you should not be denied that advice and the ability of being able to be guided to be able to put your affairs in order.

Now, Mr. Speaker, the lawyers in Manitoba recognize this and pioneered this many years ago. And they recognized the responsibility of providing legal advice and legal aid. We I think would now have reached a point where there's a general agreement that the state should provide

(MR, SPIVAK cont'd) it, and I really don't hear too many people arguing that it should not be provided. But the question, Mr. Speaker, realistically is how is it to be funded. We have, I believe, in the Attorney-General's Estimates an amount of \$750,000 for legal aid. And it's intended to fund a great deal of this from the interest on the trust accounts that will be now payable to the state as a result of the legislation that is proposed. And, Mr. Speaker, I think the first point that has to be said is that the trust accounts of the solicitors, which I believe can and should be used under certain circumstances, should not be the limiting factor in the amounts of money to be provided for legal aid by the state. And the difficulty with the manner of presentation and even the debate so far is to suggest that there is in fact a consideration that the amount of money available for legal aid will be basically tied in to the amount that can be earned by way of interest on the trust accounts of the solicitors in this province.

Now, Mr. Speaker, the question that has to be asked and we went through a commentary yesterday of how a lawyer handles affairs but the question that has to be asked is, what money goes into a trust account? Whose money goes into it? --(Interjection) -- Well your money but let's deal with it on the basis of a solicitor. A solicitor puts his own client's money into a trust account. He puts as well the money of another solicitor who has sent the money over to him into his trust account, and in many cases he puts ultimately the money of his client, which will be the fee that the solicitor will recive, into his trust account. And essentially this makes up the money that lawyers receive. Lawyers receive money on behalf of their client, money from another solicitor on terms and conditions and trust terms and conditions, money which is paid, which a lawyer by way of the ethics of the profession pays into the trust account until that money is earned. Now the way our federal banking system is set up there is no provision for the kind of interest to be paid on the balances daily, or even weekly, of the accounts of the solicitor and the eligibility for interest is something that becomes very difficult to compute. And the question that has to be asked is whose money is that in the hands of the trust account of the lawyer? Is it the clients money, the money that the lawyer represents? And if it is, has he foresaken the rights to the state that interest on that money should be given to the state, or does it belong in many cases to the person with whom the lawyer is dealing even though he has the money in his own account. Mr. Speaker, when a lawyer hands money over to another lawyer on trust and conditions, that money does not belong in the hands of the lawyer unless those trust and conditions are met, and if they are not met they are returned. So in reality any interest that is earned by an interest bearing account, if such was the case in our banking system, that interest would belong not to the lawyer's client who received the money, but rather to the lawyer who sent the money over on the trust and conditions, and until those trust and conditions were met it belonged to your other client. And so this becomes a very difficult situation in the assessment of what should be done with respect to the moneys that are now being asked to be utilized to be able to bear interest so that the state would get a benefit to apply to a cost of legal aid, which the state has now assumed is their responsibility.

Now, Mr. Speaker, in many cases even assuming that the banking system would provide for interest to be able to be paid on a daily basis, or on a weekly basis, the amount of interest that would be available for a client because of the shortness of time within which the money is in the trust account would be offset by the costs of the lawyer in processing it. Even the sending of the letter can cost, depending on the efficiency of the firm, anywhere from \$3.50 to \$5.00. And so in that sense it would have to be in there for several days to be able to earn interest and it would depend on the amount, how large the amount was, to be able to even justify the initial expense. And one has to simply talk in terms of a \$10,000 transaction, talk in terms of 365 days, talk in terms of the 4 percent interest factor, for an account to bear interest on a daily basis to realize that you are only talking \$1.00 a day, and in effect realistically if it cost \$4.00 to write a letter it would have to for sure be in the lawyers hands for four days to be able to justify that cost, and if it cost in addition to entry into the records of the books of the lawyer and for cheques to be drawn, you have additional cost as well.

Now, Mr. Speaker, it has already been established as a matter of practice that lawyers can and do set up interest bearing accounts for certain transactions that they place and certain requests that are made. But we come now to another position, Mr. Speaker, which is one that has not been considered by the members here, and which has to be considered in understanding the change that has been proposed, and in attempting to try and rationalize this with the whole direction that the governments undertaken with respect to the protection of the individual, the ultimate consumer.

(MR. SPIVAK cont'd)

A client is a consumer of legal services. And in this position what we must try and do is apply the same principles of consumer protection that we've applied in other acts to those who deal with the legal profession. Therefore it is necessary, I think, to protect clients and to be able to present them with information which will entitle them to know what their rights are so that a decision can be made by them. The Law Society already takes extensive measures to protect clients in a variety of forms, and we understand that. But if we are going to be consistent with the principle of consumer protection, then I suggest where it is practical and fair and reasonable both in the question of the amount of money involved and the time, the length of time, that it will be in the hands of the lawyer, and based on the realities of arrangements that can be arrived at with banking institutions, it would seem to me that there is an obligation on the part of the Law Society and on the part of the government to present those people dealing with lawyers a standard form which the client would have to be told are his rights, which would give him an entitlement to a choice, if a choice can be made, of whether he is prepared to take the interest himself or allow it to go to the state.

Now, Mr. Speaker, I want to make that point again, because that point seems to be misunderstood by some of the members on the opposite side, and has already been discussed from this side. There is an obligation on the part of the state, and particularly on the part of the NDP government who basically have said that they are for consumer protection, to protect the consumer of legal services, and what is required is the ability for the consumer to know that he has a right under certain situations to be able to get interest on his money, and that right has to be worked out both with the Law Society, with the banks, and has to be applied where it is practical and fair. Now in order to do that, Mr. Speaker, much more than what we have before us has to be considered and finalized. And that means that in many situations, and the Honourable Member for Rupertsland I think referred to them, where there are smaller amounts of money it will be impossible for all practical purposes for that standard form to in any way allow the consumer any rights, because he will not have any rights under our system as it exists today, and I am not suggesting that in those situations of smaller amounts, and I'm not sure what that level should be at this point, but I think we have to work on trying to arrive at that level, and I'm satisfied that that hasn't been done yet. I'm satisfied, Mr. Speaker, that many of these people will not be able to bear interest and it's possible therefore for a solicitor to have a revolving account and to be able to work out an arrangement with the banking system where the balances will be averaged over a period of time and there will be an interest allowed, a very small interest, as it is for municipal offices who have fluctuations of up and down with respect to the float of money that is paid into them where banks do pay them I think approximately 2-1/2 percent on averages of quarterly or over a six month period.

Now, I want to make myself clear on this so that there will be no misunderstanding. I say that the present act must be amended. It must be amended to provide that a standard form would be worked out with the Law Society after having consultation with the banking associations and the banking institutions in this province and with the government, which will give the consumer of legal services the right to know that in certain situations he is entitled to have interest on the moneys paid over in connection with trust arrangements, until a transaction is completed. And that the level has to be a level that is practical, which will bear interest, and it will have to be worked out as to amount and as to the duration of time. There are many solicitors in this province, Mr. Speaker, who may have a million dollars in their trust account in the morning and have a million dollars out in the afternoon in connection with transactions that take place where they're representing mortgage companies and moneys have to be paid over and obviously in practical terms there is no way in which that can bear any interest, even if it is 24 hours it may not be able to bear any interest, but I suggest that the state has an automatic right to the interest on the trust accounts in the lawyer's hands except in those situations where it is specified by the client goes to the reverse of the consumer protection position, which is that the consumer must know his rights in advance so that he can make a choice. If we are serious about telling the consumers that the state will regulate the law so that they will know the cost of goods and know every bit of money that is to be devoted to handling, to insurance, to finance, if we are serious about that we have to apply that with respect to the legal profession as well, and the bill has to be amended to be able to incorporate that specific requirement as a protection for the individual. It will be a standard form, and in many situations because of the amount and the duration of time there would be no

(MR. SPIVAK cont'd) question, it would go into the revolving float account that the solicitor has. But in many other situations with knowledge of their rights, I believe that many people will opt for the rights for themselves, and they should have that option. This means, Mr. Speaker, that the amount of money to be realized under this provision would not be as high, but I preface my remarks by saying that the question of legal aid is a question which we've accepted that has nothing to do with the fact that it may be funded to a certain extent by interest on trust accounts; nor do I believe that it is something that has to be limited on the basis of interest on trust accounts. Rather we have accepted the principle that the state should provide for those people in low income an ability to be able to have legal advice, to be able to put their affairs in order, as those who are in higher incomes and are in a position to hire solicitors, because today the state is involved in such a way in regulating the life of the individual, that he requires advice and will require advice during his lifetime.

So, Mr. Speaker, we have proposed an amendment which we think can be achieved as a result of consultation with banking associations, with the Law Society, and with the government that can be practical and fair to the client, to the lawyer, and at the same time give an advantage to the state but also at the same time put the lawyer in no different position than any other vendor of service to the consumer, in this case the lawyer as the vendor, and the client as the consumer.

Now having said that, Mr. Speaker, I now must talk in another area that is related to this that is not incorporated in the bill, but which would appear to be a bit of a logical extension, and that is the question as to whether as a result of the adoption of this principle, we are not moving to the point where the state will tell every lawyer in this province, you now must pay your trust moneys into an account which is controlled by the state. Now I'm not suggesting anything. I'm suggesting that the logical extension of what we are now doing by saying that the state has some rights to go in and control the trust account of a lawyer, of the seven hundred and fifty lawyers who may be practising in this province, we are not now going to be putting ourselves in the position of now saying to the lawyers in this province as the next step, we now want you to put your money into an account in the name of the Minister of Finance of this province. Because, Mr. Speaker, that realistically is the next extension of what we are proposing here. And while no one has discussed this, and there are some who may suggest to us that we are suggesting it, I have no doubt that this has already been discussed in a general way, because the next logical extension of that will be the opening of government escrow offices in Manitoba as --(Interjection) -- hear, hear, as another addition by which the state will become more and more involved in providing services in competition with those people who practice their entrepreneurship or business or profession in the province.

And, Mr. Speaker, I am one who believes at this point that we should not in any way believe that what is being proposed here is by any means the final step in a staging which will ultimately take the trust accounts of the sources and hand them over to the state, and put them in the control of the state, because in effect what we are doing now, and there is no rationale or logic, except the logic that the banks supposedly are receiving the interest, there is no rationale or logic that says that the state should have that interest as opposed to the client, or as opposed even to the lawyer who has received, in some cases I guess he may, but you can legislate all of that, you can regulate on that, as opposed to the lawyer who may be handling the trust money.

So, Mr. Speaker, I must at this point raise a flag because I think it has to be raised of the fact that we are moving towards a situation and probably a confrontation that will occur whereby the government will be prepared to say the trust moneys must be deposited with us. And what are we talking about in total trust moneys? If the government is seriously considering that \$500,000 would be the figure, I would think that we are talking approximately, andthat's the amount of money I think that's been raised, and the Attorney-General says it's like it has been pulled out of the air, well you don't know whether this \$500,000 --(Interjection)-- well let's talk \$500,000, you've got \$750,000 in your budget, let's assume you're talking \$500,000.00. What are we talking about in terms of trust fund money? We're talking 10 million? Probably 20 million because I don't think that any effective rate of interest will be more than four percent realistically, in terms of the revolving kind of an account or the balancing that will occur. So you're probably talking in terms of highs and lows of higher amounts, but I would say you're probably averaging \$20 million. Well, Mr. Speaker, that's a lot of money, a lot of money to be controlled. --(Interjection)-- I beg your pardon? You don't want me to encourage the

(MR. SPIVAK cont'd.) Minister of Finance, I don't think he needs any encouragement. Well, Mr. Speaker, let me suggest --(Interjection)-- not as good as Autopac. I'm not sure that you got \$20 million. As a matter of fact I doubt very much if he got very much money in Autopac with the claims that you've been paying. You know I'd like in fact to know what the transfers have been from the general account to the Autopac account to be able to pay for some of the debts that have been incurred.

Mr. Speaker, we are prepared to support the bill on the second reading; we are prepared to go into committee. We are going to introduce an amendment. The amendment will specifically deal with the issue of a standard form to be handed by the lawyer to the client which will provide that interest can be payable to the client if he so desires under the terms and conditions which will specify minimum amounts in a minimum amount of time that it has to be held. We believe that this can be worked out with the banks, can be worked out with the Law Society, that this is consistent with the principle that there has to be provision of consumer protection for the client of the legal services provided by in this case the vendor. the solicitor, and that's the state's responsibility. We recognize as well that there are thousands of situations where the amounts will be less where it cannot bear such interest, and we recognize that they can and should be used for the provision of legal aid which we have accepted. But that in itself does not give we believe the right to assume that the interest belonging to a person should be taken away from him because at this point we haven't established the minimum standards that can apply for both amount and length of duration on which the banks would be prepared to pay interest on a trust account for particular clients. We feel that if this amendment was adopted, then we will have achieved a progressive measure, and a measure which would in fact work in the interest of those who require legal advice, and the extension of legal aid in this province, and at the same time would not jeopardize the rights of the consumers who are entitled to know that they have a right to an interest on moneys so paid and are entitled to know as a result of government legislation what their rights are, and are entitled then to make the choice as to whether they are prepared to exercise that right or not.

MR. SPEAKER: The Honourable Attorney-General shall be closing debate. The Honourable Minister.

MR. MACKLING: Mr. Speaker, I am happy to be able to follow the Honourable Leader of the Opposition in his comments. I regret the fact that the Honourable Member for Wolseley, the Leader of the Liberal Party, is not in his seat because I wanted to specifically address myself to what I considered to be a very negative approach in argument by the Honourable Member from Wolseley to the whole principle involved in this bill. Since the honourable member is not here I will refer to the Honourable Leader of the Opposition's remarks, and hopefully the Honourable Member from Wolseley may arrive before I conclude.

First of all let me dispel any misapprehension on the part of the Official Leader of the Opposition in respect to the government's attitude towards legal aid. I indicated in the House in 1971 when the bill was before this House setting up the corporation that we were committed to a comprehensive program of legal aid, and that commitment remains. The legal aid program is not contingent upon how much money is obtained from the interest that is obtained from the interest on lawyer's trust accounts, and I thought that that was explicit in my arguments that I've advanced earlier. The legal aid society has a budget of \$1.2 million and I anticipate that in addition to the \$750,000 that was appropriated in the budget of the government for this fiscal year, in the event that moneys in sufficient amount do not materialize from either of one of two sources, that I indicated in the House, that supplementary assistance will be forthcoming from the consolidated revenues of the province.

Now I'm an optimist, Mr. Speaker, and I indicated when I discussed this situation that I believe the Honourable Minister of Finance, the former Honourable Minister of Finance of the Federal Government, when he indicated that the Federal Government was committing itself to a program of sharing costs in respect to legal aid. I like to take people in political office at their word, and I believe that the Federal Government will honour that commitment and will hopefully, and perhaps it might be before the next federal election, specifically agree to shared-costing in respect to legal aid. As I understand it the basis may well be a set sum per capita paid to each province that has a legal aid program acceptable in standard form to the Federal Government, and we have had dialogue with the Federal Government on the basis of the kind of program that they anticipate. I believe that the Manitoba program will be certainly well within and go beyond the terms and definitions of what the federal legal aid requirements would be, so

(MR. MACKLING cont'd.).... I anticipate that there will be moneys forthcoming for legal aid purposes from the Federal Crown. And that's consistent, not only with the Federal's Crown undertaking, but what has to be logic because the overwhelming mass of the people who are brought before the courts in the criminal field, at least, and in the juvenile field, are brought before the courts on the basis of federal law where this Legislature has no right, no jurisdiction to make any change in any way.

I have argued since we took office that there was an illogic in the position of the administration of justice in this country on the basis of the qualitative input of resources on the part of taxpayers in the province as against taxpayers' money obtained from the federal sources.

Now, in addition to that, as I indicate, I believe that it is possible, and I accept the views of the fact-finding committee on legal aid, that a substantial sum of money, and it has to be a guesstimate because we really won't know until the program has been in effect for some time, a substantial sum of money may be obtained from the allocation of interest on lawyer's general trust accounts, and that will be in addition to the moneys that are committed to by the province, and if as I indicate there is a shortfall I expect the province will honour that commitment to legal aid.

Now the Honourable Leader of the Opposition is concerned about the consumer protection principle, and I too am, certainly because I'm responsible for the Department of Consumer and Corporate Affairs. I thought though that I had made it clear in addressing myself to the arguments that ought to have been made in this House in support of the principles of this bill, that it is only in those areas where because of the nature of the amounts of moneys involved, and the very limited time in which those moneys are held in trust, that it becomes both economically imprudent and in fact impossible to make an appropriate allocation of interest to the beneficial owner of those funds. Now the Law Society in its decision in April of this year established guidelines for solicitors, the guideline is a standard form that the Honourable Leader of the Opposition talks about, their guideline, now there may have to be some variations to that, I don't know. Their guideline was a figure, as I recall, of something like \$10,000 and for a period in excess of 60 days. Now maybe that guideline has to be revised. But in discussion with the benchers it was determined inappropriate to place that in the bill because that's a matter that benchers would make a part of instructions to each individual member of the Law Society, and I'm prepared you know to insure that the negotiations with the benchers will be in keeping with the principle that where it is possible for an individual client to have the benefit economically and properly of the interest on his money, he should get it. But it's only in those circumstances where it becomes uneconomic for there to be an attempt at rationalizing the interest that those moneys will be available, and the bill makes specific provision for that. Now honourable members can appreciate that if an individual says, well notwithstanding the fact that I have a limited amount of money in trust I don't want it to go to legal aid. There may be someone who says it's going to go to help bums. Well he can in writing make his designation that he wants a separate account. But let it be understood, Mr. Speaker, that in doing that the lawyer is going to be put to additional work. Because he's going to have to open a separate account, there'll have to be another card signed probably by the client himself, or separate arrangements made by the lawyer, a separate deposit system, separate cheques, and all the rest of it. And that all costs money. The banks don't operate out of charity; they operate as a business. And all of those services are going to cost the individual client, and they have to be passed on. And when they're tallied as against the interest that might have been earned by that fraction of money held for a short period of time, it's going to have to be offset, because the lawyer's time is going to be taken and when the bank's time is taken, they may or may not add a service charge in respect to the handling of that account. And that will have to be taken into account when the individual client says, oh, I want my money separately accounted for; I don't want it to go to these general purposes. Well they'll have that right. They'll have that right but it may cost them more in having that separate accounting than what it would have if they had let the funds go into the general float as it has been termed.

Now let me make it clear that I reject categorically that it's the poor and the unsophisticated - and now I address myself to some of the remarks of the Honourable Member for Wolseley - that are going to lose in this system. Because if I've said it once, I've said it half a dozen times, and I'll say it a half a dozen times again, that this is a comprehensive legal aid program that will provide assistance for people who can afford part of the legal fees but not full legal fees, and it may well be in the area of the unsophisticated and the working poor that a good

(MR. MACKLING cont'd.)....number of the smaller amounts of money that are held in trust will be allocated, or the interest there from, will go for legal aid purposes.

Now the Honourable Member from River Heights was concerned about the principle involved, and obviously he had belatedly read the editorial of the Free Press that I alluded to in second reading, where there was some suggestion now that the state is going to be encroaching into the private affairs of a lawyer and his client. Well he shakes his head, that isn't really what was intended. But let me say to the Honourable Member from River Heights that there's no reason why funds that are held in escrow, or we use the common term in trust, should not, where reasonably possible be put to public use. There's no reason why that should be. Why that if the client can't get the interest, if the client can't get the interest under the present system, the present system of things in banking, that these moneys should not be put to public use.

--(Interjection)-- Surely I will.

MR. SPIVAK: Would the Attorney-General not acknowledge that moneys held by a solicitor in trust are the responsibility of the solicitor entirely and he is the one who has to account and answer for both the disbursement and for the handling and for the accounting of that money.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: That's right. And there's nothing in the provisions of this bill that in any way interferes with that trust arrangement. Nothing at all. I mean the honourable member might like to argue with me but if he wants to ask me another question, I'll surely permit it.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Would the Attorney-General not acknowledge that a solicitor having taken that responsibility, and having taken the legal responsibility for holding the money to trust, would then have a right to deposit that money as he saw fit rather than have the state acknowledge what his trust conditions are to be?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: The money will be entrusted to the solicitor in trust and if the client indicates that he wants the moneys held in a separate trust account, that will be. And the provisions of the bill make specific reference for that, and I don't know what troubles the honourable member because if he reads the bill in its entirety, provision is made for that.

Now as I indicate the honourable member is concerned about the individual client understanding his rights. The bill makes provision for that; my dialogue with the benchers of the Law Society is on that clear understanding that there will be every opportunity to the individual client to designate how he wants his funds held. And of course he'll have to evaluate the cost benefits as I pointed out earlier.

Some of the observations that the Honourable Leader of the Opposition made underscore the difficulty in associating to whose benefit interest is payable. Because there are very very difficult determinations of fact to be made if moneys are held in trust until the transaction is complete, is it moneys that are to the credit of the recipient client of those funds? Because after all until all undertakings are complete, as he points out, the moneys aren't earned, nor are they the lawyers – that portion of the trust funds that are held from which he may deduct his fees, they're not earned fees until the transaction is complete. So there's no interest on fees that are held in moneys, fees that can be deducted from moneys in trust. That interest is not really to the credit of the lawyer until he has completed the transaction. So there's a great many ramifications, a great many complexities, to the whole problem of sorting out to whose benefit the interest should be payable. And that is further argument in support of the proposal that is being made.

Now the Honourable Member from Rupertsland indicated some concern and although I cannot rise in righteous indignation for his suggestion that lawyers have resisted paying moneys out, there could be some basis to that. Certainly the proposal now before the House will militate against any inclination on the part of any individual lawyer to want to hold back release of funds in order that there be some special, or some particular advantage accruing to him by reason of that.

One of the matters that so much concerned me in listening to the Honourable Member for Wolseley was his very negative approach to the whole proposition. And his apparent willingness to allow this to go to second reading was not framed in a constructive way but in the expectation and hope I believe that there would be such alarm voiced at committee that there would have to be drastic revisions, that this bill would be emasculated. And I contrast that, and I contrast it fairly, with what I think has been a fairly reasonable and responsive contribution on the part of

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(MR. MACKLING cont'd.).... the Leader of the Opposition, and I acknowledge that. Well, if it's a switch, it's a switch that is earned. I say that the Honourable Member from Wolseley talked about hidden taxation. All sorts of vague innuendo and threat that somehow we were doing something devious. He has taxes on his mind, the Honourable Member from Wolseley. And maybe this question taxes his mind. Maybe it's incomprehensible to him, but I have difficulty in associating with him in his remarks. First of all he suggests that, you know, it shouldn't be beyond our system in this very innovated and sophisticated and technological age to be able to credit to each individual client the moneys that are coming, and his whole attack seems to be that somehow we're taking away from the client what is rightfully his. But after he gets all through that, that window dressing and that barrage, what does he come up with? He comes up with a suggestion that the moneys should be used to provide a source of compensation for any client who has suffered some loss as a result of default on the part of his solicitor.

Let me assure you, Mr. Speaker, that that suggestion was never advanced from anyone of the benchers to me in discussions. On the contrary if you look at the bill, in the bill the benchers want to have the right to provide insurance, and they're prepared to pay for it. And every other professional group is faced with the same responsibility. If there is wrongdoing, then they are responsible. Should it be the public that provides the insurance and the underpinning of the defalcations of lawyers? What he starts to argue on to begin with, be completely unwinds and reverses in the end. And I say that his argument was negative in the extreme.

--(Interjection)-- The Honourable Member from Thompson says, "Don't be too hard on him." Well I don't intend to be too hard on anyone, Mr. Speaker, but I think that all honourable members whether they're novices, or otherwise, who make speeches in this House ought to reflect on a responsible role of a constructive opposition critic. And the kind of argumentation that was advanced by the Honourable Member from Wolseley was destructive and false.

Now, the Honourable Member from Birtle-Russell - well what did he have to say? He said that apparently the program is going to cost \$1,200,000, \$250,000 thereabouts. And the Attorney-General is somehow deceiving the House I guess because he should have put another \$500,000 in his estimates. That was his argument. And contrast that with the argument I heard, and I sat here during the course of my estimates, time after time, the Attorney-General's estimates are out of line and he's got too much money there. Now you either have it one way, or you have it the other. The honourable member should reflect on the arguments he advanced earlier on in this session.

Well, Mr. Speaker, I think in fairness that I did answer in argument that I made when dealing with the motion for six months hoist, comment on in sufficient detail the arguments, and they're reasonably constructive arguments, made by the Honourable Member for Sturgeon Creek, and I thank him for it. The Honourable Member from Minnedosa likewise I felt was reasonably constructive and wasn't a hoary-headed banker that some people might have otherwise thought he would be.

Mr. Speaker, I think therefore that I have answered in as much detail as honourable members would expect the comments of the honourable members who have spoken. I am certainly prepared to argue further and at length before committee in favour of this very progressive legislation.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the Attorney-General would permit a question?

MR. MACKLING: I certainly would.

MR. SPIVAK: Would he not agree that the seller as a result of the Consumer Protection Act has had to go to additional cost, spend additional time, and as a result there has been increased costs that have been passed on to the . . .

MR. SPEAKER: Order please. Order please. As I indicated previously questions of clarification, yes. Questions that open up further debate, no. That's our procedure.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I wonder if the Honourable Member for Inkster, I'm sorry. I wonder if the Member for Inkster could simply indicate whether he'd wish to go on now --(Interjection)-- Yes. Member indicates in the negative so therefore, Mr. Speaker, would you call Bill No. 70. The Member for Birtle-Russell.

MR. SPEAKER: The proposed motion of the Honourable Minister of Tourism and Recreation. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. Mr. Speaker, we've had very interesting discussion on this bill so far. We had the comments of the Member for Thompson and, Mr. Speaker. I can't say that I entirely agree with the Member for Thompson, nor do I entirely disagree with the Member for Thompson. But the interesting thing that I found was the Member for Inkster in all his anxiety to - I don't know whether it was a question of revenge or what it was - in his attempt to destroy the argument of the Member for Thompson, I think the Member for Inkster himself was destroyed because we find now that the stand that the Minister . . .

MR. SPEAKER: The Honourable Member for Inkster have a point of order?

MR. SIDNEY GREEN (Inkster): Yes. Mr. Speaker, I rise on a point of privilege. The Honourable Member for Birtle-Russell has charged that I have some sort of revenge motive against the Honourable Member for Thompson. I want to assure the Honourable Member for Birtle-Russell that I am on the best of terms with the Honourable Member for Thompson, and I would ask him to withdraw any suggestion that my remarks are motivated by some personal revenge because that, Mr. Speaker, is insulting.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, if the Member for Inkster was listening I was just asking a question and I wasn't too sure, and many others in this House aren't too sure either.

Mr. Speaker, when the Member for Inkster took his stand on this issue one can't help but compare the stand that he has taken on the - and announced it numerous times - on the parochial school issue. On the school issue, Mr. Speaker, the Member for Inkster is quite concerned about whether we should allow teaching in, or financial aid . . . --(Interjection)--

MR. SPEAKER: Order please. The Honourable the Attorney-General.

MR. MACKLING: Well, Mr. Speaker, I think a point of order is well drawn in as much as the member is now reflecting on another matter altogether that is not before the House presently, and the assessment of an honourable member in respect to that other question, and that is out of order.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Sir, on the same point of order I believe. Sir, that you would be the first one to agree to the fact that in debating the question of censorship, and that's what the bill before us handles, there has to be, and has been, a fairly wide latitude. Parallels have been drawn to where fields of censorship are acceptable by society, and where they are not. There has been discussions as to censorship with respect to drugs and other matters. I believe the Honourable Member for Inkster himself . . .

MR. SPEAKER: Order please. I would suggest that we all think in terms of relevancy and that we put our attention to the matter before us. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Very well, Mr. Speaker, I will cease and desist from any further pursuit in that particular direction and try and confine my remarks strictly to the bill, disregarding any of the comments that have been made by other members, and just trying in my own way to bring out what I consider to be some of the important things that are contained in this bill. The question of the removal ofthe Censorship Board and the classification of films as a replacement is not of great concern to me, Mr. Speaker. The thing that does concern me is that we will now be - the Minister of Cultural Affairs will now be able to appoint two boards, or two committees, rather than the one, and the most important . . .

MR. SPEAKER: Order please. The Honourable Minister of Tourism and Recreation.

MR. DESJARDINS: I think that it's about time this correction be made. Quite a few speakers referred to the same thing and there is nothing changed except that now instead of a Censorship Board we're proposing a Classification Board, and of course the Board of Appeal existed before, it's nothing new.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: I'll accept the Minister's explanation, Mr. Speaker. But at the same time the most important thing to me in this bill is the attempt, and I suggest there is an attempt in this bill, to evade the responsibilities that have existed and to place those responsibilities on the shoulders of the theatre owner. And I would suggest, Mr. Speaker, that if there is going to be any attempt in the Province of Manitoba to uphold the law which is set by this Legislature, it should be done by members of this Legislature and not done by private individuals in the

(MR. GRAHAM cont'd.).... Province of Manitoba. There is another rather interesting thing to me, Mr. Speaker, is that a parent under other acts of this Legislature has the right to educate his children the way he sees fit, but according to this act he is prohibited from taking his children to a classified movie that is classified as restricted adult, or some other name that they wish to put on their classification, so we find there is a different direction here. But if the parent in full cognizance of that law, as it may very well be a law, takes his child to the show, knowing that he is not 18 years old, as I read the act the parent isn't guilty but the theatre owner is guilty. As I understand the act, and I hope that when the Minister closes debate, he will clarify this, I see nothing in the act whatsoever which would show that there is any intention on the part of law enforcement people to prosecute the parent, the only thing I can see is the intent to prosecute the theatre owner. I'm sure that the Minister will take the opportunity when he is closing debate to clear up some of the unclear intents in some of the sections in the bill.

As I said before, Mr. Speaker, I'm not hung up on the question of censorship versus classification but on the very principle of the relegation of authority to regulate this by the theatre owner rather than by law enforcement, I would have to say, Mr. Speaker, that I cannot support this type of legislation at this time.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: Thank you. Mr. Speaker, I would like to make a few comments on Bill 70. There has been a lot said on this particular piece of legislation and there's been a lot of concern that it might promote more pornography in our theatres and more obscenity in some of the books and literature that we read. I feel, Mr. Speaker, that pornography and obscenity actually is a state of mind and can act in different degrees on different people. What I'm trying to say, Mr. Speaker, is that you could have ten people seeing a movie and they would all react differently, in different degrees to what they have seen. I believe that this overly sensitive people will react to a greater degree than more insensitive people.

And this also applies to literature. We find under the present censorship that we have in this province that you can buy just about any type of literature that you want to put your hands on. I'm not a person that has been in the past very anxious to read any books, or see any movies, that are in bad taste, or obscene in any way, but nevertheless it's available to anybody that so desires to obtain them. I did have the occasion to read Lady Chatterley's Lover -- (Interjection)-- yes, and I would say that the only reason that I heard about that particular novel is because it had been banned and my curiosity was aroused, I wanted to know what on earth was in that book that appalled anyone and, Mr. Speaker, I was disappointed. There was nothing in the book, absolutely nothing, that I thought --(Interjection)-- there was nothing...

MR. SPEAKER: Order please.

MR. ADAM: I am sure most of you here have read the book.

MR. SPEAKER: Order.

MR. ADAM: Most of you have read the book I'm sure, and all I read in there was a poor soldier that went to war, or something, and got desexed by being wounded and his poor wife was - he wasn't able to perform his manly duties and she finally took up with the gardener, and they went on to describe a few scenes that had taken place, a few episodes, which was not interesting in any way as far as I was concerned. I don't recall whether the husband knew what was going on, but I suspect that if he had he would have been glad that at least his wife could indulge in something that he was not able to. Mr. Speaker, there are books I'm sure on the stands at the moment that you could buy anywhere in Winnipeg that would make Lady Chatterley's Lover look like a Sunday picnic, and I just want to point out that the fact that the book had been banned, that at least they made one sale. I wasn't interested in the book at all. By the same token there was a stupid little ad that came out of the paper here the other day which was revolting to a very sensitive person, or overly sensitive person. I had looked at this ad before I saw it in the House here - it was circulated - and I hadn't even noticed it. I looked at it and I never saw anything in it, and as soon as it was brought into the House well I had to look at it, and all I found was that it was in bad taste perhaps. There are many things in my opinion that are far more revolting than some of the so-called pornography and obscenity that we read about and hear about. I find the bombings, and Atom bombings in Vietnam far more revolting than a lot of the books that people are objecting to at the present time. I don't hear these people talking about this though. I don't hear them talking about the genocide. I don't hear them talking about if you're going to ban books, or censor, you would have to start with history. Practically every book that I have ever read on history is very obscene, very revolting. You can go to -

(MR. ADAM cont'd.) , you could even go as far back as the Bible if you're going to start censoring things that are not in good taste. There's just about everything that you would want to see in the Bible from Genesis to sex and prostitution, and everything is in there contained in - I think if you go back to Tudor England in the time of King Henry VIII, and you read about people being put on the rack and their arms and legs being pulled out of their sockets, to make them confess for crimes that they have never committed. I find this revolting, far more so than I would just an ordinary book that's in bad taste. I know that I'm not one to go to movies. I don't go to many movies. In fact I went to one this year - I hadn't been to one for perhaps 15 to 20 years - and I found it a little bit - I wasn't shocked over it, but I found quite a difference from what we used to go to see in the olden days. But I don't like going to a movie, especially the ones that come out of the States where you see soldiers of the American army running after Indians and shooting the Indians, and the Indians are always the bad guys. I find this in very very bad taste. I don't like it at all, and I don't think the Indians like it either. I take offence at war movies that come out of the States where the super American is always the master over the Germans, or the Japs, regardless of who was guilty --(Interjection) -- the Japanese? I think they're in very bad taste, much more so than a few swear words that you hear. As far as the legislation goes I don't think that anybody can honestly say that it will improve the situation. This, nobody can say; we hope that it will. But I do know and those who are opposing this bill know very well that what we have now is not effective; it hasn't done what it was intended to do, and I would hope that at least they would take a look and see if this may not improve the situation. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I would like to make a few comments on this, especially following on what was said by the Honourable Member for Ste. Rose. There is much I don't have to say. The reason I rose quickly, I would like the honourable members present to reflect on their own reaction to that portion of the Honourable Member for Ste. Rose's speech when he was describing, or commenting, on Lady Chatterley's Lover. There was snickering in the room; there was a bit of a giggle; there was a smile; there was almost a silly expression on the faces of some of us, and I say us, because I include myself in the group. It reacted to an off-colour joke in our own mind, and that is part of what I think is something that society has taught us to do, that when we talk about sex in some way it's something you whisper about, and I just wonder, I just wonder if that is really the approach one should have to the sexual relations of people and to what goes with it, the love and the affection and the privacy of what it's all about. The word kill, and the word hang, hang the people, kill the people; the word blood, the concept of killing. as described by the Member for Ste. Rose, is as obscene to me as could be anything in our civilized world. The thought that one is prepared to hang, to kill; the thought that one accepts it, is to me obscene. Yet we see it in the movies and we read it in books, and hopefully we see it in movies in such a way that it degrades and denigrates those people who promote it, but not often it does, because sometimes it's a glorious act to kill, to hang, and to me that's something that we should think seriously about, and yet it's shown. Most of us have not had time to see movies lately, and I certainly haven't seen very many movies lately, but I hear of them. I hear of the French Connection, which I haven't seen, which was apparently a pretty brutal gorything. I've read about the Godfather, which I haven't seen, but I understand there is a scene there that is very gory, several I'm told, that's acceptable. But for some reason or other there is a great reluctance of people to whisper the word that involves sex without producing snickers in the minds of many of us. Well that's another problem; that's a personal problem that we each have. We each have to adjust to what is in our own minds, dirty, and of course the dirtiest mind sees the dirtiest things in what goes on. But that's again, a very personal problem.

My greatest concern in regards to this whole question of censorship is the fear and the danger of thought control. I can't help but reflect that about 65 years ago my parents went to jail in Russia because they possessed certain books. They're not books that we would call pornographic. They were books that dealt with the need to overthrow the Czarist regime in Russia. The need for people, and in the case of my parents who were Jewish people to have the rights equal to other citizens, cause in those days Jews in Russia were not permitted to live in the cities of Russia; they had to live in the outskirts of the city. Jews in Russia in those days were not permitted to own land, and they had to be itinerants, they had to learn to be merchants, they had to learn to be craftsmen, they had to learn to be writers, and that's how they became lawyers, there's all sorts of reasons for that. But the fact is that my parents in their youth. 18 or

(MR. CHERNIACK cont'd.).... 20 years of age, had in their possession books, and they went to jail briefly because they were caught with books. But that's nothing new in this world of ours, in this civilized world of ours, where we've had innumerable examples through the years of the possession of things that were not considered by the authorities to be good things for them to have. Hitler burnt books, the communists have burnt books. In Russia a writer knows that if he writes something that is a little bit different than what is considered acceptable, he goes to Siberia, if he isn't actually killed. And that kind of thought control is what I think has to concern all of us.

I think we have to recognize that at the time of the Reformation, it was the opening of the books, and the teaching of how to read them, and the candles that were provided with which to read the books that made it possible for people to throw off their feudal yokes, for people to be able to assert themselves because they learned somehow that there are, there were then classes which controlled, and classes which were controlled. And the need for people to be able to think, and that means to come to conclusions on the basis of reading, seeing, hearing, is what is crucial, I believe, to our society. On this much of the debate on this bill I did hear the Honourable Member for Fort Garry, I was up in the gallery and heard him, and I think he expressed a point of view which I think is rather important, and so did the Member for Inkster, although they did not both go all the way together.

Mr. Speaker, I just cannot conceive that in our presumably civilized society, we can talk about killing and hanging and show it in movies, and write about it in books, and at the same time have some other perverse idea about the dangers of reading or seeing or hearing something about the sexual act, because that seems to be what it's all about. And it's perverse because it's sick, and it's sick because it makes sick that which need not be so, and that to me is harm-ful

But mainly I'm concerned with the right of certain people to decide for others what they should see, what they should read, and therefore what they should think. I'm no expert in criminal law, I never pretended to be, but as I recall it, there is no law against thinking. There is no law if any one of us wants to sit down in our own minds and plan a bank robbery, or even plan a murder. It's only when you do something to start to put that act, that criminal deed into effect, it's only then that the law steps in, and so it should. Both the civil law and the criminal law is there designed to control not what a person thinks but what he does to others, or what he does to himself that's adverse. And therefore I accept the fact that if somebody thinks, let's say about hatred of a race, or a group, or a religious sect, if he thinks that's his privilege; if he talks about it, that's his privilege; if he starts inciting others to kill, to hang, to condemn, because of somebody's race or religion, that's when it becomes dangerous, and we have laws about that. And when he defames a group, then I think that defamation is a civil action and can be dealt with.

Mr. Speaker, I would rather that somebody stood up on a podium somewhere and talked a fascist's line of thinking openly so he can be answered; that talks a communist's line of thinking openly so he can be answered, that wants to take a machine gun and mow down every long-haired child or young adult that walks down the streets. He should have a right to say so as long as he's not inciting someone to do it, because then we can at least dispose and discuss and consider and answer. But the minute we stop people from expressing their points of view, and let us remember that our culture is based on a message that we give to each other as we relate to each other, be it by way of reading, talking, listening, seeing, thinking. As long as there's a suppression of that, then we endanger, we endanger the very roots of our society. I think that this bill before us is one which recognizes that we are not here to censor other people's thoughts. We are here to protect their thoughts, and we do have a law which deals with the rights of people insofar as offence against the law is concerned. I'm willing to try that part of the law and see how it succeeds in protecting our individual rights to think, to read, to see, to hear.

 $\ensuremath{\mathsf{MR}}.$ SPEAKER: The Honourable Member for St. Vital. The Honourable Member for Thompson.

MR. BOROWSKI: Chicken eh?

MR. SPEAKER: Order please. That was uncalled for. The honourable member should know better.

The Honourable Member for St. Vital.

MR. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Member for Gimli, that debate be adjourned.

 ${\tt MR.}$ SPEAKER presented the motion and after a voice vote declared the motion carried. ${\tt MR.}$ SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Finance, that the House do now adjourn until 8:00 o'clock this evening.

MR. SPEAKER presented the motion and after a voice vote declared the House adjourned until 8:00 o'clock Wednesday night.