

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 p. m. Thursday, June 11, 1970

GOVERNMENT BILLS (Cont'd)

MR. SPEAKER: Are you ready for the question on the motion to adjourn debate? I believe the Member for Crescentwood has about three or four minutes remaining on his time.

MR. GONICK: If I can catch my breath, Mr. Speaker. Mr. Speaker, there are three aspects of freedom that this legislation involves in my view, and I'd like to touch on these.

First, there's the question of the livelihood of the insurance agents. Any major technological change or organizational change disrupts the jobs and careers of the people most directly involved. That is in the nature of change. Dislocation is the inevitable consequence of major industrial change. Certain people are directly confronted with the cost of change, and we know that it is not fair that the benefits of change should go to everyone while the costs are borne by the few. If there is any serious doubt that the benefits to all exceed the costs of a few, then it would be foolhardy and unjustified to proceed with a plan, but in this instance, the case of the automobile insurance plan, there's no question about the benefits exceeding the costs and that is why we insist that we shall proceed. But the fact that the benefits in the aggregate exceed the costs is little comfort to the people that have to bear the costs of the plan. The costs, the burdens should surely be distributed as broadly as the benefits.

Therefore, it is only right that those people whose livelihood has been eliminated will receive some form of compensation. This is a principle firmly believed in by this government. It is a pity that not all the agents of change are willing to accept the responsibilities of their actions; are willing, in other words, to compensate the victims of change that they have caused to happen. It is a crime that the social costs and the individual costs to the people of Bissett had to be borne by the miners and the town people when the mine was closed. And what about the people who lost their livelihood when the Greater Winnipeg Gas Company knocked out thousands of people all over Manitoba as gas replaced oil and other forms of heat.

So if we accept the principle that the cost of change should be universally applied just as the benefits are universally enjoyed, I hope that we would take steps to ensure that this applies in the private sector of the economy as well as in the public sector. In my view, we would do very well to consider passing legislation perhaps in the next session in Manitoba that would implement the principles of the Freedman report.

Now, Mr. Speaker, there is a second aspect to this legislation where the question of freedom and responsibility arises, and not just this legislation but much of the legislation that has been introduced in Canada and in other countries around the world. They're the kind of contradiction, Mr. Speaker, among both modern day liberals or Tories and modern day Socialists or Social Democrats. Both say that they accept the principle of individual freedom, yet the one argues that this can be accomplished by private enterprise with a minimum of government intervention and government involvement, while the other argues that much more government intervention and government involvement in the economy is required and that this will not reduce individual initiative and freedom.

MR. SPEAKER: I believe the honourable member has used up the time allotted him.

MR. GONICK: I wonder if I could ask the indulgence of the House to complete this thought.

MR. WEIR: Granted here, Mr. Speaker.

MR. SPEAKER: The honourable member may proceed.

MR. GONICK: Thank you. The one ideology argues that individual freedom and economic efficiency must have top priority; the other argues that material security and greater equality must have the top priority. I believe that both ideologies are in trouble. In this age of the mammoth manipulative controls available to the giant corporations that dominate our lives, individual freedom or freedom of choice is largely a myth, and in the light of recurrent economic crises of unemployment and inflation and stock market crashes and enormous wastes of resources to satisfy the ephemeral wants of the affluent while the urgent wants of the poor go unattended, we may well wonder about the efficiency of private enterprise as an economic system.

But division of the socialists suffers too. Too often it amounts to little else than division of a society made up of well fed, well housed, well clothed people cared for by the state or working for the state. We find that it is necessary to involve government more and

(MR. GONICK cont'd) . . . . more in the economic and social life of a nation, and it is not just the NDP who believe that this is necessary. In 1929, less than ten percent of the gross national product was spent by the state by all levels of government. In 1970 it is around 30 percent, and this was accomplished by Liberal and Tory governments.

The growth of the state worries me as much as the growth of big business. I know that it is a necessity. This Act to establish a compulsory state-run insurance plan increases the size of the state once again just as Workmen's Compensation did, Manitoba Hydro, Manitoba Telephone, Medicare, Hospitalization, the growth of the public educational system - all necessary essential programs. The growth of government is required because only government can provide these things in a fair, equitable and efficient way and most people accept this. That's why governments are forced to implement these programs whether they be Liberal, Progressive Conservative or NDP Governments. Big government, and beyond that economic and social planning, is a recognized necessity of all national and regional economies, but this means big bureaucracies and bureaucracies, whether in public industry or private industry, are stifling and are unresponsive to demands for change in my view.

If we want to establish a real democracy, a real involvement by people in the affairs that affect their lives and a real freedom and initiative, it means more than the freedom to choose from among 29 brands of deodorant and it must mean more than having the right to vote once every three or four years. Unless planning from the top is blended with active participation from below, a planned economy leads to renewed manipulation of the people. Unless publicly owned industries, such as automobile insurance for one, involve both public participation and worker participation in decision making, publicly owned enterprises can be almost as unresponsive to public needs and are as authoritarian in employer-employee relations as are giant privately owned enterprises.

I have a fear, Mr. Speaker, that unless the growth of big government is matched by the growth of voluntary associations of people in neighborhoods and in industry, people organized to plan their own neighborhoods and their communities and organized to decide their own destiny at their place of work, then we will end up with a society of well fed, well clothed, well housed robots, manipulated by the state as well as being manipulated by private enterprise and the media.

The voluntary association of people into decentralized units is by definition not something for government to undertake, but it is something which a social democratic government must be aware of, as the member for The Pas was saying today, something which you can facilitate. Socialism in my view means nothing if it does not mean power transferred to the people. If, on the contrary, it means power transferred from private bureaucracies to public bureaucracies, then it does not achieve the kind of democratic involvement that a socialist society is capable of achieving. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I wonder if the honourable member would permit two questions. With a view to the honourable member's rather expansive references to the people and the will of the people, I wonder if he would concede that three out of four Manitobans did not vote last June for public automobile insurance.

MR. GONICK: In answer to that, I would say that more people in Manitoba voted for the New Democratic Party than voted for any other political party, and since automobile insurance was a prominent part of our platform, I would assume from this that we have a mandate from the people of Manitoba to introduce this program.

MR. BUD BOYCE (Winnipeg Centre): How many people voted for CFI?

MR. SHERMAN: My other question, Mr. Speaker, of the honourable member, is if this industry is totally devoid of competition as he alleges, I wonder if he can account for the situation that I placed on the record and which is in Hansard, whereby I advised the House yes, that I found that by approaching five different companies I was able to make a choice between five different rates and the discrepancies were rather substantial.

MR. GONICK: Well, I can't account for the member's particular experience. However, judging from the Wootton report, which is I think somewhat more authoritative than the member, this is not the experience available to most motorists in Canada today. So I would wonder if his experience is not what is unique and limited in this instance.

MR. EINARSON: Mr. Speaker, I wonder if the honourable member would permit another question? In his speech he indicated the word freedom, or the lack of freedom. I am wondering if he would like to indicate if there is any country in his opinion that enjoys the freedom

(MR. EINARSON cont'd) . . . . . that he would like to see.

MR. GONICK: Mr. Speaker, freedom is a relative term and I don't think we will ever achieve, any country will ever achieve an absolute amount of freedom for all individuals to realize their own potential and to become involved in their own destinies. I think it is something we work towards and I have never myself argued that the experiences of any other country are particularly relevant to this country. We have our own history and our own traditions and we work within that history and we work within that tradition, so I find totally irrelevant the experiences of other countries. So to me it's a question which is only of academic interest.

MR. GIRARD: Mr. Speaker, I wonder if the member would entertain one more question. In his discourse before dinner he suggested that one of the reasons for the increase in insurance premium was tax evasion. I wonder if either I misunderstood his statement or if he would care to explain that particular part because I can't follow his reasoning.

MR. GONICK: Well, Mr. Speaker, the point I was making simply is that there are techniques that have been devised for this industry to evade taxes which would mean that the companies would enjoy profits greater than they otherwise would if they had to transfer more of their profits to the government or the people through the regular tax system. So it's not so much that the prices are higher because of the tax evasion but that they enjoy higher profits than they otherwise would if they paid their share of the taxes as described by the tax laws which would normally apply to them.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well, Mr. Speaker, I have another question based on his answer, simply a matter of clarification. Are you suggesting that companies are evading taxation or avoiding taxation? -- (Interjection) -- Well, Mr. Speaker, the Minister of Finance says "oh come on." He knows better than that, he's the Minister of Finance. There's a distinction between evading and avoiding, and are you suggesting avoiding taxation or evading taxation? -- (Interjection) -- Well, Mr. Speaker, one is criminal. The honourable member has suggested the insurance companies have evaded taxation. That's criminal, yes.

MR. GONICK: . . . to say that obviously the insurance companies are doing nothing that is outside the law, otherwise they would be in institutions other than the ones that they now reside in.

MR. SPIVAK: Just for the point of clarification. The insurance companies are complying with the law on the basis of the presentation that you've made. -- (Interjection) -- Yes, as the law exists.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 118 on Page 6, please.

MR. SPEAKER: Adjourned debates on second reading. The proposed motion of the Honourable Minister of Finance, Bill No. 118. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I would ask the indulgence of the House to have this matter stand. I was unaware that we were going to proceed with this at this point and I haven't got my notes with me.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm wondering if it wouldn't expedite matters if perhaps we could go on to other legislation and perhaps the Member for Rhineland could obtain his notes and perhaps we'd come back to it later this evening, if that wouldn't be an imposition.

MR. WEIR: Well, Mr. Speaker, on the point of order, I have no deep objection, but by the same token the matter was called and having been called -- had it not been called I think we might have had a different point of order in terms of shifting around the Order Paper and I would have no objection, but when it has been called we're again up against the question of whether we shuffle on the Order Paper or whether we don't. I'm not going to raise a point of objection, all I'm doing is pointing out the difficulty that exists.

MR. CHERNIACK: Mr. Speaker, may I make another suggestion, and that is I'm sure that the honourable member would be prepared to stand aside if someone else wishes to speak and we could thus have another speaker and then, by leave, if he can get his notes he could carry on. Unless nobody else wishes to speak on this bill.

MR. FROESE: Mr. Speaker, I'd be quite happy to have someone else speak. I'll be prepared to go tomorrow morning. If I'd known this . . .

MR. WEIR: On the point of order, Mr. Speaker, unless the honourable member raises something argumentative I would be prepared to let the matter go, so I'll reserve my position.

MR. SPEAKER: Stand? (Agreed)

MR. GREEN: Bill 43, Mr. Speaker.

MR. SPEAKER: Second reading, Bill No. 43. The Honourable the First Minister.

MR. SCHREYER presented Bill No. 43, an Act to amend the Legislative Assembly Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the legislative proposals as contained in Bill 43 are to be regarded as an effort on the part of the government to try and introduce a number of changes in the Legislative Assembly Act that will provide for greater flexibility and more effective utilization of the time of members of the Assembly that may be in a position to serve as Legislative Assistants. In addition to that, it also clarifies certain either ambiguities in the present Legislative Assembly Act or certain points which require clarification.

Members of the Assembly will recall that in recent days we did pass in this Assembly the Executive Government Organization Act, and the effect of that Act was to give the Executive Branch of government greater flexibility in organizing its departments and providing also for Lieutenant-Governor-in-Council to make organizational changes, departmental changes, simply by way of Order-in-Council.

I believe that in our time it is important to maximize flexibility in the operation of the Executive Branch and I suppose that is the thinking also of honourable members opposite, because there seems to be general consensus on both sides of the House with respect to the Executive Government Organization Act. I submit that the provisions of Bill 43 amending the Legislative Assembly Act are, in some of its provisions, a logical extension of the changes for greater flexibility in the Executive Government Organization Act.

Now to try and deal with the main points of the Bill in logical sequence, Mr. Speaker, I would point out to honourable members that lest there be any continuing doubt, as apparently there has been over the years, as to the eligibility or the propriety of a member of this Assembly receiving reimbursement for certain travel expenses and the like, that the provision of Bill 43 is to remove any doubt or ambiguity in that respect. Over the past many years, I can recall where questions were asked in the Assembly as to whether or not the reimbursement to a member of reasonable travel expenses was permissible or not under the existing provisions of the Legislative Assembly Act. There would be contention expressed, opposing views expressed back and forth. It seems in certain circumstances such reimbursement of reasonable out-of-pocket expenses were made; in other cases they may not have been. The effort here in this Bill is to remove any doubt and provide a complete clarification in that respect.

Also, members are aware that at the present time the Legislative Assembly Act reads that no member of the Assembly may have any contract with the Crown, and yet I dare say that there have been occasions in the past where someone who did have a contract with the Crown, and specifically a loan agreement with the Manitoba Agricultural Credit Corporation or the Manitoba Development Fund, subsequently were elected to this Assembly and then doubts arose, questions arose as to whether this was not in violation of the Act.

I should like to indicate to honourable members that I would intend to move an amendment in Committee to provide -- I believe it is Section 2 would be amended in Committee because it is in error the way it reads here. The way the Bill reads in its present form is that anyone who is a member of this Assembly may, after he becomes a member, enter into a contract to borrow money from the Fund or the Agricultural Credit Corporation. The intention really is to make it clear that those who have prior to their election had such a contract made, have that continue in effect. It is not the intention to provide that someone may enter such a contract after he becomes a member. There are good reasons for not wanting to extend the provisions that far, Mr. Speaker.

With respect to the appointment of Legislative Assistants, I know that the Member for Morris has put himself on record a few weeks ago as favouring the practice in the federal House of having Parliamentary Secretaries to Ministers. As I recall the arguments of the Honourable Member for Morris, he indicated that Ministers are greatly overworked and I should think that that applies at both senior levels of government provincial as well as federal. It makes sense, therefore, to introduce some flexibility in arrangements so that a member of

(MR. SCHREYER cont'd) . . . . the Assembly may serve as the provincial equivalent of a Parliamentary Secretary, or in other words, a Legislative Assistant.

Now, in order to take care of the one problem that seems to be bothering some honourable members opposite who suggested that while the idea might be a good one, nevertheless the number of members in a provincial House being smaller, that if every Minister were to have a Legislative Assistant there would be very few private members who were not Legislative Assistants. I can accept that kind of reasoning and therefore there was some effort made here to limit the number that could at any one time serve as a Legislative Assistant. The number in the Bill happens to be five. I must say with some embarrassment that the intention was four, and through some error it is put in here as five rather than four. Now I would be most interested to hear the views of honourable members opposite as to whether even the number four would be excessive. Certainly I don't anticipate any argument from the Honourable Member from Morris inasmuch as he has put himself clearly on record as favouring the concept of some kind of assistance, Parliamentary Secretaryship or otherwise.

MR. JORGENSEN: Mr. Speaker, may I ask the Minister a question? He has on two occasions referred to my comments in the House, and if I remember correctly, I stated that I thought the practice in the House of Commons was one that was not only commendable but was necessary, but I thought that in the provincial Legislature there would be all Chiefs and no Indians.

MR. SCHREYER: The Member for Morris is completely correct, Mr. Speaker; that's exactly what he said but he did not say that there was no need for that kind of work to be done. He suggested that there would be a problem in numbers and I certainly accept that and accordingly suggest that there be a number limited, understood, and even more than understood, provided for in statute as a limit.

Now I don't know, Mr. Speaker, whether honourable members would be interested enough to want me to go into greater detail as to the case that can be made for a more efficient and rational allocation of work as between Ministers and members of the Assembly generally and members, the private members on the government side. Certainly, Mr. Speaker, it does seem less than logical that we should have under our present practice here a situation whereby 12 or 13 men are under great work load pressure, time pressure, and have others who are in a position and who have the ability to help being precluded from doing so and being precluded from receiving even a modest amount by way of emolument for the extra time and effort.

For members who are wondering what the extra emolument would be, I can indicate that as per provisions in the estimates that it would be in the order of \$2,000 to \$3,000, and on that basis the total appropriation for this extra work and assistance would be less in terms of the cost to the Crown, to the public, would be less than the appointment of an additional Cabinet Minister. The appointment of one more person as a Cabinet Minister would cost more than the appointment of three or four Legislative Assistants, and on that basis I make the argument that there is not only good and logical grounds but also there is good cost-saving reasons for doing it this way. I suppose some might think that is not that important an argument in itself, although I think that those who are cost conscious would have to admit that this is a significant difference, departure in how we are trying to organize work distribution in a way that can maximize cost saving to the public.

I believe, Mr. Speaker, I have dealt with the more important provisions of the Bill. No doubt questions and certain points of view will be put forward by honourable members opposite either in debate here or in deliberation in committee, in Law Amendments Committee or Committee of -- I'm advised by the Minister of Labour that it is customary for a bill such as this dealing with the Assembly to be dealt with in Committee of the Whole. Well, it still leaves my main point the same, that is that there is opportunity for some further discussion and elaboration on this matter as of this point. Thank you.

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, I move, seconded by the Member for Riel, that debate be adjourned.

MR. G. JOHNSTON: Mr. Speaker, before the question is put, would the First Minister entertain a question? In Section 17 it states that a member of the Assembly may accept from the government indemnity allowance, salary or reimbursement. Would this be separate and apart from the proposal to have up to four executive assistants?

MR. SCHREYER: Well yes, Mr. Speaker, not to the same person necessarily, but this

(MR. SCHREYER cont'd) . . . . would apply to any member of the Assembly as I attempted to articulate. I suppose I didn't do that good a job of it earlier in my remarks, that the intent or the purpose of Section 17 was simply to clarify, to remove any ambiguities with respect to present practice. The honourable member may recall that there has been from time to time questions raised as to the eligibility or propriety of members of the Assembly to receive certain kind of out-of-pocket expenses reimbursed to them, and I have, quite frankly, got conflicting opinions on the matter. When I have made further enquiries I have found that in actual practice over the years there has been cases where arrangements were made for reimbursement of out-of-pocket expenses simply as that, out-of-pocket expenses, in the case of travels -- (Interjection) -- no, not salary, but in the case of out-of-pocket expenses and that's really the purpose of this section. Now the reference to salary per se would be simply relating to 61.1, the Legislative Assistants.

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

MR. GREEN: Mr. Speaker, would you call Bill No. 82 on Page 3, towards the bottom of Page 3.

MR. SPEAKER: The proposed motion of the Honourable Minister of Agriculture, Bill No. 82. The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I had originally adjourned this debate for the Member for Arthur who was absent at the time, but since I have the opportunity I don't mind rising and saying a few words on this particular bit of legislation. The Crop Insurance Act was one of those programs introduced by the Conservative Government . . .

MR. G. JOHNSTON: Mr. Speaker, on a point of order, would the House Leader indicate what bills are coming up? Some of us have some other duties and if we knew in advance what bills were coming it would be helpful.

MR. GREEN: Mr. Speaker, I'm sorry if I put my honourable friend in some confusion. I intended to go straight down the Order Paper except that the Minister of Agriculture told me that there was some urgency. I wonder if members would peruse Bill No. 128, which I can't introduce except by leave of the House, while the honourable member is talking because I'd like to do that next. And I'm not suggesting that you don't listen to the honourable member.

MR. JORGENSON: I didn't think, Sir, that there was even a remote possibility that even if I had intended to be complimentary that I could get through a speech without somebody interrupting me. It hasn't been my fortune as yet, and I suppose it is the destiny that I face in this Chamber.

But I do want to say that the Crop Insurance bill, or the amendment to the Crop Insurance Act that is now being proposed is one that has been considered for some time. I think honourable members will recall that Manitoba is the province that pioneered this legislation. As a matter of fact, Sir, I recall, and the Honourable the First Minister frequently likes to remind me of my association with the farm union, and at that time I drafted and presented the report on crop insurance to the Crop Insurance Committee that was set up by the former Premier of this province, Premier Campbell, and at that time I recommended that a voluntary crop insurance program be set up within the Province of Manitoba. -- (Interjection) -- No, not including hail because we felt at the time that the information that was necessary in order to implement a comprehensive crop insurance program could best be obtained by setting up test areas, by gaining some experience in the matter of crop insurance.

MR. SCHREYER: Mr. Speaker, perhaps the Honourable Member for Morris would like to have an opportunity to put on the record whether or not he is still a member of the Manitoba -- of the Farmers' Union.

MR. JORGENSON: I'm no longer a farmer so therefore I don't qualify. So I hope that answers the First Minister's question.

But I was saying, Sir, that the experience that was necessary in order to operate a successful crop insurance program within this province could best be obtained by the setting up of pilot areas which was done at that time. Following the setting up of the pilot areas, the Federal Government which was headed by the Right Honourable Mr. Diefenbaker, who I was pleased to serve for some years, under enabling legislation was introduced into the House of Commons which provided that 50 percent of the administration costs be shared with the province of such a program plus 20 percent of the premiums paid in by the farmers. That has subsequently been altered. The premium rates I believe now that are being contributed by the Federal Government is now 25 percent and the amount of money that is available under

(MR. JORGENSON cont'd) . . . . . indemnities has also been increased. There has been some variation in the program.

In addition to that, the Province of Manitoba was successful in getting the Federal Government to underwrite the entire crop insurance program and it was this concession that enabled the Province of Manitoba to expand this program to cover the entire province. It has proven to be of some considerable benefit to the farmers of Manitoba in spite of the fact that not all farmers take advantage of it, not all farmers view the program in the same light, not all farmers have the same set of circumstances, and not all farmers have the same necessity for insuring themselves against crop losses. So because of the freedom on the part of the farmers to choose and to select the kind and the type of insurance that he requires for his crop, it has met with some great acceptance on the part of farmers of this province. I might say that with the Manitoba experience, and it was the first experience gained in this country on crop insurance, other provinces now have taken advantage of the federal legislation and have branched out to crop insurance programs in their provinces as well.

The introduction of hail coverage is one that had been considered for some time and I'm glad to see that the Minister has taken this step and introduced this program. One of the questions I would like to ask the Minister and perhaps he could answer it when he replies, would be whether or not the program will be kept apart from the remainder of the Crop Insurance program since I understand the Federal Government would not consent to underwriting the hail insurance within this province, and whether or not it is going to keep a separate set of books. Whether or not the administration of this program will be separate or whether it will be covered by the administration cost currently being picked up by the Federal and Provincial governments. I'd like to say that as more experience is gained in this program, I am hopeful that even further amendments can be made so that you have a fair balance between what is administratively possible and what is acceptable on the part of the farmers, and there is some conflict. We start at opposite ends and gradually you attempt to work to a point where the people who are entrusted with the responsibility of administering this program have the type of program that they can handle and at the same time the type of program that the farmers find acceptable. The introduction of an amendment to the Act to include hail is a forward step in that direction and I want to commend the Minister for the introduction of this Legislation.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I had not intended to speak tonight but I realize the urgency of getting this bill through. It is now the 11th day of June and we've already experienced hail storms in the Province of Manitoba. I really have no particular criticism of the Minister at this time except to say that the bill should have been sent to the House some time ago because again it's another of these programs that was pretty well prepared for him when he went to office. I want to congratulate him on bringing in this bill on a voluntary basis and to point out to him if Bill 56 had been brought into the House on the same basis as the crop insurance amendment to the Crop Insurance Act that we wouldn't be having the problems that we are in the House at the moment.

I'm a little disappointed Mr. Speaker, that there is not some indication of what the rates will be and what the coverage will be, what the maxims will be and particularly as it is adjusted throughout the province. I see reference here to designated hail insurance areas within the province and I await with interest to see how the rates will compare with those that are already established by the private companies and by the cooperative hail insurance programs or policies that are being offered in the province at this time.

I think that my colleague the Member for Morris has pretty well covered the waterfront in regard to the position that we take on this side of the House and with these few remarks, I intend to support the bill, Mr. Speaker.

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

MR. ENNS: Mr. Speaker, my colleagues are in a particular docile mood this evening and far be it from me to disrupt the equilibrium that seems to have been established this evening, but I can't really let this Bill, as good as it is, slide by without taking the opportunity to make a few corrections, particularly those that were read into the record by the agricultural expert on that side - and I'm referring of course to the Attorney-General - when he made several statements and speeches about crop insurance. I think also he had some confusion about the compulsory aspect of crop insurance. He kept referring to the fact that the test areas were set up by compulsion and so forth and the record should stand to be corrected, that there

(MR. ENNS cont'd) . . . . . was no compulsion in any respect that affected the individual farmers. As my colleague the Member for Morris just indicated very clearly the need for an orderly and a sane approach to this whole new field and whole new concept of developing a crop insurance scheme in an untested, untried field. It was advisable to set up test areas from which to glean the necessary information. But that's all that was set up; the members within that test area certainly were under no compulsion to join the insurance scheme. It was a voluntary scheme throughout and I commend the Minister of Agriculture for pursuing this voluntary nature of crop insurance in the extension that he now plans with hail insurance.

But aside from correcting the interpretations of the Attorney-General with respect to crop insurance, I really wanted to rise and indicate, and underline, if I could, Mr. Speaker, once again, that the Minister of Agriculture has reason of course to hope for the speedy passage of this Bill and I certainly don't want to hold it up. We'll have it passed very shortly I'm sure, Mr. Speaker. But one of the reasons, and it's rather important, that he gave some time ago in this House, was he of course has to establish rates for the new hail policies that will be issued and he doesn't want to announce to the public the rates that will be established for hail insurance because the private sector may well be able to come underneath those rates, or at least compete effectively with those rates and that from the Minister's point of view wouldn't really be giving his scheme a fair chance.

Mr. Speaker, this to me is significant, that we have here a government sponsored insurance scheme whose administrative costs are subsidized and borne by all the taxpayers -- I'm speaking essentially of the crop insurance as it now exists. The administrative costs of the Manitoba Crop Insurance Corporation is paid by, contributed by the Federal Government. That means, you know, the person in Vancouver is helping to pay for the Manitoba grain farmers crop insurance; or the person in Whitehorse, Yukon Territories, who's far removed from any agriculture industry is helping to pay for the administrative costs of this government insurance scheme. This is fine. It was a scheme that had to be developed, that had to insure the soundness and the healthiness of the prairie farm economy. It's interesting to me, Mr. Speaker, that while he hasn't divulged and the bill doesn't divulge just how or what portion of the administrative costs of this extension of hail insurance is going to be covered or picked up by the already existing organization. I would be very much surprised, Mr. Speaker, that while there may be technical difficulties, that we'll have to accommodate some separate bookkeeping, but surely, you know, I credit the Minister with enough common sense that he's not going to set up a separate bureaucracy, a separate entity to administer the hail insurance scheme. It will essentially be done, because I'm sure this is where some of the savings in efficiencies that will have to come into, will be administrated by the same agents that are selling the government scheme, the same administration will be administrating the hail insurance extension program, in other words, they will take full advantage of that already subsidized administration that's providing the administration for the Manitoba Crop Insurance scheme generally.

But even under those circumstances, the Minister accepts and is prepared and knows full well that the private sector could well compete effectively, and then one wonders, Mr. Speaker, where the 15 or 20 percent savings really are in the Bill 56 proposal. But here we have an example right now under a voluntary scheme, which means that not all farmers are going to be in it, so that you don't have the benefit of universal premium collections reducing the risk, but on a voluntary scheme the government in its putting forward this extension to the crop insurance namely in the hail insurance scheme, is concerned about the ability of the private sector to compete effectively. And well they might be, Mr. Speaker.

I wouldn't want anything that I'm saying to be misconstrued that I am opposed to the extension that's envisaged in this bill. I want it to be put on the record though very plainly one of the reasons why it's being there; and that's not because the existing hail insurance is inadequate or is not performing the job; it is largely, Mr. Speaker, it comes about as a point of convenience. You have farmers that are now having to buy several policies to get the comprehensive coverage that they desire, who are otherwise well satisfied with the general crop insurance that they have on their crops, would like to deal in a one package arrangement to have the hail coverage as well. This is fundamental, and I note the Minister agrees with me, one of the fundamental reasons for providing a more rounded service to the farmers, and this is really what the government is in the business of providing service.

But I couldn't let the occasion pass, Mr. Speaker, to indicate how, you know, that gulf separates the ideological approach to voluntary hail insurance when you're selling it to the

(MR. ENNS cont'd) . . . . . farmers and compulsory government run auto insurance when you're dealing with the problems confronted by Bill 56. I would only suggest to you, Mr. Speaker, that the difference is this; the difference is political, pure and simple. Hail insurance wasn't such a prominent plank in the NDP Party literature or the NDP Party position prior to the election; auto insurance is and was, and so as I said before, the auto insurance issue is legitimately before us as a result of the election June 25th. But Mr. Speaker, it does point out, you know, how this group of gentlemen across the way can rationalize their approach to essentially the same thing when politics is not involved. Thank you, Mr. Speaker.

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

MR. McKE LLAR: Mr. Speaker, I just want to be very brief but I thought it only right that I should say a few words, being one of those involved in the business. I want to congratulate the Minister as the other members have who have already spoken. He's taken the right point of view this time, that of having voluntary hail insurance in competition with the private industry. We all know the private industry did a very good job, and I want to mention, I think one particular company which sells over half the hail insurance, around half the hail insurance, co-op hail insurance, a company that has had an excellent record; they turn their dividends back to the people, back to the individual policyholders, and over the years I think that they have served the people well.

Now the Minister I know has got a lot to learn about hail insurance. I'm one of those that has collected on hail insurance. I was hailed out completely in 1956; I was hailed twice in '57, practically all my crop that year. In 1962 I was wiped out again and I know the problems of hail insurance, I know the problems as a farmer, I know them as an agent and I'm sure that the people who will be establishing this industry this year in conjunction with the crop insurance will have many headaches if there's any hailstorms.

I only wish that the Minister would look favourably at the auto insurance the same as he does with the hail insurance. It's the right point to take, the right point of view to take and I congratulate him for this. Now there's a few questions I want to ask. One of the problems you're going to have is on rating. I doubt very much if you can sell any hail insurance this year, I think you're too late now; I know you're too late. I know it won't start till '71, because if you're going to sell it you got to be out selling right today, not a month from today. I don't know whether you can answer these questions, but I want to know how you're rating, what's the largest amount of dollars per acre that you will sell, whether it's \$10, \$20; I want to know the number of thousands of dollars per section that you will sell. I want to know the largest number of dollars, thousands of dollars that you will sell on a township. I want to know whether you'll establish your rate on townships or how you'll base your rating; and also I want to know will the rates be subsidized by the Province of Manitoba, because I think this is a very important thing. Will you have field men in every part of the Province of Manitoba? Will you have adjusters in every part of the Province of Manitoba, and will you pay your losses in a prompt manner such as the present hail insurance companies do? We all know the record of the government's position when it comes to paying losses. In fact I acted as a witness in a court case in a car accident I was involved in last November and I have yet to receive any money. And if this is the case in a hail insurance loss, I'm afraid the farmers will look to the Co-op Hail and other private insurance hail companies to a greater degree.

Now I think that's all I have to say on hail insurance, but I want to say this to the hail insurance agents in the Province of Manitoba, this is the second time the Government of Manitoba dipped into their pockets in this session, the second time in this session that the Government of Manitoba has dipped into their pockets. I think they'll be thinking the next time that they'll be dipping into their pockets will be taking over the fire insurance, or going into the fire insurance business and we won't know till the time comes. But I think they're getting a little sick and tired of this and I'm sure that many of them will be hoping that you've come to a halt on this.

Now that's all I have to say in this. I'll be asking a lot of questions when we go into committee, because I do know some of the headaches that are involved with this particular industry and I'll want a lot of answers.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I'd like to just direct one question to the Minister of Agriculture, and that is whether if one-half of the automobile insurance in Manitoba was carried by the Co-op, would he support a competitive position in government in automobile insurance?

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

MR. FROESE: Mr. Speaker, I do wish to make a few comments on the bill before us which is an Act to amend the Crop Insurance Act. I will have some more things to say tomorrow when I speak on another bill in connection with the matter of crop insurance, but I would like to know whether the government would consider extending some of the dates by which crops have to be seeded for crop insurance purposes, not necessarily for hail but for crop insurance, because right now in southern Manitoba many farmers are facing a disaster and I feel that the date by which time the crop has to be seeded should be extended by at least two weeks. We know that some of the dates by which certain crops have to be in, the due dates have passed. Some were on June 10th. I think for wheat it is June 20th, so that you have different dates by which time the crops have to be in the ground. I feel that because of the situation today where farmers are not to blame, I feel that these dates should be extended. Whether this falls within the regulations I am not quite sure although I think it rests with the regulations, but I checked the regulations in the original Act and I am unable to find it at the moment. I didn't have time to check this before because I was not presented with the problem before. I feel that we should have an extension of these dates so that those farmers could still qualify under the crop insurance program; because that is the purpose of the whole program, that the farmers can obtain insurance. While many farmers in the Red River Valley have never collected under this program and while many of them have subscribed to it and paid premiums, they've never collected and now that they're faced with a situation, they find themselves in a position where they might not even qualify to come under the program, and there I would certainly implore on the Minister and appeal to him that the dates be extended so that they could come under this program.

We note that there are certain changes made, for instance the matter of changing from Managing Director to Manager. I'm not sure whether the Minister explained this when he discussed the bill on first reading, but certainly there is a difference. I think members know the difference that it implies, but perhaps he could enlarge on it before the bill passes second reading and just what are the objections in this case, why we are changing from Managing Director to Manager. Certainly it takes away certain prerogatives of the Managing Director, certainly it takes away some power in my opinion and why is it necessary, why are we making that particular change?

Another point: will the crop insurance agency accept notes for hail? I think this is the standard practice with other hail insurance companies. I don't know whether there's any reference in the bill to this matter in this connection and I would like to hear from him on this very thing as well.

Another point is that we have been told over the years by both mutual insurance companies, by the cooperative insurance company, that they're operating at cost. This has been the motto of Pool Elevators, "service at cost." For years and years this was their motto and people were led to believe that this was service at cost. Now we find that the province is going into hail insurance, competing with the co-op insurance company in this matter and where farmers were considered to get the service at cost. It's the same as with the auto insurance program. Again we find that the government is going into it when at the same time people have been led to believe, and I think they considered it so, that they were getting the service at cost, and I don't see where we can give them service at less cost.

However, I will not object to bringing hail under the crop insurance program, because if you have a program of this type it might as well include hail and since it's voluntary only those people that want it are able to avail themselves of it. So that I will not oppose the bill as such but certainly I will have some more questions to put when we discuss the bill in Committee. In the meantime, I would suggest that the Minister give us some answers to some of the questions.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Our group, Mr. Speaker, is willing to go along with this bill. I agree with the honourable former Minister of Agriculture that the bill is timely and should have been perhaps brought in four or five years ago already and not only at this time. I think there is need and I'm glad to see it come in now.

I think the Honourable Member for Rhineland is making a very reasonable request. After all this year is a very good example as to us not getting in some of the crops, and I guess he feels especially with that seven and a half inch rain they got in his area yesterday, I'm sure that this can happen again. It's an act of God that cannot be helped, these things. After all this is part of the reason that the insurance is being set up to help the farmer and if we can help in this respect I think we should consider the merit of perhaps two weeks or two and a half weeks in that area. We are willing to let this bill go through as fast as possible and like to see it in.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I indeed want to say that I am pleased that the members opposite have seen fit to not delay the passage of this bill through second reading and indeed that they're prepared to support the measure.

The Member for Morris raised a number of questions which I think - well, in particular one which I think ought to be answered, and that is the one dealing with the question of administration costs and whether or not we will be keeping the hail insurance program apart or separate from the existing crop insurance program. My answer to that is that there is no doubt that we must keep our accounts separate, in that one program, the current program is a joint venture as between the Province of Manitoba and the Government of Canada and that there's no doubt in my mind that the Government of Canada will want to be satisfied that we are not loading our costs of hail insurance on to their program. I'm satisfied that they will assure members opposite that this is going to be the case.

The Member for Arthur took a moment to suggest that this bill should have been introduced some time ago because it had indeed been prepared by the previous administration, and I want to really challenge that because my indication from the department is that for many times they had suggested to the government, who are now the members opposite, that this ought to be done but that repeatedly the idea was rejected and that it is a fact that the Crop Insurance Corporation just completed the drafting of this legislation only about a week or two ago. So I can't accept the remarks of my honourable friend the former Minister of Agriculture in this connection.

I am not surprised to know that they have discussed the matter on a number of occasions, but I do know - and I trust that my departmental advice is quite accurate - that members opposite which were then the government consistently refused to consider or to implement this measure for reasons which are known only to themselves. True, it is a popular measure and they find themselves in a position of having to support it. I don't know whether they would have introduced it had they been in government today, and I want to support that argument on the basis that when I was a member of the opposition, for two or three years either myself or the Member for Ethelbert introduced motions in this Legislature suggesting that hail insurance be included in the crop insurance program and these resolutions were voted down every time. So I'm rather amused that members opposite are trying to take some of the credit or limelight of the development of this particular amendment to the Crop Insurance Program.

The Member for Lakeside made quite a point of the fact that we are not making this a compulsory measure and that he tried to compare this piece of legislation with Bill 56 having to deal with automobile insurance. I want to point out that the comparison is totally irrelevant in that one could only compare a crop insurance measure with that of unemployment insurance. It's really an income guarantee to an insurance program and there is no need to make it compulsory for one to indeed insure himself against a loss of income if he doesn't so wish to in the area of agriculture. So while I have to admit that in the area of unemployment insurance it is also compulsory, but I suggest that that should have been the comparison but not a comparison as between crop insurance and automobile insurance. One obviously must know that the privilege of driving an automobile requires that one be financially responsible, or at least it should have that requirement, and that is certainly a vast difference and a different responsibility from a crop insurance program and the participation thereof.

The Member for Souris-Lansdowne made mention of some concern he had about what the coverage would be and how we would rate the province. I believe, if my memory serves me correct, it's going to be up to \$30.00 an acre and that the rate will be based on crop insurance districts as they are defined now. In other words, a great many townships will be involved in each rating area and there will be fieldmen and adjusters throughout the province the same as we now have with the crop insurance program. Losses no doubt will be looked after in the proper manner. I'm sure my friends opposite will defend the past practice of the Crop Insurance Corporation in the way that they have handled their claims and I don't expect anything less, in fact I would hope if anything we would improve the service if at all possible.

The member went on to point out that this is the second time in this session that a measure of this government is going to dip into the pockets of hail insurance agents. I suppose he really meant the automobile insurance agents, some of whom, some of whom also sell hail insurance. I want to point out that this is only so if the private companies will not be able to compete with the province in the business of hail insurance, and I want to say to my friends opposite that since there is no subsidy and the fact that the administration costs will be borne by the premium, that the competition should be fair.

MR. CRAIK: Poor argument.

MR. USKIW: Poor argument, my honourable friend from Riel - or is it St. Vital? The Member for St. Vital tried to draw a comparison as between hail insurance and the automobile insurance program as well - (Interjection) - Is it Riel? Yes. He said would I support a program of automobile insurance in competition if a cooperative company had at least one-half of the business, and I want to say to my honourable friend opposite that the logistics of Bill 56 do not change by virtue of that particular situation and that my position would be the same and it's the interests of the people of Manitoba that must be the concern of this Legislature.

I might also point out in that connection that there is no cooperative automobile insurance business in the Province of Manitoba or indeed in Canada as far as I'm aware. In case my honourable friends opposite - (Interjection) -- Co-op Fire and Casualty or Co-op Insurance Services. Well, while the name is there, the fact of the matter is that they are a joint stock company operating under board rates, as I understand it, unless it's been changed very recently.

MR. McKELLAR: So who owns the stock?

MR. USKIW: They are owned by the various cooperatives across Canada but they are operating no different than any other insurance company.

MR. McKELLAR: They have their own rate book. They have their own rate book.

MR. USKIW: As far as I'm aware they are using Board rates, as far as I'm aware.

MR. McKELLAR: I don't think so. I don't think so.

MR. USKIW: Well, I think I'm right. This change was made - oh, three or four years ago at least. I recall a piece of legislation in the Government of Canada or in the House of Commons dealing with this particular matter some few years ago. Members opposite, in fact the Member from Morris ought to recall that particular situation. So indeed we do not have a cooperative insurance industry within the Province of Manitoba as one would define a cooperative. They are a joint stock company owned by the cooperatives of Canada which is quite a difference. -- (Interjection) -- My honourable friend can check with them and I'm sure he'll find that I'm right.

The Member for Rhineland wanted to have the government consider the advisability of extending the time by which crops could be seeded in this particular year because of the current weather conditions, the fact that many farmers have not got their crops in at this stage. I want to say - and I'm not sure but I think I'm right - that this would be very difficult at this point because the insurance program is an agreement between Manitoba and Canada, and I'm sure that to extend the time we would have to get the concurrence of the Government of Canada or the Department of Agriculture at Ottawa to make that change, and while it may be a reasonable proposal, I have some doubt whether it can be accomplished very quickly; and secondly, it would probably require a special rating system to accommodate those that are seeding beyond certain dates. This is something that we may look into in the future to try and improve the program, but I do feel that it's probably very difficult to try and effect that kind of substantial change overnight. I appreciate the fact that it's worth trying and I undertake to look into the possibility.

The question was raised as to why we are changing the Managing Director to that of a Manager, and I want to make reference to a statement that I made in the course of one debate in this House during this session about our policy with respect to boards, commissions, Crown corporations and so forth, and that policy is that we want to separate the policy-making body from the managing personnel. We don't want to have a manager of either the Crop Insurance Corporation or even the Credit Corporation deciding policy. We are trying to separate these two functions, and I think properly so, because from time to time there could be a conflict of interests arising during some of the board meetings and it's really unfair to the policy-making people, which are appointed members of the board, to have to dispute points with the managing director.

I think we do run into problems from time to time and this is something that I am very strong on. I think that we appoint boards, lay people to sit on these boards to develop policy and to recommend policy to myself, and I don't think that a person that is a manager ought to be part of that development. I think that person has to advise in many ways as to how things can be improved, he has to liaise properly with the board but he should not be a decisive factor in policy making. And this is true with respect -- this will be true with respect to the Crop Insurance Corporation; the Credit Corporation; it is a fact with the Manitoba Vegetable Marketing Commission, it is a separate role; it is also going to be such with the Hog Commission where

(MR. USKIW cont'd.), . . . . a managing director will not be on the board and this will come about very shortly, so that we will be consistent throughout all our boards, commissions and Crown corporations, trying to keep the two points very much separate.

One of the other points that was raised by members opposite was whether or not the Crop Insurance Agency will accept notes, and I'm sure members opposite know that they have done in the past and will continue to do so and will include that practice within the hail insurance program. — (Interjection) — Pardon me?

MR. McKELLAR: What rate of interest?

MR. USKIW: I can't quite give you that information at the present time. It'll be a nominal current rate, Mr. Chairman. That pretty well covers it, Mr. Speaker. Thank you.

MR. SPEAKER: Are you ready for the question?

MR. McKELLAR: Mr. Speaker, I'd like to address a question to the Minister. Under the crop insurance scheme itself the government of Canada I think acted to re-insure, do they not? Will you have a re-insurer for the hail insurance part, you know, or will the Province of Manitoba act to re-insure?

MR. USKIW: Well, I think if you look in the Bill, Mr. Speaker, you will find that for the initial period to offset any early disaster the province has undertaken to loan funds to the corporation if it gets into trouble in the first year or two before they build up their reserves. The premium subsequently will pick up and repay that loan.

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

MR. GREEN: Mr. Speaker, I wonder whether honourable members are prepared to grant leave to introduce Bill No. 128. It's not entirely necessary, it could be done tomorrow morning as well.

MR. WEIR: Mr. Speaker, we would be happy to have the introduction and on the basis of the introduction decide whether or not we wanted to adjourn until tomorrow morning or to deal with it now.

MR. GREEN, by leave, presented Bill No. 128, The Fishermen's Assistance and Polluted Liability Act, for second reading.

MR. SPEAKER presented the motion.

MR. GREEN: Mr. Speaker, I indicated the other day in the House that there is some urgency about this bill merely so that payments can be made to the fishermen under the program that has been agreed to between Ottawa and the provincial government after consultation with the fishermen concerned, and I'd be of course prepared to give details of the program to the members when the bill goes to committee.

Essentially, that is what the bill permits. It does then introduce a new feature to the law to clear up any question as to whether or not there is a liability on the part of people who pollute waters and thereby cause injury to fishermen. It is our present position that the law is now such that the polluting agencies are responsible for the loss that has been suffered by the province and by the fishermen, and as I advised honourable members previously, legal action will be taken by the province to attempt to recover this loss.

It's always dangerous, Mr. Speaker, from a laymen's point of view to introduce legislation which declares law, which you think to be the case in any event, because it is often said, well if the law was such why are you changing it? Well, Mr. Speaker, I take this position. We now are proceeding on the basis that the law is what we say it is. We can't guarantee success and I indicated that to the House when I dealt with this question previously. We would like to think that we could succeed. The legal opinions are varied, but nevertheless we are going to proceed with the case to the highest legal jurisdiction that our law officers advise us, but in the event, Mr. Speaker — and I want to indicate that I'm not saying this is the case — but in the event that it was not the law before, we intend now to pass legislation which makes it a tort to contaminate waters in such a way as to damage fisheries so that fishermen affected thereby are then out of pocket.

The provision with regard to the change in law is contained in one of the sections of the bill, Mr. Speaker, and this bill has been carefully drawn but it has been drawn very quickly. There are some aspects of the legal liability that I may wish to review and change in committee. In particular, there is one clause which attempts to place an onus on the polluter which may have to be somewhat softened although I'm going to consider that with the legal people involved.

So essentially, Mr. Speaker, what we are requesting is legislation permitting us to pay the fishermen compensation in terms that have already been agreed to. We are also seeking to

(MR. GREEN cont'd.). . . . declare law that we hope exists in any event, and if that sounds unusual then I appeal to the lawyers in the House to explain that it's not that unusual. The Interpretation Act, as I recall it from memory, provides that legislation shall not be deemed to change the law, it can sometimes just state the law. We hope that's what we're doing, that is we hope that we are stating propositions of law that would now be adopted by a court, but if by any chance that is not now the law, we feel that we desire laws of this kind and, Mr. Speaker, I would say that what we are doing now would probably be more effective pollution control legislation than exists in the province up until now and possibly than exists in the country. I know that the Federal Government is interested in the provisions that we are enacting and have requested copies of them, that is relative to pollution.

This particular Act, if it doesn't already -- if people are not already deterred by the notion that they can be held responsible for polluting the waters, when this is in existence it can act as a greater deterrent to polluters than they presently exist. Anybody who decides that they're going to discharge mercury into the lakes or streams of Manitoba will do so with the knowledge that they could be sued for the results of that mercury on the living fish in the water, and we are of the opinion that this will certainly cause industry to take all possible steps to see to it that the kind of thing that happened in Manitoba will not happen again.

It's also the case, Mr. Speaker, that I am of the hope that this will not cause any jurisdictional problems, that the tort would be committed in Manitoba and therefore suit could be taken against a company which is beyond the boundaries of Manitoba provided that -- recovery may be difficult if we were not upheld by a court in another jurisdiction, but if the company had assets in Manitoba then there would be no problem.

So this is the effect of the bill, Mr. Speaker. I would like to have approval in principle. There are some refinements which I would be bringing in at committee or likely to be bringing in.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, in order to facilitate this matter and in order to allow it to go to the committee as quickly as possible, I think we are prepared to make a few comments and allow it to go to committee based on the statements that the Minister has indicated.

I should mention that almost inherent in what the Minister suggested is some indication that a polluter is known now to the government, and this I think is probably the first time that this has been indicated, that there is a determination now that there is some definitive information of a polluter who has caused or has been responsible for part of the mercury pollution.

Now in this situation, there is action obviously that's going to be commenced once this law is passed or once this -- well, once this Act is passed, I think therefore from our point of view, not for the point of view of obtaining information of who the polluter is but to have some general idea of the determination of how the government arrived at this decision, that is to say who the polluter is, I think it would be important that in the committee hearing there be some indication of how this information is determined, the actual procedures that are followed, because I think the procedures that are followed would have some bearing on the way in which the sections possibly have been drafted.

The onus provisions that have been mentioned by the Honourable Minister of Mines and Natural Resources are significant and should not be accepted unless there is great justification for it. It goes I think against some basic principles that lawyers will feel pretty strongly about and I would simply -- well, I would hope that when we have the opportunity in committee that there'll be a full explanation and possibly revisions on this which will give us an opportunity to see to it that because of the concern and public mood that we do not prejudice the right of individuals to a fair hearing or a fair opportunity of defending themselves in a situation which there has been a great deal of emotion caused and a great deal of concern to a fair segment of the population. We have a responsibility to ensure that rights are protected, and I would hope that in dealing with this we'll be in a position to ensure that we are ourselves enacting this legislation not caught up in that emotion which would prevent us from fulfilling a real function of protecting the rights of the individual.

At the same time, I think we all recognize that there are a number of people who have been harmed this year as a result of the mercury pollution that has occurred and it's our hope that they will be compensated. I think we would want a further explanation from the Minister at the time that the bill is before the committee of the manner in which the discretion to be exercised by the Minister will take place so that we will know how payments are to be arrived at, who is to receive payment.

(MR. SPIVAK cont'd.)

And I say this, Mr. Speaker, because we have had an experience already with respect to the Fisheries Act in which we had a section in which there was to be purchase of surplus property which was left to the discretion of the Minister and so far that has been very unsatisfactory. The discretion that was exercised by the Minister has not met the satisfaction of the people who claim that as a result of the Fish Marketing Board operation their property has become surplus and that the Minister should have exercised his discretion as it was indicated he would in the committee hearings when this was dealt with last September.

I would think that we on this side would want some very detailed explanation in connection with this to ensure that there will be a fair opportunity for those who may feel that they are entitled to greater compensation, for the opportunity to have that reviewed, and that the discretion and power is not left entirely in the Minister's discretion alone. I think that we would look to the Minister for some detailed explanation, and at that time would make a determination on our own part as to whether we will or will not attempt to amend it so as to provide for an independent adjudication in those situations in which fishermen may very well feel that they are not being compensated properly or that in the exercise of the discretion there is some discrimination that they feel has taken place.

Again, Mr. Speaker, on the basis of what is attempting to be done, is to protect the rights of the individual. So, Mr. Speaker, we will look forward to the explanations in detail by the Minister at the committee stage.

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

MR. MOLGAT: Mr. Speaker, as I have been urging the Minister and the government to move in this direction I do not intend to hold up the passage of the bill at this time and I'm quite prepared to give it second reading so that we can get into committee for full discussion. I must say that I have, on the face of it at least, some very grave reservations about certain aspects of the bill. I recognize that it had to be hastily drafted and I'm prepared to await the committee portion to go into the details where the Minister can explain more fully.

My first concern is the welfare of the fishermen, and it seems to me that in this case too much discretion is left in the hands of the Minister and that we should build into the Act some methods of very clear protection for the fishermen who are after all the ones we want to protect. Rather than leave the whole question, as the bill now reads, the Minister may make payments, in such amounts, upon such terms and conditions as he considers appropriate, in the opinion of the Minister and so on, I think we would be well advised to set up an independent board to deal with this.

After all, we do have the precedent at this very same session where the government has appointed a board in the case of flood claims and in that case they picked two individuals who are not connected with government but who have long municipal experience, Mr. Elswood Bole is the Chairman and Reeve Fines of the R. M. of Rockwood, who are set up as the board to administer and decide on the claims. It seems to me here where the fishermen are aggrieved that there ought to be an independent board. There is a federation of Manitoba fishermen and certainly they could provide candidates for such a board. I think we might well look to the Indian Brotherhood of Manitoba and to the Manitoba Metis Federation, both of whom have a large number of their people who are directly affected in this. I think a large number of the fishermen who are being hurt by the pollution are either members of the Federation or of the Brotherhood. I think we might consider someone from the Union of Manitoba Municipalities. In this way the Minister could set up an independent board, assuring that there would be no government pressure of any kind and the rights of the fishermen would be protected.

Similarly, I think that some appeal provision should be provided in the bill, so that if a fisherman feels that he has not been fairly treated there is a clear method for him to have an appeal heard. As the bill now reads, it is entirely up to the Minister and I really think that this is not in the best interest of the fishermen themselves, not that I think that the Minister wants to be unfair to them but the Minister after all has his monetary problems and this I do not think should be the consideration. We have to remember that the Minister started off originally by saying that he would consider paying compensation if he was able to collect from the people who were doing the pollution. He moved away from that position and I commend him for it, but I want to be sure that the fishermen are protected in this case because they are the ones who have suffered.

Now on the other hand, Mr. Speaker, I think we have to be fair as well to the people whom we are now going to determine as being polluters. I think in this area the government

(MR. MOLGAT cont'd.). . . . has the responsibility to define what they mean by a contaminant. Now there is no definition in this Act. It may exist elsewhere, I don't know, but I don't think that it is sufficient for government to declare by this Act that someone can be sued for the discharge or permitting the discharge of any contaminant from premises occupied by him without defining what a contaminant is, because there are many products on the market today which could be contaminants and where the user of the product has no means of knowing. In fact many of our detergents at the moment could well be considered contaminants. How serious or how non-serious is very difficult for the individual to determine. Government can, however, and I think that there is an obligation here for a clear-cut definition so that no one could suddenly find himself in the position of being subject to a suit without having had any means of knowing that he was in fact polluting.

So I would appeal to the Minister to consider that aspect of it, to ensure that there is a clear-cut statement of what is allowed and what is not allowed, and then quite obviously if someone does pollute he is obviously subject to prosecution. So with those reservations, Mr. Speaker, I am prepared to support the bill going to committee and I would hope that the Minister then can ensure on these two sides the protection of the fishermen first; and secondly, ensuring that we are not going to put someone unduly in a position of being sued without fair notice.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: I would join with the others, Mr. Speaker, in not wanting to really hold the bill up too long, but I rather take an opposite view to my friend the Member from Ste. Rose in that I wonder whether the government have gone far enough. I do realize that they are trying right now to compensate a commercial fish industry and I wouldn't want to muddy up the waters on that project, but I think there are others that are going to have to be considered and considered very closely, and to mind comes the tourist industry. I don't know how you assess this but there must be some assessment made. I brought it up the other day, that the people that have used the fish industry itself, or the fish as the main product, require some way of assistance, assured assistance.

I think that in pollution that we've got to take a good clear look at it and say, well there's those many other kinds of pollution such as air noise pollution which are just as bad, and I am using this bill just in hopes that the government will be able to come forward with a solution to this in the next session and add to it a complementary bill in which they can bring forward a means of assistance to the types of industries that will be affected, or is being affected and will be affected in the very near future.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, just a few brief words on this. The pollution problem which we've become acutely aware of in the last few months is one that presents a very depressing picture. There's probably been quite a bit less said about it during this session than may have been said and I think probably some have been reserving on it because they've been hoping that the matter might be cleared up in fairly short order. This appears now that it may not happen; we may not actually be able to clear it up as soon as we had hoped.

With respect to Bill 128, I think that the question I wanted to ask the Minister on it refers to one particular section which would be Manitoba's right outside its own provincial boundaries. We find ourselves I believe, although the Minister has not presented us with the specific cases, but the information that we have so far indicates that the polluter on the Saskatchewan system is in the Province of Saskatchewan and the polluter on the other end is on the English River system which lies in the Province of Ontario, so that in both cases it's questionable whether Manitoba has recourse against the companies involved.

Now the Minister said in his introduction that there appeared to be very little question if the companies had assets in the Province of Manitoba, but if I interpreted his remarks correctly, there appears to be some question whether there actually would be court action open to the province if the company did not have assets in the province. Now the company I believe that's in Ontario is a private company that may be an affiliate of a larger company which would serve this purpose. I believe the one in Saskatchewan is a cooperative which may in fact be a local one only, which opens up the question in a problem of pollution whether it should not in fact come under the Canada Water Act rather than under a provincial jurisdiction, and I'm not fully enough aware of the Canada Water Act to know whether this in fact is so. Perhaps the Minister could advise us whether there may in fact be provision under the Canada Water Act for action to be taken in the case of pollution.

Now I rather think that with the seriousness of the pollution that is taking place that we've

(MR. CRAIK cont'd.) . . . . reached the position where an industry pretty well should be required by legislation to prove itself innocent well before using it. -- (Interjection) -- Yes, I realize that this provision is in the bill and I endorse it. I think that the pollution problem has become so serious that this would be a requirement.

The other remark I wanted to make, Mr. Speaker, is that I do question the powers granted to the Minister in the case of the individual fisherman who may want to take action or anybody else who may want to take action. The government has open to it recourse to the courts against the polluter, and it seems like it would be worth some further legal interpretation as to whether or not the individual fisherman or other person involved in fishing should not have legal recourse open to him in approaching the damages that may be incurred upon him.

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

MR. FROESE: Mr. Speaker, I, too, wish to make a few comments since the government is in a hurry to have this bill passed. I just question a few things. One is the basis of assessment on which losses will be based. How is the government going to assess the losses when payment is requested? I would like to have a more detailed or a better explanation of this. Is it based on past years' experience and past years' income by certain fishermen? Is that the basis on which these claims will be presented to the government?

Then also the matter of assignment of a right to sue. I note that the bill is retroactive but only to the first of June of this year. Does that mean that any losses that were sustained prior to that date, the government does not have the right to sue? Are we speaking of — when we speak in terms of assignment, the right to sue only as of that date, as of June 1st of this year? If that is correct then certainly I don't expect that the government will collect much money from the various people if they do sue.

I also would like to question the Minister as to the amount that is set aside by the government for this purpose. It mentions Appropriation 12, subsection (3), and there is various items under that particular heading. There is one: Commercial Fisheries Development which is increased by roughly \$110,000. Is that the item we're speaking of, or just what figure does the government have in mind as to the amount that is set aside for this purpose? In a way, I feel that we're making ourselves, or the government liable for this, that they will be paying certain moneys to the fishermen whereas we've just discussed the crop insurance, which is more or less paid by the farmers from their premiums, and here we're insuring a crop to the fishermen and yet the government is bearing the full cost. I just wonder how do you reconcile the two and what is the future program going to be in connection with this. Are we going to continue this program beyond the current year and the next year or two, and is this going to be a continued liability on the Consolidated Revenue Fund? Just what does the government have in mind in this? I would like to know what the projection is in this matter if we're to pass the legislation that is before us.

Mention has been made here that they are willing to allow this to go to committee and have discussions in committee, but so often I find that when we do get to committee there is no discussion, that it's just being passed and that's it. I feel that certainly if we're not going to discuss it further in committee then let's get the information now.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, I'm really quite at a loss to understand some honourable members because everything that is in here with the exception of the change in law is something which we have given details of to the House already and all of the things that have been asked have been answered. The Honourable Member for River Heights claims to want certain information from the Minister; the Honourable Member from Ste. Rose claims to want certain information from the Minister; all of this information has been previously given and after they claim to ask the questions they leave.

The Honourable Member for River Heights says that this is the first time that I have indicated that we knew who the polluters were. Mr. Speaker, there must have been half a dozen occasions on which I mentioned that we knew who the polluters were. The Member for Riel who sits next to the Member for River Heights mentioned who the polluters were. He must have found out and I take it he found out in this House. Well, Mr. Speaker, I mentioned it in my statement that one of them was a firm in Saskatchewan, one of them was a firm in Dryden. I didn't mention the names of the firms but I indicated that I had seen them printed in the papers on several occasions. I didn't mention them because I didn't want to make a mistake about the name, but the fact is that we have indicated from the very beginning that we knew who the polluters were. The Honourable Member for River Heights says that this is the first time that it has been so indicated.

(MR. GREEN cont'd.)

He says that the Minister is going to have complete discretion with these payments. Mr. Speaker, I advised the House not more than a week ago that there was an arrangement made between the Federal Government, and agreed to by the Fishermen's Federation, as to what these payments would be and the terms, and that details are available and I will be giving them to the members at committee.

He also says that he wouldn't leave this Minister have the discretion because we've seen him use his discretion before. Well, Mr. Speaker, first of all I want the member to know that I don't have the discretion and the reason that I don't have the discretion, or at least one of them, is that I insisted, this Minister who apparently acts so arbitrarily, I insisted with the Federal Government and with the fishermen that if there is an argument between the fishermen and the compensating authority that there would be a tribunal to settle that argument, and it's very coincidental that that tribunal will be the tribunal that was mentioned, or at least it will be headed by Mr. Bole that was mentioned by the Member for Ste. Rose.

But the fact is that that was told to the House previously and actually the bill would be unnecessary - there have been compensatory payments granted for flood relief and other things at other times without the bringing forward of a bill - so the bringing forward of a bill which says that the Minister will do these things apparently brings fear into the hearts of the members where it wouldn't have existed before. If we had compensated the fishermen as I indicated we were going to do a week ago without bringing in the bill there would have been no problem, but bringing in the bill somehow makes an ogre out of the Minister.

Now, Mr. Speaker, these terms have been agreed - you don't have to rely on the Minister of Mines and Natural Resources of Manitoba - they've been agreed by the Department of Fisheries who are really the ones who initiated the compensation, I can't take credit for that, they say they will pay 50 percent and I told that to the House; they've been agreed to by the Fishermen's Federation who are the people who are to receive the compensation; they've been agreed to by our department; and in the agreement there is contained a provision that if there is a dispute that that dispute will be referred to the tribunal.

So if you're worried a great deal about the Minister having too much power, I can allay your fears and I assure you that the details, if you'd like them, as to how the fishermen will be compensated - my honourable friend talks about projections - we're talking about the open water season of 1970 which is from the beginning of June and that's why the date June 1st is important, and if my honourable friend the Member for Rhineland is worried, that's the day, June 1st, upon which they could have started fishing if they would have been entitled to. The season runs I believe until the middle of November and we have made no decision with regards to what will happen after that. I know that the fishermen feel that they should be entitled to continued compensation. I sympathize with them but I am unable to make a present commitment for either the Federal Government or this government that it will project farther than the open water season.

The Member for River Heights says that he's had previous experience and he talks about some sinister experience apparently where I've had to compensate people in relation to the fish. Well, Mr. Speaker, the member said that the government has not kept its commitment. I suggest to you that the government has kept its commitment in every way. The Minister has done exactly what he would have to do under the Act if he had declared these places redundant. We have offered to buy the assets of these firms at their market value and that is all that was ever undertaken by the government with regard to any redundancy provision. He says that we should declare them redundant, but, Mr. Speaker, I say that that in itself is a redundancy because you can offer to purchase them at their market value without declaring them redundant and that's exactly what we've done. So I don't know that he has any right to suggest bad faith on the part of the government in dealing with the fish processors. What he is unhappy with is that I will not take the money belonging to the people of the Province of Manitoba, the people who you represent, and give it in unlimited quantities to his friends, and I say, Mr. Speaker, . . . .

MR. ENNS: Now, now, now.

MR. GREEN: Mr. Speaker, the fact is that that is what he is unhappy with. When I say his friends, I'm not talking about his buddies, I'm talking about the people who he thinks should be getting money from the people of Manitoba and he would like us to be lavish with the people's money insofar as these people are concerned. I prefer to deal with the people of Manitoba's money as if it were my own, that I won't spend a cent that I don't have to, and that is what the provisions of the Act are.

MR. ENNS: That's what worries us, that's what we're afraid of.

MR. GREEN: Well if you think that's frightening, I know it doesn't frighten my constituents and it doesn't frighten yours either.

MR. ENNS: It might frighten the hell out of my wife.

MR. GREEN: Your wife wants me to spend your money faster than you spend it, does she? So, Mr. Speaker, I don't know why these problems should be raised at this time. The Member for Ste. Rose suggested that at one time I indicated that we would only pay money if we recovered it in court. Mr. Speaker, I never said that in relation to the mercury ban after the Cedar Lake closing. For some time the Federal Government was purchasing mercury contaminated fish that were fished from Cedar Lake. They quit on - I believe it was April 1st - and left the period of approximately 10 days when they stopped. It was only on that occasion that I indicated that I would try to help the fishermen recover this money, but as soon as mercury resulted in the declaration of prohibition on the lakes, I followed exactly what the federal program was and that was that there would be an advance loan. I explained it many times in the House that the monies would be loaned to the fishermen on the basis that if it was recovered the monies would be repaid, but I never backtracked from the position which he says that I took. I never took the position with the exception of fish from Cedar Lake which were not purchased by the corporation for the last fifteen days.

Mr. Speaker, I want to thank honourable members for facilitating the debate this evening. I regret that certain irrelevancies have been introduced into the debate but I hope that we'll be able to answer certain questions at committee.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I did ask the Honourable Minister a question regarding the relationship between this and the Canada Water Act. Can he advise?

MR. GREEN: I am unaware of any provision in the Canada Water Act which would strengthen the power to sue as envisaged by my honourable friend, that is outside of the province. If the general law of tort is as we hope it is, then the fact of the two companies being outside of the province will not affect our recovery. In other words, if the general law of tort in Canada is what we hope it is and the basis upon which we are taking the suit, then the fact that the company is out of the province will not mean anything, but if the general law of tort is not so, then we would be legislating in this Act for the Province of Manitoba. We could sue the company for a tort which they committed in Manitoba but if they had no assets in Manitoba it would be difficult to recover. The point that my honourable friend makes that perhaps something should be done to make this -- if it is a new law, and I don't admit that it is, but if it is a new law, should steps be taken to make it Dominion-wide so you don't have a dispute as between provinces or discrepancies as between provinces. I indicated in my remarks that the federal department was interested in what we are doing. They have asked for the Act to be sent to them and it's my impression that they want to make it, or they are looking to see whether it could be used as a model for a nationwide Act.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I did have one question. How much is set aside in the estimates to cover the expense of this bill.

MR. GREEN: There are no estimates for this, but I indicated previously in the House that the amounts that are going to be charged on the government will be roughly \$1,000,000. The total amount of compensation will be \$2,000,000; \$1,000,000 will be paid for out of provincial money. The charge that is referred to here is a departmental appropriation. When the estimates were prepared that departmental appropriation would have been for other matters, but this way they can spend it out of that appropriation and then when the money has to be raised, either it will be raised through under-spending in the rest of the governmental activities or by special warrant I would imagine. I'm talking about finances as if I knew, but this \$1,000,000 was not anticipated when the estimates were prepared.

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

MR. SPEAKER: It is 10:00 o'clock; the House is adjourned and will stand adjourned until 10:00 o'clock tomorrow morning.