

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, May 15, 1973

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 25 students of Grade 9 standing of the Hedges Junior High School. These students are under the direction of Mr. Erwin Warkentin and Mrs. Leslie Szucs. This school is located in the constituency of the Honourable Member for Assiniboia.

We also have 40 students of Grade 11 standing of the Windsor Park Collegiate. These students are under the direction of Mr. Cohen. This school is located in the constituency of the Honourable Member for Radisson.

And we have 34 senior students of the Maddock Public School of North Dakota. These students are under the direction of Mr. Kimball, Mr. Brown and Mrs. Green. They are my guests.

On behalf of all the honourable members I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; The Honourable Member for Radisson.

READING AND RECEIVING PETITIONS

MR. CLERK: The petition of the Transcona Country Club praying for the passing of An Act to amend an Act to incorporate Transcona Country Club.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; The Honourable Minister of Labour.

MINISTERIAL STATEMENTS

HON. RUSSELL PAULLEY (Minister of Labour)(Minister of Labour)(Transcona): Mr. Speaker, I wish to make a Ministerial Statement dealing with the matter of unemployment. I have copies for - as required, Mr. Speaker. I am sure that the Leaders of the Opposition Parties will join with me in accolades as to the forward thrust of the government and the people of the Province of Manitoba in the realm of employment. I am pleased to announce, Mr. Speaker, for the second month in a row the Province of Manitoba has the lowest unemployment rate in the whole of the Dominion of Canada. (Applause) By comparing April over March we have an unemployment rate of 4 percent in the Province of Manitoba which is 2.3 percent lower than the national average and a full .3 percentage lower than any other province in the Dominion. Our total number of unemployed April over March of this year reduced by 2,000 at the same time, Mr. Speaker, as the labour force increased to 402,000 persons over a labour force of 397 of March of this year, an increase of 5,000, and a whopping increase of 16,000, Mr. Speaker, over what it was in April of 1972, and I believe that the labour force in Manitoba has now reached the highest number in the history of the Province of Manitoba. I suggest, I suggest, despite the utterances that it's not very good from my honourable friends opposite, that this is an achievement that the government, and indeed the Opposition of government, can be proud of at this stage. I do realize, Mr. Speaker, that when I say that the unemployment figure is 4 percent that this is a 1 percent over and above what the Economic Council suggests is total employment of 3 percent.

I think that we can in this province take pride in this achievement, but if I may just slightly as an aside, Mr. Speaker, express my regrets that the Federal Government intend, according to recent statements, cut off some of the LIP programs because our employment, or unemployment rate in Manitoba is below what the Federal Government presume to be a reasonable rate of 6.8 percent. We reject that and we resent that the Federal Government seems to be continuing in their opinion that a reasonable rate of unemployment in Canada is 6 percent, which we reject completely in Manitoba.

I welcome the comments of my honourable friends the Leader of the Official Opposition and the Leader of the Liberal Party as to whether or not they would join with me in recognizing the forward thrust of this government in the field of employment in Manitoba.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition)(River Heights): Mr. Speaker, there are a number of comments to make. I have a feeling that the Honourable Minister in his

## MINISTERIAL STATEMENTS

(MR. SPIVAK cont'd). . . . enthusiasm, his presentation, stated a fact that is not so, and I would hope that he did not intend it, and that is that we have now reached the largest number in our labour force in Manitoba. --(Interjection)-- Oh that's a fact. Well then I wonder how accurate his other information is because as an example, Mr. Speaker, in the period of July of 1972 we had 407,000 people employed as opposed to 386 of a labour force in . . . 25,000. In the period of May of 1972 we have 402,000 people in the labour force, Mr. Speaker, and we had employed 389,000, which is actually 3,000 more --(Interjection)-- more. Mr. Speaker, again I think the Honourable Minister in his statement did not in any way clarify that, or qualify it, and I think it's necessary unless there be any misunderstanding of our economic situation and our unemployment situation.

Mr. Speaker, we have been very fortunate in this province that the field of agriculture has become so significant in our economy and the demand for agricultural products has stimulated our economy and has in fact stimulated the development of this province. We are very fortunate that there is a demand for our products throughout the world, and that world markets have altered to a point where the stimulus for our economy in terms of the private sector has come from our agricultural resource and the activities of our farmers in this province. And we can be very thankful that that has produced a fair result.

Mr. Speaker, the statistics presented certainly indicate from our point of view progress. The adoption of the forward thrust by us I think would be incorrect because, Mr. Speaker, we don't adopt the position that the government does that in effect make-work situations, which may take people off the statistical data for unemployment, is really a solution for the permanent jobs that have to be created in this province so that people are going to be able to be employed by other than the government and not to be trapped in working for the government and to be in the poverty situation of being employed by the government.

Mr. Speaker, this month the university students will be entering the labour force. We know that the government has a massive program called Step 1, Step 2, and I'm not even sure whether there's a Step 3; Mr. Speaker, a massive program to try and create jobs for them which are in fact programs that have no permanency to it but are developed by government to meet the unemployment situation, and to the extent that they do I think this is commendable; and we'll wait with a great deal of interest, Mr. Speaker, to see what the statistics will apply or be next month. Because my suspicion, Mr. Speaker, based on my own observations -- (Interjection)-- My own. My suspicion, Mr. Speaker, based on my observations having travelled the north, and meeting many people who were unemployed in the north and many people who cannot find jobs in the north, is that the information supplied here in this Legislature does not accurately reflect the current situation today.

Mr. Speaker, last year between March and April there were 11,000 new jobs created; this year there have been 8,000 new jobs created, based on the statistics. There is a great deal more yet to be done. The Minister of Labour has mentioned the LIP programs and mentioned the fact that they've been terminated, or will be terminated. This will have its impact on unemployment in Manitoba but in addition to that, Mr. Speaker, the refusal of the Federal Government to participate in the LIP program means in certain situations, not in all, that many worthwhile programs that could have been conducted are not going to be conducted, and the question is whether the provincial government is going to be ready to pick up the slack in connection with those programs or not. We'll wait to see what the government's decision is, Mr. Speaker.

Nevertheless may I conclude by suggesting that if the Minister of Labour says that the forward thrust of the NDP Party is to see that the agriculture industry in Manitoba and the farmers prosper, we agree.

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

MR. ASPER: Thank you, Mr. Speaker. I don't think there's any doubt that all members of this House feel some satisfaction, or pleasure, from the announcement that there are 2,000 less unemployed in Manitoba today than there were a month ago. But I find it strange hearing so many statements from the government, Mr. Speaker. When things are going well it's because of the imaginative creative programs of the Government of Manitoba and whenever there's a problem that's because those wicked people in Ottawa are working to undermine Manitoba.

## MINISTERIAL STATEMENTS

(MR. ASPER cont'd)

And, Mr. Speaker, I think what should be noted is that while it is true that unemployment is down in Manitoba it is not at all traceable to any action by the Government of Manitoba, and for the government to try to take some satisfaction in its accomplishment is to say the least misleading. There is, true, artificial make-work kind of programs in which people get trapped and becomes a way of life, nothing of which any government can be proud, but, Mr. Speaker, if unemployment is down, it is down across Canada, and it is down perhaps as a result of a national economic spurt, but I cannot accept willingly the suggestion from my honourable friend that there is a single program, a single activity, that this government has done to stimulate the private sector to create private sector jobs. It's true that in the four years of this administration we have seen civil service increases of about 32 percent, 33 percent; several thousand people added to the payroll there; and it's true, Mr. Speaker, that there are 2,200 students who will be placed in employment with government this summer but, Mr. Speaker, we have no information as to where the other 18,000 students are going to find work and we have no - as a matter of fact, Mr. Speaker, it's almost pointless to reiterate the data that is so carefully and conveniently ignored by the government in all of its presentations.

For example, we have the Labour Minister standing up once every month and proudly telling us what the - or disconsolately telling us the unemployment position. And every month we stand up and say, tell us how many of the native people, tell me how many of the Metis people are not included, and we discuss the filing of reports, and we get assurances that we'll get those reports, and we haven't had those reports.

Mr. Speaker, we talk about the people who are in retraining programs, and we talk about the thousands that have left the province to leave the labour force. There's no point in reiterating that point. But I do think that if the Labour Minister in the future intends to rise once a month to report on the labour force he should include in his report a fact that we should be facing, and dealing with, and that is the number of people that left the province each month. Because, as I mentioned in this House yesterday, that is 26,000 people net, net, net, in the past four years - ten thousand last year. And, Mr. Speaker, if the Minister of Labour would present the total composite picture then we could, Mr. Speaker, make some sort of an evaluation. But the fact that the figures are only presented when they are favorable to the government then, Mr. Speaker, there's no comment that can be made other than that fact, that we need more information that is being withheld from us.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports. The Honourable Minister of Finance.

TABLING OF REPORTS

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Mr. Speaker, I don't have the statements printed to distribute. All I would like to indicate to honourable members is that Bill No. 11 has been distributed to all members. I have had prepared, and I'd like to distribute to members, a comparison of the old act and the new so that they'll be able to understand whatever changes are being proposed and possibly facilitate debate during second reading.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to take note that in the loge to my right we have a visitor, a former MLA - to my left, I'm sorry, to your right - and a former Premier Mr. Walter Weir. (Applause) On behalf of all the honourable members I welcome you here today.

Notices of Motion; Introduction of Bills. The Honourable Member for Radisson.

INTRODUCTION OF BILLS

MR. HARRY SHAFRANSKY introduced Bill No. 58, The Concordia Hospital Act.

MR. SPEAKER: Oral questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SPIVAK: Mr. Speaker, my question's to the First Minister. He took as notice a question yesterday dealing with the Bank of Canada interest rate and its implications for

## ORAL QUESTION PERIOD

(MR. SPIVAK cont'd). . . . Manitoba I wonder if he is in a position to answer that.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Well, Mr. Speaker, on his question as to whether or not a province, or the Province of Manitoba is monitoring in some regular fashion the interest rate pattern of the Bank of Canada I did refer that to my colleague the Minister of Industry and Commerce, and he will have to indicate whether he's in a position to reply.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, we have economists in the Department of Industry and Commerce that monitor various economic trends and various economic factors. The change in the interest rate by the Bank of Canada is obviously one of those factors, one of those elements, that we look at in trying to assess our current economic situation and try to prognosticate what the trends might be. But I should say, Mr. Speaker, that there are so many factors that work at any one time that it is very difficult for any economist to isolate the effect, the single effect of one factor, that is, as suggested in this case, the rising or, if the case may be, the lowering of the bank rate of the Bank of Canada.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well I wonder if the Minister of Industry and Commerce can indicate whether it will affect the cost of living in Manitoba, yes or no?

MR. EVANS: Mr. Speaker, to answer the Honourable the Leader of the Opposition, the traditional theory, the economic theory has it that if you want to cope with inflation you tighten up on the money supply and usually a rise in the bank rate by the central bank of any country is an indication that the money supply has been tightened up and that that central banking authority is taking steps to cope with inflation.

MR. SPIVAK: My question is to the Minister of Labour, Mr. Speaker, I wonder if he can indicate when the minimum wage changes will be announced?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Yes, Mr. Speaker, in due course.

MR. SPIVAK: Yes, Mr. Speaker. I wonder if the Minister of Labour can indicate whether it will be the intention of the government to vary the minimum wage based on the consumer price indexes to be, I believe, to be published on Thursday of this week.

MR. PAULLEY: Mr. Speaker, that will be announced in due course.

MR. SPIVAK: Mr. Speaker, my question is to the House Leader. I wonder if he can indicate when the Standing Committee on Economic Development will be meeting so that arrangements can be made for the committee to hear witnesses on the question of inflation as was decided by the majority at its last meeting?

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, as with any other proceeding of the House I am unable to give my honourable friend any assurance. There is a priority now on the government to deal with the bills, concurrences, Law Amendments Committee, and matters arising therefrom.

MR. SPIVAK: Mr. Speaker, I wonder if the House Leader can give an undertaking that the committee will in fact be allowed to meet before the dissolution of this House, to be in a position to deal with the question of inflation as it decided and to be able to hear witnesses?

MR. GREEN: Mr. Speaker, I would not presume to be able to give any undertaking as to what flows in the parliamentary process.

MR. SPIVAK: Well, Mr. Speaker, my question is to the First Minister. Is there an undertaking on the part of the government that the committee, called the Standing Committee on Economic Development, will be able to proceed with the matter it decided by the majority to proceed with, and deal with the calling of witnesses to deal with the cost of living and inflation in Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, certainly if possible that will be done. There are a multiplicity of factors and events which impinge upon that taking place (it may well take place) that will be determined by events as they eventuate.

ORAL QUESTION PERIOD

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

MR. ASPER: Thank you, Mr. Speaker, I wonder if I might have the leave of the House to make a brief statement.

MR. SPEAKER: Non-controversial?

MR. ASPER: Non-controversial.

MR. SPEAKER: Order, please. The honourable member have leave? (Agreed) The Honourable Leader of the Liberal Party.

STATEMENT

MR. ASPER: Mr. Speaker, normally the Honourable Liberal Party House Leader would make this statement, but he is --(Interjections)--

MR. SPEAKER: Order, please.

MR. ASPER: . . . but he is embroiled in an event that the City of Portage la Prairie has probably never seen before. I would think that the events of Portage la Prairie today are stronger than anything that might be associated with the centennial, and I'm asking all honourable members to join me on his behalf in recognizing that the Centennial Cup for the first time in 31 years has been won by the Portage Terriors in a very outstanding series against the Pembroke Lumber Kings. Scoring four games to one in a national championship is normally an unusual thing, but the Portage Terriors and their coach Muzz MacPherson, did such an outstanding job that papers right across the country today are marvelling at the team of alleged "rinky-dinks!" as they were called, has been able to put together such a monumental drive that took them from nowhere right to the Canadian Championship, so I ask all honourable members to join me in saluting their coach, the town and the team. (Applause)

MR. SPEAKER: The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SPIVAK: Mr. Speaker, my question is for the chairman of the Standing Committee on Economic Development. I wonder if he can indicate whether he has made a request for the committee to meet to deal with the question of inflation.

MR. SPEAKER: Order, please. I do believe the honourable member is transgressing our rules. He has asked the same question in a different fashion of a number of Ministers, now he's asking another member of the House the same question. The Honourable First Minister

TABLING OF REPORTS

MR. SCHREYER: Mr. Speaker, about a week ago, perhaps two weeks ago, and yesterday, the Honourable the Leader of the Liberal Party asked about the possibility of tabling in the House the offer of purchase relative to Tantalum Mines, and I am accordingly tabling this letter of offer of purchase --(Interjection)--Well, sorry, the Clerk can arrange for copies.

MR. SPEAKER: The Honourable Member for Riel.

ORAL QUESTION PERIOD

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to direct a question to the Minister of Public Works. Can he advise the House what provisions have been designed into the new rest station for Memorial Park to accommodate wheel chair victims and elderly people?

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works)(Elmwood): Mr. Speaker, I believe that there is a general policy on the part of government that on large structures--this has been discussed with this organization on large structures there is in fact provision made for wheel chair patients; but in small structures of this nature there is no provision made.

MR. CRAIK: Mr. Speaker, I wonder if I could ask the Minister directly whether there's going to be, meaning an underground structure, whether there's going to be a ramp in addition to the stairs and whether there's going to be handles installed, and so on, to provide for these people?

MR. DOERN: Mr. Speaker, in terms of the interior I would have to check and provide an answer at a later date, but there will not be a ramp leading into the structure.

## ORAL QUESTION PERIOD

MR. CRAIK: Mr. Speaker, a final supplementary. If the Minister might take under consideration whether a ramp could not yet be designed in for such accommodation?

MR. SPEAKER: The Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, I would like to answer the question posed by the Honourable Leader of the Liberal Party in respect to two areas, the number and value of housing permits issued in the City of Winnipeg, and the change in respect to housing costs in Winnipeg, by these figures that have been supplied to me: Single family permits, City of Winnipeg, January to the end of April, 1972, 827 permits, value 11,965,000; January to the end of April '73, 775 permits, worth 13,248,000; duplex and semi-detached permits, 1972, was 260 units, 2.686 million; this year, 94 units, 1.126 million; triplex, fourplex and row houses' permits, 35 for '72, totalling 2.318 million; for '73, 23 permits worth 1.912 million; apartment permits, 27 for '72, worth 10.314 million; 32 permits for '73, worth 10.931 million in permit value.

Insofar as the figures are concerned in respect to housing prices in real terms between Winnipeg and other cities, these figures are not available. However, using 1971 as the base year, Central Mortgage and Housing Corporation calculations indicate that housing costs on the prairies as a whole, because they're not broken down province by province, despite the request by the province of Manitoba last year at the Tri-level Conference for a provincial breakdown, indicate as of February this year over 1971 as a base year an overall increase of 116.3. This compares favourably with the Canada-wide increase which was 117.8, so that slightly under the Canada-wide average of increase in housing costs as far as the prairies as a whole is concerned - I can't break it down further than that because of the availability of statistics from Central Mortgage and Housing Corporation.

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

MR. ASPER: Thank you, Mr. Speaker, to the Minister responsible for housing. Can he also confirm, or indicate, whether he was able to determine whether or not the cost of new housing in Winnipeg this year per unit is up between 15 and 20 percent.

MR. PAWLEY: Mr. Speaker, I again would like to emphasize - the honourable member yesterday had used the term "drastic"; certainly uses the term "drastic" as in relationship to all of Canada and not just Manitoba. But insofar as prairie figures are concerned between January of this year and February of this year, which is the latest figures available, it indicates, as compared to base year '71, an increase of one point; Canada-wide, it was an increase of 1.1 insofar as the additional costs are concerned, and using that as an indice over 1971. Certainly there has been an increase in housing costs as there has been from one and of the country to the other.

MR. ASPER: I'm not sure if the Honourable Minister meant to leave the impression, but I'm asking him, are you suggesting that the cost of housing in Winnipeg this year is up only one percent?

MR. PAWLEY: Well, if the honourable member had listened carefully to the indices that I provided him, it's the indices of the comparison in real terms between 1971 and the present time, and in February of this year it was 116.3 over 1971 in January which - it was 115.3, indicating, thus indicating increase in Manitoba in the cost of housing, but certainly not one percent, but in those indices that had been supplied to us by Central Mortgage and Housing. Now how they would translate percentagewise I do not have those figures available.

MR. ASPER: Mr. Speaker, to the same Minister. My question now relates to the statements made publicly by members of the builders' profession which have indicated cost increases along the lines. I suggested. My question. . .

MR. SPEAKER: Order, please. I do not know whether the question is relevant the way it has been prefaced, it would seem it isn't. Would the honourable member get to the question?

MR. ASPER: Yes, Mr. Speaker, I was only saying that the question relates to the statements that preceded the question, that costs are up 15 to 20 percent. Does the government have any plan ready to move this year in Manitoba which will arrest that kind of housing cost increase?

MR. PAWLEY: Mr. Speaker, if the statement is in fact correct, it's a national problem. Manitoba has, according to these figures, and I suggest to the honourable member if they were broken down provincially they would end up even being more favourably to Manitoba--unfortunately Manitoba's figures are swallowed in the prairie figures--but due to the aggressive

## ORAL QUESTION PERIOD

(MR. PAWLEY cont'd). . . housing program the province has advanced with, which has involved many different facets of housing programs, co-operative and public and assisted home ownership and land assembly, we have been able to restrain the increase in the cost of housing in Manitoba to an increase which is less than the Canada-wide average.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Tourism and Cultural Affairs. Does the government have any program to assist development of a full length movie industry or film industry in this province?

MR. SPEAKER: The Honourable Minister.

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, as I announced during my estimates this is something that the department is looking at at this time.

While I'm on my feet, Mr. Speaker, . . .

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, was the full length film produced in Nova Scotia by Darren McGavin was it offered to Manitoba originally?

MR. DESJARDINS: Not to my knowledge, Mr. Speaker.

While I'm on my feet, Mr. Speaker, I wonder if I could answer the question directed to me through the First Minister in my absence, by the Honourable Member for Virden. This was concerning the resignation of the Mr. Ralph Kennedy as President of the Horsemen's Benevolent and Protective Association. I might say that the reasons given by Mr. Kennedy for his resignation was certainly explained in a letter that he sent this board, and I imagine that this was released to the press because the press quoted from it quite extensively, and Mr. Kennedy also in a lengthy radio show explain his reasons for resigning. I might say that Mr. Kennedy had the courtesy of talking to me before announcing publicly his resignation. He suggested that maybe he should wait because there could be some criticism of the department, but I encouraged Mr. Kennedy to go ahead if he felt that he had some points that should be brought to the public's attention, notwithstanding the criticism of the department because we're responsible for the commission.

The question was asked also by my honourable friend why the commission had not answered these allegations of Mr. Kennedy. I might say that I was away on department business during last week and I haven't had a chance to talk to the chairman, so I don't know if they've done that as yet.

I can also say that for a considerable time now, Mr. Kennedy has made various allegations and representations, both verbal and written, to the government, different MLAs, and so on, and I've told Mr. Kennedy at the time that if he felt that he had concrete evidence that some legal action could be taken, then I would like to hear about them. This was not done so far My Deputy Minister has talked to all the people in the industry, and it is my intention to call a meeting of all the people concerned in the very near future.

Mr. Speaker, if I may also, I am sure that the Leader of the Opposition would want me to make a correction, because I think we should set the record straight. The Centennial Trophy Cup is a new trophy so it's not 31 years since Portage has won this; it's just a number of years, but I think my honourable friend meant that the Junior Championship at one time they were playing for the Memorial Cup, and I believe that it is a little more than 31 years since this trophy was won . . .

A MEMBER: You're right.

MR. DESJARDINS: . . . by Portage; that was in the days of the Bell and Bens and Stefinerr, and so on, and I would say that we on this side of the House are very pleased to join with my honourable friend to congratulate them, and of course they will be recognized, their feat will be recognized by the department, by the government.

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Minister of Finance. I wonder if he could indicate whether the government is taking any action with regards to borrowing in the U.S. in view of the fact there's a distinct possibility of a U.S. devaluation. Is the government taking any steps to protect its borrowing there?

MR. SPEAKER: The Honourable Minister of Finance.

## ORAL QUESTION PERIOD

MR. CHERNIACK: Mr. Speaker, at this stage, and for the foreseeable few months, there is no indication that we will be in the capital market; we are doing very well now, thank you, Mr. Speaker, and it's not necessary for us to go out on the market. Whenever we do go into the market we always check very carefully about Canadian borrowing first, checking with the Bank of Canada and with the Department of Finance federally, and with the fiscal agents in order to make the decision. If we find that we can make a better deal taking into account the possibility of exchange fluctuations elsewhere than Canada, then we would review that area, but at the present time there is no need to go into that at all.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Yes, Mr. Speaker, I wonder if the Minister can indicate whether a devaluation would have an adverse effect on money already borrowed, plus the other devaluation that took place several months ago?

MR. SPEAKER: I do believe the honourable gentleman is asking for an opinion. The Honourable Minister of Finance.

MR. CHERNIACK: No, no. I could answer that based on some experience rather than an opinion. If the value of the U.S. dollar goes down in relation to the Canadian dollar, then of course we make money on the deal as we pay off.

I understand that a study was made some short time ago about world exchange fluctuations in relation to our existing portfolio, and again I understand that on the actual dollar relationship we are ahead about a million dollars taking into account the changes, relation of Canadian dollars to all the other dollars, yen, not only yen, I mean deutsche mark and Swiss francs, etc., that we are ahead at this recent stage. We are much more ahead in relation to the value of the borrowing at a lower interest rate because we only borrow outside of Canada, but we can get a lower rate than would be payable in Canada which would compensate for exchange fluctuation. So that - I understand that the last figure I heard was in excess of \$40 million where we are ahead on our present portfolio as compared with what it would have cost us had we borrowed the money in Canada at the then current rates from time to time.

Now, Mr. Speaker, you are right if you wanted to suggest that this is a complicated matter, and the only thing I'll undertake at this stage is to have my comments reviewed by the experts in the department. If I have varied from giving a correct interpretation I will then report to the House.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R.(Bud)SHERMAN (Fort Garry): Thank you, Mr. Speaker. To the Minister of Health and Social Development. Can the Minister advise whether the latest round of contract negotiations between the MHSC and the MMA is still continuing or whether, as some reports suggest, Sir, they have been suspended for several weeks?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, to my knowledge the negotiations are proceeding.

MR. SHERMAN: Supplementary, Mr. Speaker. Could the Minister advise whether the parties are meeting daily?

MR. TOUPIN: No, I don't know, Mr. Speaker. The Manitoba Health Services Commission and its negotiators are having meetings with the MMA, and I don't know how often they meet, if they meet daily, twice a day, or once a week.

MR. SPEAKER: The Honourable Member for Fort Garry. Last supplementary.

MR. SHERMAN: Last supplementary, Mr. Speaker. But to the Minister's knowledge there has been no suspension in that latest round that got under way late last week, notwithstanding some reports that have suggested there has been a suspension.

MR. TOUPIN: Mr. Speaker, I answered that. I said no not to my knowledge - the negotiations are proceeding.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. JEAN ALLARD (Rupertsland): Mr. Speaker, I have a question for the First Minister. Could the First Minister tell us whether he is getting the co-operation of the CNR in terms of detailed information necessary to make a western case for the conference in July insofar as transportation is concerned?

MR. SPEAKER: The Honourable First Minister.

## ORAL QUESTION PERIOD

MR. SCHREYER: Well, Mr. Speaker, that question perhaps is better directed to the Minister of Industry and Commerce. The course of action under way at the present time is that the Minister of Industry and Commerce, Province of Alberta, is acting as a co-ordinator of the effort that is being made by all of the western Provinces' Departments of Industry and Commerce to marshal the case and all necessary supporting detailed information and actual case examples of freight rate anomalies, etc., and that is well under way. Now as to whether or not the two railways are co-operating, I would refer that to the Minister of Industry and Commerce.

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

MR. EVANS: Yes, Mr. Speaker, the senior officials of both railways have indicated that they are prepared to co-operate with the four western provinces in providing as much information as they think they may be able to provide us in analyzing the situation with respect to railway costs. Therefore, as the First Minister has indicated, the Honourable Mr. Peacock, the Minister of Industry and Commerce for Alberta, on behalf of the four western provinces has submitted to these railway officials a detailed list requesting certain economic and financial information. It remains to be seen to what extent we receive replies to those requests.

MR. ALLARD: A question for the First Minister, Mr. Speaker. Could the First Minister in view of his statement that so many millions of dollars are going into the north, could he undertake to give the people of the north especially a breakdown as to which programs are involved, etc, etc., and for the total amount?

MR. SCHREYER: Well, Mr. Speaker, that certainly should be possible; it can be done, or it could have been done, through the process of the estimates review. That's one means; another is to make the information available to any newspaper that is doing an indepth analysis, or survey, or article, on northern Manitoba, northern development. So either way it can be done, and we'll explore practical ways and means of making that available.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable the Minister of Tourism, Recreation and Cultural Affairs. Does Thunderbird Travel Limited have an exclusive on this brochure or are some other agencies allowed the same privileges as Thunderbird Limited?

MR. SPEAKER: The Honourable Minister.

MR. DESJARDINS: Well, I think my friend is talking about exclusion on the brochure. I think he means as the people that are pushing these tours. As the wholesaler, yes. We must have only the one wholesaler. The exclusion was given to this firm.

MR. McKENZIE: Another question to the Honourable Minister. I wonder if the honourable Minister could advise the House the cost of this brochure, and what percentage was paid by the agency?

MR. DESJARDINS: Mr. Speaker, I think this is a question that should be answered better by an Order for Return.

MR. McKENZIE: Supplemental question of the Honourable Minister. I wonder can the Honourable Minister advise the House, does the province guarantee any of the rates, bookings, etc., that's advertised in this brochure?

MR. DESJARDINS: I know exactly what my friend wants to get at. There is no doubt that the province did play an important part in preparing this. This was the only way that we can get it off the ground. We've paid part of the cost; some of our people in the Department of Tourism made contacts with these people who would guarantee these rates.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I would like to direct this question to the Minister of Agriculture. What role did the Manitoba Government play in the sale of Manitoba eggs in B.C. yesterday, and also what agreements, if any, have been reached between British Columbia and Manitoba to ensure the continued sale of Manitoba eggs in B.C.?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Well, Mr. Speaker, I'm not aware as to the role that the department has played in shipment of eggs. I believe the member said yesterday. I believe the people involved in the shipping of eggs have been consulting with the departmental officials from time to time over the last month. Whether there was some consultation at this point I'm not aware. Now I'm not sure what the second question was, Mr. Speaker.

## ORAL QUESTION PERIOD

MR. BARKMAN: Well the second question was, if any agreement had been reached between Manitoba and British Columbia. And also while I'm on my feet perhaps I should also like to ask the Minister, does the Manitoba Government intend to actively encourage the export of Manitoba egg production to other provinces also?

MR USKIW: Well, Mr. Speaker, the Province of Manitoba has not entered into any kind of agreement with the Province of British Columbia. We are meeting with the National Marketing Council, or representative of the Council, well tomorrow, to further deal with the problems of export of eggs to British Columbia, but there's no formal agreement between the two provinces.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. ALLARD: Mr. Speaker, I have a question for the Minister of Northern Affairs. Could the Minister tell us whether he is going to investigate the charges made by the Northern Association of Community Councils that some civil servants in his employ were guilty of giving instructions on how to vote in community council elections?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RON McBRYDE (Minister of Northern Affairs)(The Pas): Mr. Speaker, that particular charge is a very serious one and was made to myself through Mr. Kip Thompson, President of that association, and I have asked for preliminary checks to be done on it by my staff.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I should like to ask the First Minister if he is contemplating the sending of an Ambassador, or a Trade Commissioner, to each of the Provinces of Canada to make sure that trade relations are maintained and Manitoba is in a position to export its products out of this province?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I share with the Honourable Member for Morris the regret tinged with just a little bit of irony and sarcasm, which I join with, in the fact that it should have come to this, and it is something which all provinces, including ourselves, share a very heavy responsibility to do battle with whenever it occurs. These impediments to inter-provincial trade and efforts made by any province to treat product coming into that province from other parts of Canada different than it would with respect to locally grown produce.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: I'd like to direct a question to the Minister of Mines and Resources. In his capacity as Minister replying for the Manitoba Development Corporation I should like to ask him if the Development Corporation has submitted to him, or to the government, a recommendation for the purchase of the former facility at Morris which was owned by Flyer Coach Industries?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, there has been a recommendation which has resulted in the continuance of negotiations that the recommendation with regard to final disposition will be received before anything final is done.

MR. JORGENSEN: Am I to understand, Sir, that the government now has a recommendation in their hands, and that they're dealing with it?

MR. GREEN: That's a misunderstanding. The recommendation which the government has has resulted in a continuance of negotiations by the Manitoba Development Corporation officials, that before any final action is taken there will have to be approval by the government.

Mr. Speaker, while I'm on my feet the honourable member has two questions on the Order Paper which I've answered through the Clerk. I'm afraid it's not going to save any time. The answers are nos in each case, simple nos in each case. The answer to the first question is answered no because the Clean Environment Commission doesn't do the administrative work. It's done through the department staff itself, and it's done on the basis of complaints, it's not on the basis of survey. There are other things and complaints which bring the departments attention to non-conforming uses but it's not in the nature of a survey. And there is no policy at the moment with regard to compensating people who don't comply with Clean Environment Commission standards.

MR. JORGENSEN: May I ask the Minister then in response to the answer to the question that has been placed on the Order Paper if the government is intending to conduct such a survey

## ORAL QUESTION PERIOD

(MR. JORGENSEN cont'd). . . to determine what the cost may be, and what criteria they may develop in order to compensate people who are going to be put out of business as a result of the decisions of the Clean Environment Commission?

MR. GREEN: Mr. Speaker, the answer to that question is really very complicated and I attempted to deal with some of it probably last-on the estimates, I don't recall exactly. There is a difference between existing industries and industries coming into start with. If the limits that are set are standard ones, which we would expect anybody to follow as a result of health or other considerations, then a person has to comply with updated standards the same way as he would have to comply with an updated law. With regard to putting people out of business we - the province will have to deal with any cases of that kind when they arise.

MR. JORGENSEN: I may direct now a question to the Minister of Health and Social Development and ask him if he has a reply to the question that I posed to him yesterday concerning the Youth Centre.

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: No, Mr. Speaker, apart from what I related to the honourable member yesterday in regards to the three that did escape. To my knowledge they did escape by breaking a window of the Youth Centre and they were recaptured a few days later.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Thank you, Mr. Speaker. I see the Leader of the Liberal Party wished to rise for a question, possibly I could answer the question he may want to put, in that I undertook this morning to respond to a question which he raised in Committee of Public Accounts, and I feel that I should at the earliest opportunity provide the answer. He asked for a report in relation to payments made in the previous fiscal year to an organization named Praxis of Winnipeg and Toronto, and I've now been given the information that this organization was employed to do a study on the People Opportunity Service Demonstration Project, which had been funded by the Provincial Government, that this study was a requirement under the agreement with the Federal Government to the effect that there had to be an outside evaluator of the POS project at the termination, or towards the termination, of its program, that the Federal Government was required to pay the 100 percent of the cost of this evaluation study, and agreed to do so before the Provincial Government authorized it; that the total cost of the project was therefore 100 percent funded by the Federal Government, which has already paid the amount back to the Provincial Government and reimbursed it completely for the expenditure. And I might only add the comment, Mr. Speaker, that in view of the concern of the Leader of the Liberal Party, that this money was used to support a leftwing, far leftwing philosophy organization, that I am looking forward to seeing the report of the Federal Auditor General when he reviews this payment that was made out of federal funds.

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

MR. ASPER: Yes, Mr. Speaker, to the Minister of Finance. Was it the Federal Government or the Provincial Government that engaged Praxis to do the work?

MR. CHERNIACK: Mr. Speaker, I am not aware of the exact answer but my impression is that it could not be authorized unless it were an acceptable organization in terms of the Federal Government's evaluation. Whether or not the Federal Government forced the Provincial Government to employ Praxis, I couldn't say. But I would say that in all probability, and this is subject to review, in all probability the appointment of the organization was either made by the Federal Government, or had to be approved by it as being a valid evaluator. --(Interjection)-- I just want to finish by saying that the report of Praxis was made to the Federal Government, not to the Manitoba Government.

MR. ASPER: Yes, Mr. Speaker. In view of the fact that there is a disagreement as to the fact, I wonder if the Minister of Finance would undertake to get the answer to that question as to whom . . .

MR. SPEAKER: Order, please. One at a time. I would like to hear the completion of the question.

MR. ASPER: My question is, will the Minister of Finance undertake to ascertain exactly where Praxis came in. At the instance of the Provincial Government, or at the instance of the Federal Government, and report to the House?

MR. CHERNIACK: Mr. Speaker, may I make clear that there is no difference of opinion as to fact because the Leader of the Liberal Party has no facts available to him at all

## ORAL QUESTION PERIOD

(MR. CHERNIACK cont'd). . . so we can't disagree about something he knows nothing about. On the other hand, I would be prepared to try and find out how the appointment took place, if indeed that is something that is ascertainable. All I know is that the money was paid for by the Federal Government; the project was undertaken on behalf of the Federal Government; the recommendation or report was made to the Federal Government, and this is in accordance with the contractual arrangement made with the Federal Government by the provincial.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder in view of the answer given by the Minister of Finance whether he would be in a position to table that report in the Legislature?

MR. CHERNIACK: Mr. Speaker, as Minister of Finance I undertook the responsibility of checking the payment of this money. May I say however that I believe that this is a report made to the Federal Government and is the property of the Federal Government.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a question for the Minister of Health. I wonder if he could indicate what the policy is in letter writing from the provincial prisons. Is it one letter per week or one letter per day?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker there's no preset policy pertaining to letters that inmates can write. In the case of emergencies they could write one letter per day. There is though a provision that, depending on the inmate himself, that mail can be censored.

MR. BOROWSKI: Yes, Mr. Speaker. Is the Minister aware that some provincial - heads of provincial jails refuse the inmates the privilege of writing a letter to one of the government ministers?

MR. TOUPIN: No, not to my knowledge, Mr. Speaker. I and quite a few of my colleagues receive letters from inmates and I believe that I've answered all letters that I've gotten from inmates, and even phone calls to my office and to my home.

MR. SPEAKER: The Honourable Member for Thompson, last supplementary.

MR. BOROWSKI: Mr. Speaker, I take it then that there is no policy instructing the heads of the provincial jails to refuse inmates to address letters to any of the government ministers.

MR. TOUPIN: Mr. Speaker, there is no policy as set down by the Minister responsible for corrections insofar as restricting inmates, you know, from sending and receiving mail. If it's not emergency mail they have to have the funds necessary to post the mail intended for the recipient.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: . . . question is to the Honourable Minister of Tourism and Recreation. In view of the expansion of luxury cruise ships by riverboat companies, can the Minister tell us what is the advance sales of the government luxury ship, Lord Selkirk?

MR. SPEAKER: The Honourable Minister.

MR. DESJARDINS: Mr. Speaker, I wonder if my honourable friend could redirect his question to the Minister responsible for the Manitoba Development Fund because that is under

MR. PATRICK: My question is then to the Minister of Mines and Natural Resources responsible for the MDC. Can the Minister tell the House what the advance sales are for the government luxury boat Lord Selkirk?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I'm advised that the people's boat is booked fully, but I may be incorrect - by ordinary people not by luxury - minded people.

MR. PATRICK: A supplementary, Mr. Speaker. Can the Minister indicate to the House if this luxury people's boat will make any profit this year?

MR. GREEN: Mr. Speaker, I hope so, but I wouldn't be either optimistic or pessimistic, nor would I try to act in such a way as to try to make it fail.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. ALLARD: Mr. Speaker, I have a question for the Minister of Northern Affairs. Could he tell this House what he intends to do about the charge by northern councils that people recruited and hired by his department are guilty of fermenting . . .

## ORAL QUESTION PERIOD

MR. SPEAKER: Order, please. I believe the honourable member asked that question this afternoon.

MR. ALLARD: I did not, Mr. Speaker, if you'll listen to the rest of my question.

MR. SPEAKER: Carry on. I want to hear it all.

MR. ALLARD: Well my first question, Mr. Speaker, had to do with election practices; this one is another charge. The charge that members of his department are responsible for counselling and recreation and information communication programs, are guilty of fermenting conflict against the elected councils in their local communities, and the charge is also added that they have peculiar moral structures --(Interjection)-- It's not my charge, the charge is here. The charge is here.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, the matter raised in the letter I received from the President of the Northern Association of Community Councils are being checked with officials of my department.

MR. SPEAKER: Orders of the Day. The Honourable Member for Thompson.

MR. BOROWSKI: Yes, I have a question for the First Minister regarding the letter he tabled from Chemalloy. Could he indicate what the total profit would be to the province if he exercised that offer in that letter?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, it would be approximately, if exercised, would be 18 percent of the amount of financing that was involved by the MDC, and the Minister reporting for the MDC may recall that figure more specifically than I. I believe it was in the order of 1.5 million. It would be approximately 18 percent on 1.5 million.

MR. SPEAKER: Orders of the Day. The Honourable Member for Rupertsland.

MR. ALLARD: Mr. Speaker, I have a question for the First Minister. Could the First Minister tell us if any - when the investigation is made into northern transportation - whether any investigation could be made into the situation that exists by which you end up with milk costing from 5 to 18 cents more a quart in Grand Rapids than in Winnipeg, whereas liquor costs exactly the same amount?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I can advise my honourable friend the Member for Rupertsland that the Department of Northern Affairs has already initiated a Task Force analysis of northern transportation costs, including specifically the question of air freight rates, including specifically the effect of air landing strip construction on air freight rates. And on the specific point about the cost of milk, and the relative extent to which the cost of transportation causes the cost of milk to be higher in one community than another whereas this is not the case insofar as liquor is concerned, I'm not sure that that's an absolute fact, but I believe it to be relatively correct, that is something which is a result of the fact, Mr. Speaker, that milk has never been under the kind of - may I say it - state regulation as liquor. And that has something to do with it. My honourable friend perhaps would like to make a case that there should be a systematic approach towards milk costs and, milk transportation costs, that is something which deserves a close scrutiny.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Yes, Mr. Speaker, further to that Chemalloy offer, I wonder if the Premier could indicate whether there's a deadline on the government exercising and the offer here, and whether the figure of \$270,000 profit is a correct one?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I would have to do some rapid mental arithmetic - 18 percent of a million five should come to something in the order of two hundred and some thousand. So my honourable friend isn't too far out with that calculation. And insofar as whether or not this offer would be exercised is something which has not been determined, it has not been decided and so it remains as an open option. And I'm sorry I cannot advise my honourable friend when it is likely that we would make a decision on it.

MR. BOROWSKI: Mr. Speaker, I was wondering if the company had a deadline when it must - at which time the government must exercise this option. Is there a deadline?

MR. SCHREYER: Not to my knowledge, Mr. Speaker, neither imparted in that letter or verbally to the best of my recollection.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

SECOND READING - GOVERNMENT BILLS

MR. GREEN: Mr. Speaker, I'd like to go into the second reading of government bills starting with Bill No. 26. But before I do, perhaps I should clear with my honourable friend - I wonder if the Leader of the Opposition would just stay here for one minute. With regard to House business what we intended to do, unless it meets with problems, is to proceed this afternoon with bills; to commence concurrences tomorrow - this evening; to proceed tomorrow afternoon with bills, and concurrences tomorrow evening. With regard to tomorrow night the Judge and Citizenship scheduled some time ago a program in the adjacent rotunda and will probably be there till 8:30, and I'm suggesting that so that we don't lose any time that we continue tomorrow afternoon until 6 and start tomorrow evening at 9, so there is a total loss of a half hour which can be made up. And that we schedule Law Amendments Committee for Friday afternoon at 2:30, so that the public who would want notice of bills that we now have on the Order Paper will know that some of them would get to Law Amendments by Friday afternoon at 2:30, and that we meet on Saturday, but that we not meet on Saturday evening, that we meet on Saturday. --(Interjection)-- Well, Mr. Speaker, I'll have some further information on Monday for tomorrow. But in the meantime that we proceed as usual on Saturday.

BILL NO. 26

MR. GREEN: Bill No. 26, Mr. Speaker.

MR. SPEAKER: Bill No. 26, the Honourable Attorney-General.

HON. A.H. MACKLING, Q.C. (Attorney-General)(St. James) presented Bill No. 26, an Act to amend The Real Estate Brokers Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, Bill No. - I believe it's Bill No. 26, Bill No. 25, excuse me, Mr. Speaker. I'm sorry I don't have that file with me. I thought it was a different one. May I have this one stand, Mr. Speaker?

BILL NO. 5

MR. GREEN: Could you proceed with Bill No. 5? Bill No. 5, Mr. Speaker.

MR. MACKLING presented Bill No. 5, The Personal Property Security Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, this bill has been distributed for some time and as I indicated earlier a number of amendments to other acts flow as a natural consequence to the intended passage of Bill No. 5, which really just make provision for the administration of those other acts to conform to the provisions of Bill No. 5.

I might say, Mr. Speaker, that the Personal Property Security Act is an act which has been rather a personal priority of mine for some time because as one who has practised law in Manitoba I have recognized the need for much more effective system for the registration of security interest in personal property. We have had a system, Mr. Speaker, that for decades has cried out for reform, and I'm very pleased that at this stage we are now about to enact, I hope, a vehicle for much more responsible administration of the security interests in personal property. The background to this legislation is rather extensive. That is, there has been consideration of the needs for improved registration systems in many jurisdictions of North America and perhaps the pioneers in this field from which we have drawn some of the provisions is in respect to the uniform state laws attempted by our neighbours to the south in a commercial code which was published in 1956, a report published in 1956. The whole matter was given a very careful consideration by the New York Law Revisions Committee over a period of some four years and as a result of that a uniform code was recommended. It was further studied by the State Uniform Laws Commission, the American Law Institute and representatives of the Falk Foundation, and this research culminated in the development of the revised commercial code and it is the basis of that commercial code that was reviewed by administrative systems, law reform commissions in Canada, and in 1964 the Catzman Committee,

## BILL NO. 5

(MR. MACKLING cont'd) . . . . a committee of Ontario lawyers reviewed the American commercial code and recommended a draft bill to the Ontario government. The Ontario government then referred the proposed draft bill, the so-called Catzman Bill to the Ontario Law Reform Commission and after further detailed study, the Ontario Law Reform Commission referred a draft bill to the Ontario Government. The Ontario Legislature enacted a bill in 1967 and part of that bill has become operative but there are still parts that have to be brought in because of the timing of the administration system to cope with what is expected to be a sophisticated computerized registration system.

Concurrently or about the same time as the Ontario Law Reform Commission study was under way, Mr. Justice Matas undertook a study here of the Personal Properties Securities Act for the then Manitoba Law Reform Commission which I believe was a commission then of the former Attorney-General, rather a committee arrangement not a continuing Law Reform body, further studies then were made by that commission. The uniformity commissioners have had this proposed uniform draft security bill under consideration for some time and the Canadian Bar Committee were also very interested and made a study of the bill and approved of a draft uniform Personal Property Act in 1970, and the next meeting of the Commissioners of Uniformity of that body recommended a draft bill.

The drafts prepared by all of these committees were based on Article 9 of the American Uniform Commercial Code which I earlier alluded to. However the drafts indicate differences, some of substantial nature and some of a minor nature. However the basic concepts in the approach--thank you--and the approach and many of the detailed provisions remain unchanged and the adoption of any of the drafts recommended would lead to some furtherance of uniformity of law in this respect with the Ontario and the United States' systems.

In the United States almost every state has now enacted the Commercial Code including Article 9 with some minor variations. This bill is itself a sort of code of the law relating to interest in personal property taken to secure payment of debt or obligation. To some extent it codifies the existing law relating to rights of persons who are parties to agreements creating security interests and the rights of persons who are not parties to an agreement but have an interest in the property which is being dealt with under the agreement, but the bill also departs from the existing law to a considerable extent and formulates new rules to govern the rights of the contracting parties and third parties. It does not provide a complete code however as there are some areas which are not dealt with specifically by the bill. For instance, the rights of receivers appointed under corporate securities are not dealt with.

For the sake of uniformity the bill follows the Ontario act to a considerable extent, although the work of the committees and commissions who have reviewed the Ontario act has not been overlooked. The Ontario act does not apply to corporate securities. Both the Canadian Bar and the Uniformity Commissioners recommended that the act be made to apply to corporate securities and the bill that is presented to this House is written to apply to corporate securities as well.

It applies of course to the wide range of agreements by which security interests and personal property are created. In addition it applies to general assignments of accounts, even when that assignment is not taken as security and to assignments of chattel paper not intended as security. Because most personal property is readily movable, in fact much of it is made for the purpose of transportation, the rights of persons interested in it are frequently altered by change of location of the personal property. Some attempt has been made in the bill to provide basic conflicts of laws rules that relate to such situations.

As the act deals not only with the rights between contracting parties but also the rights of third parties, two concepts have been developed in the act. The concept of attachment, expressed in such terms as "a security interest has attached" is the first of these concepts. Essentially this concept covers a situation where the security interest is binding on the party to an agreement creating the security interest. The second and more important concept is perfection expressed in such terms as "the security interest is perfected". This refers to the situation where the security interest binds or affects the rights of persons who are not parties to the security agreement creating the security interest.

Rules are set out for the requirement for attachment and perfection. The basic requirements for attachment are set out in sections of the bill which clearly indicate that the following are necessary: The intention of the parties, the giving of value and the debtor having rights in

## BILL NO. 5.

(MR. MACKLING cont'd) . . . . the personal property affected. The basic requirements of perfection are (1) that attachment has occurred; and (2) either of the following: Possession by the secured party of the personal property or registration of the security interest in a registration system established under this act.

The act then goes on to provide rules restricting or granting rights or imposing or qualifying obligations on the basis of attachment or perfection of the security interests involved. Of course the act provides many rules that apply both in cases of attachment where there is no perfection, and in cases where there is perfection. For instance, I really would like to refer to the section number, Mr. Speaker, I don't think it is all that offensive, it will assist I think members in following the bill. The earlier section I referred to which dealt with the basic requirements for attachment was Section 12 of the bill. Now in dealing with - where there's perfection, for instance Section 13 permits security agreements to cover after acquired property and this rule will affect the attachment of the security interest in the after acquired property as well as perfection of the security interest.

Also a further section permits a security interest to secure future advances and this rule also will affect both the attachment and the perfection of the security interest in the collateral. The most important rules relate to perfection, either a method of perfection or the effect of perfection on rights and priorities. The rights of the secured party as opposed to third parties who have an interest in the collateral are the subject of most of Part 3 of the act. The most important area of concern in this part is the placing of priorities among the conflicting interests. Generally priority is fixed by time of perfection, and for this reason considerable importance is placed on the rules relating to the method of perfection, the time of perfection and to what collateral perfection will relate in certain cases. In respect of perfection--we all strive for perfection--the Honourable Minister of Health is concerned about what perfection is, and it's something that we will all understand in another lifetime perhaps but this bill is an attempt to provide for perfection in a certain area of the law, and perfection in this bill has a singularly legalistic meaning. --(Interjection)-- Always, always to the the honourable member.

MR. ASPER: I thank the Honourable Minister . . .

MR. MACKLING: But without yielding the floor.

MR. ASPER: Yes. I only interrupt because I've just received a note that requires me to leave the Chamber for a few minutes. And, Mr. Minister, with the compliments of the Liberal Party for introducing this very very long awaited report . . .

MR. SPEAKER: Order, please. Order, please. Let's get to the business. Question?

MR. ASPER: My question is, Mr. Speaker, has the bill been referred to the Law Reform Commission? Has the bill been referred to the Manitoba Bar Association, Legislation Committee or will we have an opportunity to hear from them, have they been invited to make a submission?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I'm certain that both of the organizations to which reference has been made by the Leader of the Liberal Party are aware of the concerns that are embodied in this bill. The matter has been referred to on a number of occasions by myself; it's certainly been referred to I think in the Throne Speech; the Canadian Bar Association has had a committee look at this draft bill. It has been under intensive study by informed and interested people including the Uniformity Commissioners - Law or Uniformity Commissioners of Canada, and I'm pleased to let the honourable member know that in addition to the Chairman of our Law Reform Commission, Robert Smith Hurst, another member of our Law Reform Commission was in attendance at the Uniformity Commissioners meeting and they have a clear conception and knowledge of what is being undertaken in this area. And I assume that if they're interested in debating issues in respect to the bill--or further informing legislators they will be here.

In addition to that, as I've indicated earlier, it is my expectation or my hope that I'll be able to have available - legal counsel has had a fair bit to do in the research and understanding about personal property securities to be available to answer questions of honourable members if that kind of interest is indicated. I will also provide copies of notes on the bill itself to assist members in their understanding of its provisions.

Now to continue with my dissertation here about the essence of the bill, Mr. Speaker. In respect of perfection registration is very important, however, the provisions relating to registration are general in character. A great deal of the detail with respect to registration, the

## BILL NO. 5.

(MR. MACKLING cont'd) . . . . registration system, will have to be dealt with in regulations as the system is developed and improved.

Registration will be effected by filing in what is called a financial statement rather than the agreement itself, and in this respect this act departs from the example of the Ontario act and follows the recommendations of the Canadian Bar Committee. In the case of corporate securities the trust deed or other document creating the security interest will have to be filed along with the financial statement. Because--I should say "financing" statement, because there is a distinction between those two words. That was a slip of the tongue. Because the agreement itself will not be filed in a public register except in the case of corporate security, the secured party will be required to provide a copy of the security agreement to persons interested in the collateral. The registration system will be backed by a government guarantee of accuracy which is limited to \$20,000 for each claimant, and an aggregate of \$200,000 under any corporate security. And I should say that, you know, this conforms to the guaranteed system that we have in respect to the real property system of Torrens title. The guarantee relates only to information as registered and not to the accuracy or reliability of the information that is provided to the registration system by the registrants.

Because some personal property may become fixtures and security interest may be created in such fixtures separately from the land to which they are affixed there are special rules relating to priorities as between a secured party with security interest in a fixture as collateral, and persons who have interest in the land to which the collateral is affixed, and I should refer honourable members to Section 36 there. These rules contemplate registration in that the land title system of the security interest in the fixtures and this is permitted under Section 52 of the bill. This is a new departure in Manitoba where the registration of such interest in the Land Titles Office has been prohibited under The Lien Notes Act.

Part 5 of the bill provides rules that apply in the case of default under the security agreement. In the past the law applicable in these situations was almost completely weighted in favour of the creditor because of the wording of the agreement. Under the provisions of this bill the situation is altered to put the parties on a more equal footing.

Section 55, subsection 6 makes it impossible for a debtor to waive a number of the rights which he has or the obligations of the creditors where the default has occurred.

As this act will replace The Bills of Sale Act and The Assignments of Book Debts Act and the provisions of The Companies Act relating to the filing of corporate securities, a section has been inserted to preserve certain rights established by filings under these acts.

This bill affects a varied and complicated area of business and of necessity is complicated and technical in its approach. I've covered a few but by no means all of the important features. To attempt to cover all of the details at this stage would be time consuming and of doubtful value. However I realize the members of the House are likely to be interested in making a detailed review of the bill. To quench this thirst for knowledge I have asked one of the persons who participated in several of the groups that have studied the draft Personal Property Security Act to meet members of the House interested in the bill for a more detailed discussion on a more informal basis, and as I indicate I will await the response of the members to that.

Now, Mr. Speaker, in more common language terms, I want to reiterate that the provisions of this bill hopefully will fulfill a need that has long been felt not only by the commercial people in society, the people who are interested in a security interest in personal property from the point of view of financing these interests and ensuring the ability of people to pledge their interest in these properties in order to purchase them and so on, but it is a very real assistance to individuals who are interested in acquiring personal property and should have a very considerable doubt as to whether or not they can perfect title by paying the money and taking possession of the goods. Because we've all heard I think of situations where individuals have purchased items of personal property, particularly automobiles and appliances and various things and found to their dismay that after they've paid the money that someone had come along and claimed title to the goods as an unpaid vendor or because they had a security interest that had been some way obtained and over-rode the provisions of the person who had purchased the goods. There has been but limited access of individuals to information about security interests. The only security interests that have been registered and are still being registered in Manitoba deal with bills of sale and chattel mortgages and honourable members know that in our complex society credit is given in advance in commercial transactions employing personal property in a

## BILL NO. 5.

(MR. MACKLING cont'd) . . . . very broad area and include such common techniques as conditional sales contracts, lien notes, higher purchase agreements and so on. And so the development of this legislation will fulfill a long sought need not only on the part of people who have an interest as I say in the commercial world of credit and sale of goods but also in respect to the many individuals who from time to time purchase goods particularly that are owned privately by others, so called secondhand purchase of goods, and the very expensive and important commodities are purchased by individuals and the state, the nation owes to individuals some greater measure of protection so that they can make inquiry and find out whether or not there is a valid title in the seller of these goods that the purchaser can acquire.

Now the technique will be that hopefully when 405 Broadway has been completed that in that building there will be housed a registration systems for both real property and personal property, that is that the Land Titles system is expected to be housed in the basement and main floors of that building and concurrently the personal property security registration system will be housed again on the main or second floors to provide the greatest access for individuals to secure information about security interests.

Now it is fully expected that both of these systems dealing with both real and personal property will be computerized such that individuals no matter where in the Province of Manitoba will be able to mail in or perhaps they will be able to send in by computer, by a terminal, information to the Central Registry which will be then registered there, and anyone wishing to make a search can employ any one of the terminal operations in the various court districts throughout Manitoba and have this information readily obtainable. This will be a great improvement over the system which we have now, and is one that has been long sought, I think, by many people and I think we should all look forward to this development. Now what I've said is not to suggest that tomorrow, if the Bill was passed tomorrow, that we'd have the system operative within a short period of time. It will take time to set up all the administrative apparatus that is necessary to properly develop this system. Particularly is that the case when we want to develop a thoroughly integrated and computerized system for registration of these interests. But this will provide the administrative authority to proceed with that work.

MR. DEPUTY SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I move, seconded by the Honourable Member from Gladstone, that debate be adjourned.

MOTION presented and carried.

MR. GREEN: Mr. Speaker, would you call Bill No. 22, second from the top on page 2.

BILL NO. 22.

MR. DEPUTY SPEAKER: Proposed motion of the Honourable First Minister. The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): I think, Mr. Speaker, what has to be said, and said again and again with respect to the bill before us, Capital Supply, to the degree that it becomes a nauseating subject to members opposite, but it's amazing, Mr. Speaker, how often that while we think we have said something often enough in this Chamber, we persist in getting letters and comments from the people of Manitoba at large, who write us letters: Why has the opposition not raised this question? Why has the opposition, the Conservatives or the Liberals, not taken issue with the government on a particular issue? It only indicates to me the importance of if you think of something being important enough and if you believe in something strong enough, that there is no danger of repeating it often enough.

The specific matter that I refer to that exorcises me in the Capital Supply Bill, Mr. Speaker, is the massive amount of government waste involved in the management of Hydro affairs. Mr. Speaker, the amount is so staggering when one considers that the amount of money that is literally being thrown down the drain could completely finance, say for instance, Alcoholic Foundation program for the next 20 years at ten times its present rate of support. If you completely finance such little happenings as Centennial celebrations that we are planning in this City of Winnipeg. Mr. Speaker, we are talking about \$254 millions now and millions of dollars built into a fixed set of costs for all time to come, for all time to come. Mr. Speaker, it's not my intention to deal technically with the subject. There's no question in my mind that there'll be other members from our side that will carry on to do so.

Well, Mr. Speaker, let's clearly understand the fiasco that we're approaching here, that

## BILL NO. 22.

(MR. ENNS cont'd) . . . . we have approached. Let's clearly understand how this thing is from some other government failures that occur from time to time, government failures that occur not wilfully by government, governments that may have from time to time been taken advantage of by persons unscrupulous or simply by a fate or, as luck would have it, a set of circumstances. But I can't be so kind to the present government and to the Minister currently responsible to some extent for this decision. This was a very coldly calculated political decision made by this government to: (1) extricate themselves out of a difficult political position that they found themselves in as a result of a position or posture that the NDP Party generally took and was quite happy to take for themselves prior to the last election. And while, Mr. Speaker, it is true that it was the Liberal Party essentially who led the assault on the Conservative administration of that day for their wicked and evil plans of flooding South Indian Lake in the sense that the Liberal Party--and unfortunately they continue their idiotic approach to power development in this province--came out very straightforward and very clear that it should be stopped, period. There wasn't even a look and a listen in the campaign of Bobby Bend in 1969 with respect to hydro development.

But, Mr. Speaker, let not the Minister of Mines and Natural Resources stand up and allow himself any room or any reasonable excuse simply because he himself can point to his particular statements during the course of that debate, during any public statements that he made during that time, that he himself adopted a fairly open attitude or open mind to it, the basis that they weren't confronted with the facts or that it was a mistake to bring the decision-making process into the House and then not giving them all the facts of the judgment. I'm generally speaking about the posture because I want to get back to the Bill, Mr. Speaker, the posture that the NDP Party, the Premier, the now Premier, and certainly a goodly number, if not all, of the members that were elected on June 25th, 1969 were quite happy to accept, and that was that the development of our hydro resources was being grossly abused by the Conservative administration, that they would desist from such actions, such specific actions, as the flooding of South Indian Lake or even the question of the Diversion of the Churchill River should they be given the responsibility of forming government.

Now, Mr. Speaker, that set the scene for them to find themselves in the political bind that they then found themselves in when they became elected and then had to at the same time, once apprised of the full situation, becoming fully appreciative of the tremendous factor that energy plays in our whole economic well-being in this province, becoming apprised of the fact that how important development of northern resources is to the northerners. Now, Mr. Speaker, let's be very clear on it. If the party fortunes of my friends the Liberal Party are falling apart so dismally in northern Manitoba, it's because of their idiotic statements that are being made by their Leaders with respect to development in the north and particularly hydro power development in the north. The people in the north are the first ones to acknowledge the necessity for the kind of development programs that were envisaged by a progressive administration.

Mr. Speaker, this was the position that the NDP administration found themselves in. They then, Mr. Speaker, coldly and deliberately chose to ignore some \$20 million worth of scientific study and engineering report which on one occasion the Premier very dramatically piled up on his desk. \$20 million worth of report, and settled, Mr. Speaker, instead for a report written up posthaste, that was about yea, thin, by a political colleague of theirs, although a very capable, a very capable man in the particular field that he was entrusted to with a great deal of responsibility, but even in the writing of that report, Mr. Speaker, there were two men originally hired. It was referred to as the Cass-Beggs - Durnin Report. The fact is, Mr. Speaker, that the other author, the other writer of that report so violently disagreed with the ethics and the conclusions drawn by Mr. Cass-Beggs in writing this political document, that he left and he refused to be associated with it or with any aspect of it, prior to that Cass-Beggs - Durnin Report being placed in this House.

Now, Mr. Speaker, ignoring \$20 million worth of reports that were stacked up in this Legislature, 5-6 years of work excepting a 50-page booklet written by one Mr. Cass-Beggs in a hurry one fine autumn evening. That was the decision that this government embraced because, of course, he recognized the political difficulty that this government was in, and they found a way of flooding South Indian Lake that would still be acceptable to them with respect to what they thought their political obligations were. And that was No. 1, not to worry themselves about the destruction of the natural resources because Mr. Cass-Beggs himself said that the

## BILL NO. 22.

(MR. ENNS cont'd) . . . . first five feet of flooding causes 85 percent, 85 to 90 percent of the ecological damage, when we're talking about flooding. No the concern was there and has been pointed out by members like Ian Turnbull, the Member from Osborne. Pardon me, I retract that. Other members that are very concerned because they know full well on what platform they last ran on. And so that they could be well equipped with Hansards, they have been peppering these questions early on in this Session to various Ministers and particularly the First Minister. They want the assurance that they feel will get them comfortably off this hook, is if they can at least be assured that no dwelling place, no shack has to be moved, or no actual flooding will take place of anybody's home. The fact that they're doing 80 percent of the ecological damage is of no concern. The fact that they're going to take away their livelihood in terms of trapping and fishing is of no concern. But, Mr. Speaker, they can be truthful by saying that "we are not flooding out any one of these 77 families." Let's put that in the record again. It is not 600, of course.

Mr. Speaker, the relevancy of what I am saying just now and to this Bill is that contained in this Bill are massive amounts of money, millions of dollars worth, that will be applied to one of the biggest engineering blunders, one of the biggest political blunders - well as my friend from Riel says, one of the biggest boondoggles that have ever been perpetuated on the people of Manitoba. And, Mr. Speaker, all else that has passed, whether it's that little hassle that took place when this building was erected or any other minor situation that . . . pale into insignificance, pale into insignificance, Mr. Speaker, when you recognize the kind of money that is being talked about in this issue.

\$254 million worth of money, taxpayers' money, is wasted. That says a man, who is a former Premier of this Province, whom this administration thought highly enough, this administration thought highly enough to appoint to the Directorship of the Manitoba Hydro Commission, is not my political compatriot, supported, Mr. Speaker, by equally capable people. That is their contention. Well, Mr. Speaker, to me it's been a, you know, when I consider the amount of news, the amount of news coverage that the difficulties that the previous administration received with respect to their planned development approach of South Indian Lake, you know, the imbalance surely can't escape anybody's notice, surely can't escape anybody's notice. The fact that reputable and responsible people--and I make this charge, and I repeat this charge in this House, and the fact that it has been skillfully seen to that neither of these people, none of these people, can be heard by a legislative committee. They can't be brought before any member group of members such as the Committee of Public Utilities to have their, well, as it has been described by senior civil servants, schoolboy or bungling arithmetic at least publicly attacked or confronted. We have the only opportunity of listening to endless time-consuming, although very interesting from time to time, reports of a single person when it comes to looking into the affairs of this important corporation that is spending so much of our money.

Now, Mr. Speaker, I feel that there will indeed be a time, particularly when the benefits simply don't accrue that should be accruing to this plan, that some administration in the future will be looking long and hard in the way and the manner in which decisions were arrived at this particular critical time by this administration.

Mr. Speaker, the Minister of Mines and Natural Resources knows essentially what the purpose of how one has to relate costs and benefits and how they apply to any project before a government makes a decision to enter into it. He lectured the Honourable Member from Pembina and the Member from Rhineland on that very clearly when we talked about the development of the Pembilier Dam. The benefits simply don't make that project viable based on the information that he now has. Mr. Speaker, the benefits of Lake Winnipeg Regulation together with the development course that this government has embarked on as compared to other well-engineered, well-studied, well-documented over five years - \$20 million worth of documentation studies as compared to that thin Cass-Beggs - Durnin Report. Mr. Speaker, the cost benefits when compared to the known alternatives as to how that money should be spent simply doesn't add up. And for this government to commit future Manitobans to paying the kind of moneys that they are getting themselves into debt with with the passage of this bill and other bills like this that will be passed, will have to be passed now that we're on this course, and building into our hydro rates a cost factor which is entirely unnecessary, a cost factor that is going to be felt and applied in our every walk of life, on the cost of our food production, the ability of our industries to be competitive. Of course, Mr. Speaker, that will become an

BILL NO. 22.

(MR. ENNS cont'd) . . . . academic question pretty soon anyway because with this supply and management oriented government we will indeed be worrying only about a degree of self-subsistence and that of course is all too often acceptable to the socialist position, the socialist mind, not to look to the potential but simply to redistribute that what is to the lowest common denominator and then at least we're all equal.

Now, Mr. Speaker, the irresponsible manner and the costly manner in which this government is spending their funds, hard to come by, harder to pay for funds for future generations of Manitobans in the course that they have chosen, selected for themselves with respect to the development of power is one that I take strong objection to, the Conservative Party takes strong objection to and will continue to do so, and we voice it as we are about to pass the capital supply estimates contained in this bill. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: I beg to move, seconded by the Member for Swan River that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

. . . . . Continued on next page.

BILL NO. 44

MR. GREEN: No. 44. Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Minister of Health, The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I'd like to continue my comments on this particular resolution as I made some remarks last evening and I think before I left off the Minister of Finance had made his contribution. He was commenting on the high costs of drugs and I think sort of generalizing the high costs that affect peoples lives in many different forms. And I was trying to suggest, Mr. Speaker, last evening that this government have this idea that seems to prevail with them in a number of other sectors, and I made a comment, Sir, that I thought possibly it was about time, and I want to just re-emphasize this point, that possibly we should start looking into the high cost of lawyers' fees. They're getting into just about every other field but I don't know what they're doing about the legal aspect of how that part affects the cost of the lives of many people in this province.

It's very interesting, Mr. Speaker, to hear the comments from honourable members opposite when they talk about the things that they're doing and trying to alleviate those problems where high costs are involved. Namely, we're discussing the drug situation here and I think this does have a significant relationship to our whole medicare program. I would like to remind honourable members that when we were government - I can't give you the exact figure - but I want to say to honourable gentlemen that we did provide a medicare card to almost 30,000 senior citizens in the Province of Manitoba. So I want, for the record, Sir, that this not go by unnoticed by the members of this House and the people of the Province of Manitoba.

From listening to the Honourable Minister of Finance, the Member for St. Johns trying to debate back and talking about, and the semantics that he seemed to be using insofar as the words whether they be a deductible figure or a deterrent--and I think that the Minister of Health and Social Development is bringing in a bill that has a deterrent--he can use any term he likes but I think that this government is now probably seeing the errors of their ways and probably coming to realization when it comes to dealing with the economics of our province and dealing with the financial problems that our people have. Because after all, Mr. Speaker, the only way governments can assist people is by spending the money that they already have taken from people through taxation. So I say it's the peoples money that they're using. I'm wondering if they aren't coming to realize, Sir, that taxing the ability-to-pay, they're finding that the chickens are now coming home to roost, they're finding out that this idea of ability-to-pay is being drained to the point where they're eventually not going to have anyone to pay the kind of taxes to provide the kinds of moneys that they want to provide all these programs and the goodies that they seem to want to hand out to people at the right time of their choosing.

We talk about our medicare services to the people of the Province of Manitoba. I'd like to take honourable members back a few years, Mr. Speaker, and remind them in the years around 1966/67 when the Federal Government was introducing a medicare program for the whole of Canada. They had a minority government, Mr. Speaker. Have the gentlemen forgot that their own colleague Tommy Douglas he held the whip at that time when the medicare program was talked about and was brought in by the Federal Government. I'd like to suggest, Mr. Speaker, while I have no proof, but their colleague in Ottawa held that whip and he said, you bring in this medicare program or else; because they've got a similar situation in Ottawa today. But, Mr. Speaker, we were forced into a position as the government of the day in Manitoba at that time and we devised a medicare program, one that we thought the people of Manitoba could accept, one that they could afford and there was a deterrent attached to it, and there was a deterrent attached to it, Sir. They took it down to Ottawa and because of the deterrent it meant changing the act, and, Mr. Speaker, they did not see fit to do that. And as a result we were turned down, Mr. Speaker.

All right, what were the results after that, Mr. Speaker? We had one of two choices. Either we didn't enter into the program under the Federal terms, and they said it was a voluntary one, the cost was borne 50-50 provincial and federal; and where does the Federal Government get their taxes, Mr. Speaker, and the provincial government? It comes out of my pocket as a taxpayer and every other taxpayer in this province. So let's not kid ourselves on this point, Sir. And as a result of this program, the sharing being 50-50--I don't have

## BILL NO. 44

(MR. EINARSON cont'd) . . . . exact figures, Sir, but if my memory serves me correctly it was over \$20 million that involved the Province of Manitoba. --(Interjection)-- All right. The Honourable Minister of Mines and Resources says \$25 million. I thank him for the comments that he made. And the Minister of Finance last night made reference to this. And if we didn't go into that program, Mr. Speaker, we were forced because of the conditions of that program by Ottawa, that we left that money on the table and if any other province went into it they could take that money and use it. So, Mr. Speaker, we were dammed if we didn't and dammed if we did. --(Interjection)-- Yes, Mr. Speaker, the Honourable Minister of Mines and Resources says we were dammed. (Hear, hear) He says it. I'm wondering if he isn't having second thoughts, Mr. Speaker, from the way things are going today.

We've now, Mr. Speaker, got a deterrent attached to the cost of drugs to the senior citizens of this province. We're developing into programs, not only in the Minister of Health and Social Development, to the point we're going to mortgage our young people for many many years to come, Mr. Speaker, For many years to come. --(Interjection)-- Yes, the Minister of Health and Social Development says am I going to vote against it. As I indicated last night, and I'll repeat to him again, he's got a bill here that makes it a very difficult one, because if I vote against it I'm voting against giving assistance to some senior citizens who can't afford to pay their medical bills. But, Mr. Speaker, there are senior citizens 65 and over who have told me they're quite prepared to pay the cost of their drugs and others, because they have the money to do it. So, Mr. Speaker, I think this is really the crux of the matter. We have, as a government when we were a government we were prepared to bring in the kind of legislation that would help people, senior citizens as I indicated earlier who couldn't pay their medical bills to the tune of approximately 300,000. But this government seems to have the idea we're approaching an election and they're going to provide all these goodies and they think this is going to be their election platform, will put them in there with a majority come next time around. That being the case, Mr. Speaker, I just serve notice and warning to the people of the province if they fall for all this they can look forward to a situation where I think that this government will find again that they're not going to be able to bring in the kind of programs, they're not going to fulfill the promises after they've been in office again as they have up to the four years that we've just passed. They're not going to see a windfall from the Federal Government and they're not going to have a surplus that they had to start with when they took over the office in '69. And as a result, Mr. Speaker, while I don't agree with the way this bill has been drafted I agree with assisting senior citizens who are not able to provide for themselves, but to make a blanket policy, that is the part that makes it very difficult Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I rise to support Bill 44 - providing assistance to senior citizens for prescription drugs. I do feel that the bill will be certainly welcomed by many of our senior citizens. However, I do have some questions to ask of the Minister and perhaps he'd be able to answer them. I know that he has mentioned the reimbursement will be made twice a year to the senior citizens and I don't see any problem with that. I do feel that there should be some proper guidelines, Mr. Speaker, in respect to false prescriptions or false receipts and so on, that we have proper guidelines and procedure how this will be worked out.

The Minister has mentioned that this will be given to single persons who are 65 years of age and over and either two people, a family, a man and wife, and there will be \$50 deductible for single or \$100 deductible for two people or a family, and after that 80 percent of the prescription drugs will be paid. Well I'm sure, Mr. Speaker, that this will be welcomed by our senior citizens. My question would be to the Minister, will this affect in any way the present senior citizens who are under the social allowances program or the supplementary program, what is known, who at the present time already have their drugs paid for. Will that affect these people in any way? I hope it won't because I'm sure that you appreciate and you know that there is many people that spend as much as 600, 800 and some spend as much as \$1, 200 a year for drugs and this certainly is a big burden on many of our citizens. I see nothing wrong in this bill, nothing wrong with the deductibility or what was mentioned as a deterrent because it will not be a great burden on these people because they're not getting anything now. But I would be really concerned if this would affect any of our people now that are on social allowances, because really these senior citizens have gone through a needs test

## BILL NO. 44

(MR. PATRICK cont'd) . . . . and they are receiving their drugs now without any deductibility and to have any deterrent for these people I think would be wrong. We would be going backwards, Mr. Speaker.

The other point I wish to raise to the Minister is would this legislation give--when we talk about drugs does it mean glasses and dental care as well for the senior citizens or just means specifically drugs? Perhaps the Minister can be able to explain. I know that people in nursing residence will be excluded and that's because I believe they're covered under the Social Services Allowances Act which pays for their drugs at the present time so there'd be no need for these people to receive it. But my great concern would be that this legislation which should not affect, and I hope it would not affect the present senior citizens who are under the social allowances supplementary coverage who already receive drugs, prescription of glasses and dental care as well. And if it does in any way, shape or form then I would say to the Minister that we're going backward instead of going forward. I know that it is universal legislation and it will apply to everyone over 65 and perhaps one may say that some will be getting it that can afford to pay for it, but maybe the Minister has looked at it pretty carefully and that perhaps it would cost much more to keep records and books for the few ones that it would perhaps apply to the few that it would apply.

So I welcome the legislation, Mr. Speaker. I know that it will start in July of this year and my only concern would be that it doesn't affect any of the present people 65 or over who are under the Social Allowances care. That's my concern.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a few comments I'd like to make, some questions to inquire of the Honourable Minister re this bill. And after listening to the remarks last night from the Honourable the Minister of Finance I hoped in his remarks last night that he would have given us some figures of what the program is going to cost. I well recall the six years ago when the government of the late Lester Pearson invaded the field of medicare and created this medicare national scheme and the debates that we were involved in at the time and the arguments that were raised here last night about the various deterrent fees that we tried to wrangle with and come up with a program, but I think it's quite evident from the conferences that were held in Ottawa last week that the Federal Government at this time are trying to back off or they've completed the original five or six years whatever it was of the program and I'd like to know if in fact that we're going to have to go it alone, if in fact the feds are going to opt out of the program and the provinces are going to pick up the tax dollars through excise taxes and taxes on tobacco and liquor and possibly six points or whatever on the transfer, tax transfer.

Mr. Speaker, it's very interesting to find the argument that's raised the other day when I was speaking on the \$4.50, I said it was a deterrent fee on nursing home care. The Honourable Minister got up and was quite outspoken. In fact he said it's not a deterrent fee it's room and board fee. Well, it's the same thing regarding this bill. We support the bill and support the concept of the \$50 deterrent fee and if the Honourable Minister of Finance and the Minister have other terminology that they'd like us to use regarding the philosophy and the way it's to be handled then I don't think there'd be any argument. But I think in the main, and when the Honourable Minister replies to this bill we must have some understanding of where the federal people are going, what kind of rationale that we can carry on in these type of programs with the Federal Government; are they going to continue to support us or are we going to have to go it alone. Those questions again are some that are of quite a lot of interest to my constituency especially when the costs of these various things, of drugs and that, are skyrocketing almost every day and for us to get ourselves involved in something that may have to change in a few years I daresay would not be fair to the Minister or the government. I just wonder in the Minister's remarks if he could fill us in on some of those details.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland); Mr. Speaker, I certainly would like to make a few comments on the bill before us, the Pharmacare Bill. For those that subscribe to the philosophy of medicare and the other legislation that was passed some years ago and which has been changed in certain respects by the present government whereby they eliminated the premiums, we now have a bill before us that provides pharamacare under similar ways and for those who subscribe to that type of philosophy no doubt there is no difficulty for them to

## BILL NO. 44

(MR. FROESE cont'd). . . . subscribe to this type of bill before us. The Conservatives mentioned that they dished out some 30,000 cards whereby they granted free medicare when they were in office. To me there are certain things in the bill that I do not subscribe to, which I object to, and object to very strongly. And that's in the definitions on the first page. Under (b) you read, "benefit periods, this will be subject to the regulations . . ."

MR. SPEAKER: Order please. The Honourable House Leader have a point of order?

MR. GREEN: Mr. Speaker, on a point of order, The honourable member who has been around here much longer than I knows that this is the occasions for speaking to the principle of a bill and not to speaking to objections to particular clauses. The honourable member is now going to not only a clause but a sub-clause, he's in a definition section which must be, if I can remember, clause 2-something, and I would respectfully suggest that he stick to the general principle of the bill. He can get the clauses changed at committee.

MR. SPEAKER: The point is well taken. The Honourable Member for Rhineland.

MR. FROESE: Thank you, Mr. Speaker. The Minister should have been here a little while ago when the Attorney-General spoke and referred to section after section of another bill. He could have raised objection at that time just as well as he did now when I speak. I think you should be in the House and listen to his own Ministers as well. When I object to the term used in the bill and the definitions that continually refers as to specified regulations. . .

MR. SPEAKER: Order, please. The Honourable House Leader.

MR. GREEN: Mr. Speaker, there's nothing that my honourable friend says that makes invalid my objection. I was asking him, and I would ask you to order the honourable member despite what others have done or who objected at the time, to follow the rules of the House when somebody objects.

MR. SPEAKER: The point is well taken.

MR. FROESE: There was no reason for him to get up a second time. I had not even referred to any particular specific section since he raised the objection the first time, and he was completely out of order in getting up a second time. I raise my objection to the way the bill is drawn and that we are supposed to pass a bill here that can be changed by regulation at any moment that the government so desires. And all the important sections are coming under the regulations. The benefit period is subject to regulation by this government. The matter of being eligible as a dependent is subject to regulation of this government. The matter of being an eligible person again will be determined under the regulations. And so the same holds true for the specified drugs. Again it is subject to regulations. And this is what I object to very strongly. I think these things should be incorporated right into the bill so that we would know what we are passing and what we are agreeing to. I certainly take exception to bringing in legislation which they can change tomorrow and then we have given wholesale approval to it. I for one take very strong objection to that and take great exception to this type of legislation where we are not in control as members of this House. And as far as control is concerned this is also open-ended as to the cost, the amounts of money that will go into this program. While we're starting off probably with I think the Minister has mentioned probably \$3-1/2 million, no doubt this can increase very substantially as the regulations will be changed to include probably younger people or including other drugs than what they at first may include, so that the costs of the program is open-ended. And here we know what this means. This government presently is crying to Ottawa in regard to medicare because that is an open-ended program and that is where they entered into it on a five year basis, initial period. I don't know whether a second agreement has been finalized with the Federal authority as to the continuance of that program and as to the amount that they will contribute, whether it's going to be on the same basis as it was before. We find them crying to Ottawa now that they are supposed to dish out more and more money and yet at the same time we find that we're bringing in legislation here with this same type of specifications. And certainly, Mr. Speaker, if they take such exception to the federal authority now trying to control costs and trying to bring in a ceiling as to what they will contribute to the various provinces under the medicare plan, certainly I think they should consider the type of legislation they're bringing in here in Manitoba. I feel on these type of programs while the authority is there that the government can do so, I think it wouldn't be ill-advised if we had referendums on such type of programs where the people could indicate whether they would go for such a program. Mind you with the people they want to service under this bill at the present time as the Minister has indicated that the initial regulations will include,

## BILL NO. 44

(MR. FROESE cont'd) . . . . I am sure that the people would support them. And I would support it for the people that the intention include on the initial stages, I would have to support that too because we want to provide for the people that can ill afford it. And there too I think this government has to take another part of the blame because of the economy. If our economy was much better the need wouldn't be as great, the need wouldn't be nearly as strong and therefore the whole thing wouldn't be such a great problem.

The matter of an annual reimbursement --(Interjection)-- Pardon? Semi? - oh, well that's much better. I thought the Minister to indicate that there would be an annual reimbursement. He says now that there will be a semi-annual reimbursement, so this is certainly I think a big improvement. Because for those that have a heavy burden, that would have to put out a lot of money in the first place before they would receive any of that back, and I think that is a big improvement if the Minister so indicates. So I certainly will not make an objection to that any further.

But as far as the bill is concerned I raised my objections on the points that I feel very strongly about, that we are supposed to endorse too many of their proposals to which they can make changes as they see fit at any time and we have then given approval and how can we object later on if in the first instance we give them a blank cheque and tell them to go ahead and do as you please. This is what the bill will do and those are my objections.

On the other hand, certainly there is a need for this type of assistance for certain people in this province and we have already recognized that need because we are giving assistance to many people on social allowances and on welfare that cannot pay their way and have a large problem in this area, so that this has been recognized before and we have given approval to that. But as I said before, I take great exceptions to the way the bill is drafted in that so much is put under the regulations.

MR. SPEAKER: The Honourable Minister will be closing debate. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I move, seconded by the Member from Charleswood that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Call Bill No. 24, Mr. Speaker.

BILL NO. 24.

MR. SPEAKER: Proposed motion of the Honourable Minister of Agriculture. The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd just like to say a few words on this bill dealing with crop insurance. We support this bill because of the fact that it still leaves the choice to the individual farmer; all it does is make it possible to insure your crops for hail even though these particular crops weren't insured under the Crop Insurance Plan itself. I can see nothing wrong with that because if you're going to have a hail insurance policy it's better to have it all in one rather than to have two or three. But it still leaves, I mention, the freedom of choice for the individual to decide where he wants to buy his insurance and we in the Conservative Party believe in that so we have no objection at all to this particular bill. Rather than hold up the procedures of the House I'll sit down.

QUESTION put and motion carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 8, Mr. Speaker.

BILL NO. 8

MR. SPEAKER: Proposed motion of the Attorney-General. The Honourable Attorney-General.

MR. MACKLING presented Bill No. 8, an Act to amend the Assignment of Book Debts Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

## BILL NO. 8

MR. MACKLING: Mr. Speaker, this bill is a necessary corollary to the provisions of Bill No. 5, and I alluded to the number of bills that were affected by Bill No. 5, and this was one of them. It would merely make amendments to that act which in large part the whole of the act is obviated by the new personal property security registration system that would now come into being.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I move seconded by the Honourable Member for Gladstone that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: No. 9, Mr. Speaker.

BILL NO. 9

MR. MACKLING presented Bill No. 9, an Act to amend and repeal The Lien Notes Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: The remarks I made in respect to Bill No. 8 apply.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I move seconded by the Honourable Member for Gladstone that debate be adjourned.

MOTION presented and passed.

MR. GREEN: Bill No. 26, Mr. Speaker.

BILL NO. 26

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING presented Bill No. 26, and Act to amend The Real Estate Brokers Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I first of all would like to point out that the bill in printed form contains an error and at committee I will make the necessary motion to correct the error which just crept in in the printing of the bill. Rather than pull the bill back and re-print, we thought a small enough error, it was merely in printing, that we would proceed with it in any event. It really doesn't change the substance of the bill.

The most important amendments affected in this bill are found to deal with three or four preceding sections. One section of the bill closes a loophole in the act by expanding a definition to insure that mortgage payments or installments of purchased money collected by real estate broker or salesmen must be handled as trust moneys under the act.

A further provision makes it clear that a prescribed form of offer in real estate transactions now applies to the sale of a single family residential unit in a condominium and now stipulates that the prescribed form of offer have appended to it the form of acceptance prescribed by regulation.

A further provision authorizes registrants under the Act to deposit trust moneys, not only in chartered banks or trust companies but in credit unions as well.

A further provision makes a necessary change in the exemption which the Act presently grants to all solicitors when acting in the course of their practice. The exemption will apply as it always has but will not be available where the sale of foreign subdivisions is involved. This change is required to make the new part enforceable.

A further provision places the initial responsibility for approving real estate advertising where that approval is required, with the registrar. Under the new part to be added to the Act all advertisements of foreign subdivisions will have to be thus approved. There are provisions that make for regulation-making power within the Act as is found in most acts.

A further section, as I indicated, the most important section, is in large measure copied from the corresponding provisions of the Real Estate and Business Brokers Act of Ontario and its purpose is to introduce a series of sections relating to the protection to be afforded to Manitoba residents who purchase real estate located outside of this province. The

## BILL NO. 26

(MR. MACKLING cont'd) . . . . sales which will be regulated by these provisions of course can only be those which are made in Manitoba. These provisions will require that a prospectus be cleared through the registrar and the Public Utilities Board before such real estate can be sold in Manitoba. The sales will have to be handled by locally registered brokers so that a high degree of control can be preserved by the Board. Although the provisions proposed are very similar to Ontario's we have made certain changes which we think will improve the legislation. --(Interjection)--

MR. SPEAKER: Order, please.

MR. MACKLING: One of these improvements in the Legislation, Mr. Speaker, is to acquire that all prospectuses be filed by the owner of the foreign subdivision.

Another change requires that the names of the brokers who will be selling the property be listed with the registrar so that he will have the names of everyone to be notified if a suspension of selling is ordered.

We have inserted modifications requiring bonding of the subdivision owners. Another change is to ensure that a purchaser can sue the owner in Manitoba courts.

Power to issue exemptions from these requirements under appropriate conditions has been vested in the Public Utilities Board. The situations in which a complete or partial exemption might be granted are outlined in the Bill as follows:

- (a) the circumstances of the proposed transaction are such as to make strict compliance with the Act unduly onerous; or,
- (b) the perspective parties do not require the protection afforded by this part; or,
- (c) a prospectus or other disclosure document satisfactory to the board and approved by another jurisdiction is available for distribution.

I should point out, Mr. Speaker, that while these provisions will become new law if they are approved they will not effect a substantial change in practice. The Public Utilities Board for some years has required, as a matter of policy that the sale of foreign real estate in Manitoba be handled through registered brokers in this province and has insisted that it be accompanied by substantial documentary disclosure of all material facts relative to the foreign subdivision. It is our view, however, and the Public Utilities Board recommendation that these requirements should now be spelled out in legislation and by regulation. I therefore recommend this Bill to the House.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: I move, seconded by the Honourable Member from Gladstone that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, will you call Bill No. 35 please.

MR. SPEAKER: The Honourable Attorney-General.

BILL NO. 35

MR. MACKLING: presented Bill No. 35, an Act to Amend the Criminal Injuries Compensation Act for second reading.

MOTION presented and carried.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, as most honourable members know, the Criminal Injuries Compensation Act that was passed since this government was in office has been functioning very well. The administration of this Act has, pursuant to the good hard-nosed common sense of the administration of this government, not seen a duplication of effort but rather the administration has been carried out under the terms and arrangement that we worked out with the Workmen's Compensation Board. I think that all honourable members will note that this is typical of our tough attitude towards keeping administrative costs to the bare bone, keeping the number of civil servants at the least possible number consistent with good government policy and I think that all honourable members must be happy about the administration of this Act and should commend the government for our efforts herein.

I had an opportunity recently, Mr. Speaker, to address some remarks to my colleague, Attorney-General and the Minister of Justice in Ottawa about the niggardly provisions of the amount that was proposed to be paid to provide for criminal injuries compensation and I want

## BILL NO. 35

(MR. MACKLING cont'd) . . . . all honourable members to know that there was a fair measure of agreement with my remarks at that time. Some of our sister provinces were so disinclined to view the federal offer of assistance with any degree of approval that they doubted whether or not they would even enter into agreement.

But we have entered into an agreement with the Federal Government to share the small amount of money they have offered. They have offered us five cents per capita and of course that will approximate \$50,000.00. But as all honourable members will recall with their thorough research of my estimates that took place over a period of some many hours, they will recall that there is provision in my estimates for \$150,000, so that the federal participation is expected to be a third at the very best. Although the amount of \$150,000 was included in my Estimates that is a sheer guesstimate and it could well be, as some of my staff people have indicated to me, that we'd go far beyond \$150,000.00; it certainly could approach \$200,000.00. So I think honourable members can readily understand my chagrin and my annoyance with a Federal Government that apparently was taking great pride in announcing participation in sharing the burden of these programs with the Provincial Governments when the amount that they were contributing was far less than even 50 percent. Of course I had argued earlier that they should contribute 100 percent. The rationale however for entering into the agreement is that it's better to take some money that is offered than to stand in pride and spurn the offer. So it is approximately \$50,000 that we will receive.

However, there are strings attached to that offer and to that agreement and that is the reason that there are some provisions in the bill before you in connection with amendments. There were certain provisions which the Federal Government insisted be included in the compensation arrangements and I will now refer to some of those changes and others that were purely administrative in nature.

As I indicate, basically these amendments are necessary in order to - the bulk of these amendments are necessary in order to conform to the requirements of the Federal Government's grant offer. There are some amendments that are of a housekeeping nature and I could go through them very quickly.

One section adds another basis for granting compensation under the Act. That is a person injured while endeavouring to prevent the commission of a criminal offence or suspected criminal offence would be covered.

Another provision is that the Board shall not make an order for compensation where the injury or death of a person in respect to which compensation is claimed resulted from an act or omission of a member of the person's family, including a common-law wife. This section is, that was the section I should say, and it's being replaced by a provision prohibiting the board from making an order for compensation only where it finds that there has been collusion or a joint criminal venture or that the offender would benefit directly from compensation given as a result of his or her own wrongdoing.

This particular amendment was recommended by the Law Reform Commission report dated December 19, 1972 which dealt with the abolition of interspousal immunity and tort, a bill that this House has already dealt with in this session.

Another provision provides the board with greater discretion in extending the time for an application beyond one year. Another provision eliminates the present requirement of the Act that the injured person must be a resident of Manitoba in order to qualify for compensation. Thus it is that if a person here is injured as a result of a criminal act here, nevertheless he will be entitled to apply for compensation on the same terms as if he or she were a Manitoba resident.

Another provision extends the coverage of the Act to inmates of penitentiaries or correctional institutions but limits the payments for any such disability for periods after their release from such institutions. This amendment and the one immediately preceding are made in conformity with the federal requirements.

A further provision makes it clear that where the claimant is entitled to claim under such other sources as Workmen's Compensation or Unemployment Insurance that he must do so because such amounts whether claimed or not will be deducted from the award.

A further amendment provides that the word "board" is deleted and the words "Attorney-General" are substituted; under the amendment the Attorney-General makes the request of the applicant to bring an action against the offender rather than the board. This is where

## BILL NO. 35

(MR. MACKLING cont'd) . . . . the applicant is required to take action to try and recover from the offending party.

A further amendment simply makes an award subject to the factors which are to be taken into consideration by the board in devising the amount that is to be awarded.

A further amendment merely includes offences under the Criminal Code which are necessary to be included to qualify for the federal assistance. As I've indicated in the generality of my opening remarks, basically the amendments are housekeeping in nature, other than some specific enlargements that are required in order to obtain approximately \$50,000 from the Federal Government in its sharing of the costs in this area which I continue to argue is really token in amount given the increasing amounts that are paid out under our program.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I move, seconded by the Honourable Member for Gladstone, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 13 on Page 1 of our Order Paper.

MR. SPEAKER: Proposed motion by the Honourable Minister of Municipal Affairs. The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, we're satisfied to let this go to committee.

QUESTION put and motion carried.

MR. GREEN: 39, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Minister of Agriculture. The Honourable Minister.

GOVERNMENT BILLS - SECOND READING

MR. USKIW presented Bill No. 39, an Act to amend the Manitoba Water Services Board Act, for second reading.

MOTION presented.

MR. USKIW: Mr. Speaker, last year you will recall, members will recall that we introduced the new Water Services Act in an effort to provide for a very important impact on the part of the Provincial Government toward the rural community in the provision of water services, sewage systems, for rural towns and villages as well as taking under the umbrella of the new legislation the existing Water Supply Board System.

By and large this bill is one of a housekeeping nature, one which tries to spell out more clearly the authority of our board and one which tries to provide for a clear understanding as to two specific areas. We have a situation, for example, where we have water rates which include principal, interest and capital as well as operating costs. Then we have another situation where we have capital costs such as principal and interest amortized and repaid under loan arrangements by taxation but that operating costs are covered through the water rates. So that there's nothing really substantive in change, Mr. Speaker, only some improvement in the legislation for greater clarity as to the operations of the Water Supply Board.

One of the other areas is a change in the Act which would more clearly define our authority to enter into agreement with the Government of Canada with respect to the Trade Centres Agreement wherein we are receiving federal assistance towards the larger centres, the trade centres as they have been called or named by the Government of Canada; towns like Dauphin, Selkirk--towns of 2,500 people and over in other words would be considered trade centres pursuant to that agreement.

So those are by and large the amendments, nothing of a policy or of substantive nature, merely housekeeping, where they more clearly define authority.

MR. SPEAKER: Is it the pleasure of the House to adopt the . . . The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Riel, that the debate be adjourned.

MOTION presented and carried.

MR. GREEN: Call Bill No. 18, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Minister of Labour. The Honourable Member for Charleswood.

BILL NO. 18

MR. MOUG: Mr. Speaker, I adjourned this bill a long time ago and I had a few comments that I wanted to make to the Minister. I see he's not in his chair. I particularly wanted to caution him in regard to the inspectors and the jobs that they have, on the safety as such. The inspectors are given a lot of authority and they from time to time possibly over-exercise or carry some of their duties a little farther than necessary. They fail to recognize the fact that employees are the ones that suffer mostly. Any time that a job is shut down, you may have one employer that's affected while you've got 8 or 10 employees, and I think that the Minister should caution his department and let them know that these inspectors should be working with, somewhat governed by common sense more than by the book alone. They got to take into consideration that when these infractions of safety take place on a job it's more likely the employee that causes them than the employer, cause whether all the safety features and necessary apparatus is on the job to be used the employee doesn't always use it and the hazard is created and the employer is hit not only by shut-downs but by way of fine, etc.

I think that the Member for Emerson and the Member for Lakeside covered very well on the bill as a whole and when I adjourned it, I think it was April 6th or 14th, the Labour Minister I thought he was going to blow a fuse; he said that this side of the House was hazardous to the safety of every employee in the Province of Manitoba, and we're adjourning debate on a bill that should be passed expeditiously. And I can't understand what goes on in the Cabinet meetings because daily the Labour Minister sat there waiting for this bill to be called and the Premier would call Estimates, or we'd go into debate on the estimates. So I suspect while they're making up their mind on it that the confrontation would make the battle of Wounded Knee look like a Sunday School picnic. That's all the remarks I have to make on it, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye, that debate be adjourned.

MOTION presented and carried.

MR. GREEN: Call Bill No. 6, 7, Mr. Speaker.

MR. SPEAKER: Right. Proposed motion of the Honourable Attorney-General. The Honourable Member for Sturgeon Creek. No. 6.

MR. F. JOHNSTON: Mr. Speaker, I'd like to have this matter stand.

MR. SPEAKER: Proposed motion of the Honourable Attorney-General. Bill No. 7. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I'd like to have this matter stand.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, we call it 5:30.

MR. SPEAKER: Very well. The hour of 5:30 having arrived, the House is now adjourned and stands adjourned until 8:00 p. m. this evening.