

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Friday, June 7, 1974

Opening Prayer by Mr. Deputy Speaker.

MR. DEPUTY SPEAKER (Mr. Jenkins): Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports, Notices of Motion; Introduction of Bills; Oral Questions.

ORAL QUESTION PERIOD

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

MR. I. H. ASPER (Leader of the Liberal Party) (Wolseley): Mr. Speaker, in the absence of the Attorney-General I direct my question to the First Minister. I remind him of the statement by the Attorney-General yesterday to the effect that there is no intention of sitting on the Judicial Inquiry Report on the CFI event, but that it would not be released if it impairs criminal prosecution. Now my question is: Is the government saying that this report would not be released to the public for up to three or four years during which criminal prosecutions took place as opposed to being released immediately? Is the government saying, in effect, that the possibility of unserved criminal indictments might prevent the government from releasing this report for which we've waited for three years?

MR. DEPUTY SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, admittedly the matter is somewhat problematic but I think that the honourable member is raising some very unlikely probabilities. The information that I have is that there's been some suggestion - and I am reporting this secondhand - there has been some suggestion as expressed by the Chairman of the Commission that the report's release may have some negative effect with respect to certain possible criminal prosecution litigation. So I'm not suggesting that the making available of the report will necessarily be delayed but I am indicating that we would want the Chairman of the Commission to have every opportunity and to feel completely free to express any concern or reservation he may have in that regard.

MR. ASPER: The statement of January 8th, 1971 by the First Minister and by myself was triggered on the basis that there would be no cover-up. I ask the First Minister that regardless of who gets hurt, regardless of who is condemned or damned by the report, is he saying there is a possibility that the report could be held up pending the trial prosecution, indictment for three or four years all the way to the Supreme Court, or can he give the House some assurance, in fact response to the demand by the Liberal Party, the demand that this report . . .

MR. DEPUTY SPEAKER: Order please. The honourable member is now starting to debate the question. Order. I would place the question.

MR. ASPER: On a point of privilege, Mr. Speaker.

MR. DEPUTY SPEAKER: The honourable member is rising on a point of privilege? All right.

MR. ASPER: Yes. The point of privilege is this: A question was asked in the House by myself, is the report finished? - yesterday. And the Attorney-General said "It's not to my knowledge." Today's newspaper contains a report, either false or honest, and only the government can tell us, false or honest that that report is finished and complete. Now, Mr. Speaker . . .

MR. DEPUTY SPEAKER: What is the point of privilege?

MR. ASPER: Mr. Speaker, the point of privilege is this: Either the report in the newspaper is wrong in which case the First Minister should deny it, or he should say it is true and we will release the report. There is a suggestion in the report in the newspaper, the Winnipeg Free Press tonight, that we will be denied the report we were promised in . . .

MR. DEPUTY SPEAKER: Order please. Verification by any Minister of reports in newspapers are not points of privilege or points of order in this House. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I can deal with the question very simply. The report insofar as we are concerned will be made available just as soon as it is completed in printing. All right. --(Interjection)-- Yes, as soon as the mechanical process of printing is completed then the report is available so far as we're concerned. And there is no difficulty in that

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(MR. SCHREYER cont'd). . . respect, Mr. Speaker. I don't know why the honourable member is trying to raise some kind of allegation as to some attempted cover-up, but I wish my honourable friend would do the courtesy to the Chairman of the Commission, the Honourable former Minister of the Crown, former Chief Justice of the Province, that we do not wish to deny him the opportunity to advise as to whether or not there is any inadvisability of making that report public just as soon as it is available from the print. And if my honourable friend is suggesting directly or indirectly that we should automatically seal ourselves off from any opportunity to obtain any advice from former Chief Justice Smith then I tell him bluntly that we disagree with him. That's the only thing that's at issue. But if there is no advice one way or the other the report will be available. That's what I'm indicating.

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

MR. ASPER: Mr. Speaker, I ask the First Minister for this assurance, that this report when received by government will be released to the public as expeditiously as physically possible and will not be buried under any kind of quasi . . .

MR. DEPUTY SPEAKER: Order. Order please. The honourable member has placed his question, now he's starting to debate the issue, and if he's going to do that I'm going to rule him out of order. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, there is no difficulty at all in giving that assurance. But I say to my honourable friend that surely he must appreciate the fact that if the Chairman of the Inquiry, former Chief Justice of this Province, indicates that there is some reason for delay then we will have to seriously take his words under consideration. The man after all is a former Chief Justice of this Province and I don't suppose -- Mr. Speaker, I don't suppose it matters much what political party he may have been involved with during his long career, but if my honourable friend persists in this line of questioning I have to say to him that obviously he has less intellectual integrity than former Chief Justice Smith, and it's not likely that he'll ever become a Minister of the Crown or a Chief Justice of this Province if he persists in that kind of mischief. There is no problem.

A MEMBER: Then release it.

MR. SCHREYER: I say to my honourable friend that if it is a question . . .

MR. DEPUTY SPEAKER: Order please.

MR. SCHREYER: I say to my honourable friend very bluntly, very bluntly and he can do with it what he likes, that there is no problem in releasing it. If however we are advised by the Chairman that there is a problem we will have to take it under consideration, and we would feel under considerable obligation to take that counsel under serious consideration much more so than some unthinking demand that it be released regardless of what.

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

MR. ASPER: Did the First Minister not make an assurance in January, 1971, when this Commission was appointed, that upon receipt of the report it would be released, period? No conditions, period.

MR. DEPUTY SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, my honourable friend . . .

MR. DEPUTY SPEAKER: Order please. ORDER! There cannot be -- I don't know how many members are in this Chamber this evening. Do you want to sound like a gaggle of geese? ORDER! ORDER! At least give the -- Order please -- At least give the Honourable First Minister an opportunity to make a reply. The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I haven't seen the report, and I say simply this to my honourable friend; it's repetitious but I say it in the hope that on the third try he will begin to comprehend. That the desire is to release the report as soon as it is available from the Queen's Printer; and I make no apology for this, we will not make an undertaking that we will ignore in advance any advice that might be received from the Chairman and members of the Commission. Now all this may be entirely academic since I have no direct advice from the Commission that they are suggesting or counselling any delay in the distribution of the report, but I will not give a commitment, Sir, that we will publish it regardless and fly in the face of any advice from the Commission of Inquiry and the Chairman, the former Chief Justice. We have a little more respect for his good judgment, Sir, than we have for the Honourable Member for Wolseley's mutterings.

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

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MR. ASPER: To the First Minister. My question is: was it any part of the terms of reference of the Commission of Inquiry that they should advise the First Minister or this government on when this report should be released?

MR. DEPUTY SPEAKER: The Honourable First Minister. ORDER PLEASE.

MR. SCHREYER: Mr. Speaker, there was no term of reference precluding the Commission from exercising common sense in the advice which they wished to give the Executive Council.

MR. DEPUTY SPEAKER: Oral questions. The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management and House Leader) (Inkster): Yes, Mr. Speaker. I wonder if you could call the Concurrence motion.

ORDERS OF THE DAY

MR. DEPUTY SPEAKER: Order please.

MR. GREEN: Mr. Speaker, perhaps -- the Honourable Member for Ste. Rose was on his feet when we last introduced it. I did indicate I was going to call concurrences tonight. If there is any other item on which an honourable member is prepared to speak, I'll take that item. --(Interjection)-- 71? 71, okay.

BILL NO. 71

MR. DEPUTY SPEAKER: Proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, I thank the honourable members, or at least the House Leader for calling this at this time. This is one of those bills, Mr. Speaker, that must go to Committee and an opportunity has to be given for the Minister and for his officials to be able to explain in greater detail the actual amendments that are proposed.

And if I may, Mr. Speaker, for the benefit of the Minister, and to indicate some concerns, I would like to if I may make reference to some of the matters that are discussed and to pose it by way of question. It's quite possible, Mr. Speaker, that the questions or the comments that would be made really have no bearing in this presentation but because there are questions that can be raised at this point without being clear of all of the matters, and assuming the intentions of the Minister are as expressed both here and in the published Information Services document, I pose them and would express certain concerns.

The first deals with the question of the credit insurance, and reference has already been made by the Honourable Member for La Verendrye, and I believe by others. But there is a concern, Mr. Speaker, and it relates to what the government's intentions really are. I would gather in one sense that this is an attempt to provide uniformity to a provision that's been requested by those who have examined this in other jurisdictions and in an attempt to try and provide some kind of uniformity with respect to consumer protection. The problem here, Mr. Speaker, is that this is intended to protect, and not in any way as a result to hinder the normal flow that would take place. Having said that, Mr. Speaker, up until this amendment was introduced the Superintendent of Insurance followed a practice, and I have his letter which was sent out to all life and accident and sickness insurers in which he indicated that insofar as the premium collection costs that could be charged in connection with insurance by a credit granter, I guess, for a credit purchase that the insurance would have to be reasonable in relation to the services provided, and the premiums. The premiums, I'm sorry. Well the premiums which would relate to the expense would be reasonable in relation to the service provided.

Now my concern, Mr. Speaker, at this time is that because the government is providing the five percent in Section - subsection (c) of the particular section as a maximum that can be charged, the question that has to be put is, does that include both expenses plus premium charge, or does it include the expenses within the premium charge? Because my understanding is as an example in the Ontario jurisdiction is that it is five percent, plus expenses. Mr. Speaker, I think if that's the case, and I think this was the attempt at uniformity, then there would have to be I believe some amendment if the government was following through on that basis. I believe, Mr. Speaker, from the information that I have that the Superintendent of

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(MR. SPIVAK cont'd). . . Insurance has generally taken the position that expenses plus five percent would be a reasonable factor.

So I pose that to the Minister and would hope that when we get to Committee it will be explained, and if there is a correction, because that was the intention that the adjustment would take place there.

The second one deals with the general principle found in - really a sort of a new principle with respect to sort of protection after the fact when there is discounting of a purchase that has been financed and is discounted by the credit granter. The attempt here, Mr. Speaker, is to protect the consumer, but the difficulty, Mr. Speaker, is that - and I hope I understand the principle of this correctly, because I think there are a number of questions that have to be raised - the question, Mr. Speaker, has to be raised as to whether this is really cost of borrowing or not. Because if it is cost of borrowing - and I would hope that the honourable members opposite would give enough to the Minister - I know he's listening to the members next to him - give him a chance to listen to me only in the hope that this will be clarified when we get to committee. --(Interjection)-- No, not that I'm so important but I think that the principle involved is important and I think the Minister is attempting to do something here, and he's not trying to do something which will necessarily hurt the normal flow that takes place between buyer, purchase and seller, and the credit arrangements that are provided.

The question that has to be raised is whether this is really part of the cost of borrowing, the fact that there will be a discounting of the credit arrangements that have been made, the finance arrangements. In some cases this will happen after the fact without any anticipation that this will be part of the cost of borrowing. In some cases it's a matter of practice depending on how the concern operates or how they are financed.

Now the problem we have is if it really is part of the cost of borrowing, then I think the assumption could be that it should be presented. If it is not part of the cost of borrowing but part of the normal operation, the question that has to be posed is whether as part of the cost of borrowing - the dealer markup, the cost of free services provided, the cost of delivery, the cost of installation, the commission to the salesman - whether they should be included as part of the cost of borrowing. Now I say that because I don't believe that the Minister intends to do that. This means complete disclosure by everyone realistically of everything leading up to the sale, and that's not the intention. So the problem we have is they are trying to, I believe, by this section reach - and again from the Information Services document - reach a certain class or a certain group of people who may have, in the manner in which they have operated, abused the system so that the consumer has been taken advantage of, and I think, Mr. Speaker, that this requires far greater clarification, because it really is after the fact that it becomes known to the consumer, and it can actually occur in the sense that the seller having at the time of sale not known what or how he was going to proceed may ultimately follow through, and it's hard for me to understand, Mr. Speaker, exactly the kind of principle the Honourable Minister really wants. So I would think, Mr. Speaker, because there's been some reference to particular abuses - and I think if I go to the Information Services, I believe it's in the case of spas, and I don't know the exact location . . .

A MEMBER: A what ?

MR. SPIVAK: Spas is one example where people sign up for contracts for either life or for six months or for a year - and I think, Mr. Speaker, that it would be necessary to cite the examples and to understand fully the operation of this, because again, I do not think that the purpose of consumer legislation would be to have what would be a complete disclosure of the seller's whole operation, nor is it intended to in any way impede the normal flow that would take place, or prevent, Mr. Speaker, the individual as a purchaser from being protected in connection with a purchase and the finance charge that goes with it. It may very well be that the government in this legislation is attempting to try and get to those situations in which there is a kickback that is unknown, and which really is a part of the cost of borrowing that should not be, and if that's the case then I think that these sections have to be re-examined to be able to identify that correctly and not in sort of a wide-brush that it appears at this time. Having said that, Mr. Speaker, it's fairly obvious that there's a fair amount of explanation that I think should be given, and I would look forward to the Minister's explanation now and to committee where we will be having an opportunity of being able to review it in greater detail.

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MR. DEPUTY SPEAKER: The Honourable Minister will be closing debate. The Honourable Minister of Consumer and Corporate Affairs.

HON. IAN TURNBULL: (Minister of Consumer, Corporate and Internal Services) (Osborne): Thank you, Mr. Speaker. May I say that I appreciate the comments of the Leader of the Opposition and also those of the Leader of the Liberal Party, because they did indicate that the details of this bill should more properly be and I think appropriately be considered in Law Amendments Committee. Now I hope the bill will be there shortly and that we will have representation from people in the industry so that we can have their point of view and their concern about the provisions of the amendments to the Consumer Protection Act as they are now drafted.

Mr. Speaker, the Member for Pembina in speaking the other night - the other day - did refer to real estate transactions, and when I pointed out to him that the Act did not cover real estate transactions and in fact explicitly excluded real estate, he then cited figures for chattel mortgages in the range of \$20,000 and though he's not in his seat now, I'd like him to know from the records here that any amount of money over \$7,500 under the original Act would have been excluded from the terms of the Consumer Protection Act. The only exception to that would have been the amendment which now would include mobile homes and extend the protection of the Consumer Protection Act to mobile homes used as permanent residences, even though the value of those mobile homes was over \$7,500.00.

Mr. Speaker, there has been some concern expressed about the amount of premium or earning that businesses will be allowed under provisions of this Act, and although I could comment on it now in some detail, I think it would be appropriate if we heard representation from the industry and for me to say at the present time that if the five percent figure is too low and does not in fact give the people in the industry a reasonable return, that I would be willing to reconsider that particular amount and perhaps leave it at that for the time being. It was my understanding that the five percent was to include all earnings. If that is not the case, I hope to have not only people from my Department, the Director of the Consumer Bureau, but also the Superintendent of Insurance at Law Amendments to go over this particular provision with representatives from the industry.

With regard to the sale of mortgages at a discount, another point that was raised, not only by the Member from Pembina, but also by the Leader of the Opposition, I should point out, Sir, if you will allow me, that the particular sections that are alluded to by these two gentlemen are sections that apply to credit agreements that do not stipulate, do not include, the cost of borrowing, and here for example if we had a Health Spa which entered into a time payment agreement for, say, \$360.00 payable at 15 percent per month for two years - if we took that example - the Health Spa would discount the agreement with the Finance Company at a rate of approximately 35 percent. Now I understand that the purchaser of that particular service from the Health Spa would not be aware of the sale of the agreement to the Finance Company, and it is believed therefore that the discount which would be in the order of \$130.00, would in fact be a cost of borrowing which, you know, is chargeable to the buyer of the Spa services, but the consumer of the services is not aware of that particular transaction. That's the kind of thing that the sections are intended to get at and certainly there is no intention--and as I read the sections, although they are rather long and involved, they do not in fact require disclosure of anything more than what I have just indicated. However, if people from the industry do in fact think that there is more disclosure required in those sections, then I intend that of course we can have another look at them and consider any reasonable suggestions for amendments.

But I must say, Mr. Speaker, that as the Minister of Consumer Affairs I do not conceive it as my duty to draft legislation that is proposed by representatives from the industry. My duty as I see it is to draft legislation which protects the consumer and, as far as I can ascertain, consumers may be able to purchase the services of Spas, for example, at much lower cost than they now purchase them. In fact, we can get a disclosure of the credit arrangements that are made between the company providing the service and the Finance Company which takes up the credit agreement.

Mr. Speaker, there are other sections in the bill, of course, that I don't think members opposite have alluded to at all, particularly the one with regard to extending the protection of the Act to mobile homes, which I think is a very important feature of the new amendments. As members opposite have not alluded to other sections, though, I don't feel compelled to

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(MR. TURNBULL cont'd) . . . . respond in any more detail than I have now and, as I say, I do look forward to having the bill in committee where we can have reasonable exchange with representatives of the industry.

MR. DEPUTY SPEAKER: Bill No. 71 - pass? (Passed)

MR. JORGENSON: If the House Leader would want to call Bill No. 77 now, since the Leader of the Opposition is ready to . . .

MR. GREEN: All right. If that's preferable to the honourable member, we always try to oblige. Bill No. 77.

BILL NO. 77.

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Charleswood. The Honourable Leader of the Opposition.

MR. GREEN: The Honourable Member for Charleswood adjourned this debate for myself.

MR. SPIVAK: If I can proceed. Because I have to be out of the Chamber for just a few moments, I would like to present this order to facilitate the matters of the House. Now, Mr. Speaker, I would like to deal with this by dealing with a number of aspects of it, and I will attempt to try and place them as succinctly as I can and put it to the Minister so that there will be an opportunity to deal with this when we get into the committee stage.

Mr. Speaker, first I have to make reference to the general proposition that this is an omnibus section that realistically is not housekeeping but involves several taxation principles. Mr. Speaker, I am aware of the fact that, I think in 1964, the government of the day - which was a Conservative government - introduced a bill similar to this in that it covered a number of principles involved. So Mr. Speaker, it's not as if there's not a precedent. But I'm not one, as members opposite seem to believe, who says at this point, ten years later, that the procedures of the past must be followed and are right.

Mr. Speaker, this is not a housekeeping bill and for that reason we should not be dealing, Mr. Speaker, in this particular bill with several important taxation matters. It would seem to me that with respect to the management by the Government of the matters before the House, this should have been presented in a different way. We should have been able to deal, I think, in connection with the sales tax, with the exemption for treaty Indians - which was mentioned in the Budget - we should have been able to deal I think separately and apart with the principles involved in the mining royalty tax, and we should, Mr. Speaker, have been able to deal with, separately, the provisions with respect to the reduction of the gasoline tax. --(Interjection)--Yes, we can deal with them, but my point, Mr. Speaker, is that from our point of view the difficulty in this is that there are certain parts that, unless they are going to be changed, put us into a position of disagreeing with part of this bill and preventing us, Mr. Speaker, in the principle involved, not with respect to a particular clause alone in a sense of a difference of opinion as to the legal wording or the position. And so I would suggest that in the future, I would hope in the future, that this procedure would not be followed again and I'll leave it at that.

The second situation, Mr. Speaker, really deals with what can be referred as the search and snooper clauses that are put in this bill. Mr. Speaker, these are really in substitution for other sections in the various tax acts and what is intended, as I understand it, is to attempt to try and gain uniformity with respect to the procedures that will be followed, so that the procedures in one Act will be the same as the procedures in another, will be the same as the procedures of the third. Now that's desirable, Mr. Speaker, but now if we are going to deal with this, the thing that would concern me and the thing that I would like to see the government address itself to, is again the check and balance that has to be placed on the ability to be able in the normal course to do the things that are necessary to complete a proper audit and an investigation and the ability when the next stage occurs, that there has to be investigation beyond the place of business into the residence of the people involved because of some suspicion that there has been some criminal aspect involved.

At that point, Mr. Speaker, I think before the government is given the right to proceed, or a police officer is given the right to proceed, that the--(Interjection)--Yes. Mr. Speaker, before that happens, Mr. Speaker, I think it's necessary to have the application to the court for permission to proceed, and Mr. Speaker, I think that this is necessary in this day and age

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(MR. SPIVAK cont'd) . . . . and I believe that in examining this section, while the attempt was for uniformity, there may have been a lack of concern or it may have been just a matter of drafting, that there has been a failure to recognize the necessity that before it goes from the normal kind of audit and examination into the kind of investigation in which the documentation would be seized or in which people's residence or other places of business will be involved for the investigation, that there would be the requirement, Mr. Speaker, that they go to the court so that there is permission and application given to the court and permission given for the actions that are taken. This is a check on government power. It's not something that I think members opposite would disagree. I think the clauses can be altered and changed, and if this did come about, I think this would provide the kind of protection that is required and the kind of protection the honourable members would want as a matter of course in every area in which the government investigatory powers entitle the government to proceed in the request or in following through those matters, those taxation matters that it has the responsibility of collecting.

The next one, Mr. Speaker, deals with one clause and I don't want to get involved in the particular clause and I haven't got the exact wording in front of me, but one in which it gives the power to the Minister if he suspects someone is liable to evade or avoid taxation--(Interjection)--No, not that he has any information but he suspects, and I guess--(Interjection)--No. No, it doesn't indicate leaving the province. That may be the intention, in which case there then could be a clarification in a specific section. I am quite sure that it doesn't say that. That may have been the intention and it would seem to me--Well, I would have to get the exact wording on it. I don't have that. I think this is the Revenue Sales Tax and the collection end of it, if I'm correct, and this is one matter again when we get to committee we can deal with in, I think, probably greater detail.

The next session, Mr. Speaker - and I want to leave the mining section till the end - the next section deals with the question of the reduction in the gasoline tax. Now, Mr. Speaker, we understand the reasons why the reduction is taking place, but we do not have before us, Mr. Speaker, the bill that the government is going to introduce with respect to the new royalty to be charged on oil production in this province. Now I appreciate the fact, Mr. Speaker, that it's difficult for the government to have everything published at one time, and I assume that it's in the course of being printed now or is printed, I'm not sure at this point. But I would suggest Mr. Speaker, and I say this to the honourable members opposite, that I do not think that we should be asked to deal with this matter until we have an opportunity of examining other bills to understand in total what the revenues are likely to be, so that we can make the kind of judgment as to the revenues that are anticipated by the government with respect to the oil bill and the oil royalty, and then be related to the actual benefits that are being given to the people. We can make a computation, and the Minister can say whether I'm wrong or not, but it would appear that the computation would be about \$5 million as far as the actual saving by this reduction. If I'm wrong--(Interjection)--The Minister says seven. All right, \$7 million. Well, in an attempt to try and calculate it we assumed it was \$5 million but it could very well be seven. It would seem to me that it would be important, and without delaying what is taking place in this House, to have the other bill before us before we're asked to deal with this, so that at least we know the operation of the other bill and know, on the other hand, exactly what revenue is anticipated and could make some judgment with respect to the approval. --(Interjection)--Eight million. Well even then, Mr. Speaker, I don't think we should--as far as he knows; and I don't think he wants it to be left on that basis and I don't think we should be left on that basis, and I would ask - and I'm sure that we're a day away from receiving that bill - I would ask and hope that this would be held--well I think, though, it will be important for us to at least have that to be able to make that judgment on the information that's supplied.

Now, Mr. Speaker, then that leads us back to the mining royalty tax and the proposals here. Now, there are questions to be asked. The 23 percent that is proposed here as a maximum in the mining royalty tax provision, will that realize \$30 million as proposed in the budget, more or less? All right. I think there are two principles in this that we are against, and I would hope that the government would agree with us in this respect. Having, for all intents and purposes, withdrawn the royalty tax in the other bill, and recognizing that we are going to be dealing with this particular clause for this year, and recognizing that this was the figure contained within the budget, the aggregate figure contained in the budget was based on the operation

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(MR. SPIVAK cont'd) . . . . of this or, in the alternative, the operation of the other Act, it would seem to me that there are two things that should happen. One, Mr. Speaker, that it should not be possible for the government to alter this right by Cabinet order; and secondly, that it should not be possible for it to alter the rate by applying a different factor or applying a different rate to different mines.

Now the government doesn't want that, but our interpretation of the Act would suggest that they have that capability unless there is an amendment within this section. Therefore, we would ask that this clause, the clause itself be amended to provide that that was not their intention, it is not their intention; and secondly, we would ask them to agree at this point on the inability on their part as a Cabinet to be able to alter this. So therefore what we are suggesting, Mr. Speaker, is that if the rate of 23 percent reflects the \$30 million more or less that's projected in the budget, and that the budget has been approved in the House, Mr. Speaker, albeit that we disagree with the budget and we gave our reasons, but as the budget has been approved in the House, that the government amend these clauses to take out Cabinet discretion and to insure, by possibly new wording that would be clearer, that it would not be able to be applied differently to different mines.

Mr. Speaker, if that was to occur, we would be in a position at this point to essentially support the bill. --(Interjection)--Well, Mr. Speaker, I would hope that we would get the kind of confirmation of that from the Minister. And as we deal with this, clause by clause --(Interjection)--Mr. Speaker, we have commenced in a fairly ecumenical spirit today, this evening, and I would hope that we continue . . .

MR. DEPUTY SPEAKER: Order please.

MR. SPIVAK: Mr. Speaker, again I would like to indicate to the members opposite that it will be our intention to deal, then, if we get into committee and on the assumption we get the agreements that we think are reasonable under the circumstances, to deal with the clauses -- there are some minor and possibly considered housekeeping suggestions that we would make in the Committee of the Whole with respect to the particular items, but in general I think that the Honourable Member from Riel and myself have now covered basically our position with respect to this, and we would leave this then for some explanation of the Minister. I'm sorry I have to indicate to him that I do have to be absent for a few moments and if he's going to reply right now I will be unable, but I think my reasons at this point happen to be fairly justified and I indicate this to him now in case he does give his explanation. --(Interjection)--Well I would prefer, for a number of reasons, if he had no objection, to waiting until tomorrow only in the sense --(Interjection)--That's fine. I would prefer that, if that's okay.

HON. SAUL CHERNIACK, Q. C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Mines, that debate be adjourned.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. GREEN: Could you call the concurrence motion now, Mr. Speaker?

CONCURRENCE - MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT

MR. DEPUTY SPEAKER: Motion that the resolutions before the Committee of Supply be now read a second time and concurred in. Resolutions 83 to 89. The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Thank you very much, Mr. Speaker. When we broke off at 12:30 for the lunch hour, I was expressing my concerns on the winter season on muskrats out of the registered trapline. In the registered trapline blocks the trapper does a little bit of conservation on his own. He has management; he traps so many animals, makes sure that there's enough muskrats left to reproduce. However, outside of these blocks where there are no registered traplines it's a free-for-all. As I mentioned this afternoon before we adjourned, the normal practice has been to have the trapping season for muskrats in the spring of the year. This has been traditional for many, many years.

Now the season was changed to winter, early winter and winter season, and I received a number of complaints from trappers that this could be detrimental to the muskrat population. However, on my own, I have farms that are adjacent to the Turtle River marsh and there has always been a good population of muskrat on these particular lands. When the winter season was opened for muskrats, people went in there and trapped them out. They trapped a few out

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(MR. ADAM cont'd) . . . . and the result is that the house freezes over and the muskrats drown. Those who are not caught usually end up drowning. In any event, the winter trapping season has completely eliminated all the muskrats in the Turtle River marsh in two years. There are no longer any muskrats there. Last year nobody trapped there because there is no longer any muskrats. And I believe that the season should be closed for the winter and put back in the spring, allow the muskrats to survive during the winter and go back to the former way of trapping them in the spring, and I believe the majority of the trappers outside of the registered traplines would prefer to have it this way.

There's been a lot said about federal parks, and I just want to say a few words because I would caution members of the House not to get carried away on a federal park. --(Interjection)-- I'll get to that in a few moments. The reason is, Sir, and I think if you will--I just can't give you the exact dates because I haven't had time, but I did make a speech on the Riding Mountain National Park back in 1971, I believe, some time during the session of 1971, and I had the opportunity to make a thorough inspection, on-site inspection of Riding Mountain National Park, and before anyone starts suggesting that we should have another national park I would suggest that you go out and take a firsthand look, and get off the beaten trail. I went right into it with four-wheel drive jeeps and had a closehand look at it, and I can tell you that the management leaves much to be desired as far as the Riding Mountain National Park is concerned.

I refer specifically to - and not only am I saying that myself but I can document that on pretty good authority from people who have been in the forestry business for 30-40 years and have retired, and they know what's going on. I have seen the problem with the management of the national park is that they want to leave everything to nature, but nature also provides occasional fires, and as soon as a fire starts in a park it's immediately--at least they try to put it out immediately, and when you have a fire you always have a new growth, maybe a different kind of a growth. These are natural conditions. The conditions in the Riding Mountain National Park is in my opinion very very serious, because I have travelled, as I said, quite extensively through it in 1971 and you can find hundreds and hundreds of over-age trees that are ready to topple over, and there is no growth that will sprout from the roots of a dead tree. Now I'm not saying that you should go in there and start cutting all these trees down, not the young ones, but the old, the mature trees, over-mature that are going to die in four or five years, should be cut. They should be cut down. It's a valuable resource. Farmers can use it, not only farmers - material is very expensive. If this tree is cut down you will have another tree that will sprout at the root, maybe two, I don't know, but there will be another growth at the bottom, but if you allow this tree to die there is no new growth.

So what has been happening there is that the park management have been trying to plant trees here and there on a very limited scale. I don't believe that trees that are planted all in a row, four feet apart or six feet apart, this way and that way, I don't think that that looks natural. I think that's artificial. I would rather see natural growth. But you also have to have management. The provincial parks, in our provincial parks, we do have management. We go in, we cut either the trees that are just about ready to die, or some of them have already died, and we pick them up, we salvage them, we use them for lumber, and this is a natural resource. It's just wasting - it's just wasting - I'm very, very much convinced that if you just leave the park the way it is - I think that in the beginning the Riding Mountain was just a bare hill, and if you keep on the way it is now you will end up with a bare hill. So I'm a little bit concerned about the management of the national parks.

Now if there was some way that we could control the environment, have some control on how that's managed, I think that it might be all right if it was a national park, providing that we would retain some authority on how it's going to be managed. But once you transfer the land over to the Federal Government you've lost it, you've lost it forever. You can't get control of it. You've lost the mineral rights; you've lost everything that's in there. So I would suggest to any of you who are - and I've heard quite a few members in the House speaking on this - I suggest that you go and take a good look. Get some old clothes on and go right in there and take a good look, if you can get in there now - I don't know, there must be a lot of water up there. But it's also very interesting because PFRA are doing some experiments in the Riding Mountain and it's very interesting to go and see. Incidentally, I was taken around by the PFRA people. So that is one of the things that I want to bring to the attention of the members and I think it's very important, it's very important to all Manitobans - and to all Canadians, for that fact.

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(MR. ADAM cont'd) . .

Another problem that I know the Minister is well aware, that the biologists are having a very, very difficult time. They're very hard-pressed to keep our inland lakes stocked with fish. Many lakes, the population of fish is decreasing year after year, and I know it's only since 1969 that there's been any research done, or any management for that fact, on our inland lakes insofar as fishes are concerned. I have a little ad here that I cut out of one of the daily papers. Now the fishermen are having a hard time to catch fish because they're getting so scarce that they can't catch any more so there's a new device on the market. They're calling on science to help them find the fish now. There's an outfit here they call the Shakespeare Fish Finder and Depth Sounder. You can buy this for \$159.95 and you can go out and this will locate the schools of fish for you, and help you to clean up what's left of our fish population. There's one here, there's one right here. It's \$159.00. So I would hope that this type of technology or science would be banned insofar as sport fishing is concerned and even, for that matter, commercial fishing as well. We can destroy our natural resources fast enough without getting science to help us to do it. I am sure that I have the support of all the members opposite and on this side as well.

I know there's been much said about energy. I would like to see a little more research done on energy resources. I would have hoped to have seen part of the unwanted windfall that we're going to get from the increased price of crude oil. I would have hoped to see some of that windfall go into research to try and develop alternate sources of fuel. I believe that eventually we're going to run out of fuel before too many years, and I would like to see more research done. I would like to know, for instance, how much energy do I use on my farm. Am I in a deficit position? Am I expending more resources for what I produce? I would like to know. I would like to know how that works out. I think that to produce a bushel of wheat we are spending far more energy resources than what we produce. These are some of the things I would like to know. As I say, I would like to see some of that windfall go into research, more research, so we can try and come up with different sources of energy.

I did mention, I believe, on the serious situation of flooding around Lake Manitoba, Lake Winnipegosis and Lake Dauphin. In my particular area there's approximately 25,000 acres under water from the back-up of Lake Dauphin, and some of the farmers, just a mile away from my place there's two brothers who have been farming and ranching for several years, have sold all their livestock. They have no more cows left, there's no more pasture, there's no hay. My own situation is that I only have 13 acres where I can possibly cut hay this year, so I will not be able to keep any livestock myself this winter. We are told now by the Water Resources that we can't look to any possible relief until August and that is a long time away. So I certainly hope that things will improve and I hope that the Minister will take seriously some of my suggestions.

I would like to ask him also, I understand that the Government of Saskatchewan is going into a program with the Federal Government whereby there will be refunds available to rehabilitate inland lakes in Saskatchewan. I'm just wondering whether or not we will be doing likewise here in Manitoba, whether we have any such programs in the offing.

One more item that I would like to ask the Minister is on the wildlife count. I don't question the wildlife count, but let's say that I'd like to have it proven just how the wildlife count is arrived at. It's my understanding that around Moose Lake, in 1969 there was a population of perhaps 500, 700 moose, and this year we're told there's 70. I'm also told by people who travel in there by aircraft perhaps every two weeks, every two weeks in the same area, so far they've only seen seven - seven moose; and they are experienced flyers. I would like to know just how they arrive at the count, how accurate it is. I'm just wondering if we can't have some of the wildlife people to go up there with our counters. It seems to me that they count ten and they multiply by nine or something like that. I would like to know whether these figure are accurate or not. I'm not questioning them but I'd just like to be reassured that the counts are fairly accurate.

With those few remarks, Mr. Speaker, I will allow the Member for Fort Rouge . . . Thank you very much.

MR. DEPUTY SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I'll only take a moment or two - and I mean that. I want to congratulate the Honourable Member for Ste. Rose. He took a

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(MR. BILTON cont'd) . . . . considerable length of time at this particular time of the session, but I think his heart's in the right place and I think he means well. To me, Mr. Speaker, he really gets earthy in his remarks, and what astounds me is that he's a member of the government and he's brought out problems tonight which are really serious problems, and I know that the Minister in his own way is quite interested in the maintenance of wildlife and so on, and why these two can't get together and discuss these problems that the Member for Ste. Rose is bringing forward, so that we can see some action, I don't know.

But the Minister knows my concern, Mr. Speaker, with regard to the preservation of wildlife, and I have warned him for the last three years, if my memory serves me right, and I trust the Minister will forgive me because this is the last kick at the cat, I feel, insofar as my feelings toward the preservation of wildlife is concerned, and I say to him again with all seriousness, Mr. Minister, that is the last frontier, the Duck Mountains. I know you promised me or you suggested that an effort would be made to make a count, and you gave an explanation when I brought it up the last time and I appreciated it, I know you were sincere. But, Mr. Minister, I want you to insist with your wildlife people that they get in there and they tell you exactly what's going on and give you the answers, because those that are interested in hunting and the preservation of wildlife - I'm talking about the farmers throughout the Swan River Valley, I'm not talking about tourists - but people that have lived there all their lives are getting upset about this, and they're just as interested, Sir, in the maintenance of wildlife as you are. They'll go out and shoot their elk or they'll go out and shoot their deer and that's it. They play the game. But I want you, Sir, if you would, to insist with your wildlife people that you don't want platitudes, you want the situation as it is, so that future generations will enjoy the pleasures of seeing wildlife on the hoof rather than in pictures.

I noticed a release in the newspaper yesterday by an official of your department, Mr. Minister, that there was some consideration toward the curtailing of the hunting season. Sir, I'd suggest to you for a couple of years, cut it out entirely and give the wildlife a chance.

SOME MEMBERS: Hear, hear.

MR. BILTON: Let them enjoy the fruits of their labour. And, Mr. Speaker, I have made an issue from time to time over the last three years with regard to trophy season, and I'm not going to dig old straw but it breaks my heart to see a thousand pound moose laying rotting in the bush because somebody wants a set of horns. I don't think that's good enough, and that is happening, and I'm asking the Minister to put a stop to trophy season, for a year or two anyway, until the moose population is brought up again.

My honourable friend from Ste. Rose mentioned about Moose Lake. Population of 500 moose, Mr. Speaker, only a few years ago. His own colleague, he's telling the Minister that that population is down to 70. Isn't that serious enough to look at it seriously and cut out the hunting season altogether for a couple or three years?

As far as the national park is concerned, if the Honourable Member for Ste. Rose isn't interested, Mr. Speaker, we are, in Swan River Valley. Beautiful country. The Kettle Rapids, the Kettle Hills, into Pelican Lake, the habitat of the pelicans for the North American continent every season. Mr. Minister, take an airplane and look that country over. You only have to look at it once and you'll say, "That's the area."

MR. GREEN: I've been there.

MR. BILTON: So think about it, Mr. Minister. We'll have the park any time you're ready to give it to us. Thank you very much.

MR. DEPUTY SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. I'd just like to also make a few short remarks in this twilight hour, and I don't know of the day or the session or the government, I'm not sure, which that describes, but I would like to say I found the remarks of the two previous members to be very helpful, particularly because they seem to be concentrating on areas that were of direct concern to their own constituents, and I think that there always should be an opportunity during the session to sort of de-evaluate ourselves from the higher issues of principle down to the more mundane issues of practical problems that people face, and I think that both the previous members have raised that.

I would only say, I take one small objection to the points raised by the Member from Ste. Rose. I was very intrigued by his announcement that there is a machine to find fish and that he wanted to have it banned. I think it would be particularly helpful on some of the fishing

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(MR. AXWORTHY cont'd) . . . . expeditions we've tried here in the House to have such a machine available, and it would be unfortunate if he would sort of decline us from that use immediately.

In that vein, Mr. Speaker, I'd just like to raise two or three issues that are of concern to people in my constituency, have been raised with me, and really ask the Minister at this time for a statement of clarification on where he stands, because we have had some discussion over the past session about some of these issues but it's always been in a fairly ad hoc and reactive way, and we've never been able to have the opportunity for the Minister to make a clear and definitive statement as to exactly government practices and intentions in these areas.

The first one I'd like to mention is in the whole field of chemicals and pesticides and herbicides. The issue has emerged in this House, first on the question of the use of spraying in the City of Winnipeg to counteract both the mosquitoes and cankerworms, and there has been application made to the Clean Environment Commission and they have taken some action to reduce the use of spraying. That has caused the Minister some problems, I know, from those who are in some cases more concerned about their convenience than concerned about perhaps the basic health of people involved. I've always taken the position that while I don't enjoy mosquito infestation any more than anyone else, I'm quite prepared to put up with the inconvenience if it means that it is going to save someone from serious medical problems.

That is the concern that I would like to raise in the House, Mr. Speaker, that is the increasing evidence that the exaggerated use of chemicals and pesticides in this province and in other provinces, is now posing what many medical doctors are now considering a major threat to human life and to human health, to the point where many of the chemicals and pesticides, there is evidence being produced to demonstrate that they may in fact have carcinogenic qualities to them and certainly have very strong qualities affecting lung and respiratory diseases, and that that is no longer simply a matter of isolated cases, but is becoming an increasing problem throughout the population, that by the use of a vast array of chemicals in agriculture, a vast array of chemicals and herbicides in the control of vegetation, and a similar use of chemicals in other kinds of food, such as additives and so on, that we're simply building up the levels of tolerance in human beings and that there is an increasing amount of demonstration that the tolerance levels are being exceeded. And again, the public response, the public policy response has been a fairly erratic one and we've only reacted to events, but I would point out that one example is that, while the Minister in the House has expressed some strong concerns about the use of pesticides in the City of Winnipeg, at the same time his own department is using a chemical to control weed in irrigation ditches, a chemical which was used in Vietnam for defoliation of trees and has many of the same elements, and a chemical which is being banned throughout the United States totally now, yet we in the Province of Manitoba are using it as a matter of public policy as a way of controlling weeds and other vegetation in our irrigation ditches and drainage ditches.

So it seems to me, Mr. Speaker, that what we really lack at this time is any kind of comprehensive approach to the problem of the use of pesticides. We obviously are lacking in the area of research as to their effect, because if we had had proper research then we wouldn't be having the kind of ad hoc responses that we now have. I think in particular, Mr. Speaker, in the position taken by Judge Wilson in his judgment on the application of a Mrs. Irene Stein, who applied for an injunction in the Queen's Bench under the environmental impact requirements of The City of Winnipeg Act, and under that Act, Mr. Speaker, the judge himself acknowledged that in fact there may be severe danger but that the law is unclear, and the direction and policy and position of the government is unclear, and that therefore it would indicate to me--and this is why I'm asking the Minister for a statement, as to whether he is prepared to take some leadership through his own department to provide what should be an overall policy in regards to the use of varieties of chemicals in the Province of Manitoba, and to balance out their utility of ways of controlling vegetation and insects, for fertilizers, over and against the health dangers that it raises and the health hazards that are posed. I think that that kind of statement is long overdue, so that municipalities, private agencies, farmers and other groups of people who are in the habit of using chemicals, would be able both to make judgment based upon clear evidence as to what is the available range of knowledge, and to be able to judge their actions accordingly.

To give an example, I was speaking up in the Minnedosa area last week, Mr. Speaker,

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(MR. AXWORTHY cont'd) . . . . and I had a conversation with a number of farmers in that area and we talked about this particular problem, and he indicated to me that basically they rely upon the agents or sellers of chemicals and pesticides for information as to whether they are health hazards or not, and it seemed to me that's a little unusual that one would be relying totally upon a salesman for a totally objective evaluation of the impacts of these chemicals, and they simply said that they really didn't have any other resources. And yet I know at the same time, the Department of Agriculture and the agricultural extension departments and certain medical branches have done extensive research in this field, and find out that there really isn't much dissemination. I think what we really lack right now is a clear definition of what the range of hazards are and the kind of uses that should be applied, and certainly I would expect the Provincial Government in its own actions to guide itself accordingly and to cease and desist in the use of chemicals in its own respect, or to find alternatives.

Again, Mr. Speaker, I was, you know, somewhat perplexed I suppose is the word, at the actions of the City of Winnipeg when they said that in the use of the chemicals to control canker-worms, they said they didn't have any other alternative, and yet it's very clear that the City of Minneapolis for the past three or four years has been using another chemical which doesn't have anywhere near the health hazard, has tested it, has conducted experiments, has found out its efficacy, and yet the City of Winnipeg says it doesn't know anything. And yet I don't put the onus on the City of Winnipeg because they are very busy people and they may not get the information, but what it simply means is that I don't think we have been applying ourselves with enough care to this whole question of the use of chemicals and pesticides in the Province of Manitoba, and that what we really require now is a very clear statement and also the undertaking of whatever research is required, and I think just simply the application of the resources of the Minister and his department to providing a definitive reaction and positive affirmative action in this area so that we can begin to take serious and concerted action by all those involved.

The same kind of problem, Mr. Speaker, I would like to raise in relation to the environmental problems raised by the present promotion of tourism and recreation areas in the province. Now I know that one of the virtues, I suppose, that most people pay attention to in this House, or have paid, is first the requirement to promote tourism as a way of bringing industrial and economic growth to the province, and there is a certain value to that, and it's certain that we must open up more and better recreation areas for both our own people as well as for tourists. And yet one thing that has become clear again over the past three or four months is that in many cases we are undertaking the expansion and development of tourist and recreation areas without again properly examining whether that development in fact may be endangering the natural base in which those areas are being developed. I point particularly to the area of the Whiteshell, which is one of the finest recreation areas in the continent, but one which is becoming highly populated with large numbers of people and where the provincial government is undertaking a number of new development programs. And yet, as we began to discover, Mr. Speaker, the danger is that if the system of the Whiteshell is overloaded with too much effluent and too much produce of too many people, then it will destroy it for everybody. You will simply be left with a wasteland again, and that is again the kind of balance that we must try to apply, that we simply can't keep adding more and more people, and more motorboats, and more and more cottages, and more and more trailer camps, assuming that nature itself sort of has an unending capacity for absorption of the waste that we produce, because it simply hasn't and there is enough evidence to show that it hasn't.

Yet the thing that concerns me is that many of these developments and plans are going ahead without the kind of examination that's required, and I remember the kind of Alphonse and Gaston routine that the Minister of Tourism and the Minister of Mines and Resources played in this House about two months ago, where the question was asked, "Have you done anything?" And he said, "No." And they said, "Have you done anything?" "No, but we're going to talk to one another." I think in particular a letter that the Minister sent to the Honourable Doug Rowland, Member of Parliament, where Mr. Rowland was requesting information in response to one of his constituents, which shows he's doing his job as he properly should, and the letter in response of the Minister says - and the letter is dated April 8th - that "within the provincial parks the proper procedure is for the Parks Branch to request my department's assistance in solving a serious pollution problem, and as he has not requested such

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(MR. AXWORTHY cont'd) . . . . assistance, I can only conclude the concern referred to is not of a serious nature." Now that is a very disturbing comment, Mr. Speaker, because it means that while the Minister of Tourism and Recreation was proceeding with major plans for development in the Whiteshell area, he was not in any way referring that problem to the Minister of Mines and Resources for proper assessment of the environmental consequences of those developments. And therefore it concerns me, Mr. Speaker, that we are conducting these kinds of plans without that kind of study being done, and I think it simply requires a statement from the Minister - in this case, I would ask, of Mines and Resources - to indicate exactly what kind of policy and program he intends to follow to assure that the tourism and development programs conducted by the government, of which he is a member, are being done in full conscience and full understanding of the environmental consequences of those acts.

Now the letter goes on and says, "Nevertheless my department will contact the Parks Branch with regard to this matter." And I would certainly like to hear from the Minister as to what the results of that contact were. That was on April 8th, so I would suppose that by June 7th he must have had some answer and it would be very informative to this House if he would now be able to articulate for us what exactly is the nature of the response and to what degree is there now a proper system to be conducted in these development programs. And I would refer, for his interest, the kind of program undertaken by some of the states in the country to the south of us, Oregon in particular, Washington following, which for many years were very anxious to recruit and attract tourists from all over the continent - it was a major source of revenue - in the last two years have stopped doing that simply because they found that the natural balance in their own states were becoming threatened simply by too many people in too small spaces, and they only did this after a very careful study of the environmental impact in places like the national parks and the places that tourists were using, and that in many respects they were condemning their own citizens to a future of dwindling natural capacities and abilities simply because they were trying to attract the tourist dollar.

I want to make it clear, Mr. Speaker, that I'm not against the Minister of Tourism and Recreation going ahead and opening new areas and attracting more natural recreational areas for tourists to enjoy. I think that's one of the great advantages of this province. But I would like to see it done in full concert with the Minister's own department so that hand in hand goes both the development plan and also the environmental study, and that a continuing process of monitoring be conducted at the same time so that we can assure that we're not going to end up abusing our recreation areas and in fact even run the risk, as we may be running now in the Whiteshell, of in fact introducing enough foreign elements and waste materials to actually tip the balance so that the ecological decline will set in and that we will ruin the area for everyone. Again, I would hope that the Minister could provide us with some information and some confirmation that this kind of joint programming is now taking place, because I gather from his letter he now indicates that he is prepared to move on it, and I would like a response to that.

Finally, Mr. Speaker, I would just like to raise one issue that emerges out of the Minister's remarks and concerned the mining of two days ago, where he decided that he would hold up on his legislation for at least until next session. It was at that time, I think, that members of this side acquiesced in that proposal saying it was an obviously useful course and one that he was complimented on following. Since then, Mr. Speaker, and during then, I think there has been a number of requests both from members of this side of the House and from outside agencies, that some opportunity be given for a kind of public forum. I think the Chamber of Commerce called for a task force, the mining industry called for open meetings; I recall myself asking if a legislative committee would be set up, so that we could in all fairness and really in all impartiality examine the proposals of the Minister and other kinds of tax proposals that have been introduced in relation to the natural resources industry, so that in this very complicated and yet very important field - and I couldn't agree more with the Minister that some action is required in the field and the action is going to require new taxation measures - but that in order to insure that those measures are both fully understood, that all the bugs are worked out of the proposals, and that when the time comes there is a fairly high degree of comprehension and understanding by all members of this House, as to whether he is prepared to consider, at least, the enactment or setting up, perhaps next fall and it doesn't have to be a long debate, either form a committee of this House or other forum in which the proposals can be examined, representations can be heard, other areas of information can be introduced,

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(MR. AXWORTHY cont'd) . . . . so that the proposals can be gone over and looked at with a fairly objective and the kind of I think generally more informative kind of discussion that takes place in smaller committee arrangements, so that the legislation that will emerge at the next session of this House will be one that I think all of us would be able to bring some intelligence and some knowledge to bear upon the debate. I would like to hear if the Minister has thought of those proposals and whether at this time he has any reaction or any feeling that he would like to at least provide some forum, whether it's of this House or another variety, so that that very important field can be examined, both in open and also through the edification of members of this House.

Those, Mr. Speaker, are the three areas of questioning really that I had for the Minister and I request his response.

MR. DEPUTY SPEAKER: Resolutions 83 to 89 separately and collectively--pass? The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Well, Mr. Speaker, I do want to indicate that there were about ten speeches, and I undertake to provide in writing, with copies to the media if so desired so that there is that communication, to everybody who asked them. My staff is not here but I undertake to answer each question that was raised, in writing, to the honourable member, together with, if that is desired by the honourable member, a communication to the media so they will have the response to the question that was raised.--(Interjection)--On everything that was asked by every member of the House. (Applause)

MR. DEPUTY SPEAKER: Resolutions 83 to 89--passed. That completes the concurrences.

The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

Mr. Speaker, I wonder if honourable members would like to be rehearsed on the procedure now or whether we should just go ahead and . . .

A MEMBER: Somebody would ask anyway.

MOTION presented and carried, and the House resolved itself into a Committee of Ways and Means with the Honourable Member for St. Vital in the Chair.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good certain sums of money granted to Her Majesty for the Public Service of the Province for the fiscal year ending the 31st day March, 1975, the sum of \$787, 763, 800 to be granted out of the Consolidated Fund. Agreed? (Agreed)

Resolved that towards making good certain further sums of money granted to Her Majesty for the Public Service of the Province for the fiscal year ending the 31st day of March, 1975, the sum of \$50, 698, 500 be granted out of the Consolidated Fund. Agreed? (Agreed) So ordered.

Committee rise. Call in the Speaker. Mr. Speaker, your Committee of Ways and Means has considered certain resolutions with regard to raising (inaudible) . . .

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member for Point Douglas, that the report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Mines, that the resolution reported from Committee of Ways and Means be now read a second time and concurred in.

MOTION presented and carried.

INTRODUCTION OF BILLS - CAPITAL SUPPLY

MR. CHERNIACK introduced Bill No. 29, an Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal year ending the 31st day of March, 1975; and

Bill No. 37, an Act for granting to Her Majesty certain further sums of money for the Public Service of the Province, for the fiscal year ending the 31st day of March, 1975.

GOVERNMENT BILLS - SECOND READING - CAPITAL SUPPLY

MR. CHERNIACK presented, by leave, Bill No. 29, an Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal year ending the 31st day of March, 1975, for second reading.

MOTION presented and carried.

MR. CHERNIACK presented by leave, Bill No. 37, an Act for granting to Her Majesty certain further sums of money for the Public Service of the Province, for the fiscal year ending the 31st day of March, 1975, for second reading.

MOTION presented and carried.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Public Works, that Mr. Speaker do now leave the Chair, and the House resolve itself into Committee of the Whole to consider the following bills:

Bill No. 29, an Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal year ending the 31st day of March, 1975; and

Bill No. 37, an Act for granting to Her Majesty certain further sums of money for the Public Service of the Province for the fiscal year ending the 31st day of March, 1975.

MOTION presented and carried, and the House resolved itself into Committee of the Whole, with the Honourable Member for St. Vital in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Is it the will of the Committee to consider these bills page by page? (Agreed) (Bills 29 and 37 were each read page by page and passed.)

Committee rise. Call in the Speaker.

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital.

MR. WALDING: Mr. Speaker, I beg to move, seconded by the Honourable Member for Gimli, that the report of the Committee be received.

MOTION presented and carried.

THIRD READING - BILLS 29 and 37 - CAPITAL SUPPLY

Bills No. 29 and 37 were each read a third time and passed.

. . . . . continued on next page

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bills No. 86 and 89 please.

BILL NO. 86

MR. DEPUTY SPEAKER: Proposed motion of the Honourable Minister of Highways. The Honourable Member for Virden. The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Mr. Speaker, the bill stands in the name of the Honourable Member for Virden, but I would like to speak.

MR. DEPUTY SPEAKER: That would be the understanding that the motion would remain in the name of the Honourable Member for Virden? The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker. First of all, I would like to say that I wasn't here at the last big motorcycle helmet debate and that seems to be one of the most controversial sections in this particular bill. There are several other aspects that I would like to draw to the Minister's attention, though. On glancing through the bill I noticed that it specified that all motorcycles had to have handlebars. Now I thought at first when I read it, I thought that part was kind of amusing, but then I realized that there are probably people that would be driving around with steering wheels on their motorcycles if it wasn't spelled out so I left that section out. But I would like to point out to the Minister that under this present Act a motorcycle must--the bill states that a motorcycle must have a front fork that is in one piece and is no longer than 30 inches. Now I would like to point out to the Minister - and I'm sorry he's not here but I'll sure he'll get the message - that at present almost 100 percent of all motorcycles on the road don't have a single piece front fork, for the simple reason that your shock-absorbing system has to be contained in the front section and therefore it's virtually impossible for this Act to spell out this particular problem that they feel that should be rectified. I realize that some of the motor bikes have had changes to the front forks, and I guess that's why the Minister has introduced the regulation that it should not be any longer than 30 inches.

The other problem that possibly could crop up from this particular Bill 86 is the fact that spelling out these regulations might cause roughly 500 motorcycles, which are presently registered, to become illegal, and I would like the Minister to take that into consideration because these bikes are presently roaming around on the streets and highways of Manitoba and this piece of legislation would automatically mean that these people would have to take their bikes off the roads. Some of these bikes have been converted privately, but quite a number of them have been bought through dealers, and I think the Minister should have a look at it and see how the implementation of this Act would affect these particular people who have spent fairly considerable large sums of money and are, I might say, legally registered right now and insured, and under this Act would be illegal.

Now, coming to the more controversial part of the bill, namely the compulsory aspect of helmets, I would like to read into the record a letter from the American Motorcycle Association, and it states: "The position of the American Motorcycle Association regarding mandatory helmet legislation is that we feel that motorcyclists should be able to make a free choice as to whether or not they wish to wear motorcycle helmets." It goes on to say that "we have also encouraged the use of motorcycle helmets," but I think this portion out of this particular letter expresses my viewpoint, I think very fully. I think that the use of helmets by motorcycle people should be left up to their discretion; I think it should be their choice; and if a person chooses not to wear the helmet he should be able to be allowed to do so.

There are many statistics that a person could produce for an argument for and against, and I would just like to point out one here that I have come across, and they're statistics taken from the Safety Department of the Kansas Highways Commission in Topeka, Kansas, and I'd like to refer that in 1973 when the Kansas helmet law was in effect for the first full year, motorcycle fatalities almost doubled to 40 from the previous year. To 40 - and the previous year there were 22 deaths. It should be pointed out, though, that the registrations on those particular motorcycles were up 12 percent. Now the same thing happened when the first helmet law was passed in 1967 and it's pointed out that the helmets help only after accidents have already happened. During normal street riding, the drawbacks to vision, hearing limitations and heat fatigue cause accidents. The report ends by saying that your chance of being killed has been doubled by the helmet law.

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(MR. BANMAN cont'd)

As I mentioned before, I think there are statistics which can be brought to substantiate both arguments and both sides of the fence in this particular matter, but I would strongly urge that this particular section of the Act be deleted and give the people riding the motorcycles in the province of Manitoba the free choice to wear the helmets if they wish, and not to do so if they have certain preferences and certain feelings about not wearing them.

Another particular aspect of the bill, and I've said it before and I'd just like to re-state it: The Act deals with having motor dealers bring their used cars to different government checkpoints. The Government can do this by either written letters or by registered mail. I don't think that any of the dealers have any grievances with that point. I am sure that most of the automobile dealers in the province want to sell safe vehicles and I don't think that they have any objection to having them checked over, but I would once again like to point out to the Minister that 50 percent of all the used vehicles registered in the Province of Manitoba are private sales, and these particular units do not have to go through any test, any certification of any kind, or any safety check, before they are registered. I think that at time of registration is possibly a good time and I think one of the easiest times to make sure that units resold, passing from one owner to another, should be checked out and I would at this time urge that the Minister check with his department. I realize that there is certain legislation on the books that has not been proclaimed for different reasons, but I think that in the near future we're going to have to do something, we're going to have to tackle this problem, because if we want to make sure that the vehicles on the highways are safe, not only are the people that are in the automobile business supposed to look and be responsible for the units they sell, but I think that the people that are selling their vehicles privately - and, as I mentioned, 50 percent (which is a rough figure) are being sold privately in the province, that's used vehicles - that these people too should be under the same scrutiny that other people are and that there should not be a double standard on that particular way of making sure that our vehicles are safe on our highways.

Once again I'd just like to say that I myself am against the compulsory use of helmets and I'd just say again that I'd also be against the compulsory use of safety belts. The Minister is indicating a free vote, which is okay with me, but this is the stand I'll be taking, and just forewarn the Minister that I think that if the seat belt legislation, if anybody has any qualms about bringing in seat belt legislation, I'd be definitely opposed to that too. I think the people involved in different car accidents and that, the choice should be left up to the individual, and with that I would hope that that definite part of the Act is stricken.

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

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I would like to say a few words on this bill. First of all, I must say, Mr. Speaker, that I am in general agreement with Bill 86 with the exception of Clause 186.4, that again being the same subject that the Honourable Member for La Verendrye has brought forward, being compulsory wearing of helmets. I too am opposed to that section being implemented, not for the reasons that were brought forward when that section was introduced a few years ago, being so many people that do ride motorcycles being against that section being implemented, but because basically, Mr. Speaker, I don't believe that the types of helmets that we have on the market today are considered to be adequate to not prevent an individual from having an impaired hearing and an impaired vision, pertaining to the type of helmet that we have on the market. And equally, the impact that the helmet that we have now being sold anywhere, to my knowledge, in North America, are not the type of helmet that can sustain, say, more of the shock than if you wouldn't have the helmet yourself.

I believe sincerely, Mr. Speaker, that if an individual is wearing a helmet who doesn't feel comfortable with a helmet, that it could impair more than if he had one. And if we are to consider having crash helmets being compulsory, we should equally look at the possibility of having leather jackets being compulsory, because I've had experience with helmets in both cases being beneficial when riding a snowmobile and crashing at quite a high speed, and the helmet was beneficial to prevent me from receiving head injuries, but again, one of my friends wearing a helmet on a motorcycle had a whiplash quite a few years ago because of the helmet and is still totally invalid because of that accident.

So, like the Honourable Member from La Verendrye indicated, we can bring cases from

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(MR. TOUPIN cont'd). . . both sides indicating that the wearing of a helmet can be beneficial to the individual concerned and it can be detrimental, depending on the circumstances. I would be more favourable to having roll bars, as an example, on a convertible being compulsory, and in those cases having the seat belt compulsory equally on the convertible, because if a convertible rolls without a roll bar, the chances of the individual saving his life is very remote. But in regards to the motorcycle itself having the helmet I'm totally against this section being implemented and I encourage all members of the House to vote against this, not because necessarily of the representation that is being given to us, although some of the representation I feel is justified, but because of those proven cases that we have before us, that the compulsory wearing of the helmet is not necessarily the answer. I sincerely believe that education of different methods that have to be utilized while riding a motorcycle has to be promoted by all those concerned; by the Department of Highways, by those police forces that we have in the Province of Manitoba, and I think that is more essential than having the wearing of helmet compulsory. One may say, Mr. Speaker, that when one wants to join a police force, that the wearing of a helmet is compulsory. That is a condition of work. It is not necessarily based on the background material that proves that helmets are beneficial to all those police officers, whether they be from the R.C.M.P. or from any municipal police force.

Mr. Speaker, I don't intend to speak at length and praise the Minister of Labour again this evening, but I do want to encourage all of my colleagues on this side of the House and members of the opposition to consider all pros and cons pertaining to this section. I have had experience myself, I've had a lot of friends that have utilized motorcycles in the past and I don't believe that this government is in a position - I hope not - in a position to make the wearing of helmets compulsory today.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I would like to make a few comments on the Bill now before the house. It's certainly not our intention to delay it, unduly but I would like to draw to the attention of the Minister a few of the points that are contained in the bill, my impressions of them, as well as one or two other matters that I feel that bill should contain. I don't want to deal with the question of helmets as a subject of second reading because I think it more appropriately be dealt with in the committee when we are dealing item by item; other than to say that this is the second time we've had this matter before us - the fourth time the Minister says - I presume that successive Ministers of Highways will continue to introduce this section into amending legislation at the request of the bureaucrats who feel that it must be in there, and I hope that successive ministers of Highways following that, if the thing should pass, would continue to introduce an amending section to delete it so that we can continue to have this debate every year. It wouldn't be a session unless we could talk about helmets. But Sir, I leave it at that.

What I do want to discuss is a subject that is I think to those of us who live in smaller communities, rural towns, a subject that is becoming increasingly more annoying, and there is no provision in the Act for law enforcement officers to deal with it. And that's the question of unnecessary noise caused by screeching tires. People who for some reason or other get their kicks and their enjoyment out of a group of them holding onto the bumper of a car while somebody revs it up as fast as he can, the smoke and the rubber is flying all over the place, it's a terribly annoying thing to happen in the middle and all hours of the night, and in discussing it with the law enforcement officers they tell me that there is nothing in the Highway Traffic Act that forbids it; that they are powerless to do anything about this very annoying habit. I would hope that the Minister would give some consideration to placing a section in the Act that would do away with this annoying habit, and also give the court some authority and the law enforcement officers some authority to deal with it, because it's becoming more and more of a dangerous habit as well as being a very annoying one in many rural communities across this country.

Secondly Sir, I want to congratulate the Minister for bringing a section into the Act which makes all the signals on school buses uniform. I drive through several school districts throughout the province and it seems that everyone has a different system of signals. Some have the wing on the side of the bus and if you are looking for the wing you forget to look for the light and vice versa. Very frequently I think drivers or motorists who do pass buses with,

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(MR. JORGENSEN cont'd). . . either the signal or lights on, do so inadvertently because they are looking in the wrong place, and if there is a standard set of lights or a standard set of procedures for school buses stopping, I think it's far better and one knows then what to look for. And I congratulate the Minister for bringing that amendment in cause I think it will be considerable improvement.

Another amendment in the legislation that I think is going to be very helpful is the one dealing with transportation of farm machinery. The previous provision in the Act was so restrictive that it was extremely difficult for dealers who now do most of the transporting of vehicles to and from their shops either for delivery or for repair, it was almost impossible for them to do so under the restrictions that existed prior to the amendment that is now before the House, and I'm glad to see that that amendment is in the legislation.

Thirdly, Sir, the question of the merit system that the Minister is introducing is one that we can't find any opposition to it, but it does seem to me that it takes a heck of a lot longer to get merit points than it does to get demerit points. One can strive valiantly for years to acquire merit points, and I wonder if the Minister would care to put a retroactive clause in that particular piece of legislation, because in that event, I will have combined enough merit points to last me for the next twenty years. I don't suppose that that is possible, although retroactive legislation is not unheard of in this Chamber or other chambers across the country.

I want to say in conclusion, Mr. Speaker, that we look forward to seeing this legislation go before Law Amendments Committee. We approve of most of the sections that are in this Act and will perhaps be asking further questions in other sections of the Act, but at this point we are prepared to let it go to committee.

MR. DEPUTY SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, my remarks will be very brief. The Honourable Member for Virden who does most of the work in our caucus regarding matters dealing with the Department of Transportation has asked me to give notice tonight that the section where we're withdrawing the names on the truck, that he will likely be amending that section when we get to committee, that anything over a one ton should have the name plates on both sides.

MR. DEPUTY SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I too, just plan to pass on some of the concerns that we have in our group about the Bill, and again to say that normally the Member for Assiniboia would be handling this particular important task, that I will try to repeat some of the thoughts I know he would like me to express.

First is that we do find most of the presentations in the bill concerning the matter of safety to be worthy of support and we certainly agree with them. There are some questions we'd like to raise. The first is to add our own remarks to those of the Member from La Verendrye and from the Minister concerning the option or choice in the use of motorcycle crash helmets. From the evidence that's been produced so far it's not very clear that in fact there is an unalterable and definitive case for the use of helmets; that they may be as bad as they are good; that they have their own sort of detractors and their own particular obstructions to safety and that therefore it would seem to be something that we would like to provide for option of drivers with. I think that the Minister, while I know he is concerned about joining in a uniform way with other provinces, I think if you look carefully, the evidence I gather that it's not clear that in other provinces there has been a remarkable upgrade in the safety of motorcycle riders as a consequence of helmets; and that secondly, it's a very difficult rule to enforce and that therefore it probably would save us a lot of time just not to bother and leave the option up to the individual drivers, and they might be the judges of their own safety.

There is one principle in this bill, however, Mr. Speaker, that was brought to my attention and as I read it over it struck me only as exceedingly strange and in fact both unconstitutional and discriminatory at the same time. And that is the one dealing with the prohibition of bicycle riders or bicyclists on certain provincial highways. First, I'm not so sure that the Minister can do it because I'm not so sure that under some of the agreements on interprovincial roads he has the ability to do it. That's one question and I'm raising it for him.

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MR. BURTNIAK: Mr. Speaker, I wonder if the honourable member would permit a question?

MR. AXWORTHY: Certainly.

MR. DEPUTY SPEAKER: The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Yes, I'd just like to clarify a point here. That just because this type of amendment has been introduced in this Bill 86, all it is doing here is just relating permissive legislation. It doesn't mean that all of a sudden, tomorrow, or whenever the bill is proclaimed, that all of a sudden we're going to cut off bicycles from certain roads. We don't name roads. It's just permissive legislation to be dealt with at some time in the future.

MR. AXWORTHY: Mr. Speaker, the Minister was extremely pressured in anticipating my next point. Because my next point was that if you're going to do it then it shouldn't be a matter of regulation, it should be a matter of some discussion, and that one of the things that concerned me greatly is that all of a sudden appearing in the Gazette next month, five months from now, Highway 59 is no longer available for bicycles. Well, you don't say it, but you have the option of doing it and once--(Interjection)--Let me answer the Minister's question, Mr. Speaker.

The fact is that permissive legislation is enabling legislation and we have had experience after experience after experience that once you pass a matter under the privy of this House into the hands of a Minister to make judgments and decisions by regulation, then it becomes a power that is subject to very little restraint. And the concern I'm raising with the Minister is this: That whether it's permissive or not, once this act passes he has the power to do it; and I'm simply saying that I'm not so sure he should have the power to do it. That's the issue I'm raising. Because to begin with I think in this day and age when we're beginning to recognize that the automobile to begin with has its own built-in limitations and that excessively more people are looking towards other forms of vehicles to get around, that we are now giving the Minister the power at least to discriminate against the one form of vehicle which is probably the most economical from an energy point of view, and the most healthy from a personal point of view. And I know in particular - and I think probably the Minister of Labour would have been in much better shape if he'd been riding a bicycle for the last twenty years at least. And what concerns me, Mr. Speaker is this. That I find that particularly there are a number of young people who I'm acquainted with who now use their bicycles, for example, to go out to the lakes, they use them to go out to the beaches and Lake Winnipeg and others, and what happens if all of a sudden they're whistling one gay Saturday afternoon and the sun is shining and they're hauled over to the side of the road by the R. C. M. P. saying, "Sorry, the Minister has decided the highway for tonight is off limits for bicycle riders." Well that's in the Act. Well it's in the Act. I don't know. I read the Act and the Act says, "No person shall operate a bicycle upon a highway or portion thereof or cause or permit a bicycle to be operated." And this is to be set by regulation. Now that's a power that can be exercised. Now it may mean, I have no notion as to the rationale, the Minister didn't give us a reason why he's going to stop bicycles on the highway. I can only assume that it might have been in some interest of safety. I drive a car normally, I don't find bicycles to be any more of a handicap and obstruction than trucks or cars or people or anything else. And so all of a sudden we're going to prohibit bicycles.

I really think that this is an exceedingly strange clause in the Act. I don't see any rationale for it. I think it is discriminatory and not only that, that it seems to be going counter to what should be a very important trend, and that is to promote the use of bicycles as opposed to discourage the use of them. And again it smacks a little bit of this kind of . . . The other thing I'd like to know is, it would be much more easier if we had said there will be certain highways that we'll prohibit the use of automobiles and encourage the use of bicycles. That might have been more useful. I'm not sure. But the fact of the matter is the bill as I now read it, unless the Minister's reading a different bill than I am, says under one section that we're going to put bicycles on prohibited highways. So I want to raise that as an issue with the Minister. This bill is going to Law Amendments and he'll have the opportunity at that time perhaps to either correct the wording or do something with that particular amendment to clarify the meaning, and I would certainly be much opposed, be much opposed to any decision by the Government to arbitrarily prohibit the use of certain roads and byways and trailways

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(MR. AXWORTHY cont'd). . .for bicycle riders. In fact I'd prefer to see much the opposite.

Finally, Mr. Speaker, I would like to raise one point that was discussed by members of our caucus, and we think it's an important issue, that the Minister has not included in this bill, but I think is in the spirit of the bill, because I think most of the bill is devoted or committed to improving the safety standards of our highways, and I would wonder why or like to raise for the consideration of the Minister at least, about reducing the speed limits on all Manitoba highways down to 55 miles per hour.--(Interjection)--Well, let's try 55 as a start. I think that the justification of reducing the speed of automobiles was amply demonstrated in the recent energy crisis in the United States where for reasons other than safety they reduced the speed limit to 55 miles per hour, and the results and statistics arising from that development were astounding, to the point where I believe, and the Minister could correct me, I believe that traffic fatalities and accidents were cut by 40 percent in those states where the speed limit was reduced to 55 and it was properly enforced.

Now, it would seem to me that if the spirit and commitment of this bill is to improve safety, that I think that we should seriously look at reducing the speed limit to 55 miles per hour on Manitoba highways. Now I say that with some sense of chagrin because I know that the members of our caucus, the Leader and the Member from Portage and even myself, would not in any way qualify for those retroactive merit points that the member was talking about, and the reason is because at times we have had a very heavy foot. So I stand here in a somewhat contrite and self-confessing role that even at 70 miles an hour I find that constricting at times. However, Mr. Speaker, the fact is, that in general I'm prepared to sort of take my consequences when I do that. A general reduction of the speed limit if it would have the result of reducing - I forget the exact figures, but I believe that last year the fatalities in Manitoba were in the way of hundreds, close to a thousand, I believe. Is that right? Well, they were very severe. In fact I think the traffic accidents are the cause of death--(Interjection)--about 220? Fine. Thank you. It's about 220, which I gather though, and I believe I'm right in saying this, is the single most frequent cause of death of people in the age bracket of about 15 to 35. Am I not right? I think about 15 to 35 are traffic accident fatalities. And certainly I have seen, last summer when a relative of mine was in the hospital for a large period of time and I was having to visit quite frequently in the place where they do head surgery and brain surgery, the weekend toll of young people coming in with their sort of bodies bitten into pieces certainly convinced me that, that old adage about "speed kills" is a very required one, and I would just wonder and raise the question with the Minister as to first, has this been considered; and if so, is there any serious discussion in his own caucus and cabinet about moving towards the reduction of the speed limit, at least to a minimum of 55 in the Province of Manitoba on our provincial trunk highways? Because I think, at least members of our caucus think that this would be a very positive move for improving safety in the province. And those then, Mr. Speaker, are the remarks of this group.

MR. DEPUTY SPEAKER: The Honourable Minister of Highways will be closing debate. The Minister of Highways.

MR. BURTNIAK: Mr. Speaker, I was just going to ask the honourable member a question if I may. Mr. Speaker, I was quite intrigued with the comments made by the honourable member who has just spoken. I am just wondering what is the magic speed limit above 55.--(Interjection)--All right. The Honourable Minister of Finance says less than 60. I would say, how about 50? That is less than 60, less than 55. So why not make it 30? Or 25? Or 15? Or 10? Maybe we should go back to the horse and buggy days--(Interjections)--I would like to inform the honourable member, Mr. Speaker, that during the days of the horse and buggy we didn't have any serious accidents at all.

A MEMBER: We didn't have any roads either.

MR. BURTNIAK: Ohhh. We had trails and the likes, but there were no serious accidents. So, you know, these are the things that I'm very concerned about. As a matter of fact, Mr. Speaker, I would like to mention at this point in time, that I have said in this House and I repeat again, and I'm serious when I say this, Mr. Speaker, and honourable members, that I do believe that on a two-lane highway - and I've said this to our board, to the speed committee or the license committee, as far as speed limits are concerned - that I do not believe that we should have any speed limits over and above 60 miles an hour on a two-lane highway. I believe that on a four-lane divided highway perhaps we should go to 65 or 70, but I don't

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(MR. BURTNIAK cont'd). . . believe that we should go beyond 60 on a two-lane highway. I honestly believe this to be the fact, because one of the things that really is a problem as far as highway accidents are concerned, not only in Manitoba, but all across Canada, United States, any country, is speed. Speed is the biggest killer and we have statistics to prove that.

Now, the thing is when you talk about 55 miles an hour as "the" speed, I don't think--what is the magic about 55? Maybe it should be 50, or 40, or whatever. So therefore I would like to ask the honourable member at this point in time that, because of the energy crisis, and as a matter of fact I'd like to inform the honourable member at this point in time that in the United States, because of the so-called emergency crisis or energy crisis, the truckers, not only in the States but in Manitoba, for example, all across Canada, have agreed, not because of the speed but they say that at 55 miles an hour you're not pulling, you're pushing. At 60 miles an hour you're pushing more. And I think the honourable members can understand what I'm talking about. So therefore at 55 miles an hour they may not be using as much fuel, they may not be wearing as much rubber on the tires, so this is to their advantage. Which is fine. I agree. But I would say to you, Mr. Speaker, and the members of the House, that we could reduce that to 50 miles an hour, you know, or 40, or 45 or what have you. And therefore, you know, you're going to use less rubber so there's a saving. So it's a kind of a situation where anybody can argue it pro and con but, as I said before, I don't think that we have a situation now whereby somebody can say that because it is 55 miles an hour that you're going to make a big saving and it's a real safety. I say to you, Mr. Speaker, and the members of the House, that 60 miles an hour on a two-lane highway I think is fair enough, but I would not want to go to 70 miles an hour unless it is a four-lane divided highway.

In respect to the bicycles, I would say too that as far as bicycles are concerned, this is only--(Interjection)--Now, Mr. Speaker, I didn't say that bicycles go 70 miles--(Interjection)--You know, before you know it, you may have bicycles going 70 miles an hour too, you know.--(Interjection)--That's right. But anyway, what I was trying to say here is this, that as far as . . .

MR. AXWORTHY: Mr. Speaker, may I raise a point of order?

MR. DEPUTY SPEAKER: Order please.

MR. AXWORTHY: I'm just raising a point of order in terms of . . .

MR. DEPUTY SPEAKER: Point of order.

MR. AXWORTHY: . . . a ruling from the Speaker. I'm not sure - was the Minister asking me a question about what the magic answer is? Because I'm prepared to give him an answer. That was a rhetorical question.

MR. DEPUTY SPEAKER: Order please. The Honourable Minister is closing debate on Bill No. 86. I've already stated that. The Honourable Minister of Highways.

MR. BURTNIAK: As far as the bicycles are concerned and as far as the closing of certain highways to bicycles, I am sure, Mr. Speaker, that every member in this Legislature is aware, or at least is serious enough to make sure that we have certain safeties on our highways. I think that on certain highways where there is a tremendous amount of traffic, I don't think that there's any member in this House that would like to say, "Yes, we will protect bicycles on these highways regardless of what happens," without providing certain pathways or shoulders or what have you, so that people riding bicycles could drive on these highways. I think it's the safety feature that we're concerned about. I'm quite surprised to hear certain members say that, you know, "Well, my God, we're going to prohibit certain highways from permitting people to drive their bicycles." I think this is only fair that we should do this unless we provide other alternative routes. And this is only permissive legislation, Mr. Speaker, to make these provisions available to the bicyclists and what have you, on weekends or whatever day it is, in conjunction with the City of Winnipeg and other towns and the Province of Manitoba. And I think this is only right, and I'm sure that all members should agree to this kind of thing.

SOME MEMBERS: Hear, hear.

QUESTION put. MOTION carried.

BILL NO. 89

MR. GREEN: Bill No. 89, Mr. Speaker.

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Brandon West.

## BILL 89

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I acknowledge the explanation of the Minister of Finance that this bill was necessitated by the change in the Amusement Tax Act and the need to have some special coverage for the tax on pari-mutuels in the Province of Manitoba. I was interested and I was listening rather carefully to the remarks of the Leader of the Liberal Party when he spoke on this bill, because I recognize his reputation as being somewhat of an expert in the field of taxation and so whenever he speaks in this general area I am inclined to listen carefully to his words, and in his placing the position of his party as in support of this bill, he did say, at least I took him to say that this was one area. . .

MR. DEPUTY SPEAKER: Order please. Would the honourable members who are carrying on the loud conversation, if they wish to carry it on would they go elsewhere, because I see that the Minister of Finance is straining to hear what is being said. The Honourable Member for Brandon West.

MR. MCGILL: The Minister--I'm sorry, I was quoting, or attempting to quote the words of the Leader of the Liberal Party in his remarks on Bill 89. He said that this was an area in which, if anything, we were probably undertaxed, and as he said that, I was a little surprised because he said it rather casually and I wondered if he had researched this point with his usual care. I took the trouble, following his remarks, to do some research of my own and I did come up with some rather interesting figures on the total taxes applicable to pari-mutuel handles in the provinces of Canada. The pari-mutuel handle is, of course, the total amount of money that's put through the pari-mutuel system in any year. And I found out that the area in which the Leader of the Liberal Party says we are undertaxed is an area in which, once again, the Province of Manitoba leads the way.

Mr. Speaker, it may be of interest to know that in Ontario, of the total pari-mutuel handle, 17.1 percent is the take, or the amount taken off the top before the pari-mutuel pool is split among the winners. In Saskatchewan 17.6 percent is the total take from the pari-mutuel pool. In Alberta 15.1 percent. In B. C. at the present time, 18.1 percent. But in Manitoba, Mr. Speaker, the area in which the Leader of the Liberal Party said we were probably undertaxing, we're 21.6 percent. That means that the take from the pari-mutuel betting handle is 21.6 percent off the top of the pool before the race-goers divide the difference, or the net.

Now, getting down to the--The Minister of Finance is confused by my figures. That includes the Federal .6 percent, the track percentage, which is applied to purses and to other expenses of operating race tracks, and the province has a tax which is included, and these rates are: Ontario, 7 percent; Saskatchewan, 7 percent; Alberta, 5 percent; B. C. is now 8 percent; and Manitoba 10 percent. So we are two percentage points above that which would be the next highest rate in this field. Now I haven't checked on Quebec because they didn't have a thoroughbred racing season, I understand, this year so I'm not sure what their provincial tax is. I think it is interesting to note that again Manitoba leads the way as the highest tax on pari-mutuels in at least the provinces from Ontario west.

Mr. Speaker, I think it's an interesting thing that race-tracks generally on the North American Continent take from 15 to 20 percent of the pari-mutuel dollars before they redistribute the funds to the bettors, and it is apparently the view of some legislators - and I assume from the remarks of the Liberal Leader that he is one of them - that racing is an endless source of revenue; that any amount of tax can be applied there and it will not really affect the amount of betting. I suppose the argument is, well, it's the only game in town so why will anybody object if the taxes are high? But I think it's interesting to recount the experience in British Columbia in this respect, where in 1971 the provincial tax was 10.5 percent, and there was much urging from the horsemen and from the race-goers to reduce that amount of tax so that the bettors would have a little better percentage than had been enjoyed before. Now this was done eventually; the province reduced it by 2.5 percent; and it's very interesting to notice what had happened to the participation in the betting in British Columbia. Apparently as a result, or simultaneously with the reduction in the provincial tax, the amount of betting and the attendance at the race-track went up 25 percent per night, and the amount of money bet over the year was up by some 30 percent, I believe.

Now, Mr. Speaker, the argument given there was that if you give the race-goers a better deal there is going to be more participation, and in the end perhaps more revenue for the provinces. So that, Mr. Speaker, by reducing the rate of tax in British Columbia by

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(MR. MCGILL cont'd). . . 2.5 percent, the province of British Columbia succeeded in improving the attendance, in upping the total amount handled, and improving their total take by 5.6 or 8 percent. I think this is a significant situation because the popularity of racing in British Columbia has increased at a much greater rate than it has in Manitoba, and one of the reasons may be that the total amount of tax applied in Manitoba is somewhat discouraging to those racing fans who enjoy racing. Incidentally, I'm told that racing is the most popular spectator sport in North America and, even though the amount of attendance at the Downs has not increased significantly over the past four years, still I'm told there are slightly more people attend racing in Manitoba than attend football games, and I expect more attend racing than attend the Jets hockey games. Although there is great public sentiment and sympathy for the hockey teams, very little of that sentiment spills over into the field of the racing fan.

So, Mr. Speaker, I am somewhat impressed by the results that were achieved in British Columbia by reducing the tax. If racing interests and attendance can go up by 25 percent by reducing it 2.5 percent, and the Province can succeed in getting, as a result of that reduction, more money, perhaps it's worth considering that by having a high tax we may be indeed killing the goose that lays the golden egg, the goose in this case being the race player and the golden eggs being the 1.5 million dollars which he has been contributing, I think in the past year, 10 percent of the total handle at the Downs would be about 1.48 or 1.5 millions of dollars. But the attendance and the handle in the Manitoba area, has not really increased greatly. In 1969 the total handle was \$13,600,000 - odd, and then in 1971 and 1972 it dropped below that figure, so that there definitely was not a normal increase in the amount of interest in racing in Manitoba for some reason or other, and I suggest that it may be that the percentage take was a discouraging factor to the racing fans. In 1972 the total pari-mutuel handle was up to \$13,670,000, so we were back then to the total of 1969, and in 1973 the handle increased to 14.8 millions of dollars.

Mr. Speaker, I was interested after hearing the Leader of the Liberal Party say we were probably undertaxing in this area, I took the trouble to get some figures and find that we're not undertaxing; if anything, we are overtaxing, and I suggest to the Minister of Finance it might be worth considering to reduce the 10 percent tax applied by the province to, say eight percent, which would bring us somewhat in line with other provinces, and to observe what happens in respect to attendance and to the amount of money put through the pari-mutuel system. I agree that it's the only game in town, at least it's the only legal game in town, but there may be other games in which the percentages are much more in favour of those that participate. But I do think that the B.C. experience, while it may be not logical to attach all of their increase to the fact that they reduced their tax, nevertheless it seemed to come significantly at a time when racing increased that year by approximately 25 to 30 percent, and I understand again this year they are experiencing another large increase.

I bring these points to the attention of the Minister and I hope he will have an opportunity to comment on them in his . . .

MR. DEPUTY SPEAKER (MR. J. R. BOYCE): The Minister of Finance will be closing debate? The Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I must say to the Honourable Member for Brandon West that probably to the surprise of the Member of Morris, who talked about the Mafia and the Godfather, that we are now dealing in a field which interests me very little, about which I know practically nothing, and that's why I was interested in an academic way to what was said by the Honourable Member for Brandon West because it's a field that I've never looked into. I personally am not a supporter of horse racing, either for gambling purposes or for the pleasurable experience of the spectator sport. I went once in my life, Mr. Speaker, about 35 years ago, and I found that the horses ran for about two minutes and for 28 minutes, I think, we stood around and talked, and then for another two minutes the horses ran. In between that, people were running to and from wickets and I was so bored, Mr. Speaker, that I have not been back since.

I am concerned about the estimate that the Member for Brandon West had of some one and a half million dollars of take. Now I'm going to have to check the books, because my information is that we're just short of a million dollars, and the difference is substantial enough that I think we'd better check the books. There may be--may I ask the member who can probably indicate his answer by a nod? He was speaking, I assume, only of Assiniboia Downs and not of

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(MR. CHERNIACK cont'd). . .the other horse racing that takes place in rural Manitoba. Only Assiniboia Downs.

MR. MCGILL: This is the total take, thoroughbred and standard bred. Thoroughbred and standard bred.

MR. CHERNIACK: At Assiniboia Downs. Well, I'm certainly going to check that because there must be an explanation. One of the explanations, I'm sure, involves the commission that's paid to the track for collection, which is fairly high in Manitoba as I understand it, and let me tell the honourable member that there has been a problem which Mr. Roblin had, Mr. Weir had and which we have, and that is with the constant difficulties of the operation of the track insofar as getting the kind of horses, apparently, that are of a standard which attracts audiences who are interested in attending, and there's always debates between the Horse Breeders' Association and the Track, and somehow we get involved in discussing this, and I think the honourable members know that we participate in assisting in the prizes that are being offered.

In any event, I do have a comparison which I'm going to put on record because the honourable member displayed so much interest that I might as well give him the information I have available to me. And it's a chart but I will only give him the amount paid to winners in each of the provinces on the \$2.00 bets - and I think that should be related to what he said. That is, the analysis of a \$2.00 wager broken down, and the amount distributed to the winner, would be the amount after deduction of taxes and collector's commission, the Horsemen's Association grants, federal fees and the amounts paid to winners: British Columbia, 1,638 out of \$2.00 - that's \$1.64; Alberta, A Class \$1.71, B Class \$1.67; Saskatchewan, \$1.55; Manitoba, \$1.57; Ontario, \$1.645; Quebec City, \$1.598; Montreal, \$1.638; others in Quebec, \$1.588; New Brunswick, Nova Scotia and Newfoundland, in each case \$1.53; and P.E.I. \$1.52. So that the net seems to be not quite the same as the percentages that the honourable member had and I'm sure, if he's interested in getting more information, I can get it for him or I can inform him that I am certain that in my department the people involved would be glad to give the honourable member that kind of information; starting from Mr. Perry, Mr. Roberts, Mr. Puchniak, they would all be prepared to give that information.

So I want to thank the honourable member for a bit of an educational discourse, educational for me, and then I want to thank the Honourable the Leader of the Liberal Party for his contribution which now has to be balanced and weighed against that of the Member for Brandon West. The Member for Morris, who speaks in a humorous vein, but I'm never sure how serious he is, and then I came to the conclusion he's really serious but he makes it appear as if he isn't. Like when he talked about \$25.00 or two weeks in jail for parking on these grounds, and the next thing, I was thinking he was quite amused by it, I saw him on T.V. speaking in that Diefenbaker manner of saying "This is a terrible thing." So I can't really just brush aside his suggestion that the Mafia was involved and Godfather and all the rest of the enforcers. I will only tell him taking it seriously and responding to him, that he was complaining about--well, not complaining, but commenting that it seemed necessary for us, for me to get my hot little hands on the cash every day that the races are going on, so I can tell him that Mr. Roblin was equally anxious to get his hot little hands on the cash, as was Mr. Weir or Mr. Evans, because the previous Act, the existing Act, which we are about to repeal, also stipulates that the moneys shall be paid by 10:00 a.m. the morning following the horse race every day. And the practice is. . . .

A MEMBER: Deliver it in a suitcase.

MR. CHERNIACK: . . . But no. No. The practice of the department, I find, has been that our man is down there, so that the practice has always been for daily payment, which does run to about \$25,000 a day, so it's money that's worth taking.

But, Mr. Speaker, the addition to this section is one which provides that we can indeed go down and take, rather than receive, and that is there for a reason, because there has been some experience where this money which is payable daily has been withheld, and it took a little problem to get paid, and we did need an enforcer, by the help of the Horse Racing Commission, to make sure that we did indeed get paid because there was a problem.

Now, I may say that when we deal with this in committee I will be able to give a reference for every part of this Act, because I do have a concordance which shows that this Act is now in line with sections of the Mining Royalty Tax Act, the Tobacco Tax Act, Amusements Act, and

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(MR. CHERNIACK cont'd). . .as the Leader of the Opposition said today in dealing with another bill, there is an attempt by the department to have one system, one set of sections dealing with collection and assessment of taxation, and the effort here, as in the other cases, is to standardize, to make uniform all of them, so that there is very little that's new in the sections of this bill. When I say "new" I mean there is something comparable in other Acts of this Legislature which I can deal with in committee.

QUESTION put. MOTION carried.

MR. DEPUTY SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): I just have a question to the Minister of Finance. I've been led to believe that there might be some indication that there is provision in this bill for another race track, and I know that the Honourable Member for St. Boniface would be in concurrence with me to have the assurance that there is no provision for a second race track in this bill. I would like to ask the Minister of Finance whether this is a fact.

MR. DEPUTY SPEAKER: Order please. I think that question can be asked when the bill goes to committee. The Honourable House Leader.

MR. GREEN: Would you call the third readings?

MR. DEPUTY SPEAKER: Bill No. 35?

MR. GREEN: Yes, 35 and then down to the end of the page, Mr. Speaker.

THIRD READINGS - BILLS NOS. 35, 26, 39, 40, 50, 51, 53, 57

BILLS NOS. 35, 26, 39, 40, 50, 51, 53, and 57 were each read a third time and passed.

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Minister of Agriculture, that the House be now adjourned.

MR. DEPUTY SPEAKER: Moved and seconded that the House do now adjourn. The House is adjourned and will stand adjourned until 10:00 a.m. tomorrow morning. (Saturday)