



ISSN 0542-5492

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

Speaker

The Honourable Peter Fox



Vol. XXIII No. 138 10:00 a.m., Friday, June 4th, 1976. Third Session, 30th Legislature.

Printed by R. S. Evans — Queen's Printer for Province of Manitoba

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THE LEGISLATIVE ASSEMBLY OF MANITOBA
10 a.m., Friday, June 4, 1976

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 30 students, Grade 6 standing of the Hastings Elementary School. These students are under the direction of Mrs. Sigurdson. This school is located in the constituency of the Honourable Member for Riel.

We also have 35 students Grade 7 to 9 standing of the Central North School under the direction of Mrs. Clark. This school is located in the constituency of the Honourable Member for Transcona, the Minister of Labour.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Report by Standing and Special Committees. The Honourable Member for Logan.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to present the Fourth Report of the Committee on Law Amendments.

MR. CLERK: Your committee met at 9:15 p.m., June 3rd, 1976, and considered bills:

No. 37 - The Corporations Act,

No. 62 - An Act to amend The Human Rights Act,

And has agreed to report the same with certain amendments.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Thompson, that the report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports. The Honourable Minister of Health.

MINISTERIAL STATEMENTS - WELFARE MINISTERS' CONFERENCE

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, I would like to report on the meeting of Welfare Ministers held in Ottawa on June the 1st and 2nd.

Three years ago the Federal Government and the provinces launched a major review of Canada's Social Security System. There have been two important products of this effort, namely, a proposed new Federal Social Services Act and a proposed Income Support/Supplementation Plan that would replace the provincial welfare programs. At the present time both provincial social services and welfare are cost-shared through the Federal Canada Assistance Plan, which was enacted in 1966. This Plan would be replaced by two separate pieces of legislation - one for Social Security and one for Social Services. The purpose of the meeting in Ottawa this week was to reach a final consensus on these two proposals.

Manitoba's position was one of support in principle of both of the proposals; however we had a number of serious concerns. Unfortunately, despite some progress made at the meeting, a few of these concerns remain, and, Mr. Speaker, I would like to describe them.

First, we require some assurance that the new Acts would not result in Ottawa reducing its proportion of total social services and income security cost-sharing. We want a commitment that the Federal Government will not fund its share of the additional cost of the Income Support/Supplementation Program simply by reducing expenditures on other Income Security Programs, such as Family Allowances or Old Age Security. For example, the de-indexing of Family Allowances by the Federal Government this year will save them some \$300 million; yet at the same time the Federal Minister has informed us that the new Income/Support Supplementation Plan will cost \$150 million in

MINISTERIAL STATEMENT

(MR. DESJARDINS cont'd)its first year. When I first attended the Ministers of Welfare Conference just over one year ago, Mr. Lalonde was telling us that the Federal Government was ready to inject large amounts of new money, I believe he mentioned \$1 billion dollars, into Income Support/Supplementation. Now he is telling us that this brave new plan will be funded by half the amount he is saving by de-indexing of Family Allowances.

Secondly, we unsuccessfully sought a commitment by the Federal Government to fund direct employment programs which would reflect an interest commensurate with its concern over social security reform. Specifically, we would like to see Ottawa change its cost-sharing arrangements in a way which makes it easier for the provinces to promote employment as an alternative to welfare. I regret that the Minister of National Health and Welfare was not prepared to consider this suggestion.

Thirdly, Manitoba wanted Ottawa to recognize its historic and constitutional responsibility for Treaty Indians. Mr. LaLonde told us that neither of the new proposals will affect the issue of obligations to persons of Treaty status; however, Mr. Buchanan, the Minister of Indian and Northern Affairs, has informed us that he expects the Social and Income Support Programs to be applied to native people at 50 percent provincial cost. We feel the Federal Government should clarify its own policy and provide for separate arrangements for native persons for both income support and social services.

Mr. Speaker, we believe the Social Security review can be helpful to many Manitobans, if we can be assured that Federal participation in these vital programs will not be diluted. Because the proposals resulting from the review relate closely to other major cost-shared programs, they must be seen in this broader context. For this reason, they will be discussed at the First Ministers' Meeting on June 14th and 15th in Ottawa.

In general, our objectives remain the same, viz:

(a) The overall emphasis in Social Security should be shifted increasingly from welfare to employment,

(b) The administrative arrangements for all Social Security Programs must be simplified,

(c) The overall level of Federal participation in Social Security programs must not be reduced below its average for the last several years through changes that amount to large cut backs in existing programs such as Family Allowance and Unemployment Insurance tied to smaller amounts for new programs, and

(d) The Federal Government must reaffirm its responsibility for Health and Social Services to Treaty Indians and not seek to shift financial responsibility to the provinces by implementing its discredited White Paper on Indian Affairs surreptitiously.

If we can reach some understanding with Ottawa on these points, Mr. Speaker, I believe that continued co-operation will be possible. If Ottawa shows no interest in meeting our concerns however, the value of the Social Security review will remain doubtful, and we will fail to realize the high hopes and expectations with which we started this review three years ago.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, the Minister's statement just delivered certainly raises several areas of concern and I would entreat members on both sides of the House to give me and give us a chance to consult among ourselves, and particularly with our specified critic in this area, before making any detailed comment.

I appreciate the opportunity to say though, Sir, that we share on this side of the House the kinds of ambitions that the Minister of Health has just detailed to us in this field and we certainly share suspicion of the sincerity of the federal authorities where participation up to a pre-arranged level in cost-sharing programs is concerned. The First Minister and the province have already had considerable difficulty with the federal authorities in that area this year and we would like to see gestures of sincerity before we buy plans that may turn out to be a pig in a poke.

MINISTERIAL STATEMENT

(MR. SHERMAN cont'd)

In particular the attempt to replace welfare programs and welfare undertakings with stepped-up employment programs, employment opportunities, is a concern that has a very high priority with members of this party and the Minister can be assured of our support in the efforts that he's making in that respect.

My major concern, and I think it's implicit in the remarks of the Minister, is that up to this point, perhaps what the authorities in Ottawa have indicated interest in, amounts to little more than window-dressing at this time, Sir. And we hope that they will have the sincerity to back-up some of things they have said to the Minister in these areas in the immediately . . . weeks.

MR. SPEAKER: Any other Ministerial Statements or Tabling . . . The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, last evening when I gave second reading to the Co-operatives Act I undertook to table copies of my remarks and equally a brief explanatory note pertaining to the major differences between the existing sections contained under The Company's Act and the bill before us. So I have copies for all members of the House. I did make three copies available last evening for the three caucuses in the House.

MR. SPEAKER: Notices of Motion; Introduction of Bills; Questions. The Honourable Minister of Tourism and Recreation.

ORAL QUESTIONS

MR. TOUPIN: Mr. Speaker, I would like to clarify an answer that I gave to the Leader of the Opposition yesterday pertaining to a question that he posed of me. I would like to indicate to the honourable member that I now have checked my mail, and have received the bill in question, for services dated May 27, and I have paid the same today. The amount is exactly the same amount that I had been quoted by Poulin Exterminators, being \$30.00. I would like to make clear to the House, Sir, that at no time have I requested and expected special treatment from the Parks Branch, and that is confirmed by staff that I spoke to.

MR. SPEAKER: Orders of the Day, The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to direct a question to the Honourable, the Minister responsible for communications arising out of some questions that I asked him yesterday. I'd like to ask the Minister whether he can advise the House whether he has plans to investigate either with the CRTC or with federal authorities, the constitutional aspects of the question I raised yesterday, having to do with the opportunities for private cable TV companies to enter the pay TV field here in Manitoba.

MR. SPEAKER: The Honourable Minister of Consumer, Corporate and Internal Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker. As I recall, although I haven't checked Hansard, that is exactly the results of the answer that I gave to the Member for Fort Garry yesterday, in response to one of his questions, that is the intention.

MR. SHERMAN: Mr. Speaker, perhaps I should rephrase the question. In view of the insurance that the Minister gave me yesterday that the question was a constitutional one and needed some constitutional examination, my question to him is: Does he have specific plans formulated of which he can advise the House for meeting with the CRTC or other federal authorities to explore that constitutional question.

MR. TURNBULL: Mr. Speaker, there are continuing conversations, discussions and meetings with my staff and CRTC, my staff and DOC, although I don't think they make as many representations to either of those two bodies as perhaps to the representatives of the private cable companies in Winnipeg.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker. I direct this question to the Minister of Agriculture. And I would like to ask him if he can inform the House whether or not the task force has now been appointed to look into the or all aspects of the Commission of Enquiry Report on red meats in this province.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker I can indicate to the Member for Rock Lake that we are about to make that public knowledge, in a matter of a day or two.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker. I should like to direct my questions to the First Minister, and ask him if there is any significance to the fact that all but one or two members opposite now have their election haircuts.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): That, Mr. Speaker, that is merely a demonstration of that fact that my colleagues live up to the Boy Scout's motto, "Be prepared."

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Health and Social Development in relation to his statement on the Federal-Provincial Welfare Ministers' Conference, particularly the reference to the position of the Treaty Indians. Can the Minister indicate whether there was any discussion concerning the support or supply of child welfare services on Treaties which is a joint Federal-Provincial responsibility.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker. I am afraid the National Minister of Health wasn't in a mood to listen to us and our problems with the Indians at this last meeting.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate that, in the absence of that kind of dialogue, if the province itself intends to provide any additional support or services in view of the statement of its own task force that the situation is deplorable.

MR. SPEAKER: The Honourable Minister.

MR. DESJARDINS: Mr. Speaker, no, we have no new policy or policy change to announce at this time. I might say that the First Minister, as I mentioned before, has been in contact with the office of the Prime Minister to get the ball rolling on these discussions, and I understand there's been some progress.

MR. AXWORTHY: A supplementary, Mr. Speaker. Perhaps the Minister can clarify it. Does he say that the First Minister has specifically communicated with the Prime Minister concerning the question of child support services on reserves themselves or just in the general area of social security?

MR. DESJARDINS: The responsibility for a specific area would be mine and my comment about the First Minister is in a general form about all our cost-sharing on responsibility of the Indians. We've made our position quite clear. We expressed to the Federal Minister the problems that we have here, and as I say we haven't been favoured with any responses as yet. I should say that, yes, he said that he would be ready to talk about it at a future date.

MR. AXWORTHY: Just one further question then, Mr. Speaker. Can the Minister indicate that in view of this conference whether this will in any way affect the continued progress of the Mincome Program in Manitoba or whether in fact it puts it into abeyance or will be cancelled as a result?

MR. DESJARDINS: Mr. Speaker, I stated earlier that we started experiments a couple of years ago. It'll be two years or so before we have all the results. There's been some commitments. There should be some value, because I think that what happened here in Manitoba is fairly unique. We will not certainly increase the experiments, but we will live up to any commitments and we hope that it will give us some valued information.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable House Leader.

THIRD READINGS

MR. GREEN: Mr. Speaker, I was intending to introduce Third Readings but the Honourable Member for Fort Rouge has Bill No. 21, so perhaps he will introduce it.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thanks, Mr. Speaker. I wish to move, seconded by the Member from Portage, that Bill No. 21, an Act to amend the Condominium Act be now read a third time and passed.

MOTION presented.

MR. SPEAKER: Order please. The Honourable Member for Morris.

MR. JORGENSON: I move, seconded by the Member for Fort Garry, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster) presented Bill 39, an Act to amend The Fatal Accidents Act and The Limitation of Actions Act; Bill 46, an Act to amend The Pension Benefits Act; Bill 63, An Act to amend The Trustee Act, and Bill 68, The Nuisance Act, for third reading.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General)(Selkirk) presented Bill No. 30, The Conservation Districts Act, for third reading.

MR. SPEAKER: The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): I'd move, seconded by the Honourable Member from Rhineland, that debate be adjourned.

MR. SPEAKER: Very well. I wish gentlemen would follow with me . . .

MR. MINAKER: I was standing on my feet, Mr. Speaker.

MR. JORGENSON: He was on his feet, you just did not observe . . .

MR. SPEAKER: Order please. I did observe him, he was far far away from his seat when the Bill came to order.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, would you call Bill No. 39. Bill No. 79, excuse me.

ADJOURNED DEBATES - SECOND READINGS
BILL NO. 79 - MONEYS FOR FISCAL YEAR

MR. SPEAKER: On the proposed Motion of the Honourable First Minister. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I want to take the opportunity under the Supply bill and the opportunities that are afforded there to say a few words about an issue in this province that has had some limited airing outside this Chamber in recent weeks but has not had proper airing inside this Chamber and in fact, in my view, has not been properly explained or conveyed to the public of Manitoba, and that is the subject of cable television in the Province of Manitoba and the position of this government and the present Minister acting through the government's wholly-owned common carrier, the Manitoba Telephone System, where the operation of cable television facilities is concerned.

Sir, the Minister of Communications has said publicly that all future agreements in this field between the Manitoba Telephone System and cable operators will be conducted on a full-lease basis only, and I think that there quite possibly are many members of the viewing public and many members of the public at large who have not had the opportunity to examine the significance of that kind of policy statement by this government. I think it's an issue that has been kept deliberately rather low-profile insofar as it is possible to keep it low-profile by the government because I think that there are objectives and aims involved here that suit the particular ambitions of the government with little regard for the public interest. I know that there have been public hearings involving the CRTC

BILL 79

(MR. SHERMAN cont'd)on the matter, but taken from the layman's point of view, taken from the point of view of the public in general, the subject, Sir, has appeared to be technical and as a consequence it has not received the examination from Manitoba citizens generally, that I think it deserves. And I intend to say two or three things about it for the record at this juncture, so that perhaps we can open a debate or a dialogue in which the public of Manitoba can be fully involved, and in which perhaps some light may be shed on some aspects of the subject which so far has not been shed for their enlightenment or for their benefit.

What the government is saying through the Minister, Sir, is that in future if the Province of Manitoba's policy comes into existence, in future the Manitoba Telephone System will own all the local distribution hardware for transmission in this field, and lease the necessary channels, lease the necessary channels only to the operators who are licensed by the Canadian Radio Television Commission to operate in this field. Well the first thing that I think all of us on this side of the House and all of the Minister's colleagues and all Manitobans interested in free access to information, should fix clearly in their minds, is that any policy of this kind being pursued by this Minister and his colleagues, flies directly in the face of historic Federal policy in the television field in this country. That isn't to say that policy can't be changed but it flies directly in the face of that policy.

Up to this point in time, Sir, Federal policy in this country has prohibited government telephone companies from owning cable TV plants. The physical assets of the cable TV industry in the view of the federal authorities, those physical assets must be owned in the public interests, must be owned and controlled by the direct license fees of the Canadian Radio Television Commission. And there's good reason for this, there's good reason for this, it's federal policy. Because I ask you, and I ask the Minister, Sir, if that didn't obtain, how else could the Canadian Radio Television Commission maintain any kind of regulatory control over the implementation of those policies, which it deems are desirable in the public interest for the Canadian Broadcasting System, if it weren't that the physical plants were controlled by those persons who were directly licensed by the CRTC to operate in the cable TV area, how else could the CRTC fulfill its mandate. That's the reason for that policy. And there is no justification for making a common carrier like the Manitoba Telephone System a licensee under the Canadian Radio Television Commission or any other authority. In fact, the CRTC has been very careful to avoid any suggestion that that kind of permission or that kind of activity would be sanctioned, or would be in the public interest.

Now, I want to interject here, that the government through the MTS has been very careful about putting itself in a position where it could be accused of seeking to become through its common carrier a direct licensee. This is a mistake that the Saskatchewan Telephone System has made. The Saskatchewan Telephone System has gone one or two steps too far, and has attempted to, attempted really to put itself in the position of an applicant for direct licensing under the CRTC. The Minister of Communications says to me, by way of an aside, that that just indicates that this government is smarter. And that may be. It may be smarter, but it nonetheless, Sir, its motives have not remained entirely disguised, or entirely hidden from view; some members on this side, and some members of the public, all too few up to this point I'm afraid, have been able to detect the implications of some of the things that this government is doing in that field. I suggest it's a very shrewdly developed position that this government has taken, because this way they don't come into the kind of direct conflict that would ensue if they were to become direct licensees or apply to become direct licensees. But what they want, Sir, they want de facto, the same thing that the Saskatchewan Telephone System, i.e. the Saskatchewan Government, is asking. They just don't want to have it in name. They don't want to have it in terminology. They want it de facto, and they want the control that would result from that. Sir, let us look at the arguments advanced by the Minister, and this government, for wanting to vest cable television plant ownership in the hands of its fully owned common carrier.

BILL 79

(MR. SHERMAN cont'd)

Basically, there are two arguments, that this government has put forward before the Canadian Radio Television Commission. The first, is feasibility; the second, is economics. They've argued that this is the only feasible and practical way to extend service to other points in this province, to do it through a common carrier like the MTS, and to do it where the common carrier owns all that hardware, all the plant distribution capacity.

Well, I don't think, Sir, that the province has proved its case on either of those points. I don't think that they've demonstrated that there is a social need for this kind of change in policy, or this kind of encouragement into the broadcasting field. Sir, if one wants to look at those two points taken specifically for individual examination, on the matter of feasibility the Canadian Television Association has on numerous occasions detailed plans and detailed propositions for extended service for taking cable television into other areas of this province, and has demonstrated that the industry is capable of doing that, provided that there was some equitable cost-sharing of microwave system costs.

So that the feasibility argument I think has not been proven. The Manitoba Telephone System and the government have not proven that they can do it better, or do it in a more practical or efficient manner. In fact, Sir, there is a company in the field in Manitoba at the present time that has applied to extend cable television service into at least three other points. I believe it's Selkirk, Portage la Prairie and Brandon. There have been discussions held on that same subject with a view to extending service further into other areas of Manitoba. But the fact of the matter is that when the applicant or applicants have asked the Manitoba Telephone System for an estimate of the cost involved, the answer that they have received has been that there is only one way that those companies will be allowed to take that extended service into those areas and that is to buy a complete package from the MTS, and the linchpin of that complete package is the fully leased concept that I referred to earlier. The linchpin of that package is that they must agree that they have to operate vis-a-vis the MTS and its lines as contractual participants in a fully leased arrangement where all the hardware and all the distribution capacity is owned by the MTS. So that they've never been able to achieve a realistic answer, in fact they've never been able to achieve much but a run around from the MTS when they've asked what the microwave costs would be for extending their service into those areas.

Let's look at the economics of the matter, which is the second point that the government has raised. Sir, there are reams of testimony that could be referred to which would only prolong unnecessarily the making of the basic point that can be made by going to the Canadian Radio Television Commission itself. And no less an authority than that body has said, Sir, that the best economics are achieved through ownership of plant being in the hands of licensees. That is a conclusion to which the Commission has come, after working in an authoritative capacity in this field for some years. And it's not necessary for any of us to go into the exploration of the statistics or the examinations that have gone into the arrival at that conclusion. I think if we're prepared to accept the fact that the Canadian Radio Television Commission is acting responsibly and impartially in the interests of the supervision of broadcasting and broadcasting systems in the public interest in this country, then it's reasonable to argue that they would have explored this question in a documented and thorough way. And their conclusion, to which I have just referred, is acceptable to me. Obviously it's not acceptable to the Minister.

I say that the Minister has not proved his argument that it is more feasible and it is more economic to have the fully leased system for this kind of operation that he proposes than to allow private TV cable operators to continue to operate as private entrepreneurs and simply to either lease the co-actual cable from the Telephone System or to enter into the partial lease plan. In most other provinces in Canada, in fact it might be in all other provinces in Canada, certainly in the majority of them, Sir, there are two common forms of agreement. And those two common forms are the partial leased plan or the straight full attachment agreement. These seem to work effectively

BILL 79

(MR. SHERMAN cont'd) in the public interest and for cable operators, and for communication utilities in other provinces; apparently they are not deemed to be helpful to the public interest in this province, by this Minister, up to this point in time. Hopefully he may change his mind on further examination.

Sir, by way of explanation, it might simply just be pointed out for the record that the partial lease plan is a plan under which the utility owns the co-actual cable but the cable company owns everything else; its own antenna, its studios, its amplifiers, all the electronic equipment. On the pole attachment the cable TV company owns all the equipment, plus the cables, plus the cables, and all it does is it rents the use of the telephone poles or the conduits, as the case may be, to carry its cable.

So, Sir, we say that the arguments of the Minister in this respect have not been proved. There's not been a demonstrated social need for the kinds of objectives that he obviously has in mind. And we're not satisfied that it would be feasible or economic to move in the direction that he's suggested. I think there are two motives that the government has, and I don't disparage either of those motives, although they may sound disparaging in the initial reference. The two motives, Sir, are (1) profit - there's a lot of money in cable television and this government would like to get its hands on it; and (2) control, control over an important and significant sector and segment of the airwaves of this province. Now, as I said I don't consider those to be despicable objectives, provided they are in the public interest, but those motives have not been balanced against the public interest in this case. And until they are, and until it can be demonstrated that there is a social need and a public interest to be served by those kinds of motives, then I say that they are questionable. They are certainly questionable at this juncture, Sir.

Let me look for a minute, Mr. Speaker, at the situation at which we've arrived and how we got there. I think that the government's attitude in this field has been one of deliberately maintaining as low a profile as possible so that public interest, and public reaction would not be stirred up. What the public doesn't know is going on, won't hurt them. I think that's basically the reason for the approach that this government has taken up to this point in time, and their intention is to act first and have the questions asked afterwards, and have the explanations delivered after the fact. If in fact they really feel that they are going to explain the position to anybody at all at any time.

And I think it's time that the government came clean on this subject with the public of Manitoba, Mr. Speaker, told the public what they're doing, and what they want to do, and why. This issue has never been debated, it's never been brought into this Legislature, and put as a proposition to the representatives of the people of this province. The questions about the policies and the objectives are not being brought into the public arena for a debate in any way, shape or form. There are one or two members of this House with an interest on an esoteric level in this field who have raised one or two questions. But there's been no forum for public exposure or public discussion of the issues, and I think the government likes it that way. The government simply says that the MTS has a contractual right to do the things that they propose to see done, and they let it go at that. That's the end of it.

Well, if this policy goes through, Mr. Speaker, here's an example of the kind of control that would result and find itself in the hands of this government. The cable TV operators would be basing their rates obviously on their numbers of subscribers. The government can monitor that at any time, and therefore it follows by definition, that the government can at all times, could at all times monitor the financial position of those cable TV operators, and could raise prices, raise rents, impose new financial restrictions on them at their whim, on the basis of the information to which they openly had access at all times, and there would be no protection for the cable TV operators from that kind of financial pressure whatsoever. That's the practical or businesslike aspect of the question of control.

The other side of that control equation is that under the policy that the government is enunciating up to this point in time, the cable TV companies, Sir, would be restricted to the broadcasting of entertainment, "entertainment material only," that's all they would

BILL 79

(MR. SHERMAN cont'd)be allowed to broadcast. And that, Sir, is a direct negation of the licenses that are issued to broadcasters in this country by the CRTC. They're not issued licenses to broadcast entertainment material only, they're responsible to meet a certain number of commitments in the public information and the public service field, generally, and to provide service insofar as it's practical to as extended a market as possible. But under this policy, that's what the government policy and the MTS contract would say, the cable TV companies would be restricted to "an entertainment material only." So besides the direct contravention of the spirit and intent of the CRTC licensing procedure, besides that, what does that say for control of the airwaves? It leaves the whole other area of public information obviously to the Government of Manitoba through its common carrier in the cable TV field.

Sir, the government argues that all these things that they're doing in this respect are justified because the MTS is a common carrier. Well, it's true it's a common carrier, but that argument cuts both ways, and this government is only prepared to have it cut one way. They say that it's a common carrier but certain conditions have to be met. That the operators as I mentioned earlier, would have to lease on a full lease basis those channels from the common carrier and couldn't own anything. So that's a condition imposed on the common carrier situation that is inconsistent with the concept of the common carrier. That violates the concept that the government uses when they argue that the actions are justified because MTS is a common carrier.

Well Sir, I believe that the arguments are carefully thought out, and I believe that they're shrewd, and I give the Minister credit for marshalling them, but there's no question in my mind, Sir, that they are marshalled specifically to achieve an objective that is already clearly marked out in the Minister's mind; and that is an objective in the area of control and profit to which I referred that can be achieved without public discussion or debate of it.

And that is the point about it that bothers me the most, that this kind of thing could be an ambition that this Minister believes he can achieve without ever having it publically debated or publicly aired and examined. The Minister and the government employ references to contracts and contractual arrangements, and to the public interest in many of their arguments. They use the approach, Sir, that it's a contract and therefore it must be in the public interest. Well, that is utter nonsense, and I would hope the Attorney-General would agree with my contention that such an argument is utter nonsense. Because contracts aren't based on public interest. It is not a necessary ingredient of a contract that the public interest be considered. Contracts are contracts between contracting parties. It's nowhere in our tradition and nowhere in our laws, or nowhere in our approach to contracts do we insist that one of the ingredients of that contract must be the public interest. The point is, what's at stake here is jurisdictional authority, not public interest, but jurisdictional authority. The government wants jurisdictional authority over this field and they've constructed and marshalled many arguments to attempt to achieve that.

Sir, the argument about extension of service and feasibility of extension of Cable TV service into other areas, to which I referred earlier, is another example of the government's intentions being carefully disguised and being deliberately maintained at a low profile level to avoid debate and to avoid question, because the operator that I referred to earlier who indicated an ability and a willingness to provide microwave cost could be equitably worked out to go into, well, Brandon, Selkirk and Portage la Prairie, to name three points. The operator who intended to do that was frustrated on two counts: frustrated on the point to which I referred wherein the MTS would not provide the information requested except under certain conditions; and frustrated on the basis that the government had already set up its own system to serve those three centres. The government had already moved to put their own cable system into those three points.

Further to that, Sir, the Minister and the government, the MTS have in fact acquired physical control of the cable TV system in a technical sense in the City of Winnipeg already. They did so in the course of setting up the system, the microwave relay between two of the major hospitals, the Health Sciences Centre and the St. Boniface

BILL 79

(MR. SHERMAN cont'd) General Hospital. They've taken technical steps in that respect that have given them control over that system, and in fact have put them into a position where they now do all the repair work for the Cable TV operators and can charge them anything they like for that kind of repair, for any kinds of repairs. Well, that's a minor point. It doesn't receive much enthusiasm from the Member for Churchill, and I admit that's a minor point, the basic concern in that area is the fact that they control, the MTS controls that Cable TV and microwave system in the city as a consequence of the technical moves they made. They replaced the amplifiers in the system, Sir, and then they said, "Now that we own the amplifiers, now that there are amplifiers you come to us." Access to that equipment has been closed to the Cable TV operators and there's no way that they can operate except with the good offices of the MTS where that physical equipment is concerned.

With respect to that system itself between the two hospitals, Sir, I think it could be demonstrated that there are technical difficulties that haven't been ironed out yet that will result in costs that the government is not even admitting thus far. The government has argued consistently in this whole area that to do things this way is cheaper. Well, it happens to be a demonstrable fact, Sir, that that system between the two hospitals is fraught with technical difficulties, which are going to have to be repaired and corrected, and contain security problems which this Minister perhaps didn't anticipate. It contains leakage of the signal that has already caused some problem, and may cause more. So, Sir, to argue that that system is by any sense of the description cheaper, is simply not true. It hasn't been demonstrated that it's been cheaper. It's simply an ethereal argument to say that it would be. The Minister has failed to show in any way that it is cheaper or would be cheaper to operate under the proposed plan that he has of the fully-leased arrangement.

The questions I think that have to be put to the Minister on this subject, Sir, are - and I've asked him before Orders of the Day in recent days with respect to this area - who is the supreme authority in this field, the Canadian-Radio-Television Commission or the Minister of Communications in the Province of Manitoba? And if the CRTC makes an order, does that mean that that order applies to Cable Television broadcasters across the rest of Canada, but does not apply in Manitoba? Or is the Minister and the province going to abide by a CRTC order? So far the Minister seems to be saying that the Federal Government, the federal authorities, the CRTC have no jurisdiction in this field. The jury is still very emphatically out on that question, Mr. Speaker.

Another question that I think is in the public interest that should be addressed to the Minister is, what happens if the MTS or the government through the MTS gets its way and implements the kind of policy the Minister has talked about with respect to those operators already existing on the available channels in Winnipeg. The contract between MTS and Cable TV operators says that there are 12 channels, 12 television channels in the Winnipeg area. Out of those 12 there's only 8 that can be used by cable companies, because Channel 13 is not usable and Channel 6, 7 and 9 are used by the Winnipeg Licensees, and obviously cable can't operate on those channels without ghosting and other difficulties. So you're looking at 8 channels, Sir. Now, in most other jurisdictions it's possible to increase the number of channels. There are several ways of doing it. You could do it by the phase locking system as the Minister knows, or you can do it by the converter system; you can split those channels and open up the field of 40 or 60 or as many as 80 channels. That's not permitted in Manitoba. Licensees are not permitted or lessees are not permitted to use either of those types of conversion equipment to expand the number of channels, so we're limited to 8 channels.

What happens when the government gets this control into its hot little hands and wants to develop certain types of programs and certain types of information and certain types - dare I say it - of propaganda, Mr. Speaker, and wants channels available to disseminate that. --(Interjection)-- Why, are they going to knock one of the existing cable TV operators off the air? Are they going to knock one of the existing United States network operations off the air? Or the PBS station off the air? Well, I think these questions should be exposed and answered. If that's the government's intention and if they can

BILL 79

(MR. SHERMAN cont'd)support it, and if they think that's right, and it's in the public interest, that's fine, it's a perfectly legitimate point of view. What is not legitimate, Mr. Speaker, is that that question not be put to the people of Manitoba so that they know what is going on. That's the point of my remarks. I understand the motives and the intentions of any government with respect to particular ambitions that they want to fulfill. But the public interest is involved here, and I say, Sir, that the public has not been informed and has not been made aware - perhaps we're all culpable in respect to that shortcoming - but certainly I believe the Minister has done his best to creep as low as he can on this thing so that these questions don't come out and that the ramifications aren't made known to the public.

So, Sir, I return to the basic direction of my remarks and that is, that there has been insufficient openness and candidness by this Minister and by this government on the kinds of things that they're doing in the Cable Television field at the present time with respect to attempting to achieve a tight-fisted control over the field and over the industry through their common carrier. I believe, Sir, that the questions raised in the House in the last day or two with respect to Pay TV are significant in this respect, because I think this government wants to enter the Pay TV field and have it all to itself. There again is a great source of potential revenue. There's money to be made in Cable TV.

Now the Federal Minister of Communications, Madame Jan Sauve announced a day or two ago in Toronto that there'd be some sort of crash program undertaken to get Pay TV into the environment, into the cultural life of Canadians as soon as possible. I would like to know from this Minister whether that means that Cable TV companies in this province can get into that field, or whether he's moving in the direction in which he's moving so that they can't get into the field, and that only the MTS, only the Government of Manitoba can operate in the Pay TV field.

If that's the case, I challenge the philosophy of it. I don't challenge the Minister's right to do it, because if that's the philosophical direction in which the Minister and his colleagues want to move that's their right, and that's up to the voters of this province. But I certainly challenge the doing of it without letting anybody know what it is that they are doing; and I challenge the philosophy of it on the grounds that I've always challenged the philosophy of such a move, that it is an incursion into the private sector that is not in the public interest of this province or in the interest of the economy of this province.

So, Sir, those are questions that I think it's incumbent upon the Minister to face and to attempt to answer to the people of Manitoba, not to me, but to the people of Manitoba.

Sir, the final point I would make is with respect to the arrangements that went into that system that currently exists in this city between the Health Sciences Centre and the St. Boniface General Hospital. I'd like to ask the Minister when that system was installed? Because that system cost a lot of money. There were complete studios put in in the Manitoba Health Sciences Centre to accommodate that system, Sir. There was a substantial capital outlay involved. There was the testing and the equipment after installation; the start-up time; the various other features that go into the beginnings of an operation of that kind, and that couldn't have been done in the last two or three or four weeks, and it couldn't have been done cheaply. It's a closed circuit TV channel between those two medical institutions and it had to have been started, as I see it, many months ago. At least the government must have started its ordering on that equipment as early as last summer. Perhaps it was our error in not finding the item in the Estimates, but it's very difficult to find those items of expenditures in these Estimates, Mr. Speaker, and it's not too late, we're still in session, it's not too late to ask the Minister, and that's the purpose of my remarks this morning, before this session is over: How much was involved in the way of expenditure, and against what fund did that money come from, and when was the decision made to move into this field? It must have been made many months ago, to no one's knowledge except for the Minister and a few of his close colleagues and possibly some officers of the Manitoba Telephone System.

So I suggest, Sir, that the conduct and the posture of the Minister and the

BILL 79

(MR. SHERMAN cont'd). . . .government on this question up to this point has been covered, has been deliberately low-profiled, and is suspect as a consequence. I believe that they are attempting to move into this area with the public of Manitoba being kept unaware of the consequences and the ramifications and the reasons for the government's doing that. The Minister refers to the kinds of things that should be justifiable on a private contract arrangement - well I would refer him to decisions and conclusions that have been handed down by no less an authority than his own Public Utilities Board in this province, the Manitoba Public Utilities Board, who have in response to interventions that have been made on this subject in recent months, in recent weeks in fact, Mr. Speaker, have said that this whole matter of a contract is one over which the CRTC has the authority and the jurisdiction. If MTS is to embark on any kind of an operation of cable TV facilities that would be a subject for jurisdictional decision by the CRTC, and for jurisdictional control by the CRTC.

So, I ask the Minister, is he going to abide by the concept of the CRTC as the authority in this field, or are we charting out a new course that finds the Minister, the new "Supreme Czar" of Cable TV broadcasting in the Province of Manitoba? If so, you know, what's in it for the people of Manitoba? Does he really believe that the public interest will be served by this kind of direction? So it's up to him, Sir, to come clean with the people of Manitoba on these questions and on these moves. That's my only objection. I can fight him philosophically on it but that has to go to the electorate and he has a perfect right to move in the whatever philosophical direction he desires, but I don't believe he has a moral right to do these things without explaining them to people. I suggest that it has never been properly explained and the ramifications haven't been properly explained; and I would like to see him bring some of this subject into the public arena. He will say to me, some of this went to CRTC hearings. That's a shallow excuse, Mr. Speaker. How many members of the public go to or understand the technical questions that come at CRTC hearings? He's got a responsibility to do it in this arena and make his policies known to the people of Manitoba that way.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 33 students of Grade 4 standing from the McLeod School under the direction of Miss Rita Schroeder. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister. On behalf of the honourable members I welcome you here this morning.

BILL 79 - Cont'd

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move, seconded by the Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAWLEY: Mr. Speaker, I would suggest we call Bill No. 59.

MR. SPEAKER: Bill No. 59, proposed by the Honourable Minister of Tourism and Recreation. The Honourable Member for Roblin is absent at the moment.

MR. PAWLEY: Mr. Speaker, if no one is prepared to proceed . . .

HOUSE AND COMMITTEE PROCEDURES

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, my intention is that as of yesterday that we will now adjourn in the House and go to Law Amendments Committee. We will come back in the House at 2:30, and if we complete our work early, we will again, if necessary,

HOUSE AND COMMITTEE PROCEDURES

(MR. GREEN cont'd) go to Law Amendments Committee. At eight o'clock of course we will have the two committees and tomorrow we will have Industrial Relations Committee. So I would accordingly - unless there is some question as to procedures which any member wishes to raise, I would accordingly . . .

MR. SPEAKER: The Honourable Member from Morris.

MR. JORGENSEN: Mr. Speaker, I take it that it is not the House Leader's intention to call the session tonight, that all the business for tonight will be in the consideration of bills in those two committees, private bills and Municipal Affairs.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, it is our intention that only a certain number of members will be penalized tonight.

I would move, seconded by the Attorney-General, that the House do now adjourn.

MR. SPEAKER: Order please. Does the Honourable Member for Flin Flon have a problem?

COMMITTEE SUBSTITUTIONS

MR. THOMAS BARROW (Flin Flon): Yes, Mr. Speaker, I have a lot of problems Mr. Speaker, I'd like to make some substitutions on the Industrial Relations Committee, and one substitution on the Law Amendments Committee. I'd like to substitute the Minister of Labour for the Minister of Consumer Affairs, and the Member from Thompson will take the place of the Member for Churchill on Industrial Relations. On Law Amendments the Attorney-General will replace the Member from Wellington.

MR. SPEAKER: Would the honourable member be kind enough to give those changes to the Clerk.

MR. BARROW: I'll do that.

MOTION presented and carried and the House adjourned and stands adjourned until 2:30 this afternoon.