

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Monday, May 13, 1968

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Before we commence the evening's proceedings I'd like to make a short announcement. As many of you will have noticed, our normal operator of the transcribing equipment has of late not been too well. He made a start today and unfortunately succumbed to his former problems. As you also know, a page boy has stepped into the breach and I feel he is doing an exceedingly good job. Our Deputy Sergeant-at-Arms of necessity has had to leave us through previous commitments. I trust the honourable members will bear with us, remembering that we only have one page on the floor and be guided accordingly.

Presenting Petitions

Reading and Receiving Petitions

MR. RODNEY S. CLEMENT (Birtle-Russell): Mr. Speaker, I beg to present the petition of Vernon J. Rosnosky and Others praying for the passing of an Act to incorporate the Banner County Racing Club.

MR. SPEAKER: Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

Orders of the Day

Committee of the Whole House

HON. STERLING R. LYON (Attorney-General) (Fort Garry): ... all second readings. If you would call first Bill No. 49, and then from that point on on to Page 3 and call Bill 67 and those that follow thereafter, thank you.

MR. SPEAKER: Second readings. Bill No. 49. The Honourable the Minister of Urban Development and Municipal Affairs. Bill 49, Page 2.

HON. THELMA FORBES (Minister of Urban Development & Municipal Affairs)(Cypress) presented Bill No. 49, an Act to amend The Manitoba Housing and Renewal Corporation, for second reading.

MR. SPEAKER presented the motion.

MRS. FORBES: Mr. Speaker, the first proposed change in the Act is an amendment which would permit the Corporation to take over property in which the province has an interest, properties that were constructed under urban renewal. This was the intention of the Act, but in the wording of the Act the word "properties" is omitted.

There is a new section here which is self-explanatory, where it would permit the Manitoba Housing and Renewal Corporation to pay grants in lieu of taxes on properties owned by the Corporation. The properties owned by the Corporation are Crown properties, as you know, and since the Corporation is not one listed under The Municipal Act, no grants would be payable in respect of these properties without the inclusion of this provision in The Manitoba Housing and Renewal Corporation Act.

We have another change here that excludes first mortgage indebtedness from the Sinking Fund's provision. There's no necessity to make payments, Mr. Speaker, into the Sinking Fund for the purposes of retiring the indebtedness involved where such an indebtedness is already secured by a first mortgage.

Another provision gives the Corporation authority to enter into agreements respecting housing projects that are not public housing projects. As the Act now reads, Mr. Speaker, it specifically refers to only public housing, and by deleting the word "public" we would make this section applicable to any housing matters which come under the National Housing Act.

There is one section which we are asking to be repealed and it will be re-enacted in sections following the last amendment in this Act.

Also, there are two subsections here, Mr. Speaker, which deal with the procedure to be followed when urban renewal programs are requested. We are attempting here to make Manitoba Housing and Renewal Corporation Act conform with The Metropolitan Winnipeg Act. The process of urban renewal, Mr. Speaker, is a radical method of re-planning those portions of an urban renewal area which has deteriorated; an active blight on all the surrounding areas. Now all of us recognize that this process is costly because it often involves the substantial acquisition of a great deal of private property, and because urban renewal can really change the whole picture of large areas in the city, it's quite obvious that urban renewal programs should be part of the

(MRS. FORBES cont'd) . . . . total planning process in any community.

In 1961, Mr. Speaker, as you are well aware, the Metropolitan Corporation of Greater Winnipeg was made by an Act of this Legislature the sole planning authority for the Metropolitan area and the additional zones. Urban renewal programs under the National Housing Act of Canada recognizes and requires that there be financial participation for any urban renewal program from the federal, the provincial and the municipal levels of government. Now because the Metropolitan Corporation is not a taxing authority, Metro to date has not participated in urban renewal programs in the Metropolitan areas. Now this Act fails to recognize the responsibility of the Corporation for the total planning of the Metropolitan area, and the proposed amendment here to our Act recognizes this deficiency and requires that the Metropolitan Corporation and the municipality co-operate and participate jointly in any urban renewal process; the Metropolitan Corporation, Mr. Speaker, because of its planning responsibilities, and the municipality because it is the local taxing authority and it is the body which will ultimately have to decide whether it can afford the urban renewal program that is proposed.

As the result of the concern, Mr. Speaker, expressed regarding this legislation by the Mayor and representatives of the City of Winnipeg, I agreed to ask the Legislature if we could allow the reading of Bill 49 to stand until some discussions were carried on between ourselves and representatives of the City of Winnipeg. Now the administrative personnel of the Department of Urban Development and Municipal Affairs met with the administrative personnel of the City of Winnipeg and they agreed on alternative wording for this portion of Bill 49. However, the Mayor of Winnipeg did not find this acceptable and he takes the position that the urban renewal process is the sole responsibility of the local authority.

Now because we feel that this legislation is necessary and reasonable and requires the co-operation of both the planning authority, Metro, and the municipality involved, I'm asking the Assembly if they will give this their consideration and allow it to go to Law Amendments where representation can be made on behalf of anyone wishing to appear before the committee.

The last changes in the Bill, Mr. Speaker, are contained in the provisions of one section which is re-drafted to include the sections which I said we had repealed. I recommend this to the honourable members.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose.): Mr. Speaker, I want to thank the Minister for her explanation of the Bill. I'm rather surprised that she is proceeding with the Bill as it has been my understanding that the Minister might have been thinking of withdrawing the Bill from the Legislature. This is one where there is, it appears, substantial conflict between the Metropolitan Corporation of Greater Winnipeg and the City of Winnipeg in particular, and it's been my understanding that when the Minister asked for it to stand that she might not be proceeding with the Bill unless these two bodies resolved their differences outside of the Legislature. It now seems that the Minister intends to proceed with it.

It is not my intention, Mr. Speaker, to oppose the second reading of the Bill. I will be prepared to support it to go to committee and there to hear the representations. I think we've been served notice by the City of Winnipeg in particular that they may have some very different views on the subject from what the Minister expresses, but I think we should hear these at the committee stage. Without that type of information I think it's very difficult for members of the House to really place themselves in the position where they know exactly what the right thing to do is.

In this whole question of urban renewal, Mr. Speaker, I think that we maybe ought to be paying a little more attention to the people who are being renewed - if that's the way of putting it - in these areas, because after having spent some time in the past summer travelling through some of the areas which are subject to urban renewal and where there are some very definite housing problems, I find that the people in those areas by and large feel that they have never been consulted; that someone else comes along and decides what's best for them. Some higher authority, be it the City of Winnipeg or Metro or the Provincial Government, suddenly decide that they ought to be renewed, and having decided that, proceeds to go through the whole performance without finding out what kind of renewal these people would like; where they would like to be; how it fits into their mode of life; and how it's going to eventually end up.

And I heard at that stage during my visits to some of these people that some of the projects like Burrows-Keewatin - and I'm not being critical of Burrows-Keewatin, I've been to it and it's in many ways a very pleasant sort of a development, certainly much more pleasant than some of the slum housing from which some of the people came originally - but the people who

(MR. MOLGAT cont'd) . . . . live there feel that they've been sort of put into a ghetto; that they're put there on view and everyone put in together, and people come round and have a look at them and say how nice it is for the rest of us to be doing this for them, and they tramp around the area and they almost feel as though they're in a goldfish bowl.

The other aspects which they complained to me about is that there's been no relationship between their mode of life and the location in which they've been put. They say to me, in the area where we lived before we could walk to work or we could walk down town to shop; we could get down to the centre of the city very easily; we could go to the areas where we could get part-time work, for example where the restaurants are located, where the hotels are located, where the needle factories are located; but now you've moved us out into an area which the planners think is better for us because it's out in the open and you've got more fresh air and all the rest of it but it doesn't suit us. There seems to be a lack of relationship between the needs of the people involved and what we're trying to do for them.

So I would hope that whatever it is that we're going to do in the future in this regard, that if we have Metro involved and the City of Winnipeg involved and the Province of Manitoba involved, that we don't forget as well to get the people involved, Mr. Speaker, because this after all is the purpose of the whole scheme, and unless we have the co-operation of the people who are in these urban renewal areas, I don't think we'll get the best job done. I think that we have a great deal to learn from them, and if we keep them constantly involved in the process we can end up by doing a much better job for everyone concerned and one that will be much more satisfactory when the whole thing is concluded. Certainly the people I've spoken to would much rather have any new housing built much closer to the centre of the city where their own life is involved rather than being moved out into the countryside.

So, Mr. Speaker, I am not going to oppose the Bill. I am not saying that I will necessarily support it at the committee stage or on third reading, but I'm prepared to let it go for second reading and hear the representations of the Greater Winnipeg Corporation, the Metropolitan Corporation and the City of Winnipeg. I trust that they will be given ample warning when this Bill will appear in committee because they have already given us warning by letter that they intend to appear, and I think that it is only fair that they be told well in advance when the committee hearing will be held.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, it was some time ago that I looked through this bill - it has been on the Order Paper for some time - but I made some sketchy notes at that particular time. However, since then, we've had the estimates of the Department of Municipal Affairs and had discussions on certain points, so that some of the things that I was going to say will be left unsaid. However, it seems to me that what we are now subordinating the cities and municipalities in Greater Winnipeg to Metro under this bill; Metro must first give the approval. And I'm not too sure whether I like this at all.

Then, too, why is this being done? Is it because Metro does not require referendums and so on, that they can impose these penalties or these additional taxes on the taxpayers without them having any say in the matter, because we know that Metro can impose any of these items just by by-law which the cities cannot do; because this, Mr. Speaker, will mean that the taxpayers in Metropolitan Winnipeg will be called on to pay the shot for any subsidization that will be taking place under the Manitoba Housing and Renewal Corporation Act. Therefore, I do not subscribe to the principle of the bill. As was pointed out during the discussion of the estimates this is no longer public housing now; it's under a different Act - it's been changed, and therefore it makes a difference to the whole proposal as it was originally set forth.

I notice, too, that the corporations or the municipalities can take over any debt or any encumbrances that might be there. Most likely this is essential in order to make it work, so I will be looking forward to the committee hearings on this and I do hope, as has already been pointed out by the Leader of the Official Opposition, that most likely representatives of these parties will be present so that we can hear and benefit from their discussion as well.

MR. PETER FOX (Kildonan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Logan, that debate be adjourned.

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

MR. SPEAKER: Second reading of Bills. Bill No. 67. The Honourable the Minister of Health.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon) presented Bill No. 67, The

(MR. WITNEY cont'd) . . . . Clean Environment Act, for second reading.

MR. SPEAKER presented the motion.

MR. WITNEY: You are perhaps aware, Mr. Speaker, that since about the middle 1940s that we have had in the Province of Manitoba the legislation called the Prevention of the Pollution of Waters, and during the period of time that that legislation has been in operation, it's been run by what was called the Sanitary Control Commission, and over the period of years it has been able to keep a checkrein on pollution of the rivers and waters of the Province of Manitoba. There have admittedly been some soft spots over the period of years that have developed, but for the most part I think that the legislation that has been in force since that time, and has been administered by a relatively small group of men has been effective and has been good legislation.

You perhaps also remember, Mr. Speaker, that last year I had on the agenda an Act for air pollution, and perhaps you remember too that I didn't proceed with that Act last year and explained that the reason that I did not proceed with it was because of difficulties with other Acts that had been passed by other legislatures in other provinces, dealing with the matter of air pollution. And I had also not taken any action on it at that time because there had been a pollution conference in Montreal which had been called by the Ministers of Natural Resources, and the original meeting was chaired by the then the Minister of Mines and Natural Resources, now the Attorney-General of the province. And when that report came down, that report emphasized that any action that was taken should be taken in the context of the whole environment; not just in the context of water or air, but in the context of water, air and soil. And so you have before you Bill 67, which is called the Clean Environment Act, and provides hopefully for means of containing and controlling pollution of water, air and of soil.

Now the purpose of the Bill, Mr. Speaker, is to prevent the destruction or spoilage of the natural environment by excessive, harmful or dangerous contamination; and secondly, to ensure that in the years to come the environment will not be despoiled beyond recovery; and third, to make every possible allowance for the reasonable usage of the air, soil and water resources of the province for the purpose of final and innocuous disposal of treated and conditioned effluence in such a way that industry will not be discouraged from entering the province. And the method that we have to do it is patterned basically along the same method that was used with the Prevention of the Pollution of Waters Act. It is to require all the major polluting agencies with respect to air, soil and water to secure a licence from the provincial Clean Environment Commission and to meet with such conditions as the commission may deem appropriate to protect the environment. And on the commission, the commission under the Water Pollutions Act comprised three people. It comprised the Water Section of the Department of Mines and Natural Resources, as it was known at that time - or that's the department it was in. It had the Chairman of the Municipal Board and it had representatives of the Department of Health.

The setup of the commission in this Act is similar to the commission that was established in the Water Pollution Act, but the commission which we intend to use will be made up of senior government people; and the commission that we will use will be a commission that will be balanced by having representatives from the Department of Health, the Department of Mines and Natural Resources, the Department of Industry and Commerce, and the Water Conservation Section of the Department of Highways. And as a matter of fact, Mr. Speaker, the Water Pollution Act was broad enough in the establishment of the commission to allow us to set up that type of a commission, and the Sanitary Control Commission today consists of representatives from those same departments, and when this Act is passed and it supersedes the Water Pollution Act, then these men will become the Clean Environment Commission and they will perform the same type of function as was performed under the Water Pollution Act with respect to the environment air, water and soil.

Now that commission will not only have a licensing function alone, it will have the function to continue with the surveillance of the environment, including the rivers and the streams. That commission will also be called upon to establish standards of effluent quality and criteria for the air, soil and water, which will indicate the quantity and quality of contaminants which may be released and to establish the reasonable degree to which the air, soil and water may suffer impairment without significant or permanent damage to the environment. This, in other words, Mr. Speaker, will be a minimum set of standards, and it is hoped that we will be able to have minimum sets of standards which are going to be - at least with the three prairie provinces - the same, and work toward that end has begun in dealing at the ministerial level with the other

(MR. WITNEY cont'd) . . . . three provinces. And then hopefully we could expand to the other provinces. The Federal Government are bringing in, I understand, water pollution legislation and we are hoping that under that legislation that they will be able to assist with the establishment of minimum standards which can apply for the rest of the country. The Clean Environment will also have the task of considering the various minimum standards that we establish, on a regional basis.

Now you might wonder, Mr. Speaker, why the Act is called The Clean Environment Act and not The Pollution Act. A while ago, we had come through Manitoba the man who brought into Australia the Air Pollution Act, and the original Air Pollution Act in Australia ran into a good deal of difficulty, but after that they put in the Clean Air Act in Australia and the recommendation on the basis of experience, even though the wording may seem to be rather innocuous it did have its effect in Australia, because there was a more positive connotation to what the Act was trying to get at, so what we are trying to get at here is a Clean Environment Act. We want to have the co-operation of industry and of people, and we want, of course, to have the co-operation of government people, not only their co-operation but their common sense, in dealing with matters of clean environment. This Act is not going to change the situation in the Province of Manitoba overnight, but then in the Province of Manitoba the situation isn't anywhere near as bad as it is in other parts of Canada and in other parts of North America. But in those other parts of Canada and those other parts of North America, the indications are that the time has come - and some might say it is overdue - for us to take a protective device or to pass protective legislation here, that will give us the opportunity to control the environment for generations to come.

I might mention to you, Mr. Speaker, that in some of the publicity that has come before this Act, there has been a fair amount of concentration on the powers of the Act. Actually, under the legislation that you have before you, the powers are not as broad as they were under the Water Pollution Act. Under the Water Pollution Act it was possible for a Peace Officer to be appointed as an inspector and to enter any establishment under the powers of that particular Act. Here, the Commission itself will have the powers that are spelled out in this Act, that those commission people are appointed by the Lieutenant-Governor-in-Council and those commission people are all senior people in the departments; that's the departments that are represented on the commission. At the present time, the Chairman is the Director of Health Services for the Department of Health. When you back away from that, for any other inspectors, they will have to be approved, recommended by the Commission, and approved by the Lieutenant-Governor-in-Council and given their specific terms of reference for carrying out the authority of this Act. And then, of course, in the Act we provide for appeal to the Municipal Board.

Now again, Mr. Speaker, I would like to say that the Act is one in which I hope we will have a co-operative spirit from all concerned. It will have a common sense approach from all concerned because, as you are aware, that emotion can become very highly generated when you deal with matters of pollution, and sometimes emotion overrides reason, and I'm trusting that with the Act that we have here that it will encourage co-operation, consultation, and encourage common sense in dealing with this problem. And I believe that the Act provides the way and means of controlling the environment for the future and to take the necessary protective and preventive action now.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I just rise to make a few comments on the Bill. Generally speaking, I support the Act. I think it's timely, and hopefully it will fall in line and work with the federal measures taken in this regard. But I do have a few questions to ask the Minister. I notice on Page 2 in the (j) at the top of the page which defines waste. It seems to me that there's no mention made of pulp mill waste, and I think it has been generally agreed that pulp mill waste is one of the main pollutants in our lakes and streams. So perhaps - if he would clarify that point.

Also on Page 4 in subsection (4) (1), I was wondering if this covers the dumping of snow in rivers from municipalities cleaning streets, and they naturally look for the most economical method of disposing of the snow that is being hauled off the streets, and I wonder if there's any effect there, whether the snow itself, which contains waste and some certain amount of rubbish, is covered there.

Also, I wasn't too clear whether the Minister said that there would be a more careful look at the dumping of partially treated or not treated raw sewage. I know that the penalties

(MR. JOHNSTON cont'd) . . . . are quite strong - \$100.00 a day fine for the first offence in the case of an individual. In the case of the corporation the first offence is \$1,000.00. I think we all believe that there should be penalties but how would this Act be enforced? Would it be enforced through the municipalities or through the police force. I note in one section where anyone caught throwing or dumping anything within 150 feet of a water line is automatically breaking the law, so this I suppose would cover the dumping of small amounts of garbage even, like throwing out a beer can or a pop bottle; this would be automatically an offence. I don't think it's a good idea to pass legislation that is almost impossible to enforce, so would this be administered under the Department of Health in co-operation with municipal police forces, or just how would that be handled?

In closing, I would just say that in a matter so important as this it depends on the goodwill and the knowledge of our citizens. And while we know our school system is being somewhat overloaded with - what shall we say - optional courses that are always good to help one in life, but there's only so many hours in a school day; but I strongly believe that there should be a place in our school system where conservation is taught. From the time the young people are old enough to have got by their reading and writing stage, they should be made conservation-conscious, so that it is automatic not to throw away a bottle or a can or light careless fires and things of that nature, and then an Act like this would have some meaning where all our young people, all the way through school and through life are thinking about the resources of their country and they are on the side of the authorities who are trying to protect them for the generations to come. So, I would like to see in the very near future, in Manitoba at least where we have such wonderful resources in the country, our beautiful lakes and streams, our wilderness areas, that we institute a course in our school system and let us be leaders of the rest of the country.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I want to make a general comment on air pollution and also to ask the Minister, when he's making further comments, if he could attempt to explain whether there will be any changes in regard to the industrial tolerance levels, whether this is going to be spelled out or tightened in the regulations, or whether we're going to continue with the same levels we have now. He's quite familiar with a problem that has been bothering some of the people in the constituency of Elmwood for some time, since the early 1950s, by the Prairie Foundry, which was operating in that area for some decades and then after a period of time applied for the right to expand, and went through a legal wrangle with the city and so on. The problem in regard to the amount of pollution, I suppose, or the amount of emissions that can be made from an industrial plant, it would seem to me, from the experience of talking to constituents, they regard this as being too high, and although there have been repeated complaints in my area, every time there's a complaint made and a test is made, it's always found to be within the requirements or the regulations of the Public Health Act regarding emissions into the atmosphere from stacks and cupolas, etc. This foundry, for example, is located right in the heart of an area which is surrounded by a community club, by a very large high school, by a junior high school, and by residents who inhabit homes all around it, so the same complaints are made and the same replies were made in answer. I wrote the Minister on this problem; I know he's familiar with it. He said in his letter that they are going to review the regulations and get an opinion on the part of the Board of Health.

I'd also be interested to know what kind of testing equipment is going to be used; whether they're going to use the same type of equipment or whether anything else is going to be added. For example, people who have seen these tests don't seem to be too impressed. I've heard many complaints about them. They talk about such small containers being put out, and at least the average person observing them doesn't regard them as being very scientific. I might also point out that this particular foundry, when it was being expanded, promised that they would install equipment that would not only be smokeless and fumeless but also dustless. Well if we take them in the absolute meaning of their words, I think we can see that it's unlikely that they lived up to their expected promises.

Is the Minister also, in this Bill, going to include provisions for noise? Is that also -- or is that going to fall under some other area? Are there any provisions for noises unirritant in regard to the public?

It would seem, Mr. Speaker, that the dilemma is as follows: that if we retain the same levels in regard to air pollution as at present in regard to industry, that in some cases at least we're going to drive people out, and that in some cases we are hurting people and hurting

(MR. DOERN cont'd) . . . . property values, and it would seem that there is a need for a review and probably a tightening up. If the Minister would like some time, I'd be happy to take him on a tour of one area, this area in Elmwood, where people have been complaining for years, and I think on the streets nearby this particular industry, it tends to remind me of a ghost town in a western movie because a number of houses on the streets are vacant, and there are people who are trying to sell, and there are people who argue that their property values have come down. There have been repeated complaints and no particular satisfaction, so I would be interested to hear what the Minister has to say in that regard.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, along with the others who have spoken, I think that the general approach of this legislation is good. It seems to me that it is in general applying to both air and earth approximately the same regulations, and attempts at control that had already been established with regard to water. While there may be some individual points that need further checking, I would think that it's good legislation and that a great deal will depend upon the administration. I agree with the suggestion of the Honourable the Minister that it is well to have the commission in this case, the senior civil servants who are familiar with the problem and are familiar with and capable of acting with one another, and would have great likelihood of getting complete co-operation between the various departments, at least, and to the extent, if possible, with the various local authorities.

However, I have one specific matter that I would like to again mention. I don't know that the Honourable the Minister was in the House this morning, Mr. Speaker, when I was speaking of the pollution problem that I have become aware of, and I would think this would be a great place to make a start, because here is a case where the Metropolitan area, through an ordinance that I think likely is a sensible one, is compelling these septic tanks to be pumped out every so often, and then there must be some place to put that raw sewage. It seems to me that the very fact of what is being done there now already breaks by one or both corporations the terms of this Section 4, subsection (1) and it doesn't come within the exemption of subsection (2), so it seems to me this would be a great place for the municipal corporations to make a beginning; and I would think it would be axiomatic, Mr. Speaker, that in cases of that kind that, regardless of the extra distance that's involved in hauling, that raw sewage of that kind simply should be compelled to go to either the treatment plant at the north end of Greater Winnipeg or at one of the lagoons that's already established, because it seems to me that to dump it in a residential area and even within terms that will immediately break this Act the very day that it's put into effect, is something that we should not countenance. So, in addition to raising the problem on the Municipal Affairs Department, I thought it was well to bring it up under this because it's a strict case of contamination, in my opinion, and one that we should consider when we're dealing with an Act of this kind - which in general I think is very good.

MR. FROESE: Mr. Speaker, my comments will be very brief. I take it that this bill covers lagoons as well, and while we've not heard too much about lagoons this year under the discussion of the Health Department, I know that they can be a problem, and especially so if you have larger industries, be it in rural, or I imagine rural sections more than in the urban sections, that lagoons are used for waste disposal of these industries and that they can become a real problem. I would like to know from the Minister how wide a circulation this legislation is getting, previous to going to committee. I would suggest that all those areas that are being serviced by lagoons that they be notified of this so that they will be able to present, or be present and make representation if they so desire, because this could affect them directly. I know that existent agreements are covered but it certainly wouldn't hurt to notify these people so that they were aware of it.

I also note that there's no savings provision for this Chamber. I don't know whether the Honourable Minister thinks that there's no contamination taking place in the Chamber here, but maybe the Chamber should be exempted under the savings provision.

MR. LEMUEL HARRIS (Logan): If nobody else wishes to speak, I move, seconded by the Member for Wellington, that debate be adjourned.

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

MR. SPEAKER: Bill No. 75. The Honourable the Attorney-General.

MR. LYON presented Bill No. 75, The Condominium Act, for second reading.

MR. SPEAKER presented the motion.

MR. LYON: I think this Bill deserves some special comment because it does represent one of the most substantive changes that has been made in our system of land holding in

(MR. LYON cont'd) . . . . Manitoba for better than a score of years. I'm having distributed at the present time a brief explanation of the Condominium Bill because in some of its aspects it is rather complicated, and I hope that the explanation, which I will read from and which is now being handed to the honourable members, Sir, will assist them in their study and in their understanding of the legislation.

This Condominium Bill is the culmination of the study of this concept of property ownership by the Manitoba Commercial Law Subsection of the Canadian Bar Association, the Manitoba Law Reform Committee and others interested in the subject. It is the result of detailed review of legislation passed in New South Wales, Australia, in 1961, in the Provinces of British Columbia and Alberta in 1966, and in the Province of Ontario in 1967. In addition, the Federal Housing Administration Model Statute and numerous States legislation of the United States of America, including in particular the State of Hawaii Condominium Act have also been considered.

The Bill, Mr. Speaker, is closely patterned on the Ontario Condominium Act which came into effect on September 1, 1967. It, in turn, was based on a draft Bill proposed in March of 1967 by the Ontario Law Reform Commission after that body had completed a comprehensive research on the subject. It should be noted, however, that there are a number of important changes in the Bill placed before you which will become evident from a detailed study of its provisions, and I would like to add that these changes we think are largely improvements over the legislation as we have found it drafted in Ontario and in operation in Ontario.

Much has been written about Condominiums but perhaps an excerpt taken from the report of the Ontario Law Reform Commission best explains the essential features of a Condominium development:

"The word 'condominium' has received considerable publicity during the past few years, but the concept that the word denotes with respect to property may not yet be generally understood. The two essential elements of this concept are: first, the division of property into units, to be individually owned, and common elements, to be owned in common by the owners of the units; and second, an administrative framework to enable the owners to manage the property. An example is a high-rise building containing residential units; each of the units is individually owned, and the remainder of the property, including the roof, the basement, the parking area and the garden, is owned in common by the owners of the units.

"Another example is an industrial development including a cluster of small factories; each is individually owned and the remainder of the property, including the service facilities, is owned in common by the owners. In each, an administrative framework enables the owners to manage the property for the common benefit, and each owner must contribute to the common expenses. This concept is indifferent to the use to be made of the property, to the design of the buildings, and to the location of the boundaries between individual and common ownership.

"Condominium provides the amenities of apartment living on a shared cost basis with the advantages of home ownership. As contrasted with co-operative developments this type of ownership provides lower risks and greater flexibility in financing. Lower risks result from the fact that each unit in a condominium is separately taxed and individually financed and accordingly no unit owner is liable on the default of another. Again, because each unit is a separate property interest, greater flexibility is achieved in that each owner is able to vary the financing to suit his needs and desires."

The intention of this Act, Mr. Speaker, is to present a relatively simple but nevertheless comprehensive framework for condominium development, and in so doing to provide for and to protect the interests of those parties likely to be involved in this type of development, namely, the developers, the municipal authority, the mortgage lenders, the insurers, the builders, the Land Titles Office, and, of course, most important of all, the ultimate owners of the units.

With this brief resume of the background to the proposed legislation and the general concept of condominiums, I can now add a few words in summary of the Bill itself.

Upon substantial completion of the building, the owner or lessee of the land, with the consent of all who have registered interests in the property, bring the land and all interests therein under the Act by registering a declaration and a plan. The plan divides the land and buildings into units and common elements and the declaration sets out the proportions of ownership of the common elements, the contributions to be made by each owner to the common expenses and the extent of their voting rights in the corporation that is set up to manage the property. The units are individually owned or leased, as the case may be, and certificates of title are issued by the Land Titles Office for each unit. Each unit shares in all the common

(MR. LYON cont'd) . . . . elements unless specifically limited by the declaration. The Act sets out all those matters governing or affecting the owners and the land that may be set out in the declaration, and provides that the declaration and the plan may only be amended with the unanimous consent of all owners and registered encumbrancers.

All owners are members of the Corporation which is created by the registration of the declaration and plan. This Corporation has no share capital and because of its special nature is not governed by the Companies Act. However, in many ways, it is similar to ordinary Corporations in that the members elect Directors who manage the Corporation and in this way control, manage and administer the common elements and manage the property in general. The Corporation keeps records, may sue and be sued, sets up a fund for common expenses and collects the established share from each owner. The Act specifies that the Corporation has certain duties such as the maintaining of the common elements, insuring the building and repairing the entire property when it is damaged. The Act also gives the Corporation powers necessary to carry out its duties.

Members owning 66 2/3 percent of the common element, or such greater percent as is specified in the declaration, may make by-laws which may be amended from time to time by a simple majority. These by-laws will spell out the details of government for the guidance of the Directors of the Corporation and will cover such matters as house rules and regulations, composition of the Board of Directors, collecting monies for the payment of common expenses, meetings, etc.

Owners of 80 percent of the units and common elements or such greater percent as specified in the declaration, may decide to make any substantial alterations to the property, to repair the property if there has been substantial damage, to terminate the condominium or to sell the property or any part thereof. On a termination of the condominium, the owners become tenants in common of the land and the buildings, and if the condominium is terminated by a sale, the proceeds of the sale would be distributed proportionately among the members according to their respective interests after the payment of all claims.

The nature of the relationship of the owners created by the Act requires numerous provisions to ensure the protection of the rights of the minorities in various situations while at the same time not allowing one or a few obstinate owners to veto the wishes of the large majority. Certain possible areas of concern are specifically covered, and for those not so covered, the Act provides that applications for direction may be made to the Court of Queen's Bench by any of the interested parties, and the Court is empowered to make such order as is considered appropriate in the circumstances after considering the scheme and the intent of the Act and the rights and interests of the owners individually and as a whole.

Now I trust, Mr. Speaker, that those few words of very general explanation will be of some assistance to the honourable members as they come to consider this Bill, and I reiterate again, and I'm sure this is appreciated by honourable members on all sides of the House, that this is an important piece of legislation, perhaps in its long-term effects one of the most important pieces of legislation that we will be dealing with in terms of land-holding rights in this province for many years. We feel that the Bill that is before you does represent a distillation of the best thinking that is available thus far on condominium, but we are not so married to the present bill as to suggest to honourable members that there are no improvements that can be made in it, and we will certainly look forward at the committee stage to any helpful and constructive suggestions that can be made in the light of the experience of members of the House with this type of legislation or with their reading on this legislation derived from other provinces or other jurisdictions.

Perhaps it would be in order as well, Mr. Speaker, to say a brief word about the form of this bill as it appears on our desks. This bill has been prepared for printing with the use of the government computer centre facilities. I think it is worthwhile to make mention of this because it is the first such bills actually printed out of the machine. There is at the present time considerable research being done in various places with respect to the use of computers in various aspects of the law, and the printing of this bill represents the initial pilot research that we are doing in this respect in Manitoba. This has been done -- the Americans have in some states put all of their public statutes on to computers. This has been done, however, for the sole purpose of providing a retrieval of data service. The cost of the use of the computers solely for date retrieval is, however, exceptionally high and it's hoped that by using the computer for certain printing production, as was done in the case of this bill, that some of the cost

(MR. LYON cont'd) . . . . of computer service can be absorbed in the reduction in printing costs.

The printing of the Condominium Bill before you is a trial to try to ascertain the cost of putting the bill into the computer, and I can tell members of the House, Mr. Speaker, that the total cost of this bill - that is, for computer services - of producing the bill as you see it before you, was \$72.10. In addition to this, there was duplicating or printing costs which would of course have been considerably reduced because the Bill was not set by a linotype operator. If amendments are made at the committee stage, it might be necessary to provide some further time for key punching the amendments and re-processing the bill through the computer, and it's anticipated by those who are responsible for this project that this cost would not exceed another \$10.00 or \$15.00, bringing the total cost to approximately \$82.00 or \$87.00.

Now, the process that is actually used might be described very briefly to members of the House, Mr. Speaker. In order that the bill could be put through the computer a system had to be developed. Professor Skelly of the Manitoba Law School, who has been doing considerable research in the use of computers for statute law, assisted in preparing the system or the program. The system can be broken down to a number of stages.

Stage One: The first stage was of course the drafting of the bills and the preparation of the bill for the use of the computerized system. This stage is no different from the preparation of the bill than for any other type of printing.

Stage Two: At this stage, the bill was put into the computer, either by key punch operation as was the case of the Condominium Act, or by some other input system.

Stage Three: The bill is then printed out from the computer. At the present time, the computer of the government has only upper case letters and that's why the bill is in upper case, as we see it, and not in the usual form as we have come to expect bills in upper and lower case. It is anticipated, however, that if this system is adopted, that the cost of obtaining lower case letters for the computer would be justified and this would be done. The use of the lower case and the upper case would, of course, make the bill easier to read and more attractive than it presently is, and I'm the first to say that when it caught my eye it did not appear to be as attractive as perhaps I thought it would be, but this, I stress again, is a pilot project, well worth the undertaking. Because of the system of programming the computer, the bill was printed out with all the proper indentations and separations. The bill, as was distributed in the House, is a photographic copy of the material as it came out of the computer at this stage.

Stage Four: As amendments are made in the bill at Committee stage or after it has been enacted by subsequent legislatures, the changes can be put into the computer, and within a matter of minutes of completing the input a complete revised Bill or Act, as the case may be, will be available on the print-up. This can then be duplicated for distribution through the proper channels and if, for example, we find in Law Amendments stage of this Bill that there are amendments that we wish to make, the Legislative Counsel has advised that he hopes to have these amendments put through the computer, and the computer will then turn out a completely redrafted Bill containing the amendments so that honourable members can have, not instant, but almost instant copies of amendments have have been fed in and then the input brought back out to members for their immediate use. I think all honourable members of the House would agree that this would be a considerable improvement over the manual procedures that we follow at the present time, if in fact it proves feasible.

The other uses for computerization of statutes, when the bill has been put into the computer, there are a number of uses that can be made of the information that can be retrieved for this purpose. The information can be used to assist in the preparation of indices, preparation of revising the bill to obtain more uniform use of language, and to remove duplication of provisions. In a bill the size of The Condominium Act, Mr. Speaker, the consistent use of language and duplication of substantive provisions does really not create too great a problem. However, if the whole of the public statutes were put into the computer, it would be possible for revising officers to use the material on the computer to make the language of all public statutes more consistent and even to search out inconsistencies and overlapping in the substance of the statutes; and here I pause to interject the thought that while the computers may do many things, I hasten to assure the Legislative Counsel or any of his staff who may be within hearing of my voice, that I am rather convinced that it will never do away with them, because somebody has to program the computer; somebody has to tell the computer what to do.

It's hoped that when the next revision of the statutes is published, it will be published as

(MR. LYON cont'd) . . . . a continuing consolidation. The usefulness of the continuing consolidation will depend to a large extent on how quickly statutes can be brought up-to-date after amendments are made to them. With the use of the computer, this time lapse can be reduced considerably. Two of the greatest delays in the preparation of statutes is the time consumed in setting the type and in proof reading, and we're experiencing some of those delays at the present time as we await government legislation and other legislation coming back.

The use of the computer will make a substantial reduction in the time consumed for these, as the computer can run in the amendments to various sections more quickly than they can be set in type, and the only proof reading that has to be done will be on the particular lines that are amended or added from time to time. So I thought it was worthwhile, Mr. Speaker, to add this further information about the form of the Bill because of the type of change that it may presage for the printing of legislation in this province, provided, of course, that the pilot projects that we're engaged upon prove to be feasible and economical, and I, of course, am one of those who is quite hopeful that this will prove to be the case so that we can adapt this new and very exciting technology to our system of parliamentary procedure, which in many areas can stand some kind of improvement.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to rise to support the Bill and to thank the Honourable Minister for his explanation of the legislation that is proposed to this House, and I feel also that we should be grateful to the Law Reform Committee for doing the work that they have done on condominium legislation and to bring in this Bill at this session of the Legislature, because when I introduced my resolution last year I was somewhat doubtful that the legislation would be tabled this year because the Minister at that time mentioned that, in her opinion, she thought the condominium concept was for mainly rich people and not the poor, but it was in the Hansard in one part so I did not believe that it would be tabled, so this year again I did introduce this resolution again asking for this legislation. I think that Manitoba can take a giant step forward towards better land use and better housing by accepting the condominium concept because I feel, in my own opinion, that this legislation would allow many families to own homes, families with incomes of four to six thousand dollars, to own their own homes by condominium legislation.

Now, the Minister has told us that this is a new concept in Canada and it is, and it's somewhat new to the North American continent, but I feel it is not new as far as condominium legislation is concerned because in Europe it has been in effect for many, many years - longer than, I believe, for a hundred years - and in Argentina and Brazil 80 percent of all commercial buildings today are condominium units where each party owns a portion of it. I know this has been tremendously successful in the States. In the State of California in one year they had built over 10,000 condominium units and it has proved to be very successful. Ontario, it brought down its legislation a year ago or so. The government of Ontario at that time was touting this legislation as the total solution to the housing problems in the Province of Ontario. I don't believe it is the total answer but I do feel that it's a great aid in helping many people to be able to own their own houses. Not only houses, but I think the legislation would offer flexibility to the builders to be able to sell to a wider market and probably also to the buyer as economics for home ownership.

Mr. Speaker, I just want to mention a few things that concerns the Bill itself. I was able to go through the Bill and I know it's a very large Bill with many details, and the things that I came across - and I'll be prepared to let it go to Committee where we can hear representations - but on the principle and under Section 8 (1) it states where owners are tenants-in-common of the common element, and in my opinion I think that there should be, the value of each unit should be in proportion to the common element and this should be stated in the Bill, because some units in a condominium may be worth \$12,000 and the other units may be worth fifteen or twenty, and I think the only proper thing would be to have that owners, the tenants should own the common property in proportion to their units. That's under Section 8 (1) and maybe the Minister will be able to explain that.

Under Section 15 (1), the Bill presently reads: "The owners shall have voting rights in a corporation in proportion provided in a declaration." Now, I feel that the owners should have voting rights in proportion to property owned, or to value of ownership, because as far as the declaration is concerned it may be -- it's permissive legislation, and at the time the applicant is trying to arrange for a mortgage maybe this is the only way he would be able to get a mortgage company, if he agrees with the mortgage company in the application for mortgage that

(MR. PATRICK cont'd) . . . . . the mortgagee will have the voting rights and not the owner or the tenant. I think this is a very important point in this legislation. I think there is a difference, a distinct difference, between the legislation in Alberta and British Columbia, where in one province the owners or the tenants have the voting privileges for the common interest, while in the other province it's the owners that have voting privileges for the common interest.

So, Mr. Speaker, as far as the Bill is concerned these are the three points that I want to make, but even if this may be -- we would not be able to change the legislation for the owners, then perhaps it would be right whoever has the greatest interest in the units would have the voting rights. For instance, if the unit is worth twelve or fifteen thousand dollars and the owner has more than 50 percent share in a unit, then perhaps he should have the right as far as the common interests are concerned. I think these are very important points and I hope that the Minister will be able to look on these points.

Mr. Speaker, these are just a few of the points that I wanted to make, and I know that Manitoba can definitely take a giant step forward towards better land use while at the same time ensuring continuance of a high percentage of home ownership and also making it possible for people, as I mentioned, in the lower bracket to own their own houses, because in some of the other provinces they are able to, with approximately \$1,000 to \$1,500 down with payments of about \$125.00, they're able to do this at the present time. So I certainly do want to support the Bill and wish to thank the Minister for bringing it in at this session, and I hope that he will give me some explanation of the points I raised in respect to the Bill itself.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Speaker, I want to say from the offset of my remarks, that as far as we're concerned in this group we are suggesting that the legislation should go to the Committee for consideration. May I at the offset suggest, Mr. Speaker, that the reason that we have to consider condominium housing, not only here but other jurisdictions as well, is because by and large the little man has been priced out of housing. You know, it used to be a basic premise in democracy that a man's home was his castle, and due to recurring increases in land values and prices, high interest rates, the average individual has been priced out of the opportunity of individual home ownership and this has resulted in the necessity -- and I think advisedly so, under the circumstances -- of condominium housing whereby there is a pooling of resources, or, as the Honourable Member for Assiniboia has suggested, individuals may have an equity in a unit that they have some control over and that they will be able to create equity in the due process of paying their annual amount. So I say that we have no objections to this Bill going to the Committee. It's a matter that has been given consideration in many jurisdictions.

It's rather peculiar in some respects, though, if one looks at the basis of the necessity of the provision of condominium housing, to hear people talk because of the fact that we want to get the best value for land use. It wasn't very many years ago, particularly here in the Greater Winnipeg area, that all of the municipalities owned practically every vacant square foot of land in their municipality, and this was the result, of course, of the Depression where people couldn't pay their tax bills and the land the property reverted to the municipality; and then, because of the fact that the municipalities following that era, and particularly following World War II, wanted to get the vacant properties back on their tax base, got rid of all of the property that they had, and the properties by and large fell into the hands of the speculators, and as a result of this, the costs of land escalated so high that the prices of individual homes went up consequently, and that, coupled with the various administrations' at Ottawa ever-increasing interest rates, priced land and houses out of the realm of the individual, so something had to be done. And this is peculiar, Mr. Speaker, not only to our own jurisdiction here but the others that the Honourable Member for Assiniboia mentioned, as indeed the Minister. And this is the reason that we have to consider this so-called joint ownership and condominium housing.

There is the other alternative, of course, to some degree at least -- co-operative ownership of housing. My honourable friend the Attorney-General shakes his head, and of course he will have the opportunity of proving me wrong. But what he won't be able to do is to disprove the statements that I have made, that today the average individual, particularly those in the middle class brackets and below, are not any longer able, really, to have individual ownership of their homes, and this is an opportunity for them to recoup some of their investments in housing units of one nature or another. But, as I say, Mr. Speaker, I have no objections at all, we have no objections at all to this Bill going to the committee for consideration. In view

(MR. PAULLEY cont'd) . . . . of the situation prevailing today, it is worthwhile and we will support it.

Now, I would like to make a comment or two, if I may, Mr. Speaker, on the other point that was raised by my honourable friend the Attorney-General insofar as the Bill itself is concerned and the manner in which the Bill is placed before us, in the use of computers. I know that it's not directly related to the contents of the Bill but rather its format. I do trust and hope that he will be able to suggest to his honourable friend the Minister of Labour that this is bearing out what my colleague from Logan has pointed out in this House on a number of occasions, that through the new process of automation and technology that there will be displacements of labour in one form or another. The Honourable the Attorney-General pointed this out quite vividly when he was making his presentation in respect to the use of the computer in the bill that we have before us.

So I say to the Honourable the Attorney-General: please talk to your honourable colleague the Minister of Labour. While we have no objections to the process of technology, we want to make sure that in that process those concerned with the changes in technology are not adversely affected. So I suggest to my friend again, Mr. Speaker, while I appreciate his comments as to the use of the computer for such purposes of amendments and the like of this, that it really goes deeper than my honourable friend the Attorney-General attempted to imply when he was presenting this bill, and while I can appreciate your position, Mr. Speaker, when you may suggest that I'm not speaking directly on the Condominium Bill, my honourable friend the Attorney-General established the base on which I'm speaking at the present time and I think it gives me the opportunity because he has established it, without interjections, that this is a matter of vital concern to people in Manitoba, not only the Condominium Housing aspect, but also the technological changes that the Honourable the Attorney-General attempted to portray to us today as an indicator of the effectiveness of the government of today, and I want him to understand - and his colleagues to understand - that while we have no objections to the change in methodology, that while we have no objections to new technologies, there is a basic principle involved in the remarks of my honourable friend the Attorney-General tonight insofar as the technological aspect of even the Bill dealing with condominiums, which I suggest in the contents of the bill has only been brought about because of an evolution that is taking place in ownership of property, not only here in Manitoba but in the rest of the world as well. So I say, Mr. Speaker, we have no objections to this bill going to committee. We have certain reservations on some of the sections but we realize that the bill itself and its contents are worthwhile in the light of today's mode of living.

MR. SPEAKER: I compliment the Leader of the New Democratic Party in tying it in very nicely when he came back to condominiums before he closed his remarks.

MR. PAULLEY: Well, may I suggest to your Honour that I did not go astray except my honourable friend to introduce the bill for second reading. I thought that I had to say something in reply to him.

MR. SPEAKER: The Honourable Member for Logan.

MR. HARRIS: Mr. Speaker, I couldn't resist getting up for this reason. I was raised and born in condominium homes, and you can see by me it had done me no harm, and I say this: this is brought on today, these condominium homes, because our people can't afford to build the homes that they have on the prairies here today. A home by itself - it's almost an impossibility for them to build those homes, and I'll say that I have lived in homes here on the Prairie on a 25-foot lot and the next door neighbour, you could shake hands with him in his bedroom. What kind of home is that? -- (Interjection) -- Well I'd shake hands with his wife too, yes. -- (Interjection) -- Well I wouldn't wake her up, no Sir. But I would say, Sir, condominium homes I would say is a grand thing here. We say we have lots of room. Yes, but speculators have moved in and they have taken, they have jumped up the value of land and nobody can buy a home decently today. So I would heartily support this bill going to committee, and as I say and as our Leader said, we have no objection to it; but I've seen these homes. I've seen them, as I said to you before, in narrow valleys where there was no room, no place to build, and they had to utilize every inch of land where they could put these homes in, and I have seen these people live in those homes and they were beautiful homes. Thank you very much.

MR. SPEAKER: Would the Honourable Member for Logan permit a question?

MR. HARRIS: Surely.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Are you sure you are not confusing a

(MR. HILLHOUSE cont'd) . . . . consortium home with a condominium home?

MR. SPEAKER: The Honourable Member for Rhineland.

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

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

MR. SPEAKER: Bill No. 63. The Honourable the Minister of Agriculture.

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville) presented Bill No. 63, an Act to amend The Credit Unions Act, for second reading.

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, there are firstly a number of minor amendments contained in the proposed changes to this Act. I think it's correct in saying that there are only two substantial portions in the amendments before you, the one dealing with the establishment of a healthy stabilization fund and the other one making it possible for the Credit Unions to make demand loans. Of the minor items that I refer to, there are such things as tidying up certain omissions from the present Act. There is a problem that has to be dealt with that's required under the Companies Act. Under the present form of the Credit Union Act, the Treasurer has to be the General Manager and because of internal management these things are changing. It's now possible -- an amendment simply repeals this requirement. In some of the larger credit unions these functions are carried on by two individuals.

There's also further changes. In the present Act there was an omission regarding what constitutes a quorum of committees. This amendment is simply a new subsection establishing the number that would constitute a quorum.

A further obvious omission under the present Act, which is being corrected at this time, Mr. Speaker, is the establishing responsibility for illegal loans, and this amendment ties in the members with others who might be responsible for making a loan in violation of the Act.

Another portion of the amendments before you deal again with internal housekeeping of the credit unions. In the present form it's not required that the supervisory committee report to the Board of Directors, or as a matter of fact to report to anybody, for instance, at the annual meeting, and this amendment before you would require the committee to report to the Board of Directors and to the Annual Meeting. This is somewhat more important now since a few years ago an amendment was passed that made it possible for the Board of Directors to appoint the supervisory committee.

These are the nature of the minor amendments contained in the Act. There are a few others of that kind but I suppose the main questions before us are the ones that I already mentioned, that is, the establishment of a compulsory stabilization fund, and while our original intentions were that this should be a single fund we have, after consultation with representatives of the Caisse Populaire who expressed a very strong desire to have a fund pertaining to their own group, we have so worded the amendments before us that this is possible and it would be our intention to operate it in that way.

At the present time, Mr. Speaker, for the information of the honourable members of the House, credit unions are required to put 20 percent of their net earnings each year into reserve funds, and it's not intended that there would be any additional levy on credit unions for the stabilization fund, but instead that the credit unions would be required to put into the stabilization fund 25 percent of the amount that they would ordinarily put into their reserve fund. I think that a move in this direction is only right and proper at this time. It's been requested from a good number of the credit unions. They are presently operating a stabilization fund on a voluntary basis and with a fair degree of success, but they feel that particularly in light of the pressures that are being exerted on financial institutions, all financial institutions, to take every step possible to safeguard the investments of those investing their funds in these institutions, that every adequate means of securing these funds should be made.

I might also point out that the credit unions see in this as perhaps a bit of protective mechanism in the event that at some future date they should be required to enter into the federal depository insurance scheme, a scheme which would be very, very hard for some of these smaller credit unions to individually participate in because of the minimum payments required under the federal scheme. This would make it possible for the credit union movement as a group, or as a whole, to participate if they chose to in a federal scheme if that should become mandatory at any future time.

The legislation makes it very clear that the establishment of this stabilization fund would

(MR. ENNS cont'd.) . . . . be under the control of competent trustees; there would be specific regulations regarding the use and the reinvestment of the stabilization fund. The uses of this stabilization fund are broad. The principal use, of course, is that a credit union does not have to go broke in winding up the affairs before the stabilization fund could give protection to its shareholders - in this instance, very often enabling the credit union to survive a severe financial difficulty.

The other matter, which has been a matter that the people within the organization have been pressing for some time, is the question of making it possible for them to enter into demand loans. In our amendments to the Act in '66 we provided in Section 63A that credit unions could not make demand loans, and we have found this subsequently to be much too restrictive in cases where credit unions make business or commercial loans, and the amendment now provides that a credit union may make such loans on a demand note basis. This would free up considerably the resources of the credit unions within the province, and again I recommend that to the House.

Mr. Speaker, I would like to indicate to you and to the members of the House that these changes have been brought about largely by working closely with the leaders within the credit union movement. In the Caisse Populaire here, in the Province of Manitoba, they have a standing request before me to rewrite a completely new Credit Union Act. However, they are pleased to see these amendments proceeded with at this time, and I recommend these to the House.

MR. EARL DAWSON (Hamiota): Mr. Speaker, having been closely associated with a credit union for a number of years in my town, I realize that the amendments that are being proposed by the Honourable Minister are in all probability those that were requested by the credit unions. I am very pleased to see the stabilization fund become a compulsory thing because I know it will be a big asset to credit unions. However, I also know that the Minister will get some static from some of the larger credit unions who feel that they are not in need of a stabilization fund, but I'm sure that the majority agree that the stabilization fund should be a compulsory method if it is to succeed. I wondered for a time why the Minister was suggesting two stabilization funds but I can understand now, after his explanation, that the Caisse Populaire in all probability want to retain all their French printing etc., and it would in all probability interfere with the English-speaking credit unions.

I believe that the idea of allowing the credit unions to go for demand loans is an excellent one. This will give them a chance to face the new competition that is being offered by all those that are in the money-lending business. However, I feel that the bill has not gone far enough in so much as the annual meeting of the credit unions which was held in March adopted almost unanimously the fact that the interest rate that is being paid on shares must be increased, and it is my intention when the bill is in Law Amendments to offer an amendment that Section 46 subsection (7)(a) would be amended to delete the figure "5 percent" and increase it possibly to 7 or 8.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Kildonan.

MR. FOX: Mr. Speaker, I beg to move, seconded by the Member for Elmwood, that debate be adjourned.

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

MR. SPEAKER: Bill No. 73. The Honourable the Minister of Agriculture.

MR. ENNS presented Bill No. 73, The Noxious Weeds Act, for second reading.

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, this is a very large piece of legislation. It wraps up a lot of our existing legislation into a new bill, so that while the bill has the appearances of being a lot of new legislation I would hasten to assure the members that a great deal of it is on existing statutes. It's a matter of taking the occasion to rewrite the bill and bring it into keeping with present day practices and uses.

Largely, it's been brought forward at this particular time to deal more adequately with the very rapidly growing and successful number of weed control districts that we have in the province. There are some 37 of these weed control districts within the province, these comprising of a minimum of twelve townships, several municipalities usually, or towns and villages, and it is basically a permissive piece of legislation which, when an area agrees to bring itself into a weed control district, they can very effectively deal with the problem of controlling noxious weeds within that area. There are, of course, other portions of the bill which

(MR. ENNS cont'd.) . . . . deal with the problem of noxious weeds generally and they are dealt with in the bill.

There are many different sections in the bill that bring us more into line with some of the practices that are being used in other jurisdictions that we have up to now failed to enter into. For instance, I just mention by way of example that when our combines leave for the south to harvest, it's compulsory that they be inspected and cleaned at the border when entering into the United States. However, coming north this is not a case of a compulsory check for the possible importing of new and noxious weeds into this country. These are among the kind of things that it cleans up.

I would suggest to the honourable members in the House that, in dealing with particularly those parts that refer to the powers and authorities of the weed control inspectors within these weed control districts, they are broad and they are fairly wide, but again I direct the attention of the members that this is only made possible when a district agrees to request that they be brought under such a weed control district.

We have specific problems that deal with absentee land holders or landlords who very often have fields infested with weeds. This spells out specific authority for the weed control district to enter upon these lands and control the noxious growth of weeds on these lands. It further deals with the specific problems that have been a problem for some time regarding the matter of where the jurisdiction of the individual land owner ends and where the responsibility of the Highways Department begins, in those instances where this land borders provincial trunk roads, or trunk highways and provincial roads.

Mr. Speaker, I suggest that the matter of or the principle behind The Noxious Weed Act as contained herein is not new; that rather than take up the House's time with the details of the bill, of which there are many, I commend the bill to the members of the House and to their close scrutiny at Committee, at which time we can have the Departmental people available to us for further questioning on any details that the members would wish further information on. Thank you.

MR. SPEAKER: Are you ready for the question? The Honourable Member for La Verendrye.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Speaker, I would just like to say a few words on this bill and we do not certainly intend to oppose this bill. It modernizes, I think, the Act. Since we've gone into weed control districts, certainly in the country a great deal has been done, where formerly the onus was on the individual owners where now it has been transferred to these weed districts, and certainly, with the proper inspectors a very good job is being done.

I'm a bit concerned about this part pertaining to the railways. This has always been a problem, especially in the handling of screenings, because of the way it's done unloading cars and so on, and from the information I have it's always been very difficult to bring these under the regulations, under the Act. The unloading and anything that is transferred from one vehicle to another naturally exposes seeds and it is very difficult to find who should be blamed. Now I notice that in the old Act it was a very strong section, in Section 8, and I do not see any reference in the new Act. As the Minister said, the inspectors are certainly given a lot of authority in the new bill. However, personally, in my own area the inspectors are the kind of people that you wouldn't worry too much about the authority they are given. On the one hand, if you don't give them authority it's pretty hard to exert the proper control and as long as they're the right kind of inspectors there's never too much to worry.

Another point that I would like to mention is that of the disposing of screenings, and I know that this is not an easy one. Any time you handle them they're always ripe and they're ready for germination, but I wonder if there would not be any modern way to either sterilize or -- the screenings before they are handled, because of actually the fact that, as Section 6 of the Act says, they should be disposed of. Actually, that's where the trouble is, when they're being handled; so if there was some way of finding out if they couldn't be sterilized before they are moved so that the danger is eliminated.

So these are just a few of the remarks that I could see in the bill and I'm sure there will be some representation by people who are much better informed with the practical application of the Act at the time of the Committee and we certainly can discuss it further at that time.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Logan.

MR. HARRIS: Mr. Speaker, I move, seconded by the Member for Kildonan, that debate

(MR. HARRIS cont'd.) . . . . . be adjourned.

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

MR. SPEAKER: Bill No. 66. The Honourable the Provincial Treasurer.

HON. GURNEY EVANS (Provincial Treasurer)(Fort Rouge) presented Bill No. 66, an Act to amend The Reserve for Debt Retirement Act, for second reading.

MR. SPEAKER presented the motion.

MR. EVANS: Mr. Speaker, in 1947 the Reserve for Debt Retirement was created so that all deadweight debt of the province would be retired in the period of between 23 and 24 years. This was to be done by putting into the Reserve, three percent of the original issued amount of each issue of bonds and the Reserve was counted on to earn three percent on the money in it. Mathematics work out that this takes 23 years, then, to retire the principal amount of the debt. Since that time, we have begun to issue savings bonds which are redeemable at any time, and a great many of these bonds have been redeemed. But according to the wording of the Act, we still have to put in the principal amount of three percent of bonds which have already been retired. Consequently, the first change in this Act is to provide that we need put into the Sinking Fund only three percent of the principal amount of the bonds outstanding at the end of the previous fiscal year.

The second provision is as follows: that it's required to put into the Sinking Fund only an earning of three percent, the original amount. Only an earning of three percent on new debt created from now on - not on old debt. Consequently, we're preserving the original intention of the Act, namely, to retire all the deadweight debt in a period of between 23 and 24 years, but relieving ourselves of the necessity of putting in payments on principal on debt already retired and not being required to put into the Sinking Fund earnings any greater than the original three percent.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Lakeside.

MR. CAMPBELL: Mr. Speaker, I would like to ask the Honourable the Minister one question, and it isn't a case of exhausting my right to speak if I may do that because I wish to clear this up before I speak, and that is, is it not a case that quite a bit of the debt is of a shorter term than the 23 years?

MR. EVANS: Yes. Many issues are shorter than 23 years but very often they are replaced by other issues, and consequently by adding and subtracting you come -- Let me put it another way. If the total amount of debts remains constant for the period, some of it being shorter term bonds and some longer term, nevertheless if you apply the three percent principal payment and it continues to earn three percent on that total, however comprised, the total debt would be retired in the 23-year period.

MR. MOLGAT: Mr. Speaker, also without exhausting my right to speak, I would like to ask another question. Could the Minister indicate how much net per year he expects that he will have put aside on this basis, and is this the saving to which he is referring when speaking on his estimates earlier in the Session?

MR. EVANS: From memory, \$1,800,000, and - yes.

MR. SPEAKER: Are you ready for the question?

MR. CAMPBELL: If no one else wishes to speak at this time, Mr. Speaker, I move, seconded by the Honourable Member for Selkirk, that the debate be adjourned.

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

MR. SPEAKER: Bill No. 79. The Honourable the Provincial Treasurer.

MR. EVANS presented Bill No. 79, an Act to amend The Income Tax Act (Manitoba), 1962, for second reading.

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

MR. SPEAKER: Bill No. 89. The Honourable the Attorney-General.

MR. LYON presented Bill No. 89, an Act to amend The Controverted Elections Act, for second reading.

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

MR. SPEAKER: Bill No. 90. The Honourable the Minister of Education.

HON. GEORGE JOHNSON (Minister of Education)(Gimli) presented Bill No. 90, an Act to amend The Education Department Act, for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, the amendments to the Department of Education Act - there are several smaller amendments here. One of them, Section 10 of the Act, outlines the

(MR. JOHNSON cont'd.) . . . . composition of the High School Examination Board, and when United College became the University of Winnipeg it became necessary that it be given representation on the Board; and the members appointed by the Minister have been reduced from two to one, and on it one additional member is to be appointed by the Senate of the University of Winnipeg.

Another section here amends adding the Senate of the University of Winnipeg.

One other subsection there deals with the working capital for the Manitoba Textbook Bureau, raising this from \$1 million to \$2 million. Grants have risen and the Bureau should have more working capital on hand. At the present time they're limited to the advance, and this they wish to have increased.

Another section lists the membership of the Advisory Board, or Section 15 of the present Act, and the amendment provides that, again in connection with our three universities, that where we had the President of the University of Manitoba on the Advisory Board we would now have one appointment from the Senate of the three universities, Brandon, Winnipeg, and the University of Manitoba. Also, the Advisory Board has had discussions with me over the last year and half, and wish to have a secretary appointed to that Board rather than have the Director of Curricula act as secretary.

Another section states that the Board reports to the Minister on regulations regarding many sections in The Public Schools Act, Licensing and Grading of Teachers, Courses of Study, Textbooks, Reference Books and so on, and the Board feel it is more of their duty to consider policy with regard to establishment of new courses, or approving Board objectives for revision, and the amendment to this section would no longer make it mandatory for the Board to assess textbooks and course outlines, but would make it permissive. The Board are a group of representative citizens, a mixture with some laymen, or rather some educators, and several citizen members of the Board are most anxious that they not be required to plough through, say, the new physics. They would like it, on request to go through it, but to make it mandatory for them each to read these several books in different areas they feel is out of date with modern procedures, and they have asked for these streamlinings of the Advisory Board Act, for The Department of Education Act in respect to the Advisory Board, at the several meetings during the past year.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I believe my colleague the Member for Emerson constituency wishes to -- here he is now.

MR. SPEAKER: Does the Honourable Member for Emerson wish to take the floor?

MR. JOHN P. TANCHAK (Emerson): Yes. I have Bill 90 before me and I have a few questions here to ask. I don't think I have anything -- in other words, we'd like to see this bill go through to second reading but there are a few questions that are in order at this time, and at this time and - particularly one at the bottom of Page 2 where there was a change made. "The Minister shall appoint a secretary of the Board," and before this it used to be that "the Board may appoint." There's a change there and I don't think the Minister explained that thoroughly.

And there's one more section which has a principle there. Formerly we voted a certain amount in Section 2, "Advance to the Consolidated Fund." In the past it was \$350,000, if I'm correct. Now this may even go up to as high as \$2 million.

MR. JOHNSON: I can't hear you, I'm sorry.

MR. TANCHAK: You can't hear. Two million dollars. Up to \$2 million. Section 2 on Page 2, "Upon requisition, the Minister, the Provincial Treasurer may advance out of the Consolidated Fund such sums of money as may be required, up to but not exceeding at any one time, \$2 million." In the past it used to be \$350,000 - am I not correct? That was the maximum. And now it's increased up to two million, and I think that formerly we had voted this amount in the estimates. This takes it out. Those are the two questions that I would like answered, Mr. Minister, at this time.

MR. DOERN: Mr. Speaker, unless anyone else would care to speak, I wish to adjourn the debate.

MR. SPEAKER: Your seconder?

MR. DOERN: Seconded by the Honourable Member for Wellington.

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

MR. LYON: Mr. Speaker, I wonder if we could have Bill No. 68 stand, in the name of the Honourable Mr. McLean.

MR. LYON presented Bill No. 87, an Act to amend The Surrogate Courts Act, for second reading.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, there is no one principle in this Bill. There are a number of different sections that are affected by the Bill and some clean-up amendments to it. The name of the Surrogate clerk is changed to "Recorder" and that accounts for changes in possibly ten sections of the Bill.

There is an amendment to make it clearer that the Surrogate Court of St. Boniface has jurisdiction in the County Court of St. Boniface. At the present time it has jurisdiction in the central division of the eastern judicial district, which is described in exactly the same terms as the County Court district of St. Boniface.

There's another change that removes the necessity for registrars to send copies of probate and letters of administration into the Recorder. They will still be available to the public, however, by application to the Surrogate Court district.

There's a broader authority given to the Court to grant probate and letters of administration to truck companies, either solely or jointly with others. Previously, if it appeared that a trust company was named jointly as an executor in a will, then the probate had to be issued jointly and could not be issued to the company by itself where the other executor is renounced.

There was also power to allow the Court to accept notary wills from other jurisdictions - for example, Quebec - for probate without an affidavit of execution.

There are changes with respect to two methods of dealing with small estates. This is an improvement with respect to small estates. One is for the registrar to complete all the proofs, which procedure is being deleted; the other is for the Court to dispose of the estate without letters of probate or administration. The provision relating to the disposal of the estate without letters of probate is being expanded so that it will cover all estates up to a thousand dollars, and it will no longer be necessary to provide for the registrar to complete documents in respect of this type of estate. There's another authority with respect to giving the judges of the Surrogate Court the power to make rules without approval of the Lieutenant-Governor-in-Council, in addition to which there are a number of other lesser amendments. This review does not attempt to be all-inclusive.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, I simply rise to express my approval of this Bill. I think a number of the provisions in it are long past due and I heartily support them.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I would move, seconded by the Member for Logan, that the debate be adjourned.

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

MR. SPEAKER: Bill No. 95. The Honourable Attorney-General.

MR. LYON: No, Mr. Speaker. I beg to move, seconded by the Honourable Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 9:30, Tuesday morning.