

THE LEGISLATIVE ASSEMBLY OF MANITOBA
9:30 o'clock, Friday, July 9, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements; Tabling of Reports, Notices of Motion; Introduction of Bills.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is to the First Minister. I wonder whether he can indicate whether the government has an intention of bringing off-track betting to Manitoba.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I'm not sure that I heard correctly. The Honourable Leader of the Opposition is asking whether the government intends to allow off-track betting? I will refer that question to the Attorney-General who will probably have to take it as notice in any case.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I'll frame the question for the Attorney-General. I wonder whether he can indicate whether it's the government's intention to bring in legislation to legalize off-track betting.

HON. A. H. MACKLING, Q. C. (Attorney-General) (St. James): Mr. Speaker, the Honourable Leader of the Opposition ought to know that it is not open to a provincial Legislature to bring in legislation dealing with betting of any kind, that this whole area of wagering depends on federal law and the federal Minister of Justice has under advisement requests presently from the Province of Ontario to legalize off-track betting. We naturally are concerned as to what happens elsewhere in the country because that would have an effect on what happens in other parts of Canada as well.

MR. SPIVAK: Well, the First Minister -- if in fact the federal Minister of Justice allows off-track betting . . .

MR. SPEAKER: Order please. The question is hypothetical. The Honourable Leader of the Opposition.

MR. SPIVAK: Well, I wonder whether any government policy has been determined in the event that the Minister of Justice does make a decision allowing it.

MR. SCHREYER: Well, Mr. Speaker, certainly insofar as this session is concerned, I can tell the Honourable Leader of the Opposition that there is no intention whatsoever to proceed with any kind of legislation at this session, and I doubt very much whether this will be necessary at any subsequent session. The Honourable Leader of the Opposition is engaging in some flight of fancy about off-track betting and such related matters, it must be because he attended Peter Pan, the performance of Peter Pan. . .

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

MR. SPIVAK: I wonder if the First Minister can indicate when the last Hydro Board meeting was held.

MR. SCHREYER: Mr. Speaker, I'll take that as notice to get the exact date. It was a matter of a few weeks ago.

MR. SPIVAK: I wonder if the First Minister can indicate whether the Chairman of Hydro received permission from the Hydro Board for his trip and for his leave outside of Manitoba.

MR. SPEAKER: Order, please. I do not think that that's a functional question for the House. Matters that pertain to Hydro are matters for Hydro to indicate. The Honourable Minister of Finance. We're still under the question period. The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, on July 8th at 2:30 the Honourable the Leader of the Opposition asked me on what date I instructed the Provincial Auditor to do an audit on the Manitoba Development Corporation. I know he must have been dealing -- I assume, I assume he was dealing with a special audit which I requested in regard to transactions dealing with the complex at The Pas. The instructions were given on March 30th, 1970.

MR. SPIVAK: I wonder if the Minister of Finance could indicate, was this after Mr.

(MR. SPIVAK cont'd.) Stewart had passed away or before?

MR. CHERNIACK: I don't want to say without checking, Mr. Speaker.

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

MR. CHERNIACK: Mr. Speaker, may I just . . . about this matter. Well no, I'll just leave it that way. I'll make sure and advise my honourable friend.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, would you call Bill No. 80, please?

MR. MACKLING presented Bill No. 80, an Act to amend The Unsatisfied Judgment Fund Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, the proposed bill would amend the amount that may be charged motorists upon registration of a vehicle, from \$1.00 up to a maximum of \$2.00. As most honourable members will realize, the Unsatisfied Judgment Fund has been an unsatisfactory vehicle itself for dealing with the claims of uninsured motorists in this province, and that is one of the reasons why this government early decided that major remedies were necessary and compulsory automobile insurance by all members of the House was recognized as being needed. The technique of the compulsory automobile insurance wasn't universally agreed upon but this government decided that once it was necessary to make insurance compulsory to really meet the need, then government had an obligation to come up with a scheme and a system which would ensure the lowest possibly cost to all those who were required to take out automobile insurance.

The Unsatisfied Judgment Fund has been an unsatisfactory instrument to really meet the needs of those innocent people who are the victims of accidents where they have no way of being compensated other than by government provision of funds for them. The present fund will be eventually phased out after the implementation of the Autopac system on November 1st. However, there will likely be a need for the continuance of the fund for some time because of the backlog of claims and the extensive time that generally has been taken in that settlement and processing of claims under the ordinary system that has existed and will exist up until November 1st. The present fund does provide compensation through court order for actions of the uninsured hit and run -- or particularly the hit and run motorist, and covers personal injury, death and property damage.

The number of uninsured vehicles involved in accidents during the two preceding years increased by about 25 percent. There were 775 in 1969 and 966 in 1970. Correspondingly, Mr. Speaker, the registrants who opted to pay the \$25.00 surcharge to the fund rather than take out insurance, increased by only 7 percent from 4,616 to 4,932 in 1970. In 1969-70 - that's the fiscal year '69-70 - 59 judgments were paid out from the fund. Only eight of the 59 arose out of accidents in 1968, the balance occurring between 1963 and 1967. The majority, approximately 60 percent, arose out of accidents in 1966 and 1967. So you can see, Mr. Speaker, that there is a backlog of cases, and the information that we have is that the fund would be exhausted and would not have the funds with which to answer the backlog of claims that now exists unless provision is made for payment of further monies into the fund.

When the levy was raised from 50 cents to a dollar for the 1971 registration year, it was estimated that the liabilities of the fund would exceed the assets by about \$700,000. Even at that time it was known that there would have to be another levy within the limits of the Act. So, as you can see, Mr. Speaker, it is necessary to provide again for an injection of further money by those upon whom claims are made, the motor vehicle owners, in order that this system, bad as it has been, can at least be enabled to meet the claims that were properly made, or will be made pursuant to it, up to November 1st, 1971. It's a matter of practical common sense that the money has to be found and it has to be found somewhere to provide for a payment of the system that has been ongoing and will continue at least until November 1st, 1971, and will be phased out afterwards, to handle the claims that have been made in accordance with that previous system.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Souris-Killarney.

MR. EARL MCKELLAR (Souris-Killarney): Mr. Speaker, speaking on Bill No. 80 and the explanation by the Honourable the Attorney-General, he notes that the Unsatisfied Judgment Fund has not been a satisfactory instrument to take care of uninsured motorists. But I'd like to say to the Honourable Attorney-General right now, will there not be uninsured motorists after November 1st? I say there will. And I think rather than phase it out, rather than phase this Unsatisfied Judgment Fund out, I think you're going to have to retain it. You're going to have to retain it for a very good reason, because not all cars that drive in Manitoba are Manitoba cars. There's cars come in from North Dakota, there's cars come in from other states in the United States and other provinces in Canada, that are not insured. So what protection has the Manitoba motorist, even though he may be insured, against another car, another vehicle from another province, another state, that's not insured? And for that very same reason I think that you have to retain this fund.

Now, getting around to the fund itself. The Minister of Highways, I think it was about a year ago, he condemned the Conservatives because the fund ran dry. Now I don't know what the Conservatives had to do with the fund running dry. I don't think any one of us ever collected off that fund - I know I never collected off that fund. I don't know suppose my honourable leader here ever collected off that fund. So I don't suppose I had any more responsibility for the fund running dry than the Honourable Minister of Highways, and I don't think he ever collected off this fund. But I didn't -- it's a case in point.

Now I want to say to the Honourable Attorney-General, I want to say to the Honourable Attorney-General, I think Manitoba has the best average of people insured who are involved in accidents on the highways, I think in all of Canada, maybe in all of the United States. That's a pretty big statement to make at this time. I think the figure runs around 96 percent of all people who are involved in accidents are insured. Now I know that even in Massachusetts and New York, you won't find that high a figure, even though they have compulsory insurance, and I say to the Honourable Attorney-General, don't phase this plan out. Don't phase it out. Retain it because you and I might need it at a later date. Who's to say? It isn't only that we might be insured. I've always been insured and you've always been insured, but the person we might run into might not be insured.

Now what happens to the person that steals a car, takes it without permission? Even your car outside the Legislative Building. I don't know what the regulations of your compulsory plan, Autopac, will be; I don't know what it will contain; and for that very reason I doubt very much if it will protect the owner of the car in case of an accident with an uninsured vehicle or somebody that takes your car without permission. I doubt very much if it protects you. So I think there's many, many cases that will come up after the first of November that will need a plan such as the Unsatisfied Judgment Fund. Now you can call it, you can change the name and you can come up with a new plan, but it will have to serve the same purpose. I remember so well when the Unsatisfied Judgment Fund only protected third party cases, in other words personal injury cases, and about four or five years ago or a little longer, it was amended to protect property damage claims, only after you went through the courts the same as the other judgments under the personal injury claims. But I think it has served a useful purpose. It must have served a useful purpose because many thousands of dollars have been paid into this plan by 50 cents or \$1.00.

Now the increase, the amount, the Honourable Attorney-General didn't mention whether this was a one-shot deal to increase it from \$1.00 to \$2.00 or is this going to continue on for two years, and how much money is in the plan at the present time? I would like to know that question.

There's something else in this bill here, Bill 80, that deals with antique cars, amendments to the antique cars, and I don't think the honourable member explained that section, Section 5, where it's an offence for an undertaking with an antique car, and when he closes debate I hope he explains this section to that each one of us will know so we can explain it to the people who have antique cars in our areas, because there are a lot of antique cars. There are a lot of antique cars that are used to go around to the various fairs. There's a lot of antique cars that go to the Austin Museum and other places that will be having events this coming summer. And I think if this bill is passed, although I do see that it's brought in by proclamation and maybe the Honourable Attorney-General could explain this too, when he expects to bring it in, whether it's the first of November or what approximate date he expects to bring it in.

(MR. McKELLAR cont'd.)

Mr. Speaker; I think that's about all I have to say other than I think it will be necessary for the government to have a similar plan or to retain this present plan, because I think he will find out the record after November 1st will not be a bit better than the record at the present time. It's all very well for the government of the day to say that everybody is going to be insured after November 1st, but I'll bet any amount of money right now that everybody won't be insured after November 1st.

MR. SPEAKER: Are you ready for the question? The Honourable the Attorney-General will be closing debate.

MR. MACKLING: Well, Mr. Speaker, I recognize the sincerity, the concern of the honourable member that perhaps the fund may have some practical use even after the introduction of the Autopac system, and that's something that of course will be determined. There may be cases or unique situations that would not initially be provided for in the implementation of Autopac and I think he's right that it would be unwise to just dump it and scrap it, and I don't think that's the intention at all. I think when I say "phased out" I'm in part answering the concern of the honourable member as to whether or not the dollar or the amount, the two dollars will be levied each year. Hopefully after November the 1st there won't need to be a levy of two dollars. However, maybe there will have to be a partial levy of some money to provide a fund there to make sure that the claims that may take several years will be adequately cleared up and there will be some contingency there to cover unique or unusual situations that the regulations did not cover initially under Autopac, situations like the honourable member said could arise, uninsured foreign motors and some unique situation where Autopac didn't cover, and I think that's a fair comment and that's the intention.

So far as how much money is actually in the fund -- sorry, I can't give him that information -- well, the Honourable Minister of Transportation says about \$300,000, but the advice that we have from the accountants is that it's quite obvious that the fund will be bankrupt, more than bankrupt, unless we make provision for an injection of further money. The date that it's to be brought in: that would, I believe, be at the same time that registrations would take place on November 1st, so I believe that the provisions would be made applicable on that date.

So far as the provisions in respect to the antique car owners are concerned, I am sorry that I haven't got as much information on that as perhaps I might be able to give at Law Amendments Committee, but my understanding is that those people who have antique cars and operate them, then would be required to have the vehicles properly insured. Now it may be that at Law Amendments Committee I will be able to properly expand and give fuller explanation to the honourable member in respect to those provisions, but these are rather administrative or house-keeping provisions which the department indicates are necessary because of the unique situation of antique cars. I understand that that's quite a reasonable provision. If it isn't, we'll certainly indicate at Law Amendments Committee.

MR. McKELLAR: Will this Unsatisfied Judgment Fund moneys be collected off the driver's licence as it has been in the past or will it be collected off the licence on the car, vehicle licence?

MR. MACKLING: It's my understanding, Mr. Speaker, that the imposition of the levy will be against the vehicle and the vehicle registration.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Call Bill No. 40 please, Mr. Speaker, on Page 1 of the Order Paper.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Industry and Commerce. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I wonder if I could have this stand, and if I might just request that since it just got second reading last night, we're going to have difficulty on many other bills too, I wonder if we could get a backlog of introductions by the Minister so that we could keep ahead of the . . .

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: There's no doubt that we're going to be introducing bills but on the other hand they have been on the Order Paper for some time and the contents of the bill is also notice as to what's in it as well as in introduction. I will call other bills now but I . . . 83, Mr. Speaker.

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

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona) presented Bill No. 83, an Act to amend The Labour Relations Act, for second reading.

MR. SPEAKER presentation the motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The purpose of this bill, Mr. Speaker, is to amend the Labour Relations Act in order that where an award of an arbitration board is made, the effect of that award is as an order of the Court. At the present time under legislation, where one of the parties fails to comply with the award of an arbitration board, the only recourse left to the other party is to go to the Courts, a practice which can be very time-consuming and undesirable. The proposed amendment, by making an arbitration board's decision enforceable as a judgment or an order of the Court, will eliminate the need for one party to initiate protracted procedures in the Court. Where one of the parties fails to comply with an award, the other party could file a copy of the order in the Court to make it enforceable as a Court Order. Upon so doing, the party filing the copy of the Order with the Court would also have to notify the other party of its action. Moreover, the notion that differences arising during the term of an agreement should be resolved without a stoppage of work, have become deeply entrenched in our labour legislation system through traditional acceptance by both labour and management. Under these circumstances it only seems reasonable to expect that the enforcement procedures being proposed in the amendment will be welcomed by both labour and management.

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

MR. CRAIK: Mr. Speaker, I move, seconded by the Member from Swan River, that debate be adjourned.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY presented Bill No. 84, an Act to amend The Fires Preventions Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, this Bill amending the Fires Preventions Act has a number of points. In Section 35 of the Act, if I may just briefly refer to that, the Commissioner may collect and disseminate information with regard to fires in the province, investigate conditions of fires, the methods of fire protection, etc., and this expands that somewhat further, and where there arises an emergency from a fire or a fire hazard and the risk of explosion from fire that in the opinion of the Fire Commission constitutes a serious danger to life or property, the Fire Commissioner may make such measures as he considers necessary and advisable to reduce or eliminate the emergency by removing the risk of hazard. And then this also provides that the Deputy Fire Commissioner may act also, in the absence, as the Fire Commissioner himself. In general terms, as I indicate, the purpose of the Act is to spell these out clearly.

Another provision of the Act will give authority to increase, when deemed necessary, the amount of the assessment on the Fire Insurance agencies, companies, from one percent to two percent at the discretion of the Lieutenant-Governor-in-Council. We are planning further expansion in Fire Prevention Services in the province, and it only seems fair and reasonable that we should not be prevented from doing this due to the lack of money in the Fire Insurance Fund.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Souris-Killarney.

MR. McKELLAR: I beg to move, seconded by the Honourable Member for Rock Lake, that debate be adjourned.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY presented Bill No. 85, an Act to amend The Equal Pay Act, for second reading.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, the purpose of this Act is to allow a person other than the aggrieved to initiate proceedings under the Equal Pay Act. At the present time under the

(MR. PAULLEY cont'd.) Equal Pay Act, it provides that enforcement provisions can only be initiated by an aggrieved person who makes the complaint. Under the provisions of the proposed amendment, anybody could initiate proceedings of complaint on behalf of the complainant. At the present time, the individual must appear. Under this, a representative of the individual, or the department itself, could initiate enforcement of the complaint on behalf of an aggrieved person.

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

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I'd like to move, seconded by the Honourable Member for Morris, that the debate be adjourned.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY presented Bill No. 86, an Act to amend The Payment of Wages Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The Payment of Wages Act, Mr. Speaker, is a relatively new piece of legislation only enacted a year ago. Legislation of this particular kind is, in fact, quite new in Canada with only the provinces of B.C. and Ontario having enacted similar legislation prior to we doing so here. The amendments proposed are intended to clarify some matters to remedy technical errors made in the Act on first draft. For instance, one of the sections now makes reference to the Manitoba Labour Relations Board and in effect we do not have a Manitoba Labour Relations Board, it's the Manitoba Labour Board, and that is one of the amendments proposed. And in addition, at the present time the Act permits appeal to a judge of the County Court. This is being changed to make it clear that such appeals are made to a Judge of the County Court in the County Court District in which the employee who is a party to the matter resides. (I don't know why I should explain this because nobody is listening.)

Similarly, provisions providing the Labour Board may file a copy of any order it issues in the County Court to make it a judgment of a judge of the County Court, is being changed to make it clear that such an order is to be filed in the County Court in the County Court District in which the employer carries on his business.

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

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

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Call Bills 49 and 50, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. BEN HANUSCHAK (Minister of Consumer, Corporate & Internal Services) (Burrows) presented Bill No. 49, an Act to amend The Landlord and Tenant Act for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: Mr. Speaker, you will recall that during the last session of the Legislature, this Assembly approved amendments to the Landlord and Tenant Act which included the new Part 4 dealing strictly with landlord-tenant relationships under residential tenancy agreements. Now those amendments were arrived at after extensive work by a committee of this Legislature, which visited many areas of the province to discover the scope of landlord-tenant problems which required legislative action, and I believe we'll agree, Mr. Speaker, that the legislation we brought forward has done much to safeguard the rights of tenants and to improve the balance in landlord-tenant relationships.

Now, some of the provisions of the Act have only recently been proclaimed including the full powers of the rentalsman and the introduction of a standard tenancy agreement and conditions for it. However, as the Act has been administered by the Consumers Bureau of my Department since last fall, we have been in a position to identify the need for some further amendments to the legislation, both to handle certain unsolved problems and to clarify the law in order that its original intent may be administratively realized. Therefore, Mr. Speaker, I wish to place before the House certain amendments to the legislation to accomplish

(MR. HANUSCHAK cont'd.) these two purposes.

One of the most important amendments that we are proposing has to do with the problem of noisy tenants. The Rentalsman has received numerous complaints, mostly from other tenants about people holding rowdy parties late at night or acting in ways which otherwise disturb the sleep of other tenants. In many cases the police have been unable to do anything about these disturbances and this has been one of the most difficult problems to deal with under our present legislation. Therefore, Mr. Speaker, we've included an amendment to more clearly define the responsibility of tenants, which will provide sanctions against offending tenants and enable both landlord and other tenants to deal more effectively with this annoying problem. One of the other difficult problems that we have encountered under the present Act is that of retaliatory eviction of tenants who bring their complaints to the attention of the Rentalsman's office or otherwise criticize the activities of their landlords. Now this is presently possibly because of, unfortunately, a number of loopholes in the legislation regarding notice to vacate. A new section will be added to the Act to protect a tenant from punitive notice to vacate if the tenant is otherwise in good standing.

Another section is amended to disallow landlords from charging tenants a fee for a Notice to Vacate residential premises. We have seen cases in Thompson, Mr. Speaker, where landlords are charging \$12.50 for a Notice to Vacate which was typed in the agent's or the landlord's office, and we understand that some tenants in Winnipeg have been charged \$5.00 for a similar service. Now further amendments would clarify the fact that a tenant must agree to any changes in the contents of manner of a Notice to Vacate given by a landlord at the time that the notice is given, and it would ensure that landlords could not have a continuing consent clause written into the agreement which would serve to obviate the provisions of the Act on a continuing basis.

The method of giving notice is also clarified by an amendment which would require that written notices to vacate be sent by registered rather than regular mail. Now this will be of material assistance in settling arguments between landlords and tenants as to whether a notice was in fact sent and received.

A new section will provide that if a tenant suffers material deterioration of health and physical condition and cannot pay rent, or a tenant dies, the tenancy agreement may be terminated by the tenant or his or her heirs if necessary. And this has created problems in many cases, Sir, where one spouse dies, perhaps the breadwinner, leaving a widow, that she no longer requires the same space and probably can no longer continue to pay the same rent, and yet under the terms of the tenancy agreement according to the law at the present time, she may have no way out.

The Act presently prohibits landlords from requiring tenants to pay their rent in advance by the use of post-dated cheques, Mr. Speaker. However, further legislation on this subject is deemed necessary because some landlords have been coercing tenants into giving post-dated cheques when the tenancy agreement was signed. The Rentalsman's office has recorded cases where landlords have told tenants that their credit record may be damaged if they do not provide post-dated cheques. One landlord increased the rents on accommodation and then offered to reduce the increase if post-dated cheques were provided.

The present Act lays down strict provisions for the protection of the privacy of tenants which includes a provision that a landlord must give 24-hour written notice before entering a tenant's accommodation, except in an emergency situation. However, Mr. Speaker, many older tenants living alone like to arrange that their landlord or his representative check on them periodically, and some tenants have expressed a wish that their landlords be able to open their suites for the purpose of accepting deliveries on their behalf. An amendment to the Act is therefore deemed necessary to enable a tenant to give voluntary consent, in writing, to a landlord or his agent to enter a premise for a specific purpose or occasion.

The present Act states that a landlord must give a tenant three months' written notice of an increase in rent. However, the Rentalsman's office has discovered that some landlords are thwarting this provision by claiming that parking is not included in the rent and therefore increasing parking fees where they cannot increase rent without giving proper notice. An amendment which will hopefully solve these problems is proposed to clarify the fact that three months' notice of increase in rent must be given, and to include ancillary services under this provision, such as parking.

The Rentalsman's office has also come upon cases when landlord gain possession of premises from tenants on the pretext of demolition of the premises, or to do repairs which

(MR. HANUSCHAK cont'd.) cannot be done while the tenant is in possession. However, the often re-rent the premises without proceeding with the demolition or without making the repairs. Therefore, an amendment is proposed to state that where a landlord obtains possession of a premise on the grounds that he requires possession for the purposes of demolition of the premises, or to do repairs which cannot be effected while the tenant is in occupancy, he shall not rent to another tenant until the repairs have in fact been done or without proceeding to demolish the building.

Other amendments to the Landlord and Tenant Act will disallow a landlord from charging more than \$10.00 for giving his consent to a subletting arrangement; clarify the procedure by which a landlord may remove chattels from an abandoned premise; broaden the definition of "residential premises" to include rental of parking space and/or permanent mobile homes; clarify the responsibilities of the Rentalsman, particularly regarding his ability to hold security deposits; and clarify the method of computing interest on security deposits.

Another amendment will clarify the offences under the Act and establish that, where a landlord by an unlawful action under the Act causes a tenant to incur expenses which otherwise would not have been incurred, the tenant is entitled to payment from the landlord equal to three times the amount of the expenses incurred.

Mr. Speaker, as I have indicated, we feel that the proposed amendments are necessary in order that the intent of the landlord and tenant legislation may be carried out, and I would therefore recommend these amendments to the House for early passage.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River) Mr. Speaker, I have listened with interest to the Minister of Consumer and Corporate Affairs. It's true the bill was brought in a year ago. Obviously, from what he has had to say, the amendments are required to put the house in order, so to speak. Some of the points he made . . . included in the bill, he talked about restraining noisy tenants and the difficulties that are being experienced by other tenants in the same building. There's a question in my mind as to who determines the extent of the noise and whether or not it is noise that could not be concluded by conversation between the aggrieved parties rather than contacting the landlord and demanding that he take action. I don't have to tell you, Mr. Speaker, that nothing but misunderstanding can be created by this performance.

He talked about the eviction problems. I can appreciate that they will develop from time to time, but after all, Mr. Speaker, if we were all alike it would be a perfect world, and it seems to me that the contents of this bill or these amendments just goes one step further in contaminating relations between neighbours and friends and relations and what have you, that is not the business of the government.

I noticed, Mr. Speaker, that the Honourable Minister did not comment on the Section 85 (5) or Section 85 (6). You will recall my comments the other day on Bill 27 - that is the Personal Investigations Act - and I made by point then and I make my point now, and the strange part about it, Mr. Speaker, is that the Minister is telling us that these amendments are required now. I say that if they were not required when the bill was set up in the beginning, they're certainly not required now. This has to do with the entrance or access of any premises or building, the investigation of accounts, records, documents and what have you, belonging to the landlord, and it goes on to say, Mr. Speaker, that no person shall refuse access to the premises - in other words, the landlord is not the master of his own property, in this case it's the Rentalsman - on a given occasion, on a given complaint, which may be the proper kind of a complaint or may not be the proper kind of complaint. Insofar as Bill 27 is concerned, the First Minister took me to task the other day and I suggested to him, and I suggest to you now, Sir, that an amendment to Bill 27 next year will do exactly what is included in this bill in the interest of the Rentalsman. It's been commonly termed snooping, and, Sir, is nothing more or less than snooping, and I can't understand why the Minister when he was explaining this bill, in view of what has gone before, that he chose at no stage in his remarks to explain the reasons for these new sections. Again I say, the Rentalsman or a person appointed by him, Mr. Speaker, may investigate an inquiry if he has reason to believe that it is expedient for him to do so. Expedient for him to do so. And in doing so, he has access or he can demand access to the private documents of the individual he is investigating, that is, the landlord. He can go into his records, his documents and his files and correspondence and 85(6), as I repeat again, says that you're liable if you refuse to give these records.

(MR. BILTON cont'd.)

I was quite interested in that part of the bill 94(2) which I interpret to mean that a tenant . . .

MR. SPEAKER: Order, please. I have no objection to the honourable member debating the bill in principle; unfortunately he referred a number of times to specific sections. I ignored them, but now he's starting to do the bill item by item, apparently, as far as sections. I'm sure he can choose his words and utilize and implement the tools, which are words, in the proper fashion not to contravene our procedure. The Honourable Member for Swan River.

MR. BILTON: Thank you, Mr. Speaker. I accept your advice and will endeavour to carry out your wishes, Sir. I'm talking about the chattel, furnitures and so on, that may be left in a dwelling and the landlord on application, for monies owed, is expected to remove those chattels and retain them for three months, and he has to give an inventory to the Rentalsman covering those items, and rightfully so. And at the end of three months he can sell those chattels and regain the monies owing to him. I wonder what happens, Mr. Speaker, if the chattels do not meet the monies owing to him. And added to that, Mr. Speaker, why should the landlord have to go to that trouble under the direction of a Rentalsman? And the interesting thing of it all, Sir, is that as and when the debt has been met, the balance on those chattels is turned over to the Minister of Finance and it will ultimately find its way into the general fund of the Province. This, Sir, I say is improper and wrong, and I think it's another infringement on our freedom, and I cannot, I cannot support that sort of thing. I thought I made myself perfectly clear the other day, and I'm not going to thrash old straw, Mr. Speaker, but it is, in my humble opinion, the Rentals Bill with these amendments when it becomes law, it is nothing more than snooping into individuals' private affairs which is not the business of the government, it's the personal business of those concerned. And I think if this sort of thing is allowed to go on it will develop into other bills and to other legislation, and I can see nothing but chaos developing from it and a lot of very very unhappy people, and I don't think that this sort of thing is worthwhile.

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

MR. SPIVAK: Mr. Speaker, the only aspect of the bill that I would like to deal with is the fact of the access to records, or what we refer to as the snooping section, because I think, Mr. Speaker, there's a principle involved here that has to be debated in this House because we have reached the period in our history, not only in Manitoba but in Canada and probably in the western world, in which government control, government access to the records of private individuals and private corporations, becomes a very critical and very necessary aspect of our business life and activity. But the problem, Mr. Speaker, at this particular time, is that having now recognized this in the pieces of legislation that have been introduced, the question that one must come to or the question that must be answered, is how far does the government have to go and how far do we in the new structures that we are establishing in which government has involvement and access and control of individuals, are we to allow the discretion to be exercised either by the politician or by the bureaucrats over control over access to records? And, Mr. Speaker, for almost four years in this House we debated the Consumer Protection Act and the establishment of a Consumer Bureau, and in that, Mr. Speaker, in that particular Act, there is a section which provides for access to records, but it's interesting to note the distinction between that clause and that access to records, and the access to records that's being asked in the case of the Rentalsman, because what is being asked in the case of this particular amendment is more than what is asked or what was given in connection with the Consumer Bureau. And this then brings the basic problem that once government becomes involved and once it becomes concerned in attempting to try and carry out its functions, it sees no wrong or no requirement for the degree of control that is necessary if the civil liberties of people are in fact to be protected, and it seems to me that because we have this access in this particular section in the clause, not only in the Landlord and Tenant but in a number of other Acts, that it's time that we debated seriously in this House as to the degree of control that must be exercised by government in the obtaining of information for the legitimate functions which are to be carried on.

Now there may very well be abuses that may occur in the exercise of this power as a result of the discretion that's exercised and that has nothing to do with any political abuse, the abuse that can occur by any person who may be zealous in carrying out his work or who may

(MR. SPIVAK cont'd.) not feel that there is an obligation to be concerned about any particular individual's rights, but at the same time having now set up a Consumer Bureau, having now developed the concept and structure of a Rentalsman, the question that has to be asked is at what point do we, not put a halt, but provide for the checks and balances, and this is really what we are talking about, the checks and balances that will ensure that there will not be a frivolous exercise of that discretion which will in fact infringe and affect the civil liberties of the individual.

So therefore, Mr. Speaker, I must inform you, and through you to the members opposite, that we would hope that when this particular bill is presented to Law Amendments, that there will be an opportunity for amendments to take place to those sections to provide that kind of checks and balances. The fact that there should be access and obviously access to records when in fact an investigation is undertaken is not questioned, but the manner and the way in which that access is to be undertaken, the way in which that access is to be given the right or the manner in which it is to be exercised, must be subject to the kind of checks and balances that will in fact prevent some abuse occurring, and the best evidence that I have, the best evidence that I have of the concern for government's further involvement and control over the individual, is in the fact that the clause that is introduced is more than what was introduced in the Consumer Protection Act under the Consumer Bureau, and by that fact alone the concern that I and others have expressed over the essential snooping clause of government is valid, and that concern must be expressed in some kind of amendment which will in fact undertake and ensure that the civil liberties of our people will not be infringed.

Now, Mr. Speaker, we are talking about the Landlord and Tenant Act, we are going to be talking about the Health and Social Development Act, and we are going to be talking about other Acts in which the basic provision is the same, in which government is attempting to have access without questioning, even within the Statistics Act itself and we'll be dealing with that, and we'll be proposing a series of amendments to provide that check and balance; and this is not to in any way frustrate the intent of the function that is to be carried out by the Rentalsman or the function that is to be carried out by the people charged with the responsibility, but what we are attempting to do is to make it work in such a way that the rights of our people in this country will not be continually eroded by government action and by government control.

MR. SPEAKER: Are you ready for the question? The Honourable Minister without Portfolio.

HON. RUSSELL DOERN (Minister without Portfolio) (Elmwood): Mr. Speaker, I wanted to ask a couple of questions of the Leader of the Official Opposition. First, I wanted to know, he's been talking about his concern for government "snooping", does he have an equal concern for the information that is gathered by private agencies?

MR. SPIVAK: Yes.

MR. DOERN: I would also like to ask him, Mr. Speaker, whether he favours the right of an individual to see what is on his file, print-outs, whether they be in the government or in private agencies.

MR. SPIVAK: Yes, I would indicate to the Minister that I am one who believes that and I would hope that if he believes it he would see to it that the Personal Investigation Act is amended so that government offices are included and the government is not put in a better position than private corporations, and that print-outs will be given to all people who in fact are investigated by any government agency.

MR. DOERN: A final question, Mr. Speaker. Does the Leader of the Official Opposition make a distinction between snooping and the legitimate acquisition of information and data?

MR. SPIVAK: Well, here we now deal with the question of degree, legitimate information, and the question of snooping. I have already indicated to the honourable member that if we examine the Act of the Consumer Protection Bureau and the particular section of access to records, and look at the Landlord and Tenant Act, there is a distinction. There is more power given, there is more power given; and I'm suggesting that that's the danger, because in effect, because everyone -- or in effect because people accept that government has to have some access to documents, everyone seems to think that that power should be unlimited, and that we are now talking in the question of degree. We also have to be concerned about what could be referred to as frivolous actions, and they can occur, and what we have to be concerned about is establishing some kind of checks and balances that will in fact prevent that from happening, and I'm suggesting that that has to be undertaken by placing some limit, some

(MR. SPIVAK cont'd.) discretion on those people who are going to exercise their particular decision in connection with any investigation, and that that has to be done in such a way, not to frustrate their activity, but at the same time to protect the individual. And this is a very difficult balance to strike, but I believe, because of the number of sections that have come in the various Acts that have been presented at the present time, that it's a very appropriate time for the members of the government and the Opposition to try and arrive at that kind of balance so that the individual will be protected.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I'll be brief. I just want to make a comment or two on the position taken by the Member for River Heights. No one would object to his concern as to the direction of legislation or I'm sure, on the other hand however, one should take exception to his reasoning and his proposition that this is instigated by government with the suggestion contained in his remark that government as such is desirous of intruding within the private domain of the citizens under their jurisdiction, because my honourable friend in his discourse continuously referred to intrusion by government, and I'm sure that most people would put that interpretation, in the context of my honourable friend, that it was a political intrusion or an investigation rather than what is proposed under this legislation, to give the Rentalsman, who of course is an appointment of government and could be construed as being a political appointment, but the purpose of this amendment, particular "snoopy amendment" as it is called, is to give the Rentalsman the power or the right, on complaint, to obtain information to support or to reject the basis upon which the complaint is made.

I'm sure that if this had been placed in the bill originally that we dealt with last year, there wouldn't have been the pinpointing as there is at the present time, because an amendment was being proposed, Mr. Speaker. I'm sure that had it been in the Act at that particular time, then it would have been taken as being a proper part of the legislation in order to give to the Rentalsman the authority, upon complaint, to investigate fully as to the basis of the complaint in order to prevent frivolous complaints being made. So I suggest that there is a safeguard as far as frivolity is concerned in the proposal of the amendment, and I'm sure that we all appreciate the concern, not only of the Leader of the Opposition but all those in government today and all those outside of government.

We had quite a long list of complaints over bylines and high-lines just recently because of the questions that were asked by the federal authority during the recent census, but I would suggest that of a population of about 22 million-odd in Canada, the relative amounts of complaints were few. There may have been some justification in some cases, but it is a requirement to snoop, to use that term again, in the field of the census in order that we have documentation. Similarly, the purpose, I suggest, in this is for the Rentalsman to be able to have a firm basis on which to carry on his investigations.

Now I am sure that if some alternative method or some softening of the words can be suggested by way of amendment to the proposals before us at the present time, they will be given every serious consideration. I, as a member of the front bench of this government, don't want to be able to obtain information as the result of a clause like this for any governmental purpose, but I do say that in order to have the Rentalsman be enabled to do his proper function upon complaint, that legislation such as this is a requirement. Again I want to emphasize it's not the desire of government to interfere, but it's in order to give the proper powers of investigation upon complaint by the officer designated and appointed under the legislation.

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

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, it is interesting to listen to the tortuous paths that the Minister of Labour attempted to cross. His justification for the intrusion of a government into the private lives of citizens of this province is that the Rentalsman requires the authority to do that which the government is designing for him to do, no matter how he tries to slough it off on the Rentalsman. The fact is that it is the government that is introducing this legislation and the government is introducing this legislation because that is characteristic of this government. There is only one direction that they intend to go and that is the complete domination and control of the lives of the citizens of this province, and this is just another step in that direction. The Minister of Labour can rationalize all he likes in attempting to say that, well, the Rentalsman requires this power. Who is the Rentalsman? He is a man that is appointed by this government to administer an Act that was passed by this government; passed because they do not believe that the citizens of this country have the

(MR. JORGENSEN cont'd.) capacity or the ability to solve their own problems but that they — and mind you, always in the public interest, always in the public interest, freedoms, rights are eroded, never any suggestion on the part of honourable gentlemen opposite that's doing it for themselves. Of course not. It's being done in the public interest. And in the name of the public interest, they are eroding the freedoms and the rights of individuals of this country, and they'll continue to do it, Sir. There is only one direction that they can go once they have started upon the road to socialism, and that is the complete domination of the lives of the people of this province. And that is the direction they're heading, and until this nonsense about snooping into the private lives of individuals is stopped, we'll wind up in the kind of society and the kind of state that seems to be planned by honourable gentlemen opposite - complete domination and complete Communism.

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

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I beg to move, seconded by the Honourable Member for Rock Lake, that debate be adjourned.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY presented Bill No. 63, an Act to amend The Workmen's Compensation Act, for second reading.

MR. PAULLEY: I wish to inform the House, Mr. Speaker, that I neglected to indicate on the introduction of the Bill that His Honour the Lieutenant-Governor, having been informed of the subject matter of the bill, recommended it to the House, and I now so do.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, in introducing this bill for second reading, I want to inform the House that there will be complaints because the bill does not go far enough in respect of Workmen's Compensation Board amendments and adjustments, particularly in the field of disability pensions both permanent and temporary, and I do intend in a day or two to introduce a resolution asking that the Industrial Relations Committee meet in between sessions to consider in greater depth matters pertaining to Workmen's Compensation Act, at which time I hope to have an analysis of the significance of changes which will be proposed in respect to the Workmen's Compensation Act. I make this by way of explanation so that members of the Assembly on looking at the amendments that I propose at this particular time, will have that understanding and undertaking in respect to the other, and possibly more significant, aspects of Workmen's Compensation.

The Act before us, Mr. Speaker, makes certain amendments, first of all, to bring the Workmen's Compensation Act in line with the general law by reducing the age of majority from 21 to 18. It also clarifies the authorization for the Compensation Board on expenditures dealing with the matter of rehabilitation. It has been indicated to me that there is some doubt as to the authority of the Board to make payments for rehabilitation costs. This clears this up and also the authority to take whatever measures the Board deems advisable to rehabilitate injured persons will now be more clearly spelled out within the Act. And then it also gives officially in the Workmen's Compensation Act the authority of the Board to carry on any work given to it by the Criminal Injuries Compensation Act.

I want it clearly understood, Mr. Speaker, that in giving this authority to the Workmen's Compensation Board to act on behalf of the Attorney-General under the Criminal Injuries Compensation Act no costs for that work will be assessed against the employers of the Province of Manitoba. It will be a requirement of the Attorney-General's Department to pay for the costs of administration directly in proportion to the time which will be arrived at of the use of the Board in order that there can be no criticism of the Board being used for Criminal Investigations Act at the expense of the employers of the province. Also under the proposed amendments it clearly delineates the Board's authority to enter into agreement with the other provinces on administrative matters. And also by the suggested amendments to The Workmen's Compensation Board Act it will offset duplicate assessments upon employers who have transient workers in all jurisdictions.

The other parts of the Act deal with the matter of clarifying the authority of the Board to pay to the Provincial Auditor the costs of auditing the books. There was some doubt whether or not payment could be made by the Board to the provincial auditor who now audits the books of the Workmen's Compensation Board. I'm sure members are aware, Mr. Speaker, that previously it was done by other auditor companies and now, as indicated by the Minister of

(MR. PAULLEY cont'd.) Finance, all the audits dealing with provincial or related agencies will be done by the provincial auditor and this is to authorize the Board to make payment to the provincial auditor.

Another important suggestion in the amendments, Mr. Speaker, is to enable Workmen's Compensation coverage to be extended to students taking courses. I'm sure, Mr. Speaker, members are aware of the fact that under our Youth for Opportunity Program at the federal level, and also provincial programs as well, in training process students go into factories or perform work that makes them liable for injury and the purpose of some of the amendments being proposed at this time will be to make coverage possible for those students. And I may say that the idea at the present time or in the Act is that in arriving at the amount of compensation, because the students are not in receipt of any actual salary as such, the minimum wage prevailing in the province at that time will be used as the basis upon which the compensation will be paid; and similarly, Mr. Speaker, I want to make it clear that the agency that will be making the assessment into the fund will not be the employer but the jurisdiction such as the Federal Government, Provincial Government, Department of Education, etc. So this should offset any fears that we have of bringing in another group at the expense of the employer. Also, Mr. Speaker, there was some doubt originally as to whether or not those students operating under federal plans such as Opportunities for Youth Program will be covered. So the Workmen's Compensation Board, quite properly and in my opinion showing their efficiency, got in touch with the federal authority for clarification and just the other day the Chairman of the Board, Mr. Johnson, informed me that he had received assurances from the Federal Government that students who may be injured while engaged in projects under the above program, that is the Opportunity for Youth, advice has been received from the Federal Government, following our inquiries, it has been decided that the Workmen's Compensation coverage should be provided for the students. So the Department, the Board itself showed initiative and I appreciate their concern.

Also, Mr. Speaker, there is one change that I am proposing in this bill dealing with money to an injured party and it deals with the increasing of the maximum ceilings for the purpose of arriving at compensation amounts of money. At the present time the ceiling in Manitoba is \$6,600 maximum, of which 75 percent can be paid to a person who is totally disabled, and that is to be increased to \$8,000. When I asked that this legislation be drafted the \$8,000 would have been the highest amount in the whole of the Dominion of Canada and indeed higher than most of the states of the United States. However, I received on my desk yesterday information that it is proposed in the Province of Ontario to go on August 1st to a ceiling of \$9,000. So I guess I cannot say that the amendment will provide for the highest in Canada, and the other provinces, if my honourable friends are interested, indicate that British Columbia's ceiling which became effective the first of this year is \$7,600; Alberta and Saskatchewan \$6,600 and the balance of the provinces around about \$6,000, or in some cases less.

Those generally are the provisions under the proposals before us, Mr. Speaker, and I recommend them to the House and suggest that, again, that the matter can be considered further during the hearing of the Industrial Relations Committee, and again I reiterate that we're not unmindful of the necessity of other adjustments.

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

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I move, seconded by the Member for Fort Rouge, that the debate be adjourned.

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

MR. SPEAKER: The proposed motion of the Honourable Minister of Consumer and Corporate Affairs.

MR. HANUSCHAK presented Bill No. 50, an Act to amend The Consumer Protection Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: Mr. Speaker, I've said in this House before and I wish to say again that Manitoba's Consumer Protection Act is the most comprehensive piece of legislation of this type in Canada today. It provides the consumers of our province with a measure of protection unknown before in our country and I believe this government can rightly be proud of its achievement. However, Mr. Speaker, the legislation is not perfect. It is not presently structured to handle some of the business practices which are looming large today in the

(MR. HANUSCHAK cont'd.) marketplace and like any other new piece of legislation it requires certain changes in order that the original intent of the law may be administratively carried out.

Therefore, Mr. Speaker, I wish to place before the House certain amendments to The Consumer Protection Act which we believe will serve to remedy these problems. Some of the most important provisions in the proposed amendments have to do with the control of pyramid and referral selling practices. Honourable members will recall that referral selling involves the promise of benefits including a possible reduction in the cost of goods or services purchased if the customer refers the seller to other potential customers. Now pyramid selling is a bit more complicated we find. Perhaps the term "multi-level" selling is more descriptive. Its basis is to involve any number of investors at any number of levels up the ladder of the organization, each of whom makes his profit, at least in part, from the labour of the man below him. For example, if I buy into a multi-level company at its highest level say \$5,600, my job would be to recruit a number of people to come in below me at say at the \$900 level, they would give some of their \$900 to me and the rest to the company. Then in turn these people would recruit staff at even a lower level, say it's \$200 each, and so on down the line to the final salesman who actually sells the product or the services offered by the company to the actual consumer. Because of the geometric progression involved in this type of selling scheme it has been proved to be virtually impossible for anyone other than the very top individuals in the company to make any real money in the venture.

Our Consumer's Bureau has received many complaints, as have I and other Ministers, regarding the misleading techniques used by these companies and the misfortune which has befallen so many who have become involved in this type of scheme. However, there was little we could do, Mr. Speaker, under the present Act to provide protection for the unwary consumer in this regard. Therefore, we are proposing an amendment which will outlaw referral selling practices altogether and several changes aimed at controlling pyramid selling practices. The former will be achieved by disallowing vendors and direct sellers from offering gifts or other benefits to the purchaser of goods and services on the condition that the purchaser provide the vendor with assistance in making a sale to another buyer.

The definition of cash price in the Act will be amended to include any amount paid by the buyer for tokens, coupons, certificates or other documents or things that are redeemable or exchangeable for all or part of the price of the goods or services. The amendment will also change the definition of retail hire purchase and retail sale to establish that if the goods and services are sold to a hirer or a buyer who intends to resell or re-let the goods on a door-to-door basis the sales can be brought under Part 7 of the Act that deals with direct selling practices. At present we are unable to control pyramid selling because these two definitions exclude transactions where the goods are intended for resale to the buyer in the course of his business. This is one of the changes necessary to enable us to control pyramid or multi-level selling. A further check on this type of selling operation is embodied in an amendment which will require pyramid sales companies to obtain a licence as a vendor. It also provides that no vendor shall use a person as a direct seller unless that person is licensed under this Act as a direct seller. Again this provision is not included in the present Act.

Also a new section will be added to the Act to allow the Director of the Consumers' Bureau to limit the aggregate number of direct sellers who may be licensed to act for a vendor. This is another control of the multi-level selling practice and honourable members no doubt are aware of the fact that at the present time the Director of the Consumers' Bureau has the power to attach conditions to licences.

Some additional amendments dealing with direct sellers but not directly linked to the provisions covering pyramid selling are also proposed. One such amendment deals with a problem which has arisen out of telephone soliciting and home demonstration sales schemes. For example, if a carpet salesman calls at your home and you agree to have him bring his samples around but the final purchase agreement is signed not in your home but in the seller's place of business, this is not presently deemed to be a direct sale although the selling really was done in your home. Under the proposed change if a buyer receives any personal communication from a vendor, direct seller, elsewhere than at the vendor's usual place of business prior to the conclusion of a sale the sale will be subject to the direct seller's provisions regardless of where the sale is ultimately realized.

A further amendment would remove from Part 7 of the Act which deals with direct sales,

(MR. HANUSCHAK cont'd.) the exemptions of sales under \$10.00 and sales made by a merchant who conducts more than 50 percent of his business in his store and on the premises. At the present time if a merchant is engaged both in a selling operation on his premises and a portion of his selling operation is by the direct sales method, if his direct selling operation accounts for less than 50 percent of his total sales then he is not regarded as a vendor under this Act so that will be removed.

These two particular exemptions have created extreme difficulty in administration of the Act because it places an onus on the Consumers' Bureau to prove that a vendor's representative are in fact not selling at values over \$10.00 despite the fact that their catalogues may contain items valued in excess of that figure, and it also places an onus on the Bureau to determine that a vendor is in fact doing less than 50 percent of his business on the direct sales basis. The four-day cooling off period for direct sales contracts will be redefined to indicate that the four days do not include Sundays and holidays, and a further amendment is proposed to clarify the fact that a vendor must immediately upon demand by the buyer under a direct sales agreement refund any monies for trade in goods to a buyer who wishes to rescind the contract. The amendment would also further provide the vendor cannot use undue high pressure to induce a buyer to reverse his decision to rescind the contract. We have had cases where a vendor deliberately delayed making a refund or a return of trade and goods and in several instances we have had vendors who have exerted extreme pressure on a buyer to reverse his decision to rescind or to induce him to make an alternate purchase.

Finally, Mr. Speaker, an amendment is proposed to require that under certain circumstances a vendor or direct seller may advertise his licence for identification purposes in an advertisement. Substantial changes regarding credit advertising are also proposed in the bill before us. The definition of "advertisement" in the Act is expanded to include loan credit as well as purchase credit advertising. A further amendment in this connection was required to deal with no-down-payment advertising. The Consumers' Bureau has had many cases in which dealers have advertised very small or no down payment and then induce a buyer to go to a small loan company for a cash loan of five, six, seven hundred dollars to make the down payment, financing the balance on a conditional sales agreement. Frequently the cash loan is on a short term basis and the buyer finds that it is not renewable, and this places him at an extreme disadvantage and frequently results in much larger monthly payments than he had originally anticipated making. Therefore an amendment is proposed to prohibit the dealer from inducing a buyer to enter into any credit arrangement that differs from his advertised credit plan unless the dealer is prepared to guarantee that as long as the purchaser honours his obligation, the credit will be available on the basis on which it was originally made. A companion amendment is also proposed to provide that where a purchaser finances a part of his purchase by a chattel mortgage given to a third party under an arrangement that has been made on his behalf by the dealer, that chattel mortgage is considered to be a part of the time sale agreement.

Another very important problem which the Consumer Bureau has been dealing with during the past year is that of the distribution and use of credit cards. It is proposed to add a new section or Part 13 to the Act to deal with this matter. This part will make it illegal for any person to issue unsolicited credit cards. If a card holder has lost a credit card or has it stolen the holder shall not be liable for any debts incurred through the use of the card after the holder has in person or by registered mail notified the issuer that the card is lost or stolen. But in any event, the card holder shall not be liable for any debt in excess of the lesser of \$50.00 or the maximum amount of credit that is available to the holder under an agreement with the issuer after the card has been lost or stolen.

Other proposed amendments to the Act will enable borrowers or buyers to obtain an account of their debt or balance owing from the lender or seller at least once a year or when a dispute arises as to the balance owing. A Consumers' Bureau has recorded cases where buyers have had great difficulty in getting a clear accounting of their debt either to a seller or to a seller's assigned. There will also be a provision that where a credit grantor attempts to seize any goods or commences an action with respect to the goods, a borrower may pay the installment in arrears together with default charges and the action shall be stayed. This is a similar provision to that contained in the Mortgage Act. It is believed necessary because we have found that some creditors and collection agents are making convenience seizures. That is to say they will seize the goods, take possession and then accept the payment of arrears, plus default charges, plus the seizure fees and this is definitely contrary to the intention of

(MR. HANUSCHAK cont'd.)the Act but is being used as an avoidance of the indebted action. It will prohibit the making of harassing telephone or personal calls on any person for the purpose of locating a debtor and also to enable us to control the actions of any collection agent who is engaged in pro-rating debt for debtors.

There will be a new provision contained in the bill that every claim by a seller regarding the quality, condition, quantity, performance or efficiency of goods or services is an expressed warranty. This provision is deemed necessary because of the tremendous amount of difficulty which consumers appear to have in determining what indeed are their warranty rights, what are the warranty rights of the consumer, the taxpayer - the taxpayers' right that we have heard spoken of a few days ago - what are their warranty rights under certain sales contracts.

Mr. Speaker, I believe that I have outlined the most important amendments which we are proposing to the Consumer Protection Act. We feel that the amendments are vital to the effective functioning of the Act in the best interests of the people of Manitoba, and I do not hesitate to repeat that statement again, and I therefore recommend this bill to honourable members for passage.

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

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I wonder if the Minister would entertain a question. I wonder if he'd explain what he means by the action of any collection agent which is engaged in pro-rating debt for debtors. Would he explain the practice of "pro-rating debt for debtors"?

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: That means a firm that will make an arrangement with the creditors of a debtor for the repayment of debts. For example, a person may owe money to a number -- not a finance company as such. In other words, he'll act on behalf of the debtor and make an arrangement with the creditors for, you know, the man will pay \$50 or \$60 a month and so much will be paid out of that \$50 or \$60 after deducting a fee to each of the creditors.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I beg to move, seconded by the Honourable Member for Fort Rouge, the debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 69, Mr. Speaker, followed by Bill No. 74.

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

MR. USKIW presented Bill No. 69, The Co-operative Associations Loans and Loans Guarantee Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, this bill is designed to bring about a vehicle for the provision of credit to replace the provisions contained in the former Wheat Board Money Trust Act through the Co-operative Promotion Board which we discussed yesterday under Bill 68 I believe it was.

The amount that is provided here of course has been increased from \$100,000 to \$500,000 a year, but the main idea of this particular proposition, Mr. Speaker, is that we want to bring about a great deal of greater activity in this area than has been the case in the past. We have designated as you notice in the bill, or we are providing for a board of five people, two of which will be departmental. The Deputy Minister of the Co-operative Department would be the chairman. They would be charged with the responsibility of assisting co-operative associations in getting established in whatever business community they may wish. But in particular, it's hoped that this will add the needed support to those ventures in some of the remote areas of Manitoba and where they relate in particular to Indian and Metis communities. It is our hope that we can stimulate activity to the point where we can bring about a far better quality of life for that particular sector within Manitoba, although it's not exclusively for that purpose. It is our hope that the board will have representation from Indian and Metis communities.

As members may have observed in the Estimates you will notice that the expenditures in any one given year under this bill will be provided for by the Legislature when the Estimates of the Department are considered and you will note that the total for this year as approved by

(MR. USKIW cont'd.) the Legislature is \$500,000. There is a requirement, if you have observed the bill, that an annual report be tabled in the Legislature so that members can acquaint themselves with the operations of this particular loaning agency; provides for loans through either the guarantee system and direct loans from the agency itself. I think that's pretty well it, Mr. Speaker.

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

MR. EINARSON: Well, Mr. Speaker, in speaking very briefly to the principle of this Bill 69, as the Minister explains his position on this particular bill one doesn't always probably get the proper understanding of the explanation of the Minister when they bring it in quickly without probably having some time to peruse and really understand what they mean. However, I am wondering first and foremost whether the requests came from interested people such as consumer co-operative organizations for this particular legislation, or, Mr. Speaker, was this the idea of the government itself to introduce this. I think when we talk about legislation, Mr. Speaker, we have had so many bills here that I have sat here and wondered is this the request of the people that this kind of legislation be brought before us or are the ideas being instigated by any one member or members of the government. This to me is something, Mr. Speaker, I think is very important when we talk about new or amending legislation.

I'm wondering, Mr. Speaker, when the Minister says that the expenditures of this bill will come out of the Treasury of the Government of Manitoba then am I given to understand that the taxpayers of the province are going to subsidize this particular undertaking? He says that ventures, co-op ventures that are probably starting up in the northern parts of the province. I am one, Mr. Speaker, who believes in living and let live. I'm not opposed to any particular type society and I think this includes our co-operative movement; and as I am given to understand, our co-op movements generally in this part of Manitoba in which I have always lived is that if they want to set up a co-op organization they do this through their own efforts and within their own communities. I think this is the true meaning of co-operativism, Mr. Speaker; but I can't help but feel, Sir, that this attitude or this feeling has been lost. If you're going to have government become involved they naturally want to be sure that they're going to protect their interests and they will have a stake in it and I believe that because of this the true meaning of a co-operative will have lost its effect. This is one of the areas in which I am concerned and I'm wondering why this particular legislation is before us.

I'm also wondering, Mr. Speaker, that a board is going to be established, and as the Minister indicated there are three people, I'm given to understand, outside of the Deputy Minister and the Secretary, that will be appointed by the Minister. That's well and good if say an Indian reservation wants to set up or a group of people out of a reservation, as I think he describes, in northern parts of Manitoba want to form a co-op then they have representation on this board, but I also am wondering - when we talk about co-ops, he must talk about the consumer co-ops throughout the Province of Manitoba, that is rurally and in our cities, and is there going to be representation on that board who will represent all types of consumer co-ops? This I think, Mr. Speaker, is very important. But when I think of this legislation I think of -- and if I may be permitted, Mr. Speaker, -- of what happened in the Province of Saskatchewan some years ago when they had a government such as we have in Manitoba and the co-op movement was sympathetic towards their philosophy but they found out that instead of the co-ops running on their own the government became involved and they began to lose their effectiveness and I can't help but feel and wonder if there is a similar attitude that is going to develop in this area.

I think, too, Mr. Speaker, that probably when we talk about the purpose of this bill it could be specified more clearly in the Act. The functions and duties of the board I think could be a little bit more explicit insofar as the bill is concerned. To me, Mr. Speaker -- and here is another area that can become dangerous insofar as the regulations are concerned or the powers that are applied through the regulations in any given legislation. I think that there should be more spelled out insofar as this is concerned in the bill so that we know exactly what we're dealing with when dealing with the bill section by section.

However, Mr. Speaker, I think with these few comments when the Minister closes the debate we will give consideration to this.

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

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

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

MR. SPEAKER: The Honourable Minister of Agriculture. Bill 74.

MR. USKIW presented Bill No. 74, an Act to amend The Veterinary Services Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, last year we introduced this particular piece of legislation and we entered into for the first time a very aggressive program in the provision of veterinary services for the farming industry in Manitoba and we find that we do have a number of house-keeping matters to clean up or to improve the bill. This is largely a housekeeping matter other than one or two areas.

One of the problems that we have run into, for example, and this is one of the major provisions in this particular bill, is that there was not the kind of formal recognition of Indian reserves as being equal partners in any arrangement where a veterinary district was established and we found it was sort of a no man's land wherein no sort of rules of the game were defined and there was always a question well do we include an Indian reserve in a district or don't we or how do they go about approaching the government or the other municipalities in their area so that they may be included. It's sort of a grey area and this clears that up by defining "municipality" as including an Indian Reservation as well as cities, towns or villages, rural municipalities and LGDs other than the Metropolitan area of Greater Winnipeg. This is spelled out more clearly than it is presently in the existing Act.

One of the other important changes in this piece of legislation is the right of appeal. Where a municipal, reservation, town or village feel that they have not been properly assessed in the financing of a veterinary district, there is an appeal provision provided here which gives them the opportunity to bring their matter before the Vet Services Commission which will attempt to resolve the differences.

These are the two main thrusts in this particular bill, Mr. Speaker; the others are purely housekeeping and there will be an amendment at committee stage to deal with the question of definition of the municipality. There is an error in the present bill but that will be explained at committee stage.

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

MR. GRAHAM: Thank you, Mr. Speaker. The remarks of the Minister of Agriculture are indeed heartening to those Indians who have not been included before, Mr. Speaker, but there are some other sections of the Act which I must commend the Minister for. I think that the Minister has been most successful in bringing forward something here that I'm sure each and every Cabinet Minister desires to have at some time and this is the clause where the Minister has been successful in deleting the use of the entire Cabinet under the name of the Lieutenant-Governor-in-Council and substituting in its place the decision of the Minister only. He's been successful in this and I congratulate him for it. I think each and every one of us at some time or another has a tendency to build a little empire of our own and if the Minister can do it here without the objections of other members of Cabinet well I guess I shouldn't complain too much about it.

It does concern me a little bit though, Mr. Speaker, that the Lieutenant-Governor-in-Council is not going to be consulted in some sections and it will be strictly the decision of the Minister and as long as the rest of the members are cognizant of the fact that the Minister is doing this, I shouldn't object too much I guess.

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

MR. FROESE: Mr. Speaker, I haven't perused the bill -- well if the Member for Radisson - is it? - wants me to adjourn debate I may do so, but I didn't intend to do so in the first place.

I am just going to comment in connection with the provision for appeal. I think this is very welcome because I know of one particular municipality where the assets are all on one side of the municipality but a very small capita population, the other side has the low assessment but has a much larger capita population and therefore would make use of the services much more, yet the people on the other side would have to pay the cost. I feel that under the bill as it was before that it was unfair in this respect and that probably as a result a municipality would not participate in a program like this. So if there is this appeal now and if it can

(MR. FROESE cont'd.) be made useful, I hope the Minister comments some further on that, just what powers there are in the way of appeal, what action can be taken. Other than that, I have nothing more to add.

MR. SPEAKER: Are you ready for the question? The Minister of Agriculture.

MR. USKIW: Mr. Speaker, seeing there is general agreement, I might comment on the point that the Member for Birtle-Russell raised, and that is the area of jurisdiction and authority. I would hope that he appreciates the fact that the grants that are provided in the legislation have been of course approved by government when the original legislation was passed and it's statutory and therefore there shouldn't be a problem in having a Minister circumvent the Cabinet in making out the pay out in this area. All it does is save a bit of money for the people of Manitoba in that they don't any longer have to prepare an o/c for something that is really a routine matter, having been approved by legislation of this House. So it's a matter of efficiency that my honourable friend is concerned about and I'm not going to apologize for it, Mr. Speaker.

The question of appeal is raised by the Member from Rhineland. It's a matter of setting up a means of arbitration so that there is some body that a municipality might present their case to and which will have the responsibility of bringing all the participants in any district together to try and sort out their differences and bring about an equitable arrangement. I think we're going to try it this way and see whether it'll work. If it doesn't we may have to put more teeth into the legislation.

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

MR. SPEAKER: The proposed motion of the Honourable the Attorney-General, The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, having had a chance to look at the bill before us - I notice that the Attorney-General is not in his seat, however, -- (Interjection) -- This is a new Act, The Public Trustee Act, however, the subject matter contained therein is not that new because it involves the administration of estates of the mentally disordered which has been carried out by - I forget the title that they used up till now, but certainly by a certain department of government heretofore. However, there are a few questions I would like to direct to the Minister. One has to do with the rates to be charged for the service that is to be provided under this Act. I know that the provision is there to have the cost of servicing an estate charged against a certain estate, but certainly there could be percentage charges placed and if it is going to be on a percentage basis, what is the percentage going to be, or is it strictly a matter of cost to reimburse.

I also notice that a report is to be made to the Minister of Finance and I would hope that this not only be made to the Minister of Finance but the report be tabled in the House so that we know what is happening under this Act. Another question is, is it the intention that the courts from now on will refer all the matters that are referred to them where the matter of administering estates will be referred to the official trustee; is this going to be a standard practice from now or will they be able to carry on in certain respects as they did before? I notice there is no bond required by the Trustee. What is the situation here? Is the government going to subsidize it, or not necessarily subsidize, but in case something does go wrong somewhere that the government is going to pick up the tab or what is the case; because we know that although the bill says that the trustee is a corporation and therefore can be sued, but I wouldn't think that just because the Act says it doesn't require to be bonded that this automatically means that he will be charged and not be able to collect in some way, through some form.

Mr. Speaker, these are just a few comments in connection with the bill; other than that, I certainly have no objection of the bill proceeding.

MR. DEPUTY SPEAKER: The Attorney-General.

MR. MACKLING: Mr. Speaker, I believe that the Honourable Member from Brandon-West made observations in connection with the bill the other night and I think his observations are concerned with an obligation on the part of the trustee to ensure that where it's possible to do so that the monies held by him as a trustee on behalf of a person is invested and subject to understanding what the ramifications are, this from an administrative point of view I certainly agree. I don't know whether making that mandatory in a sense in the Act will make for tremendous frustration of the administration or not. I'm certainly going to look into that and if it's possible to provide that right within the bill reasonably then that will be done.

In respect to the remarks of the Honourable Member from Rhineland, no bond is required

(MR. MACKLING cont'd.) by the public trustee because the whole financial ability of the province stands behind the public trustee, and as such he doesn't require any bonding or any other security. In respect to the application or the decision of the courts, the court's conduct and processing of matters will not be changed in the slightest; where there is a need for an official guardian then the official guardian will be the official trustee. But where there is a next friend or you know, in most cases, the parent who can exercise the responsibilities and duties on behalf of the infant that will continue to be the case. Where there is someone in whom the court believes trust should be given to administer the estate of a mentally disordered person that will continue to be the case. It is only in those cases there is not in the mind of the court a satisfactory arrangement of a private citizen to look after the particular person's estate that the public trustee will be involved. I'd like to assure the honourable member that this legislation is similar to legislation being in the Province of British Columbia which should warm the heart of the Honourable Member from Rhineland.

So far as the requirement of a report to the House, the bill does indicate that the Provincial Auditor will audit the books annually. I see no necessity for providing the names and so on, particularization of assets of individuals and making all of that so - I'm not against making as much information public as possible but I see no necessity for filing the records of the personal estates of so many persons who would be delineated publicly as having been mentally disordered or so on. I think when anyone wants that information it certainly will be available, it's a matter of public record, but I don't see the need to make that sort of annual report to the House. The protections are there and that's what we're most concerned about.

So far as fees, there will be really no change in imposition of fees. It will be in accordance with the past practice of the administrator, the official of the estates of the mentally disordered persons and the same basis of fees that were paid to those who acted as the official guardian in the past.

MR. DEPUTY SPEAKER: The Member for Rhineland.

MR. FROESE: Mr. Speaker, would the Minister permit a question? In cases where you have an estate probably made up in greater portion of real estate, is it the policy to liquidate such assets into more liquid assets or do you leave the estate as it is comprised in persons?

MR. DEPUTY SPEAKER: The Attorney-General.

MR. MACKLING: Well, Mr. Speaker, I hesitate to advise as to what is the most prudent administration of any given estate because I think you have to consider each particular estate on its own merit. It would depend of course on the nature of the real estate and whether or not in a reasonably short time the real estate was going to appreciate in value or depreciate, whether it was a wasting asset in other words or not. I'm sure that the administrative principles will be sound ones that will maximize the value to the estate in every case and that ought to be the guideline without providing for rigidity that would make for an uncommon sense application of businesslike technique.

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

MR. DEPUTY SPEAKER: The House Leader.

MR. GREEN: Bill No. 71, Mr. Speaker.

MR. DEPUTY SPEAKER: The Minister of Education.

HON. SAUL A. MILLER (Minister of Youth and Education) (Seven Oaks) presented Bill No. 71, an Act to amend the Public Schools Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Minister of Education.

MR. MILLER: Mr. Speaker, I would call this an omnibus bill, it covers a variety of items, a number of deletions, corrections from last year or deletions due to redundancies. There are however some important points in this bill which I would touch on.

One of them is a bill that clarifies the position of persons other than certified teachers who may from time to time be in charge of a pupil. Certain practices have made it necessary for us to establish a definite policy now and to state that this policy be clearly set out in legislation. For a number of years it has been permissible and has been the practice for student teachers to attend the classes in Manitoba schools for purposes of observation and for practice teaching. However, the permissive legislation does not specify that classes may be left in the sole charge of student teachers; it's assumed the regular teacher is to be present at all times. In practice, however, we know that students have been left in charge of student teachers since

(MR. MILLER cont'd.) this is one of the only ways in which they will ever learn to control their pupils on their own. The problem, I gather, is one of legal liability where because the Act is vague on the matter it is necessary to clarify it so that if anything does happen the School Board is not legally liable.

Furthermore, it's also becoming a more accepted practice and one I think that is recognized by everyone as necessary, for School Boards to hire persons other than certified teachers to perform certain essential duties in the schools. Naturally the ones that come to mind, school psychologists, social workers, certainly teacher aides which is one area that is developing rapidly. Also there has been a suggestion, and I know that it's being carried on in some schools, where they are reaching out into the community where people with certain skills, certain backgrounds, some knowledge that can be utilized by the school, are being invited into the schools, are offering voluntarily to come into the school, and could be used as part of the teaching team so that they could fit in and contribute to the general teaching within that school itself. It was even suggested, and I know it's been tried in some schools, where younger students are sometimes left under the control and the responsibility of older students. These would probably have to be over eighteen years of age. But even that has been done, is being done and I think has great potential for the kind of differentiated diversified approach that we have to develop, so that generally this will make possible differentiated staffing and therefore a more flexible program up in the schools.

Another change, Mr. Speaker, deals with the question regarding school divisions, their boundaries, the number of wards within the school division, the number of trustees, etc., and a number of amendments are required here, Mr. Speaker, which give the Lieutenant-Governor-in-Council the right to authorize certain changes in the structure of school divisions. Mention was made earlier in the Session, Mr. Speaker, if you recall, of the report of the Boundaries Commission. I might say that some of the changes in the legislation recommended here are to give the government some latitude with reference to the Boundaries Commission report. As it stands now, the Minister cannot do much more than accept the report or reject the report or refer the report back. There is no provision for the Minister or the government to accept and act on certain parts of the report without acting on others. Now I should mention, Mr. Speaker, that since the Boundaries Commission is no longer in being, provision is made for matters to be referred to a Board of Reference so that local residents, their points of view and their thoughts may be heard before any changes affecting the school divisions are made, so that there's every consideration being given to some apparatus whereby local views are heard.

We're also making it possible, Mr. Speaker, in this Bill to form special districts within Frontier School Division and to make regulations regarding the operation of such districts. This is in keeping with our desire to strengthen the role which native people of Manitoba will play in the ordering of their own affairs, and this is permissive legislation which we can act on as the need develops and there is an indication that this might be desirable.

The fourth item of particular significance has been brought in because of recent developments in education. I'm thinking in terms of the training for the educable and trainable retardates or people with certain learning disabilities, the offering of French as a language of instruction in Manitoba schools and, of course, the vocational training programs which are developing rapidly especially now with the opening hopefully this fall of some of our new regional secondary schools. The Public Schools Act presently does contain provision whereby a school division or two school divisions can enter into an agreement regarding matters of making their facilities available to neighbouring divisions, but feel that it should be clarified, it should be widened and broadened so that students can avail themselves of facilities and programs which are not available in their own division but which are available in a neighbouring division and which they therefore should be able to attend.

There are also a number of minor amendments, Mr. Speaker, which are made necessary because of other legislation. For example, all references to twenty-one in various clauses of the Act now have to be changed to eighteen; also certain minor changes have been made necessary by the decision of the government early in the Session to provide a per-pupil grant for textbooks and now the reference is to instructional material as well. This is the sort of, as I say, omnibus type of items that are in this Bill. I think with those few remarks, Mr. Chairman, I would recommend that this Bill pass.

MR. GIRARD: I move, seconded by the Member from Sturgeon Creek, that debate be adjourned.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to indicate to the Honourable Members that we have a visitor in the loge to my right, the Honourable M.P. for Winnipeg North, Mr. David Orlikow. On behalf of all the honourable members I'd like to welcome you here today.

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

MR. HANUSCHAK: Mr. Speaker, I wish to move, seconded by the Honourable Minister of Youth and Education, that Bill No. 82, An Act to Amend the Charities Endorsement Act, be now read a second time.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: Mr. Speaker, the control of professional promotional agencies and charity campaigns is a continuing problem in the field of raising funds for charitable purposes. Quite often a reputable charity becomes involved with a promoter in the sale of a product which perhaps cannot be sold on its own merits and as a result a very small percentage of the moneys raised ends up with the charity although the public is led to believe that they are donating to the charity. The Council of the City of Winnipeg has recommended that the Charities Endorsement Act be strengthened with respect to professional promoters and this Amendment is designed for that purpose.

Members may be interested, Mr. Speaker, in the provisions of this Act respecting the approval of such campaign. If the campaign is province-wide my department must authorize it, while the Civic Charities Endorsement Bureau of the City of Winnipeg may approve a campaign for the City of Winnipeg, or the Mayor or Reeve of any other Municipality may grant approval for their specific municipality. The problem with professional promoters in this field arises when a well-known charitable organization that is convinced by a promoter that he can raise money on their behalf without any effort of their own, a promoter often has a binding contract signed before the authorities are approached for approval. The public becomes unwilling buyers of indifferent products but is reluctant to refuse the purchase as the charity has an excellent reputation, yet up to 80 percent of the gross receipts is often spent on campaign expenses. Promoters have been known to sign up an organization with a binding agreement whereby the promoter receives the first \$20,000 or more and the balance of the net profits are to be divided between them, that is between the promoter and the charity, but the promoter pulls out of the campaign after collecting the first \$20,000 and nothing goes to the charity.

This amendment will require details of any agreement with a promotional agency to be disclosed to the authorizing authority and invalidates any such agreement unless it is authorized under this Act. -- (Interjection) -- To that extent, yest - we wish to snoop to that extent, that when the charity comes to us and asks for a license that if there is a professional promoter involved in the fund raising campaign that his identity be made known to us. After all, Mr. Speaker, officers of charitable organizations have a responsibility to the public to ensure that a reasonable amount of the charitable dollar ends up in their coffers and not in the pocket of the promoter, and that they should not lend their names to any campaign unless they are so satisfied. There is a continual demand on the public, Mr. Speaker, contribute to various causes, and the public should be able to assume that their hard-earned dollars are used for the purposes for which they are donated. Mayors and Reeves of Municipalities should also closely scrutinize all campaigns before granting authorization and more particularly so when promotional agencies are involved.

I recommend this Bill to the members, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I move, seconded by the Honourable Member for Fort Rouge, that the debate be adjourned.

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

MR. PAULLEY presented Bill No. 72, an Act to Amend the Public Servants Insurance Act, be now read a second time.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The purpose of this Bill is to increase the available funds under the Public Servants Insurance Act. When the Act was first brought in in 1959 there was a maximum amount on the government's . . . here of \$150,000. It is now proposed to remove this

(MR. PAULLEY cont'd) \$150,000 restriction in the Act because the amount required of government is increasing, primarily due to the increasing numbers of employees covered by the Fund.

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

MR. GIRARD: Mr. Speaker, we've had a chance to look at this Bill and we have no strong opposition to it. As a matter of fact, I personally like to see this kind of legislation because I believe very strongly in providing necessary funds for retirement and early retirement. However, I have just one or two questions for the Minister. I'd like to know approximately what cost this will mean to the government because it will mean an added contribution likely in excess of \$150,000; and secondly, I would suppose that this would also result in added contributions being made by the civil servants themselves. However, I would like to know if this constitutes a change in the amount of contribution by the individual or only does it mean the amount in total of the civil servants.

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

MR. FROESE: Just a question that I would like to direct to the Minister. Will the members of the Legislature be informed at each session just how much the contribution is for the particular year concerned, once the ceiling is removed?

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

MR. PAULLEY: Yes, Mr. Speaker, in answer to the last question there is an annual report made to the Legislature, maybe my honourable friend being such a busy beaver hasn't had time to peruse it as yet, but it is made in the annual report. In answer to my honourable friend the Member for Emerson, the answer to one of his questions dealing with the matter of increased payments by the employees the answer is no, there is no change there, because this is only the government's share due to the increasing number of employees being covered under the plan. I believe, if memory serves me correctly, in the Estimates that we considered for this year there was somewhere in the neighbourhood of \$165,000 estimated for this purpose for the current fiscal year and the reason that the suggestion is made to eliminate it altogether is so that it won't be necessary to bring in a separate act on every occasion but the amounts will be revealed in the Estimates and then in the annual report as well.

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

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY presented Bill No. 91, an Act to Amend the Civil Service Superannuation Act for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister.

MR. PAULLEY: Most of the proposed amendments to the Civil Service Superannuation Act are tidying up and housekeeping amendments, Mr. Speaker. One of the changes being requested under this Act is to have it made possible that daily rated employees are delineated in the provision of the Bill. At the present time, references are made to so many hours worked for a year, that is the normal amount of hours worked in a year. We have a fair number of employees who are paid on a daily basis and the intent of the Bill is to spell that out so that that can be used in computing the number of days of contribution.

And another section that we're proposing is to give permission to a representative of a trade union who is on leave of absence from his employer to continue being a member of the Fund and to make the contributions. It is my understanding, Mr. Speaker, that the employee on leave of absence would pay half of the amount as he does at the present time and his Union would pay the other half, so there won't be any direct cost to the government for this but under the present legislation if a man or woman represents a trade union, they leave the service, on leave they're not entitled to continue contributions. That is the purpose of one of the amendments to the Act.

Another change will be to lengthen the period of time in which an employee reentering the fund may apply to have his previous service reinstated in the fund and the purpose of this is to give the administration a little more time in which to put this into effect.

Last year if you recall, Mr. Speaker, we made an amendment to the Superannuation Fund, or an announcement was made, respecting a cost of living bonus to retired pensioners. We neglected at that time to change the Act so that the government share into the Superannuation Fund would be increased because of a cost of living adjustment, and the purpose of the amendment is to spell that out clearly — and I want to assure everyone, Mr. Speaker, that

(MR. PAULLEY cont'd.) there is no delay in the awarding of the cost of living bonuses to the pensioners, but this tidies this up.

Another provision of the suggested amendments will permit the operators of the fund to receive proof of age of a participant at the age of 50 or later, whereas at the present time it has to be submitted on joining the fund. One can see that with the number of transient employees it's rather burdensome to have the proof of age at the commencement.

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

MR. GIRARD: Mr. Speaker, I move, seconded by the Member for Sturgeon Creek, that the debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 90, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, The Honourable Minister.

MR. HANUSCHAK presented Bill No. 90, an Act to amend The Companies Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable the Minister.

MR. HANUSCHAK: Mr. Speaker, honourable members are no doubt aware of the concern with which this government and this party view the increasing control of Canada's assets and resources by foreign interests and, of course, this is a concern not only in this province but in all provinces and no doubt at the federal level this has also been expressed.

The methods by which foreign control may be regulated are complex and often difficult for a province to undertake on its own. Concerted action on a national basis is necessary and this government intends to continue to pressure Ottawa to take a more positive position on this serious problem in the future. . . . Mr. Speaker, there are some actions which provinces can take as a first step in the process of regulating foreign ownership.

One such step which has already been taken in various degrees in Ontario and Alberta, and at the federal level, is the restriction of foreign takeovers of trust and loan companies. Therefore, Mr. Speaker, I wish to lay before the House proposed amendments to the Manitoba Companies Act to make similar action possible here in Manitoba. The operations of trust and loan companies incorporated in this province are controlled by Part 5 of the Companies Act, as enacted by Bill 15 at the last session. Loan companies, and more particularly trust companies, here in Manitoba are permitted to borrow or accept deposits from the public up to 20 times their paid up capital and the government should therefore be concerned about who controls such companies which have many millions of dollars of the public's money in trust for investment.

At the present time the only restraint in this regard is Section 253 which requires 30 days notice to be given to the Superintendent of Insurance when 10 percent or more of the shares of a company are to be transferred. Now this section is designed to give prior knowledge of any change in control but there is no provision for prohibiting a transfer of control. As I have said, Mr. Speaker, the Federal, Ontario and Alberta Governments have restricted the transfer of shares of trust companies, and in the case of Ontario loan companies as well, incorporated in their respective jurisdictions. Following in their footsteps this bill will limit foreign ownership to 25 percent of the issued capital of any particular company in total and 10 percent in the case of individuals. In addition it will define a non-resident as one not ordinarily resident in Canada, and further will define corporations as non-resident where they are incorporated, formed or otherwise organized elsewhere in Canada, than in Manitoba that is; and importantly where they are controlled directly or indirectly by non-residents as defined in the Act. Thus the Hudsons Bay Company for example would presently be a non-resident for purposes of buying trust company shares. Therefore the bill would also cover the situation where shares are owned by a company which is controlled by non-residents and would require disclosure of beneficial ownership by residents on behalf of non-residents. Voting rights would cease on shares owned by a resident when he becomes a non-resident and a non-resident would be prohibited from voting shares which are not registered in his name in the books of the company. At the present time none of our trust or loan companies are controlled by non-residents to our knowledge and this bill would prevent the sale or transfer of shares to foreigners beyond these limits.

(MR. HANUSCHAK cont'd.)

Now this Act also in line with the other three which I have mentioned, Ontario, Alberta and the Federal one, which presently exists in the three jurisdictions that I've mentioned, would provide that a transfer which is forbidden but takes place anyway is invalid, but that a director or officer who knowingly permits such a transfer is liable to a \$5,000 fine, or one year in jail, or both, and a similar penalty is imposed on any person who makes a false statement of ownership.

Now because the government wishes to prevent the companies in Manitoba from becoming the targets of takeovers because other jurisdictions have legislated to prevent it, and because we wish to prevent the rearranging of financial affairs by companies while this bill is being debated, one provision of the proposed Act is that the section respecting foreign ownership of trust and loan companies would come into effect, come into force on the introduction of the bill for first reading. Therefore this portion of the bill will be deemed to have come into effect, that is upon Royal Assent, on Thursday, July 18th of 1971, and any transaction contrary to the proposal contained in the Act will be considered unlawful should it take place on or after that date.

The remainder of the proposed amendments are more of a housekeeping nature. One is the addition of a new section in the Act requiring that any existing trust company not presently accepting deposits to increase its paid up capital to the same level as a new company if they desire to go into the deposit gathering field, a provision of financial statement be filed with the Superintendent by companies regulated thereunder within 60 days of the end of the fiscal year. This time limit is presently not included in the Act. A provision to make liquidity under our Act uniform with the federal and the Ontario acts, and a further change to include borrowing in limitation of maximum amounts that can be accepted as deposits.

Mr. Speaker, the government believes that a positive approach on the question of foreign ownership in the trust and loan field could be the beginning of a positive thrust into the whole difficult question of foreign domination of our economy. Therefore I recommend the legislation to the House.

MR. SPEAKER: The Honourable Member for Brandon West.

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

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

MR. SPEAKER: The Honourable the House Leader.

MR. GREEN: Would you call Bill No. 76, Mr. Speaker.

MR. SPEAKER: Did the Honourable Minister say 76? Oh, here it is. On the proposed motion of the Honourable the Attorney-General.

MR. MACKLING presented Bill No. 76, an Act to amend The Executions Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable the Minister.

MR. MACKLING: Well I would like to explain, Mr. Speaker, that this bill is not to bring back hanging as a technique for corrections in Manitoba. Executions are - the term "execution" is the legal one used for attachment of goods.

This very simple bill is merely administrative in nature. By practice the Department has found that certain time limits are unnecessarily long and this provides for an abbreviation of those time limits to a much more reasonable period. The provision in the Act as it now stands provides that monies must be retained for a period of three months before they can be distributed. This will now make for a much more reasonable time of fourteen days and it will dispense with advertising where the amounts are very very small. Advertising can utilize most of the collected amount under the present arrangements and the amendments provide that advertising can be dispensed with if the amount is less than \$50.00, that the sheriff or bailiff has been able to recover. As honourable members will see the amendments are purely house-keeping in nature and well within the reasonable pattern that legal formality requires.

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

MR. McGILL: Mr. Speaker, we've examined this bill and concur generally with the intent. As a lay person in the law I do have a little trouble with the title of the original act as the Attorney-General mentioned but there are probably reasons for not entitling it the Writ of

(MR. MCGILL cont'd.) Executions Act. However this is not an important part of the amendment.

There is one provision in the amendment that I just note in passing in respect to the failure to give notice by the sheriff or bailiff - I'm wondering if this change is really for the benefit of the person to whom the sheriff or bailiff is giving notice or if it's merely for the convenience of the sheriff himself. If - and I don't recall the Attorney-General commenting on this specifically, but if it's only for the convenience of the person serving notice then I would think we would not be particularly interested in making this change. If however it is providing some useful advantage to the person being served then I think it is a reasonable change.

MR. SPEAKER: Are you ready for the question? The Honourable the Attorney-General.

MR. MACKLING: Mr. Speaker, I have to admit that the provisions in respect to giving notice are all not completely clear to me as to what the ramifications are. Certainly I think they are to give notice to the judgment debtor if there are aspects of the notice of procedures that are required to be clarified I hope that we can accomplish this at Law Amendments Committee. I am assured that this is a most reasonable administrative routine and I think I'll leave it at that until Law Amendments Committee.

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

MR. SPEAKER: On the proposed motion of the Honourable Minister of Municipal Affairs. The Honourable Minister.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk) presented Bill No. 73, an Act to amend The Local Government Districts Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister.

MR. PAWLEY: Mr. Speaker, the principle rationale for introducing the amendments to the Local Government Districts Act at this time is in order to make it possible that electors instead of only ratepayers serve on advisory committees and sign petitions for unincorporated urban district committees, elect unincorporated urban district committees, serve as members of unincorporated urban district committees, take part in annual meetings of unincorporated urban districts, sign petitions for special levies in unincorporated urban districts, and vote in local government districts whether resident or non-resident. These changes, in other words, will bring the provisions of this Act in line with the changes that we passed last year in connection with municipalities so that the citizens in both LGDs and municipal areas will have the same rights in this respect.

In addition at the present time the members of advisory committees are paid \$10.00 a month and 10 cents for each mile travelling to and from the place of the monthly Local Government District Advisory Committee meeting. The changes here will remove that ceiling in order that remuneration can be paid to Advisory Committee members in the same way that remuneration would be paid to members of council.

Another provision makes it possible that the Minister appoint a person or persons as a court of revision acting for appeals within the confines of the Local Government District and generally it would in all likelihood be the Local Government District Advisory Committee that would act as the Court of Revision dealing with appeals in regard to assessment matters.

So that in the main these are the changes that are being requested for this bill.

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

MR. GRAHAM: Thank you, Mr. Speaker. I didn't get the first words of the Minister on this bill but what he did say with regards to the remuneration that is paid to the members of the Advisory Committee. I'm sure he must have said with tongue in cheek because the Minister still has the right to approve the by-laws that they would pass respecting the remuneration. However, he said that the setting up of the Court of Revision would be done to give the Local Government Districts the same rights as apply to the municipalities under the Municipal Act. Is that correct?

Mr. Speaker, the Minister I think has not gone quite as far as the Municipal Act does provide because in the Municipal Act there are provisions for appeal from the Court of Revision. However, we find that for the Local Government Districts - I do not find any appeal from the decision of the Court of Revision, and I refer there again to Section 59(1) of the Municipal Act where there is the appeal from the decision from the Court of Revision. I'm just wondering if the Minister would also include that same right of appeal for the Local Government

(MR. GRAHAM cont'd.) Districts; the same right of appeal from the decision of the Court of Revision that exists in the Municipal Act. I think it's just an oversight on the part of the Minister. I'm sure that when this bill comes to Law Amendments that he will be quite willing to include in this Act that right of appeal that exists for municipalities.

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

MR. WILLIAM URUSKI (St. George): There's just several comments that I would like to make in this bill, and I am happy to see this bill going forward. I have three local government districts within my constituency, the Local Government District of Grahamdale, of Fisher and of Armstrong. There are also three municipalities as well.

One problem that has been faced by the advisers that I find in my area is that of trying to do an effective job of advising on the limited salary and/or expenses that they incur. They would like to do an effective job of checking all of the works and projects undertaken in road construction and drainages and the like that is done by the Highways Department on behalf of the Local Government District, and it seems that they just can't really afford the time on the salaries and that that they get for the work that they are expected to do in their line of duty.

Now additionally I think possibly if the Minister would look into the point of their jurisdiction insofar as the powers that the advisors have. There have been problems whereby an advisor has gone out into an area to check a project, shall we say a road construction, and has not liked the type of work that is being done and apparently the information that I get is that the administrator indicates that he has no power in saying, well look if the job is not good and I would not like to pass it. I would hope that either something within the Act or a better definition of the powers of the advisors could be brought forward so that they would know exactly whether or not they can handle matters of this nature. Thank you very much.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I just have one comment to make in connection with the bill and that has to do with the matter of the Executive Council of administering schools being required to turn in the books and so on to the Minister. Is there a problem here? Why is this particular provision put into the bill? I don't think he commented on it when he introduced the bill. It's Section 19, if he looks for it. I'm just wondering the reason for the insertion of this particular clause.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Speaker. I don't believe I caught the whole of the context of the Honourable Minister, but I did hear him - I heard him say that the Advisory Council members - members of the Advisory Council could be a resident or non-resident. And I just wonder why they would have such a right to bring in non-resident people on an Advisory Council unless it was for the purpose of giving expert judgment on it. If we could have a further . . .

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Municipal Affairs.

MR. PAWLEY: In respect to the various questions that have been posed, I'll answer some now and hopefully other we'll be able to deal with in committee.

So far as the remarks of the Honourable Member for Birtle-Russell in regards to the appeals from the Court of Revision, I will certainly check this because I want to say to the honourable member that I see no reason why a . . . should not be permitted to appeal from Courts of Revision and LGDs as well as from those in municipalities; and if the honourable member is correct then an appropriate amendment would be introduced at the committee stage in order to provide this same avenue of appeal in that regard.

In respect to the question raised by the Honourable Member for Churchill whether resident or non-resident voting in Local Government Districts, whether resident or non-resident, I just have to deal with that at the committee stage, I'm afraid, and the same thing insofar as the comments by the Honourable Member for Rhineland.

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

MR. SPEAKER: Call it 12:30? The hour being 12:30 the House is now adjourned until 2:30 Friday afternoon.