

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8: o'clock, Wednesday, July 12, 1972

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Tourism and Recreation.

MINISTERIAL STATEMENT

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, I have three short statements to make.

First the lake levels in the Whiteshell Provincial Park. I've had a number of inquiries about the low water levels of the lakes around the Whiteshell river and the Whiteshell Provincial Park. This proved that the levels are well below what we have had over the past few years. This spring we have had 60 continuous days without rainfall. The most recent rains have been light and scattered contributing little to water levels in this watershed. As a result there is excessive growth of weeds in the shallow lakes and bays. As well, the lower water levels present some hazards to navigation by exposing rock outcrops and shoals that normally are no problem. Though there are a number of water control structures along this river system there is little that can be done to improve the situation without additional and substantial general precipitation. Control structures are frequently adjusted to maintain a reasonable balance in water levels between the various lakes. To improve the water level in one area would jeopardize recreational use of the waterway in another area since there is no excess flows available.

In the camping regulations, I would like to draw to your attention the unprecedented demand on our campground and beach facilities which we have experienced to date this season. The demand for campsites is so great that in certain areas we have had as many campers in the overflow areas as we have had in the designated campground. This condition exists generally throughout the province but is particularly evident in the central and eastern areas of the province. In the meantime the Parks Branch is making every effort to alleviate the situation with some temporary measures being introduced along with the development of new campgrounds most of which will be ready for the 1973 season. In another effort to solve this problem you will recall earlier this year that I announced the system of allocating seasonable campsites for 1973 will be changed and the matter of winter trailer storage required attention. I am now pleased to announce that such storage as provided in the past will be available again for the winter of 1972-73. I also anticipate that an early decision will be reached concerning details of the draw system to be used in allocating seasonal sites for 1973. All current permit holders of seasonal sites will be advised accordingly.

And finally, Mr. Speaker, CBC program "Outdoor Fever". Members of the House may have had occasion to view the program on the CBC television network, Tuesdays at 7:30 P.M. called "Outdoor Fever". This is a CBC production in which this department is co-operating by providing staff and some logistical support. The program is an 11-week half-hour colour series focusing on camping opportunities found in both the provincial park system and in private parks. The program reviews camping over most of the accessible areas of the province and includes timely comments on conservation, the do's and don't's of trailer travel, tenting, canoeing opportunities, etc.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Leader of the Liberal Party.

ORAL QUESTION PERIOD

MR. I. H. (IZZY) ASPER (Leader of the Liberal Party) (Wolseley): Mr. Speaker, my question is to the Minister of Industry and Commerce. Is it correct that Tantalum Mining Corporation, in which we have now invested, owns certain subsidiaries and affiliated companies that are reflected on the balance sheet of Tantalum Mining Corporation?

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): I must apologize, I could not hear the early part of your question and I would ask the honourable member to repeat it please?

MR. ASPER: The question is, is it correct that Tantalum Mining Corporation in which we have invested recently, owns certain subsidiary and affiliated companies as reflected on the company's balance sheets?

MR. EVANS: Well, Mr. Speaker, one could question the relevancy of certain questions that are being asked in this respect and rather than give an off-the-cuff answer I will look into the matter and attempt to be as precise as possible in an answer. But let me say this, Mr. Speaker. This afternoon the Honourable Member for Wolseley, the Leader of the Liberal Party, made reference and asked the question of the government making reference to a statement that was sworn by a Mr. D. Winchell, President of Tantalum. He said, "An affidavit of April 26, 1971 stating that shares had been bought for 1.25 million, and will the Minister therefore withdraw the statement to the effect that shares were bought for \$2 million."

Mr. Speaker, I can advise the House that in the agreement between Goldfield and Chemalloy there was three parts and these three parts are inseparable. One part does refer to the fact that Northern or North Goldfield will sell to Chemalloy its stock for 1.25 million dollars for 60 percent of the shares in Tantalum as the honourable member seems to wish to infer. But, Mr. Speaker, there is another part of the agreement which is inseparable from this which states that Chemalloy must pay three-quarters of a million dollars to Goldfield. These are inseparable parts of one agreement. There's a third part which I made reference to in the statement. Contingent upon Chemalloy will be a liability for 60 percent of the savings below \$7 million which might be incurred in any payment - in any settlement. But the point I want to make, Mr. Speaker, and I'm sorry I have to be so long, but I don't want the people of Manitoba to be misled, because the fact is while the Honourable Leader of the Liberal Party wants to pick on one element of an agreement and make reference to an affidavit, the fact is that the agreement provides for \$2 million, and let me put it this way, the fact is that Goldfield would not have sold any shares if it was less than \$2 million; in effect this is what I'm saying and the truth of the matter is that it's 1.25 plus three-quarters of a million dollars and that is in the agreement.

MR. ASPER: Is the Minister suggesting that we should believe or take to understand, take to understand from what he says that the . . .

MR. SPEAKER: Order, please. I cannot call a member to order until I've heard what he has to say. If honourable members wish to have the Chair they're entitled to it; I shall vacate it at any moment. I'm not married to it. The Honourable Leader of the Liberal Party.

MR. ASPER: Are we to take, Mr. Speaker, from the Minister's statement that he is suggesting that the three-quarters of a million dollars referred to in repayment of debt and purchase of debt securities should be attributed to the purchase of shares? Is that what the Minister is saying to us?

MR. EVANS: Mr. Speaker, I don't know how often the Premier has to reply and I don't know how often I have to state it, but simply put, the 60 percent of Tantalum which Chemalloy acquired from Goldfield cost Chemalloy at least \$2 million.

MR. ASPER: Mr. Speaker, then is the Minister suggesting that any sworn statement to the contrary is a fraud?

MR. SPEAKER: Order, please. I would suggest the Honourable Leader of the Liberal Party place his questions brief and concise. Cut out the verbal foliage then we won't have any problem. The Honourable Leader of the Liberal Party.

MR. ASPER: The question simply is, is a sworn statement to the contrary fraudulent?

MR. SPEAKER: The Honourable Member for Inkster wish to state a point of order? -- (Interjection)-- Very well.

MR. SIDNEY GREEN, Q.C. (Inkster): Mr. Speaker, this is not a debating period. The honourable member is entitled to ask a question, he's entitled to get an answer or not get an answer, and then to bring in a debate because of the answer is not in accordance with the question period. The honourable member for . . . Mr. Speaker, I have no objection and there will certainly be time, as provided by the rules of the House, for the honourable member to take whatever material he has, to take whatever answers he's got and make a debate on that question, and I will welcome the debate because the honourable member knows full well that considerations stated in agreements are sometimes complementary to one another, but this is not the time to debate and the Speaker should know from the way in which the questions are being asked that that is what the honourable member is doing. He gets the answer and then he says are you suggesting the answer means such and such.

MR. SPEAKER: The point is well taken. I would again appeal to all honourable members to stay by the procedures of the House. To keep the question period short and brief, precise, to bear in mind Citation 171, 172 of Beauchesne where the annotation and comments indicate how questions may be proceeded with. The Honourable Member for Wolseley.

MR. ASPER: On the point of order, Mr. Speaker, there is a matter, there is a very important issue before this House which can be questioned. That is this: Either, either, Mr. Speaker -- and the question that I'm putting to the Minister is a valid and proper question -- either our new partner has sworn a false statement . . .

MR. SPEAKER: Order, please. Order, please. Order, please. The honourable member again is debating the issue. I have indicated that the question period is not the time for debate. I would hope the honourable member would conduct himself accordingly. Oral questions. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, in view of the Minister's answer relative to picking on one aspect of this transaction I'll turn to another, and that is this, Mr. Speaker, the question is, did Tantalum Mining pay 1.5 million dollars to someone for mining and mineral claims, and if so to whom?

MR. SPEAKER: Orders of the day. The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I don't know how many times we have to repeat ourselves and to provide information which in some ways to my way of thinking is information which becomes redundant because it's been asked in different ways by different people. But I will look into the honourable member's question because it is our desire to provide all information that is relevant to the situation.

MR. ASPER: Supplementary then. Would the Minister table the December 31, 1971 audited statement of Tantalum Mining Corporation Limited?

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

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights); Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder if he can indicate whether it's still the governments position that Tantalum did not have an interest in Goldrim Mines in Australia?

MR. SPEAKER: Orders of the day. The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, we gave the Honourable Leader of the Opposition an answer today. The Honourable Leader rose and questioned it based upon a Financial Post survey and I believe the First Minister, the Premier, indicated we were going to double-check, and we will be double-checking.

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

MR. ASPER: To the same Minister, Mr. Speaker. In view of the First Minister's statement today in answer to a question similar that the \$2 million that Tantalum - that Chemalloy was going to insert into this company would have justified the increase in value, the question is the increase in value of 300 percent that I spoke of in my question, my question now is . . .

MR. SPEAKER: Order, please. May I indicate to the honourable member questions should be brief, concise and precise. Unfortunately the honourable member has a habit of introducing a lot of extraneous material, a lot of verbal foliage which I'm afraid is not necessary. Questions during the question period are for clarification, not for debate. Unfortunately the honourable member wishes to debate continually. The Honourable Leader of the Opposition.

MR. ASPER: Mr. Speaker . . . House the Leader of the Liberal Party, Sir. The Speaker has recognized the Leader of the Opposition and I believe it is inadvertant. The question is, on the basis of what evidence the Minister of Industry says that Chemalloy has the capacity to pay Tantalum the \$2 million which it is committed to do in the face of the fact that on its own statements it is in deficit position.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, it certainly on reflection would seem that no matter the extent to which we provide information and answers and repeat information and answers, the process of asking a long series of detailed questions could go on at great length. However, in this particular case the member asks on the basis of what judgement or information does one assume that Chemalloy is capable of the infusion of \$2 million into the Tantalum Corporation as per the requirement of the contractual obligation they've entered into, the agreement. It's on the basis of judgment of those who were working on the particulars of the agreement on the basis of judgment of financial people of the MDC, legal counsel to the MDC, and on the basis of their research. If, however, the infusion of \$2 million does not take place and there is default therefor of the contractual obligation then the entire property becomes the property of the Crown.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to know from the First Minister on whose evidence and advice did we believe that we were entitled to a definite option to buy shares in Versatile Manufacturing merely by our commitment to advance \$6 million which was subsequently challenged by the lawyer for Versatile Manufacturing?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, it was on the basis of the financial advice that was available to the MDF at the time, and the arrangement was carried out in its legal terms by the honourable gentleman who now sits opposite. I think that's well known.

MR. SPEAKER: The Honourable Leader of the Opposition, Order, please. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, the point of privilege is this. The First Minister has made a reference to advice that I gave to the government in a professional capacity. I am unable to respond or comment on it because of the laws of privilege which rest with the client. Mr. Speaker, what I am saying is that I am unable to respond unless the First Minister releases me from the solicitor and client privilege, of all kind, and allows me to comment freely on all matters on which I advised this government as a lawyer.

MR. SPEAKER: Order, please.

MR. GREEN: It's not the point of privilege. If the honourable member's question -- (Interjection)-- Mr. Speaker, if the honourable member's question on whose advice did we rely on something was a legitimate question, my question on whose advice was something to rely on was a legitimate question. Both questions could be answered and neither gives to the person who is referred to a point of privilege.

MR. SPEAKER: Order, please. Before I recognize the First Minister, let me indicate that both gentlemen didn't have a matter of privilege and both were out of order on that in that regard. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't know if anything in my answer could possibly offend my honourable friend. I was asked a question as to whose advice we followed and I tried to make it clear that with respect to the financial aspects of the agreement in question, we followed the advice of the financial people within the MDF. So far as the legal aspects of the agreement were concerned, I indicated it was an honourable gentleman opposite, and I don't know in what way that could prove to be offensive. Let me make it clear that I did not say, nor did I wish to imply, that we followed the financial advice of the legal counsel that was retained. Legal counsel gave us legal advice. Financial advice we did not ask for particularly.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. It arises out of the questions that have been asked of Tantalum and out of the statements that have been produced. I wonder if the First Minister were considering convening the Standing Committee on Economic Development and allowing Dr. Briant to appear before the Legislative Committee so that a full explanation can be given by him in connection with this project and proper answers and accurate answers can be given.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I am not completely certain - my colleagues who were here between 1966 and 69 can advise me - but it would seem to me that when my honourable friend had some responsibility for Industry and Commerce and the MDC there was neither a Committee on Economic Development, there were no annual reports, no quarterly reports, and therefore it was impossible to even have any committee of this kind convene.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question to the First Minister is, will he convene a meeting of the Standing Committee of Economic Development for proper answers to be given by Dr. Briant?

MR. SPEAKER: The Honourable House Leader.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): I believe that I have the responsibility for the conduct of the House and the calling of Committees. I will take the question of the Honourable Leader of the Opposition under advisement within the jurisdiction of which I am responsible.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. Would he cause the House Leader to convene a meeting of the Standing Committee on Economic Development?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the honourable member has just been told that the request will be taken under consideration. Certainly he knows that in the normal course it will come up for consideration at the time of the next session, the annual reports. If the honourable member is trying to inject into this matter some sense of urgency and panic, then he can try all he likes, but that is not going to cause us to deal with this matter other than in a routine way.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I have a question for the Honourable the Minister of Health and Social Development. Do employable welfare recipients have to appear in person to pick up their social assistance cheques or are the cheques mailed to them?

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Mr. Speaker, in most cases where social allowance recipients are actually sent cheques, are paid by cheques and not cash, this is sent to them. We've tried in certain areas of the province what has been done elsewhere in Canada, where cheques are to be picked up by those who are able to pass by the office to pick them up, and we're awaiting the result of this experiment.

MR. G. JOHNSTON: Another question, Mr. Speaker. Is any consideration being given to a policy which has proven successful in New York State where employable welfare recipients are encouraged when they come into the office to pick up their cheque to take either retraining or to take a job?

MR. TOUPIN: Yes, Mr. Speaker, we have now within the Department of Health and Social Development what we classify as job placement officers, some with over 35 staff man-years within the Province of Manitoba, and this is done in all cases so far as those who are unemployed and we figure employable; not only for the department itself but equally we are trying to co-ordinate efforts pertaining to the unemployed employables that are the responsibility of municipalities.

MR. G. JOHNSTON: Another question, Mr. Speaker, to the Minister. How successful has the program been in finding employable welfare recipients, males, to take mining jobs at Thompson?

MR. TOUPIN: Mr. Speaker, I haven't got the breakdown for Thompson itself but I could give the honourable member the breakdown for the north, for The Pas region which includes Thompson. For the period of 1972 it was 373 and for the province itself 884.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I have a question for the Minister of Industry and Commerce. Could he take as notice information to supply the names of the 4H Clubs that are booked for the SS or HMS Lord Selkirk for the rest of the summer?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I believe the honourable member asked a related question this afternoon which was taken as notice by the Honourable the Attorney-General and I would assume that any necessary information would be supplied by the Attorney-General when he answers the question he took as notice.

MR. CRAIK: Yes, Mr. Speaker. My question earlier today was if he could discover whether a particular 4H Club had been served with liquor at an underage, under that allowed by the Liquor Commission. What I am asking of the Minister is whether he could supply names of the 4H Clubs that have passages booked on the Selkirk for the rest of the season?

MR. SPEAKER: Order, please. The Honourable Minister of Industry and Commerce.

MR. EVANS: I'm not sure whether I heard the member correctly. Did he ask for the names of all 4H clubs that might be booked for the rest of the season on the Lord Selkirk. Well I can look into the matter, Mr. Speaker. Maybe the honourable member knows better than I who's booked on there. I hope there are a lot of 4H members looking and enjoying the Lord Selkirk because I think it's an interesting recreational experience for them.

MR. CRAIK: Mr. Speaker, in view of the Minister's answer can he advise whether it's going to be his department's policy in deference to that of the Attorney-General to serve liquor to the 4H members who are under 18 years of age.

MR. SPEAKER: Orders of the . . . The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I have a question for the Minister of Industry and Commerce. Are Aronovitch and Leipsic design and planning consultants as well as leasing agents at the Town of Leaf Rapids?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I'll take the question as notice.

MR. MOUG: Possibly, Mr. Speaker, a supplementary he could take as notice as well. I'd like to know what other provincial government work at Leaf Rapids has been assigned to this firm?

MR. EVANS: Mr. Speaker, that is a larger question and I think an Order for Return would be in order in this case.

MR. MOUG: Mr. Speaker, we'll just leave off the supplementary question then. If I get the answer to the first question that'll be fine with me.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, my question is to the Minister responsible for Autopac. Could the Minister advise us the reason for hiring an out-of-province auctioneer to sell vehicles on behalf of Autopac?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Chairman, I'd anticipated that the honourable member, some honourable member, might some time ask that question. The out-of-province auctioneer was one that specialized solely in the sale of automobiles. He attended at two sales and provided very useful instruction and advice to Autopac officials insofar as the organization, arrangement, and conducting of such sales, and also involved himself in providing guidance and information to local auctioneers. May I inform the honourable member that as of today an advertisement appeared in the local media calling upon local auctioneers in the Province of Manitoba to submit to the corporation letters indicating their interest and qualifications, etc. now that we've been able to successfully establish the sales, which have to date been quite successful.

MR. SPEAKER: Orders of the day. The Honourable Minister of Labour.

GOVERNMENT BILLS

MR. PAULLEY: I wonder, Mr. Speaker, whether you would call the adjourned debate on third reading of Bill 59.

MR. SPEAKER: Proposed motion of the Honourable Minister of Finance. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I understand that consultation has taken place between the Minister of Finance, responsible for this bill, and certain members opposite and the best way to handle this procedurally would be to ask the House to allow this matter to stand in my name with the understanding that the Minister of Finance will speak and put forward a certain proposal.

MR. SPEAKER: (Agreed) The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, the debate on this bill has proven to be most useful to all members of this House. Yesterday there were discussions that started in Committee of the Whole and actually that continued into third reading. As a result of which we were able to formulate a direction which was somewhat different from what was originally planned in the bill. When I spoke on the bill in committee stage I indicated that it would not take effect, it would not be effective until January 1st, 1973, and that there was various aspects that we wanted to study in order to be able to consider whether there should be changes in the proposal. However, Mr. Speaker, the discussions yesterday as I say proved most useful. I feel that the members of the Opposition and members of our own caucus on this side developed a further and greater understanding of the bill and we're able actually to persuade the government to review what had been said in order to try to arrive at what might be a clarification and what would also both enlarge the scope of the bill and at the same time protect the interest of those that the government had wanted to protect but I agree had not been as fully spelled out as they should. So that I want to compliment the members on the opposite side for bringing matters to our attention. I think the Leader of the Liberal Party was the first, and then honourable members of the Conservative Party and the Honourable Member for Rhineland all contributed, and as I say members of our own caucus also discussed the matter with us, as a result of which, Mr. Speaker, I'm happy to inform that I'm now in a position to propose amendments which I think generally, those who have seen the proposed amendments, will agree are improvements on the bill, and which I believe the House is desirous of dealing with. So I have been complimenting members of the opposition in fulfilling one of their functions - and in thanking them, which I do do for their contribution, I am now able to say that I think that the bill can be improved and I've caused to be distributed already proposed amendments which will in effect result in the bill being applicable to all

(MR. CHERNIACK cont'd) persons - and in the definition "persons" I include corporations as well as individuals accepting the original exemption of 40 acres in order to eliminate small holdings, and exempting farm operations be they of a corporate nature, which means co-operatives or family corporations, and individuals who's principal business or occupation is that of farming, and I think that brings about, really brings together the various suggestions that have been made by various members of the House. The procedure to be followed could of course by unanimous consent be varied, but the proper procedure is in rule 89 which provides that on third reading any member may recommit the bill to the Committee of the Whole giving notice of the purpose, and then the House can go to Committee of the Whole but under the rules the instructions which the member proposes shall not be taken into consideration before the next sitting of the House. I'm hopeful that we'll obtain consent that we proceed directly to Committee of the Whole after the motion is put so that we can deal and, I think, dispose of this matter today since as I say certain honourable members who expressed the greatest interest have had an opportunity to review the amendments and have intimated to me that they believe that they can deal with expeditiously. Therefore, Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the order with respect to third reading of Bill 59 be discharged and that the bill be recommitted to the Committee of the Whole.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: I don't know how far these amendments were distributed but certainly -- (Interjection)-- well we have not yet had a chance to go through them and rather than attempt to deal with this immediately I think we would like to examine them at some length. Now just let me backtrack here for a moment in case someone here has gone into them in detail, but I don't believe this is true because in looking at it I'm quite sure that try as we might we're not going to get through this in a matter of five minutes to the satisfaction of the points that were raised last night. I'm sure however, that --(Interjection)-- well I am sure that if we do have an opportunity to look at them I asked the House Leader if in fact holding this over until the first session tomorrow is going to make any significant difference to this bill, because I'm sure we do not wish to hold it beyond that.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I don't like to disagree with my colleague but the Minister was kind enough to distribute copies of the amendment, proposed amendment, early this afternoon; we discussed it amongst a group of us and I had given the Minister assurance that we would be prepared to proceed with the . . .

MR. SPEAKER: Order please.

MR. JORGENSEN: . . . I gave the Minister assurance that we would be prepared to deal with the amendments tonight and I hope that can take place now.

MR. SPEAKER: The motion agreed to. (Agreed)

The Honourable Member for Logan.

COMMITTEE OF THE WHOLE

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: May I first thank honourable members for their co-operation on this and may I say that one of the reasons why I'm pleased that members were prepared to deal with this today is that frankly a member of my staff and a servant of the Legislature have spent all day refining and preparing the amendments. They're present tonight and I'm happy that we hopefully can complete the matter so that the work that they put in can be concluded and they can feel free to leave the Legislature today and not have to come back tomorrow in order to assist me in this work.

May I say, Mr. Chairman, that I believe that I made clear in my introduction, or the introduction of the motion, that the proposal was that we would be bringing in certain amendments which were distributed. I assume that that is in accordance with the rule which provided that I would have to give the notice of intention. May I therefore now that the amendments have been distributed, may I inform the members of the House that His Honour has consented to the amendments I should read it into the record. It's addressed to the Speaker of the Legislative Assembly. "I've been informed of proposed amendments to Bill 59 The Mineral Acreage Tax Act, copies of which are attached hereto. I recommend the proposed amendment to the House." Dated at Winnipeg this 12th day of July 1972 and signed by his Honour the Lieutenant-Governor.

I believe, Mr. Chairman - and you can correct me on the procedure - I believe that since

(MR. CHERNIACK cont'd) in Committee of the Whole previously the bill had been dealt with in its entirety, that the proper procedure I imagine now would be for me to move these - well it's to move the proposed amendments as they appear - I see that they are five in number - and if that's the correct procedure --(Interjection)-- five separate motions.

Therefore I would move, Mr. Chairman, that section 1 of Bill 59 be amended - Mr. Chairman, need I read the whole thing into the record? It's a page long and members have copies. There is a suggestion that it be dispensed with if that's in accordance with the rules I would . . .

MR. CHAIRMAN: Is it agreeable? (Agreed)

MR. CHERNIACK: Then I move that the motion . . .

MR. CHAIRMAN: I believe that a copy of the motion should . . .

MR. CHERNIACK: Then it will be put into Hansard as if read, if that's acceptable, Mr. Chairman.

PROPOSED AMENDMENTS TO BILL 59
The Mineral Acreage Tax Act

1. MOTION:

THAT section 1 of Bill 59 be amended

- (a) by striking out the words "corporation in which" in the first line of clause (f) thereof, and substituting therefor the words "person in whom";
- (b) by striking out the words "corporation which" where they appear in the first line of sub-clause (i) of clause (f) thereof, and again in the first line of sub-clause (ii) of clause (f) thereof, and substituting therefor, in each case, the words "person who";
- (c) by striking out the word "corporation" in the fourth line of sub-clause (i) of clause (f) thereof and substituting therefor the words "first mentioned person";
- (d) by relettering clauses (d) to (i) thereof as clauses (f) to (k) respectively; and
- (e) by adding thereto, immediately after clause (c) thereof, the following clauses:
 - (d) "farmer" means
 - (i) an individual whose principal occupation is farming or the spouse of such an individual, or
 - (ii) a corporation the principal business of which is farming and the majority in number and value of the shares of which are held by individuals whose chief occupation is farming or by the spouses of such individuals;
 - (e) "farming" means
 - (i) the growing of cereal crops, vegetable crops or special crops; or
 - (ii) the raising or keeping of livestock or poultry, or
 - (iii) dairying, or
 - (iv) apiculture, or
 - (v) fur ranching.

2. MOTION:

THAT section 2 of Bill 59 be amended by striking out the word "corporation" in the first line thereof and again in the third and fourth lines thereof, and substituting therefor, in each case, the word "person".

3. MOTION:

THAT section 3 of Bill 59 be amended by striking out the word "corporation" in

- (a) the first line of subsection (1) thereof;
- (b) the second line of subsection (1) thereof; and
- (c) the first line of subsection (2) thereof;

and substituting therefor, in each case, the word "person".

4. MOTION:

THAT section 4 of Bill 59 be amended

- (a) by striking out the words and figure "subsection (2)" in the first line of subsection (1) thereof and substituting therefor the words and figures "subsections (2) and (3)";
- (b) by renumbering subsection (3) thereof as subsection (4); and
- (c) by striking out subsection (2) thereof and substituting therefor the following subsections:

Where some joint tenants are exempt.

4(2) Where two or more owners have title to minerals as joint tenants, and some, but not all, of those owners are exempt under section 9 from payment of tax in respect of the minerals, the owners who are not exempt under section 9 from payment of tax in respect of the minerals shall be deemed to be the sole owners of the minerals for the purposes of payment of tax, but

- (a) notwithstanding section 5, the tax payable in respect of each year shall be an amount calculated by multiplying
 - (i) the tax in respect of those minerals as calculated under section 5,
 - by
 - (ii) the number of owners of the minerals who are not exempt under section 9 from payment of tax in respect of the minerals.
- and dividing the product by the number of joint tenants; and
- (b) where proceedings are taken to vest title to the minerals in the Crown in right of Manitoba the title to the minerals shall be severed and the title vested in the Crown in right of Manitoba shall be only that title to the minerals that the owners, who are not exempt under section 9 from payment of tax, would have if the title had been severed by an act of the owners who are exempt under section 9 from payment of tax,

Where some tenants in common are exempt.

4(3) Where two or more owners have title to minerals as tenants in common, and some, but not all, of those owners are exempt under section 9 from payment of tax in respect of the minerals, the owners who are not exempt under section 9 from payment of tax in respect of the minerals shall be deemed to be the sole owners of the minerals for the purpose of payment of tax, but

- (a) notwithstanding section 5, the tax payable in respect of those minerals in respect of each year shall be an amount calculated by multiplying
 - (i) the tax in respect of those minerals as calculated under section 5,
 - by
 - (ii) a fraction equal to the fraction of the total title to the minerals that is vested in the owners who are not exempt under section 9 from payment of tax in respect of the minerals;
- (b) where proceedings are taken to vest title to the minerals in the Crown in right of Manitoba, the title vested in the Crown in right of Manitoba shall be only the title that the owners who are not exempt under section 9 from payment of tax could transfer by their act.

5. MOTION:

THAT section 9 of Bill 59 be struck out and the following section substituted therefor:
 Partial exemption for persons farming.

Notwithstanding section 5, where title to minerals in, on or under land is vested in a farmer in whom title to the surface of the land is vested, no tax is payable by the farmer in respect of the minerals in, on or under the land so vested in him and used by him for the purpose of farming.

MR. CHAIRMAN: Move motion one. Is there any discussion on the motion? The Honourable Leader of the Opposition.

MR. SPIVAK: Oh, Mr. Chairman, I wonder - I'm sorry I was out for a few moments - but I wonder realistically whether the Minister of Finance has explained the change, without going into the actual legal wording of it, so that the impact will be fully understood by everyone and so that in turn some questions of the principle involved in the change can at least be asked and agreed to before we deal with the technical way in which it is proposed to be introduced by way . . .

MR. CHAIRMAN: Would the Honourable the Leader of the Opposition speak in the microphone.

MR. SPIVAK: I think the Minister of Finance understood me, if he did not I'll repeat it again.

MR. CHERNIACK: Mr. Chairman, may I say only that I though I had described the intent of the amendments just before I introduced the motion. However, I am prepared to deal with any particulars.

May I say that the first motion dealing with section (1) eliminates the references to corporations and substitutes the word "person" and that is the first number on the first half of the first page. For the other we have provided, and this is a definition section, definitions of farmer and farming, and I should inform members of the House, as certain members present already know, that these definitions are in line with and adjusted to this bill but are in line with the definitions in the Agricultural Credit Corporation Act from which in itself definition is designed to depict what is a farmer and what is farming, so that we can later with subsequent motions deal with the exemptions that I have already referred to. I don't know if that's an adequate explanation.

MR. SPIVAK: Yes. I wonder if the Minister of Finance could now indicate what additional revenue is expected to be realized as a result of these changes, both for this fiscal year and annually.

MR. CHERNIACK: Mr. Speaker, Mr. Chairman rather, I had indicated previously that the expected revenue under the bill as it stood, or as it stands now, was some \$300,000 for the fiscal year and that's not this fiscal year, that's next fiscal year. It would appear that there will be some increased revenue but the extent of it, there's been no opportunity to estimate that because the searches that were made, and I reported previously to the House that they were rather extensive, were confined to corporations. Now the vast amount of land that's owned in the province by persons, individuals rather than corporations, is really farm land, because the northern part of the province, the mines, the mining rights are owned in the main by the province and of course by corporations which are included in the \$300,000.00. I'm not in a position and I really wouldn't take the responsibility for guessing as to how much the increased revenue will be but it will have to be in excess of the \$300,000.00. The extent to which it will be, can be assessed by the honourable member himself if he knows or remembers that I reported previously that about one-quarter of the mineral rights are owned by corporations and about three-quarters by individuals but you couldn't really multiply it in that way without taking into account the fact that by exempting farmers we have exempted the very large numbers of mineral rights that are held by individuals.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the First Minister could indicate how the new changes now proposed by way of this amendment, how we would compare with other jurisdictions with respect to individuals as opposed to corporations.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I also explained previously when we discussed this bill that the Province of Saskatchewan taxes only corporations. The Province of Alberta does tax individuals but members will recall that the Honourable Member for Rhineland referred to the fact that his understanding is that in Alberta most of the mineral rights are not owned by individuals, by farmers, and that impression he has has been confirmed to me again by an impression of a senior member of the staff of our department.

MR. CHAIRMAN: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Chairman, in confirming the support of the Liberal Party for the amendments before us in the bill, you will recall that last evening and yesterday afternoon in committee there were three fundamental concerns over the bill. First was that it was not clear enough that farmers who had mineral rights would escape this tax. This has been corrected by the bill.

The second concern was that corporations which were farming corporations, family corporations, would inadvertently be taxed on their mineral rights. The amendment before us cured that defect.

The third criticism, or issue, that we took with the bill from this side of the House, was that individuals would escape the tax who in effect were mineral rights speculators and this seemed inequitable. The amendments the Minister of Finance has put before us cure this escape hatch and prevent a tax avoidance device being built into the bill. So, Mr. Chairman, as I said to the Minister of Finance last evening that without the amendments we found ourselves supporting the bill but with the amendments we could enthusiastically support the bill. I hand him our enthusiastic support and make the point that I think in this instance we have seen government, and I regard us all as government, working at its best, where the government has moved in a proper direction, has heard from the Opposition, and has responded positively by accepting what it thought the Opposition had to offer positively, and for that I thank the Minister and urge support for the bill.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Well, Mr. Chairman, apart from the . . . can the Minister of Finance tell me where the money is coming from? Three hundred thousand dollars from mining claims, yes or no, estimated. How much from agricultural lands? When he says agricultural lands is he referring to farmers or corporate farmers on agricultural lands or is he including investment in agricultural lands where the party regardless of who he is buys the mineral rights. A corporate group that buys mineral rights on agricultural land in southern Manitoba for oil or other purposes, how much money comes from that?

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, as we proceed to go through the proposed amendments we will eventually reach the very last one which spells out the exemption. The exemptions will apply to where the title to minerals is vested in the land along with that of the surface in a farmer.

MR. CHAIRMAN: Order please. I think that our House rules section 64 (2) are quite specific that when we reach that section the honourable member can ask that question and get his answer at that time.

MR. CHERNIACK: Mr. Chairman, I'll accept your ruling. May I say however, that I've received a note from on high saying that there may be even decrease in revenues, that maybe because of the fact that in the estimates corporate farms were included; this amendment would exempt them. So that now we're back to something like \$300,000.00.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Yes. How much comes off mining claims, how much comes off agricultural land that is used for surface purpose for agriculture but may have minerals that are allocated to corporations other than that interested in agriculture? If the answer is nothing, that's all we want.

MR. CHERNIACK: That answer it's included in the \$300,000.00. If there are mineral rights owned exclusive of the surface rights, then they are taxable and have been included in the sense that corporate holdings have been. Mr. Chairman, I'm rather concerned that I do comply with your instructions in this definition section.

MR. CRAIK: Mr. Chairman, if Imperial Oil buys rights to minerals from some constituents of the Member of Souris-Killarney, does Imperial Oil pay the tax, the 10 cents per acre indicated in here.

MR. CHERNIACK: Yes, Mr. Chairman.

MR. CRAIK: Mr. Chairman, then to what extent is it considered that this is going to be an inhibition for corporate companies from buying mineral rights up in southern Manitoba from farmers?

MR. CHERNIACK: Mr. Chairman, I want very much to answer that question. I don't know if you'll permit me to do it at this stage or whether I have to do it at a later stage.

MR. CHAIRMAN: Well if we deviate from the rules we wind up with what we did on other bills in past. We wind up having debates, in the definition section, then we wind up having the same debate in about three or four other sections, and therefore I would suggest to the Honourable Member for Riel that he be patient and when we reach motion 5 he can have his questions answered.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, there is quite a bit of talk going around in this Chamber. I'm rather interested in the definition of a farmer here because it says an individual whose principal occupation is farming or the spouse of such an individual. On this side of the House there are quite a few that are termed farmers but if our sessions should get any longer then what we have had then for the last few years, we might no longer be.

MR. CHAIRMAN: Order please. I quite realize, and I'm going to be as lax as possible, but it is very difficult for the Chair to hear what the honourable member is saying when other honourable members seem to be having little caucuses all around the Chamber. So if you're going to have them, try to make them quiet so at least I can hear the Honourable Member for Rhineland.

The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I was just referring to the definition of a farmer and I was reading the first section d(i) which reads "an individual whose principal occupation is farming or the spouse of such an individual" and when we talk of the principal occupation for some of us members who are farmers on this side, and it seems to me that the majority of those who are farmers are on this side of the House, that if our sessions become much longer than what they have in the last years that it is probably doubtful whether we can be considered farmers or not. And, too, just what do we mean by principal occupation is, and as farmers in a poor year when we have drought or hail, or some other experience, that our income should be higher from the indemnities and from that of farming, just where does this leave us? I hope when the definition is applied that it will be applied in such a way so that we can still be termed farmers as such. After all this is what we call our principal occupation, that's where we have our families, or rather their residence or domiciles, I think if it's not attached to it but certainly it should be taken into consideration when we put in the definition as farmer. -(Interjection)-Yes.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, I would ask the Member for Rhineland if he was merely theorizing or whether he feels this is a practical problem, because as I understand it the Member for Rhineland is a good case in point. He is a farmer in the Winkler area but if he had a problem with respect with this particular section, would he not also have the same problem under the Municipal Act with respect to assessment under the Agricultural Credit Corporation. It's proved not to be a practical problem under those two respective acts so far, it shouldn't be here.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Well, I think as far as the Agricultural Credit Corporation Act is concerned as members we're denied to deal with the corporation, we're not allowed to deal with the corporation. On the other point, the Minister may well be right, I would have to re-check on that particular act. I'm not raising this point facetiously, or on the other hand that I'm objecting to it, I just want to be sure that when we make a definition so that we can use it and apply the definition.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Quite seriously the - well, before I become serious may I say it has been suggested that the occupation that the honourable member refers to may well not be occupation but really be a chore, and if it's for farmers it comes easier I imagine. More seriously, I would say that the example given is a poor one because I don't think that the occupation of elected people is really their occupation in the legal sense. However, no doubt if somebody is looking after the farm, and it may well be the honourable member's wife who may be operating the farm and therefore he would be covered as the spouse of his wife. I don't know that this has ever been a problem. I would agree however, that what we call a gentleman farmer may well not be farming as his principal occupation and would therefore not be entitled to this kind of exemption.

MR. CHAIRMAN: Motion (1) -- The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I move . . .

MR. CHAIRMAN: The Honourable Member of the Opposition.

MR. SPIVAK: Mr. Chairman, I think we should express to the Minister of Finance some difficulty we have with this, and it's our intent to try to deal with this expeditiously, and we understand the position that he's expressed to us. Originally there was some question that in the terminology of "corporation" as the act was supposed to first apply to rather than a person, there was no determination at that time that "corporation" would exclude a corporation whose main purpose and only purpose is farming and therefore that appeared to be a bit of discrimination with respect to a farmer who had incorporated. What now has appeared as a result of the proposal is a fundamental change in that you're now going to be taxing not just corporations but individuals. And in turn you pointed out that you really at this point do not know the numbers or you're not in a position to accurately determine what amount of money will be realized so that it can be related to the number of claims held by individuals in their own names or in partnership with others as individuals. Now our concern at this point is not to put what would be an undue burden on those prospectors in Manitoba who have, and are continuing to attempt to prospect and explore the northern area and who in many respects are really the prime movers ultimately of the . . .

MR. CHERNIACK: Mr. Chairman, I wonder if the honourable member would permit me to interrupt him - and he has. I thought I might save some discussion if I point out that this is not a tax on claims. Mining claims may well be claims' leases given by the province or by individuals - is the ownership of the mining rights and it does not include producing areas because they're subject to Royalty tax so that this applies only to the ownership of mineral rights in land, and that's all, not the claims.

MR. CHAIRMAN: Agreed? (1) -- The Honourable Leader of the Opposition.

MR. SPIVAK: We are now saying that those people who have title vested in their own name that are not farmers that have mineral rights will now be required to pay the tax. At this point we will have possibly two groups of people, possibly more than two groups of people. But let me deal with two groups of people that I think can be identified: those who may vote may have - not necessarily made a claim, but may have purchased land with the potential of the mineral development; and those who hold land in which they have mineral rights that they are not even aware of, and which are now going to be put in the position now of either paying on that - and it may not be producing land at this time, or it may be land not used for farmland -

(MR. SPIVAK cont'd) or the alternative of paying the tax, which will be an annual tax to them. Now again, I wonder in this respect whether this was really the intent of the original proposition that was brought before us because as I understood the original proposition when it applied to corporations it was a combination of both the tax, the revenue that would be received, and the ability to clean up a tremendous number of claims. A tremendous number of situations where land was being held in ownership for mining productive purposes and was under-utilized or not being utilized, and it was an attempt to try and clean that up or at least have some revenue to indicate that there would be the potential of the development occurring in the future. And in addition to take care of situations where there were, as an example if I'm correct in San Antonio in the Bissett situation where there were several claims by corporations which were not being - or several pieces of property not being utilized in which it was impossible for - and the likelihood of it not being utilized in the future, where it was impossible for any kind of re-arrangement to be arrived at. And so what has happened as a result of this act, or proposed in this act, will be that at least there will be a payment by way of a tax which would indicate either ultimate use or the question being put to the people or the corporations holding the land that there was going to be a continuing tax to be paid if they wanted to just hold on to the rights without in any way dealing with it in allowing a clean-up to take place.

Now, I may not have expressed myself entirely correct, but I think that was the original thrust of the act. Now it's being changed, and I think the Minister has to admit that - and I wonder realistically in terms of the fundamental changes occurring whether we should be dealing with it at this particular time with the lack of knowledge that the government has on this aspect; but rather we shouldn't have been dealing with specifically the exemption of the corporation by suggesting that a corporation that was used for farming would have been excluded at which point then the act in its original form with that amendment could have been passed - and as I suggested to the Minister privately, next year based on the experience and in turn on the investigation a new bill could be brought in to deal with individuals if it appears to be the wise course and there was accurate information to be given to the House.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: I really don't know just where we are in this series of amendments, we're sort of hung up in the middle. However, if I may respond I would say that the intent has not changed. The original bill provided for an exemption to individuals other than corporations. We are now proposing to remove that exemption. The intent is no different, and the intent is very much as described by the Honourable the Leader of the Opposition. But the exemption to the extent that it applied to individuals other than those who farm as their principal occupation is being reduced. But really, Mr. Chairman, we must not confuse claims with ownership and there is no question that where there is ownership of mineral rights and the surface land is not being used for farming purposes, when the mineral rights are owned along with the surface rights; when that is not the case, then by all means the intent expressed by the Leader of the Opposition is still clear and is still the same, both for revenue, both for taxing the value of the mineral rights and for having people look at whether or not they want to hang on to mineral rights without attempting to exploit the minerals in the ground - which as one of the members opposite expressed really belong to the people of Manitoba; therefore it would have a salutary effect to have people who own mineral rights attempt to find out what their true value is by developing them - or on the other hand of course if they feel it's not worth it, to give it up. At the same time it is a tax on the ownership of mineral rights, and therefore as it was expressed by the Honourable the Leader of the Liberal Party, is a tax on wealth to that extent. So the intent is not changed, but the exemptions are being varied or proposed to be varied by these amendments.

MR. CHAIRMAN Motion (1) passed. The Honourable Minister of Finance.

MR. CHERNIACK: I beg to move that section 2 of Bill 59 be amended by striking out the word "corporation" in the first line thereof and again in the third and fourth lines thereof, and substituting therefor in each case the word "person". Oh, I've got the wrong copy - give me yours. I'll read it again. If I may - just for a moment, Mr. Chairman. No, Mr. Chairman I read it correctly - substituting therefor in each case the word "person".

MR. CHAIRMAN: Motion 2 passed. The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I move that section 3 of Bill 59 be amended by striking out the word "corporation" in the first line of subsection (1) thereof; (b) the second line of subsection (1) thereof; and (c) the first line of section 2 thereof and substituting therefor in each case the word "person".

MR. CHAIRMAN: Motion 3 as moved by the Minister, passed. The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I move and I'd like to move the Motion 4 which extends to about 1 1/2 pages, if the committee will accept my suggestion that it be included in Hansard as if read.

MR. CHAIRMAN: Agreed?

MR. CHERNIACK: May I just explain this, this is a little more complicated - the Honourable Member for Rhineland has indicated that he would like that to be done. The first proposal deals - as did the section that is proposed to substitute - deals with the ownership when the ownership is joint, and where there are joint tenants and one of the joint tenants is a farmer and the other is not, then it fixes the tax on the person who is not a farmer to the extent that he has an interest in the mineral rights, if his interest is one-half of the mineral rights then the tax he would pay would be one-half of the tax that would be payable if he's not a farmer - the farmer continues to be exempt. And it provides for severance of the title in the event that there is default under taxation.

The second one dealing with tenants in common is exactly the same principle but the wording is somewhat different because of the technical legal nature of the holding itself as between joint tenancy and tenants in common. In the latter case there is no need for severance of title; and again it's technical wording which separates it out, but the intent is exactly the same.

MR. CHAIRMAN: Motion 4 passed. The Honourable Minister of Finance.

MR. CHERNIACK: I move that section 9 of Bill 59 be struck out and the following section substituted therefor: "Partial Exemptions for Persons Farming. Notwithstanding section 5, where title to minerals in, on or under land is vested in a farmer in whom title to the surface of the land is vested, no tax is payable by the farmer in respect of the minerals in, on or under the land so vested in him and used by him for the purpose of farming." And may I say, Mr. Chairman, that that is the section that exempts the farmer as he has been described in the sections already approved.

MR. CHAIRMAN: Motion 5 - - . The Honourable Member for Rhineland.

MR. FROESE: Was that not the section that was questioned by the Member for Riel?

MR. CHAIRMAN: That's the section that was questioned by the Honourable Member for Riel.

MR. FROESE: I wonder if the Minister has the information that - I think it was during the 30's when much of the farmland was mortgaged to trust companies and other companies, and that later on when farmers were able to purchase back the farmland, that these companies held back the mineral rights. Has he any information in this respect as to how much of this went on at this time, or have we no information on it, because I think that was the case at the time.

MR. CHERNIACK: I think the honourable member is quite correct in what he's describing, and we really are not able to give him that kind of information. It would be historically interesting to have it. I would think that once the act has been in effect for a couple of years we may well be able to sort out that kind of information which I think is interesting historically, and indicates what has developed within the province in connection with the ownership of mineral rights.

MR. CHAIRMAN: Motion 5 passed. Committee rise. The Honourable Member for Lakeside.

MR. HARRY J. ENNS: Just before we call for the rising of the committee, permit me to make a confession of sorts. You see, Mr. Chairman, being one of the first lead-off spokesmen on the opposition side with respect to this particular bill, at the time it was introduced I felt subject to the spell that the Minister of Finance can weave over this House from time to time with his suave and sophisticated style; I believe, Mr. Speaker, that Hansard will record that I took some particular pains to commend the Minister for the courtesy that he extended to all members in passing out the explanatory notes that accompanied the bill that were prepared for his perusal and he then took it upon himself to allow the rest of us to follow the bill. And so, Mr. Speaker, for a moment you know, I admit to as I said a dereliction of my duties as an opposition member to do what we honestly should be doing at all times and we do in most cases at all times, that is to examine a bill cautiously, carefully, peruse from all angles and make recommendations as to how the bill could be made better.

Well, Mr. Speaker, as it turned out I left the bill I thought on a safe journey to third and

(MR. ENNS cont'd.) final reading. I had to unfortunately take the day off yesterday to peruse that other occupation that was referred to, namely the farming occupation, to look after some making of hay yesterday - and I find the bill back into Committee of the Whole stage here, and we're back here debating the whole question. Mr. Speaker, the only reason why I rise is to suggest to the Honourable Minister and to all the members opposite that, you know, Mr. Speaker, we on this side make these kind of suggestions day in and day out on this side of the House, on matters much more important than this bill. And if only, Mr. Speaker, the members opposite would take time, as this Minister did on this particular bill, you know, to in fact bring about better government as a result of our participation in our discussions rather than as in most cases dig their heels in and avoid and not listen to the concrete suggestions that are forthcoming on this side then surely, Mr. Chairman, we would in fact be fulfilling fully our function here as legislators of the Province of Manitoba.

Mr. Speaker, all I can say is that the Honourable Minister demonstrates in a small way that when it comes to matters where they're not sure of themselves, where it comes to matters where they're not steeped in doctrine, you know, even they are open to good and solid suggestions. When it comes to matters currently before the public where there is a conscience clause in a specific piece of labour, when it comes to matters of individual freedoms and rights because it interferes with their particular doctrine and philosophy, they're not so prepared to listen to the constructive advice, the constructive advice that is always forthcoming from this side, Mr. Chairman. Thank you.

MR. CHAIRMAN: Order, please. The honourable member is starting to wander off . . . Order. Motion 5. The Honourable Member for Rhineland.

MR. FROESE: Might I add to the words of the Member for Lakeside that I think there was one other reason why we're willing to make the changes, and that is I think it will add to the revenue of the province.

MR. CHAIRMAN: Committee rise. The Honourable Minister of Tourism and Recreation.

MR. DESJARDINS: Mr. Chairman, I think I've heard everything. During Committee suggestions are made and they're accepted and the government is criticized because they're doing so. --(Interjection)-- This is certainly what is being done, it shows that they'll accept only certain kinds, and in 14 years in this House I've never seen anybody else accept anything and I don't think that they should be criticized because they accept certain amendments.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Whole has reconsidered Bill No. 59 and has directed me to report the same with additional certain amendments and ask leave to sit again.

IN SESSION

MR. SPEAKER: Order, please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose that the report of the committee be received.

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

MR. SPEAKER: The Honourable House Leader.

GOVERNMENT BILLS

BILL No. 59 was read a third time and passed.

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

A MEMBER: On division.

MR. PAULLEY: Well, if that's their desire.

MR. SPEAKER: Is there a desire to have it agreed to on division? Order, please. Is there a desire to have the bill agreed to on division? There is? On division. So ordered. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, inadvertently the Orders of the Day omitted to record that Bill No. 108, the bill dealing with the Health Sciences Centre Act was not published and it had been introduced for first reading, subsequently printed and distributed in accordance with our rules and I ask that the second reading of Bill No. 108 now be proceeded with, with the Honourable Minister of Health and Social Development - I mean the . . .

MR. SPEAKER: Is it agreed? The Honourable Minister of Universities and Colleges.

HON. SAUL A. MILLER (Minister of Colleges and Universities) (Seven Oaks) presented Bill No. 108, the Health Sciences Centre Act for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Universities and Colleges.

MR. MILLER: Mr. Speaker, Bill 108 is a bill that will make possible the merger of four major health facilities under a new corporate structure to be known as the Health Sciences Centre. Presently these facilities are governed under separate boards of trustees, are operated under distinct and autonomous administrations. The four institutions are: The Children's Hospital of Winnipeg, the Winnipeg General Hospital, the Rehabilitation Hospital D. A. Stewart Centre which is under the Manitoba Sanatorium Board, and The Cancer Treatment and Research Centre which is operated by the Cancer Treatment and Research Foundation. Although these four are located in close proximity - I think there's a three square block area or four square block area, they're in very close geographic proximity - they require a wide variety of similar supporting clinical services. These institutions have often found in the past that despite their most sincere attempts to share and to integrate resources and services, they've been frustrated by the legal boundaries which have divided them one from the other.

This legislation, Mr. Speaker, will create a single board to administer the new Health Sciences Centre as it will be called. Now the Manitoba Sanatorium Board and the Cancer Treatment and Research Foundation will continue to exist as separate entities in order that they might carry on the responsibilities beyond the facilities themselves, because they have province-wide programs which are not directly carried out within the facility and for that reason they will have to carry on, of course, because of their other responsibilities. The new organization, however, will make it possible for a more systematic approach to planning and administration than was ever possible while the various institutions of the Centre existed separately from one another; and the single board will be able to evolve integrated development plans and programs, rather than competitive plans, each quite independently of the other trying to achieve for its institution what it felt was best. In this way we hope that by having an integrated board we can eliminate the competitiveness and we can also get then the maximum efficiency, the greatest utilization of the building, of all the facilities, and therefore the maximum value for the moneys spent and the moneys that are available.

The relationship of voluntary organizations such as hospital auxiliary units and standing committees on specific areas of concern, of service, these are given special consideration in the bill in order to assure that their role will continue under the new organization, because it is the desire of all that all of these allied organizations, the auxiliary units, the guilds, should continue and the voluntary services they've rendered all these years should be fostered and encouraged.

The Health Sciences Centre is a major research, it's a teaching facility, it's a medical referral centre and, Mr. Speaker, I have every reason to expect that the new structure will permit a more effective and efficient and economical service to all Manitobans. And, Mr. Speaker, I want to particularly thank, extend publicly my thanks to the four boards and their representatives for the spirit of co-operation that was evident all through the discussions; for their understanding of the need for such a Health Science Centre to be created; for the willingness to continue to serve as they are serving on the new board; and for what I'm convinced is the spirit of goodwill which is going to carry on to make the new Health Science Centre a success in Manitoba.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I'd like to move, seconded by the Honourable Member for Brandon West 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. PAULLEY: Mr. Speaker, the same situation prevails in connection with Bill 112, an Act to amend The Real Property Act. It was omitted too from the Order Paper but the same procedure, stands in the name of the Honourable the Attorney-General.

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): Mr. Speaker, I'm over-
come.

MR. MACKLING presented Bill No. 112, an Act to amend The Real Property Act (2) for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, Bill No. 112 is a very technical piece of legislation which of course could involve a 40 minute explanation but I can assure honourable members that it arises simply and solely out of the provisions of Bill 109, the amendments to The City of Winnipeg Act and this is legislation amending The Real Property Act as a corollary to the amendments in the City of Winnipeg Act. They can be explained in the detail that would be satisfactory to members at Law Amendments Committee but I'm assured by the Legislative Counsel who consulted with the District Registrar of the Land Titles Offices that these amendments to the Act were necessary to comply with the changes in respect to variations in registrations of various plans and so on that are provided for in Bill 109, and therefore it's just an administrative change to co-ordinate the changes that are resultant in Bill 109.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, there's one particular item that pertains to this bill that I think should be clarified by the Minister. There has been a problem for a good deal of time now regarding the additional zone that is described in this act or mentioned in this act, previously described as the outer zone, which came under very severe taxation as a result of many of the lands which were still used for agriculture were actually classified as being in the zone where they were taxed much similar to those in the urban area, and I think before passing this bill that we require from the Minister the undertaking, at least, that those that are in the outer zone on the outskirts of the urban area such as in East St. Paul and in the Transcona area and the St. Vital area and the Western area, to ensure that those people --(Interjection)-- the Member for Charleswood isn't here at the moment - that those people will in fact not be put in the position under the provisions of this change where their problem is at least not made any worse. And at the same time I might ask the Minister since he is in the position of having opened up the act, as to what measures are being taken between him and the Minister of Municipal Affairs to provide for some relief for those people that are caught in the dilemma of having agricultural land that may be open for . . .

MR. SPEAKER: Order, please. The Honourable Minister of Finance state his point of order?

MR. CHERNIACK: I listened as long as I could to make absolutely sure that I felt that the honourable member was not talking on this bill at all. He's talking about taxation and possibly wants to talk about assessment of land outside of the City of Winnipeg and I don't believe that The Real Property Act has any relationship to what he's speaking about.

MR. SPEAKER: The point is well taken. The Honourable Member for Riel.

MR. CRAIK: Well perhaps, Mr. Speaker, to terminate the discussion, I should ask in mentioning the additional zone in here, if this does not include those lands that are found in areas such as East St. Paul that have been caught in the dilemma of being charged taxation. Now this refers to subdivisional land, they have been caught in the dilemma of being charged taxation on the basis of it being evaluated as potential development rather than as agriculture, and if they don't wish to sell their land but to keep it for agriculture, they're caught in the position of the impossible taxation. Now if they're going to subdivide as indicated - as referred to, not indicated but referred to in this bill - what does this do to their predicament that they're already suffering under?

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I'd like to move, seconded by the Member for Emerson 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: The adjourned debate on Bill No. 70 standing in the name of the Honourable Member for Rhineland.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: --(Interjection)-- Not tonight. I had no intention of talking about B.C. tonight. I think Bill 70 in itself is plenty enough to talk about. I think we have the hoist motion before us and certainly since I was named in that motion - not putting it forward by myself - I felt that I should make a few comments before it goes to a vote.

We heard the Minister speak at quite a length last night on the bill and --(Interjection)-- Well I think it depends upon which way you look at the bill. Some might think that it was a good speech, others might think the contrary or feel that they're trying to get away with certain things. At any rate I think from the mail that I'm getting people certainly have the opinion that we are

(MR. FROESE cont'd.) widening the act and in other words that we are giving more room for more filth to come in.

I received one letter just the other day and I think I should read a portion of it into the record because people have a real concern as to what is happening in Manitoba and especially with the legislation before us. And I'm quoting now: "The following is a brief prepared and accepted by the delegates of the Evangelical Mennonite Mission Conference at our annual convention held in Morden, Manitoba, July 3 and 4 of this year." They have a caption 'Motion Pictures and Literature.' "We would like to express grave concern about the way some things are happening in the world and in our province today. We are concerned about the increasing amount of degrading material which is being sold to us, to our children and to all children. We believe we all have in us the image of God and that we can all be children of God. We believe that every person should be able to live a full and free life. Jesus Christ came to bring abundant life and truth to free people. He came to save people from all forms of degradation and slavery. We believe that every child should have a good chance to become complete free man or woman. To take this right from a child is unfair. The increasing permissiveness of our world today is unfair to the children unless there is an accompanying education and responsibility. We believe the government is the servant of the people but not the parent of the people. We do not ask the government to make moral rules about everything, but we do ask that the government give everyone a chance to develop and grow cleanly and completely. We ask the government to protect the children from degradation which only harms and spoils their lives. We ask the government and all other involved to stem or stop the flow of degrading motion pictures and literature in our lives and the lives of the children. Such movies and literature should not be as easily obtainable as they currently are. There should be some restrictions placed on the advertising of such products. People who sell or show such material to minors should be prosecuted. Copies of this brief, or part of this brief, have been submitted to the following: . . ." and they mentioned Odeon-Morton Theatres and Famous Players Theatres Western Division. This comes from the Evangelical Mennonite Mission Conference of Canada.

So, in reading that there's another section dealing with the matter of abortion. I don't think I should read it at this particular time. If members are interested to hear what they have to say in that connection, I can read it as well. The title is here: "Abortion". "We believe abortion is usually harmful to the people involved and therefore it is wrong."

MR. SPEAKER: Order, please. I do believe we should stick to Bill 70.

MR. FROESE: Well, if members are not interested I will not bring that into the debate.

MR. DESJARDINS: Mr. Speaker, on a point of order. My honourable friend knows very well that he's out of order and there is no reason that he should try to get away with trying to say we're not interested in another subject. Yes, but at the proper time.

MR. SPEAKER: The Honourable Member for Rhineland. The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, the member is simply asking for permission of the House. If the House doesn't give it of course he won't read it, but he did ask for permission.

MR. SPEAKER: The Honourable First Minister on the same point of order.

MR. SCHREYER: Mr. Speaker, speaking still to the point of order. If the honourable member has commentary in that letter that bears of the subject matter of the bill before us, he can put it on the record, I would be interested to hear it I'm sure, and it would be in order. If he has additional material then I'm sure that he can accommodate us by tabling the letter and all members who are interested could then avail themselves of a copy of it.

MR. SPEAKER: The point is well taken. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I should just say that the signature to both those pieces of literature is Mr. Edwin Klippenstein, who is the Secretary of the E.M.M.C. Conference. I think the letter indicates the concern that people have in this province for the type of legislation that we bring in and put on the statutes of this province, and many people fear that what we are proposing to do with Bill 70 is opening up rather than holding the line or probably trying to do a better job. This is what people fear and the opinion that they have formed, whether this is because of the press, whether this is because of the statements that appear in the press, and to some this may be fact, some others may disagree because we have a divergence of opinion on this. I personally would like to see the act remain as it is rather than what we are trying to do at the present time, and that is why I am supporting the motion to hoist the bill, that we not proceed with amending it in the way it is being proposed in Bill 70.

(MR. FROESE cont'd.)

I could go on to discuss it further but I think I did discuss the bill when speaking on it the first time on second reading and therefore I will leave any other contributions to the time that we discuss it in committee if the hoist motion is lost.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, I spoke on this matter at the time that the Honourable Member for Thompson made his remarks, and I indicated then it was largely in reaction to his views that my statement was made. I felt that he was wrong in making the assessment of fact which he indicated he was making in what I considered was overly aggressive and an improper understanding of the legislation and over-aggressive approach to this subject. I think it's a very difficult area. I don't want to repeat what I said in my statement in respect to the bill. However I think that one has to appreciate that in society we have always adopted what I consider to be a double standard in dealing with matters of a very personal nature.

Now, someone may well say, well, what do you mean by a double standard? It has long been considered, Mr. Speaker, that what people may do privately within the confines of their own home, in making decisions in their code of life, in their conduct, would not necessarily be socially acceptable publicly, and that has been reflected not only in decisions of the courts - and the Honourable Leader of the Liberal Party referred to one of the recent most leading cases in respect to a morals case that was taken before the courts - but in all manner of things in respect to matters particularly personal to the human race. And I suggest that it's a reasonable double standard. What we certainly must insist on is that there be some dignity, some respect for the privacy of the individual. After all, Mr. Speaker, although I respect very sincerely those who will continue to fight for the maximum freedom for each individual in society, let's not lose sight of the fact that absolute freedom for every individual, absolute freedom, would be social anarchy.

We in society come together and we live together in association based upon common understandings, upon common traditions, common mores, which have become through long periods of time to be considered laws, rules of conduct, and we are not completely free and unfettered to do our own thing as and how we want. We are creatures that live together in social condition, respecting the will of the majority, and through the democratic tradition that is how our laws are framed. It is true, however, that we respect the rights of the minority. We don't damn them, we don't condemn them, we don't harass them; we preserve their right to disagree and to constantly test the fabric and condition of our society to ensure that what we establish as law is both reasonable and just.

Let me say, Mr. Speaker, that our laws in our so-called civilized society - and I use the word "so-called" purposely - because sometimes when we look around both nationally and internationally, it's hard to believe that what transpires in various areas of the world has taken place in a civilized community of people. The animalistic behaviour, the violence, the terror, the hate, the destruction of life that we see on the basis of so-called civilization makes one shudder and wonder whether or not the standards of the so-called law of nature are so terrible after all. But surely, Mr. Speaker, what we do not expect is that people will live by the law of nature; that people will be free to conduct themselves openly, publicly like any other animal. Man is an animal; but surely, Mr. Speaker, he's an animal with reason, and when it comes to matters sexually surely the sexual behaviour of man is something that should be expected to be something more dignified than crude, brutish, animalistic behaviour. I for one regret the degeneration that appears to exist in so much of our society in respect to the kind of film, the kind of book that is suggested by some that should be read. I for one can't accept those things, and yet I have great reservations about the rigidities of a form of censorship that would prevent free men and free women from exercising their right to accept or reject standards of their own. But surely, surely we owe an obligation, owe an obligation to our young people to establish and maintain certain codes and attitudes of conduct. And I suggest, Mr. Speaker, that the Parliament of Canada spent many many hours, many many days in soul-searching debate on this question. And it wasn't an easy matter for parliament. It has never been an easy matter for the courts to decide, but the courts have faced this question and I suggest to you that it's not a simple black and white question.

Mr. Speaker, I referred to the fact that in this province we have wrestled with this question from a legal point of view. I would like to quote the words of Mr. Justice Brian Dickson of the Manitoba Court of Appeal in one of the leading cases on obscenity, the obscenity

(MR. MACKLING cont'd.) provisions of the Criminal Code of Canada in the so-called Prairie Schooner case. And he said this, and I think it's worth listening to and worth thinking about. And I quote: "It is sometimes difficult to draw a line between that which is obscene and that which is not. It is not unlike having to draw a line between night and day. There is dusk." I think honourable members will reflect upon the sincere concern of all who have had to wrestle with the decisions to be made in interpretation of a law made by the Parliament of Canada. Some would like to see that law changed. Some would like to see much more tolerant and so-called permissive standards. Others consider that the standards should be much more conservative, much more secure, much more paternalistic. Well somewhere we have to attain a reasonable compromise, assess the reasonable standard that this society wants to maintain.

But I suggest to you, Mr. Speaker, and I suggest to honourable members in this House it's a standard that must apply to Canada as a whole. We can't build an artificial wall in Manitoba. We can't and the Parliament of Canada did not expect that we would establish different degrees of control in respect to a law which is basically fundamental to the nation as a whole and that's why it's framed in the provisions of the Criminal Code of Canada. For any honourable member to say that we have any decisive and final role to play in this area is to degenerate from what after all has to be one of the fundamental concerns of us all, that we are a nation, that we have laws which apply across Canada and are interpreted by our judicial system across Canada. The cases that have been adjudicated in this province dealing with obscenity are referred to in other provinces; as we also, Mr. Speaker, look to the cases dealt with in this field in other common law jurisdictions. And I alluded earlier to some very important bench marks in the law in this field that have been made in England.

Let me say that I have great respect for the arguments of some who say that in this area of the law the Attorney-General should not be aggressive, after all it's an area of some doubt as to what the common interest should be in respect to the approach to the prosecution of these laws. I have some trouble with the present state of the enforcement of laws in Canada. For example, I wonder why it is that the Federal Crown prosecutes certain types of cases and allows the provinces to prosecute others. If they are all federal laws, if they are all federal laws why shouldn't the Federal Crown prosecute all of these cases? I know that the provisions of the British North American Act says the administration of justice is left with the provinces, that's the enforcement of the law. Well then surely the Customs and Excise Act, like the Criminal Code of Canada, another law of Canada, could be prosecuted and defended by the administration of justice in each of the provinces. But that isn't followed by the Parliament of Canada and by the Government of Canada. What is the particular rationale? Should it be the Parliament of Canada or the Government of Canada that prosecutes breaches of the Criminal Code in this area rather than relying upon the interpretation of the various jurisdictions for prosecutions? --(Interjection)-- Surely.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: I'd just like to ask the Attorney-General, is he referring to Bill 70 which deals with the censorship which is provincial jurisdiction, or is he going to deal with federal obscenity laws which are a separate section?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: The honourable member well knows that whether or not Bill 70 or the present act is within our constitutional power to enact is a matter that is relevant for discussion in this Chamber. And I've indicated that in my opinion it is not within the jurisdiction of any province to enact legislation which encroaches upon the constitutional power of the Federal Government. And I suggest that in attempting to legislate in a matter dealing with obscenity covered by the provisions of the Criminal Code, there is an encroachment on the Federal Parliament. Now I suggest, Mr. Speaker, that with all respect to the concerns of some honourable members who have suggested that the Attorney-General's Department should leave to some complainant the problem of prosecuting a case which arises from that complainant being offended by the conduct of someone else in society, that the logic of that argument would lead us into the position where the Attorney-General would not prosecute any of the cases which evolved from the provisions of the Criminal Code and provisions of the Criminal Code deal with many many questions founded upon a moral assessment. And I suggest to you, Mr. Speaker, that that argument as logical as it may seem would lead us into the illogical situation where there wouldn't be the preservation on the part of the province of the laws which the Parliament of Canada expect that each of the several provinces will maintain. I suggest therefore, Mr. Speaker, that those

(MR. MACKLING cont'd.) who would argue that there is any withdrawal on the part of the Provincial Government from its role are arguing without understanding the ramifications of the law as it now is. Nothing we can do in this Chamber can take away from the right of the Parliament of Canada to legislation in the field of obscenity. --(Interjection)--

MR. SPEAKER: Order, please. Order, please.

MR. MACKLING: Well, Mr. Speaker, the Honourable Member for Lakeside says that we can do a lot of things if we put our minds to it. That's true. And when he applies his mind, when he applies his mind, Mr. Speaker, sometimes the results are sometimes very confused. But let me say that notwithstanding his interjections that those who say that this is a cop out, this bill, that there is some way that we are withdrawing from our responsible role in this field, is I think to negate the facts as they are. Some illusion has been made to the question of a prosecution of a film that was shown and this was a very unique situation, because in Canada there has not been precedence for the prosecution of film makers or distributors or exhibitors where there is a suggestion that those films have offended against the Criminal Code.

There were two cases, one case outside of this province and of course the one here. And let me assure honourable members, Mr. Speaker, that I was condemned roundly from one side and roundly from the other from taking any action in respect to this question. And no matter how you decide on this question, you'll be damned by some who consider themselves more righteous than others and damned by others who consider that you're prevailing upon the basic fundamental rights of everyone to do as they please. Now there is no absolute right on either side, Mr. Speaker. Let me indicate, Mr. Speaker, that in connection with the particular case, I was troubled by the fact that the prosecution was not laid under a section. If I had been the Crown Attorney and making the decision I would have laid the prosecution under a different section, a different subsection of the Criminal Code. As it happened, it wasn't laid under that section and we didn't succeed in the case.

Well you know the concern, Mr. Speaker, the concern of the honourable members for my problem is very sincere, I am sure, but you know I accept the fact that not all people are perfect whether they be civil servants or members of the Opposition and I respect their weaknesses from time to time. But let me say, Mr. Speaker, that there has never been any suggestion, never been any suggestion that where anyone in society deliberately flouts the provisions of the law that they will go without being charged. And that has been made very clear, not only to the Honourable Member from Thompson but to everyone else concerned including the members of the motion picture industry with whom I was privileged to meet at one time alone and on another occasion in conjunction with the honourable member, the Minister of Tourism, Recreation and Cultural Affairs; when it was made very clear to this person that the industry would be very unhappy if there was a withdrawal from censorship, because the industry would be most happy to be able to have some approval given, some protection given by the state to the kind of degenerative film that they have exhibited for many many months in our society.

Now, Mr. Speaker, I've had an opportunity to consider the views of many who have written to me, who have phoned me and registered their concern. I have had the opportunity to consider the arguments of one very knowledgeable and very sincere member of the Censor Board who at one time was strictly opposed to censorship and now has very grave concerns about the degree of permissiveness allowed in the films that have been exhibited. And I can assure honourable members that I for one do not accept the standards of those who have been grinding out cheap, semi, if not fully pornographic films in an attempt to lure a fast dollar. I, for one, just can't accept that this is the kind of standard that we want in our society. I think people will reject this. What is even more offensive to me, Mr. Speaker, is when the film makers put advertisements in the paper that are off colour, are salacious, that run advertisements on the radio which are provocative, which are in my opinion degenerating, I am offended that this kind of thing takes place. I would have expected that some of our responsible media would have had a little bit more enlightened self interest and refused to run some of these advertisements which I consider ill-becoming of our society.

But be that as it may, the provisions of Bill 70 will make for responsible classification, will make for censorship of those things, will continue censorship of those things which are going to be public but will provide a classification for those things where adults can decide whether or not they go. But it does not take away from the Parliament of Canada the provisions of the Criminal Code and the responsibility of the Attorney-General and his department for the enforcement of those laws. So for anyone to suggest that this some way assists in an industry that's

(MR. MACKLING cont'd.) going to deluge this province with smut is completely wrong. And let me say, Mr. Speaker, for those who are concerned about the proprietor of the individual theatre, read the provisions of the Criminal Code, because charges can be laid not against merely the exhibitor but those who print and publish and distribute obscene material, and that includes all the dealers.

And one of my concerns, Mr. Speaker, has been not to prosecute only the person who for cheap gain continues to sell and distribute pornographic material, whether it be film or book or picture or what have you, but I'd like to get to the distributors, the people who bring this kind of material from largely out of the province to sell it in this province. And it's difficult to get these people. I know the Honourable Member from Churchill, he's not here tonight, he sent me some information which tended to indicate the source of some of this pornographic material and I turned that over to my staff to pursue. Surely we are not concerned with the foolish little person who offends the law from time to time, but there are people involved in this blight of society for large profit and we must condemn them. And I'm not ashamed of the fact that where a person has deliberately flouted the law, not once but several times for crass commercial purposes, laws that are respected by the majority of people in society, that that person will go to jail. That may trouble some, it doesn't make me happy to see anyone go to jail, but where they deliberately flout the law knowingly, not once but several times, then they must pay their penalty. I suggest, Mr. Speaker, that those who are concerned that there is some weakening, some weakening on the part of this administration with the standards which we want in our society are far from the mark. --(Interjection) -

Now the Honourable Member from Lakeside talks about decay. Well I think, Mr. Speaker, the Honourable Member from Lakeside is a classic example of decay. --(Interjection)--

MR. SPEAKER: Order, please. I wonder if the honourable members would really heed my admonition. I've asked it time and time again. There is to be no interjections. The Honourable Attorney-General. The Honourable Member for Rupertsland.

MR. JEAN ALLARD (Rupertsland): Well is it not true that the Member for Inkster has stated his conviction that this will allow more permissiveness in this field?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I respect the opinions of all members in this House, whether I agree with those opinions or not. For example, I respect the opinion of the Honourable Member from Rupertsland, despite the fact that many many times I disagree with it. And I think on this question there are deep feelings of conviction that one may hold and express as honestly and conscientiously as they might. But we're not all necessarily right and we're not all necessarily wrong. And as I've tried to indicate, Mr. Speaker, the Parliament of Canada wrestled with this question and came up with what they considered to be the reasonable standard for society to accept, and that is the law of the land and that is the law that governs the exhibition or the distribution of any matter which is considered obscene. And what we are doing and what the Honourable Minister of Tourism and Recreation and Cultural Affairs has introduced by way of this bill is an attempt to indicate through classification what the calibre of the film is. The fact that it is marked "restricted" and is marked in that way will not in any way act as an approval of the content of that film and the film industry, the film spokesmen, the theatre spokesmen we have talked to were given that understanding. And I'm sure that when this bill goes to committee, we'll hear from some of those representatives saying; Please keep some degree of censorship because that helps us, because then we'll just have a little bit of lewdness; we'll have maybe a little bit more, and it'll depend on who you have on the board; and we won't have the standards of the Parliament of Canada, we'll have the standards of maybe a few members of society that we may be able to persuade to be more permissive. And I suggest to the Honourable Member from Thompson, I suggest to the Honourable Member from Thompson that the attitudes and the standards that were adopted by the Parliament of Canada on this question which is theirs to decide is the standard that we must maintain in this province.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, I promise members I'll restrict my remarks to about five minutes in respect to this subject. I think that it's been fairly clear and obvious that in the past 25-30 years there has been a trend towards more pornographic influence in our society, in North American society in general. Certainly that has been the experience south of the border in the major cities, there has been a tremendous movement in this direction. I think probably it's something that can be expected due to the technological changes, the urbanization, the growing tendency of mankind to place as one of their highest values, materialistic gain and the exploitation of their fellow-men by the utilization of that greed motive. And unfortunately pornography has been part of this bait that has been used in these instances.

So I want to associate myself with the Attorney-General and his remarks that I would see that passage of this legislation not as a means to make pornography and other means such as this easier in our society, but that we would be able to more effectively contend with this type of pornography when it is released into our midst. And I see the major necessity at the present time to develop the facility by which we can best respond to the provisions of the Criminal Code as they relate to obscenity. Is the present Censor Board fulfilling any effective facility in this respect? And all that I can say is that from my own personal observation, it's my impression that the board rather than being an effective tool against obscenity, breach of the Criminal Code, it in fact has been a shield that has been used by those that advance obscenity in our midst and certainly we all know of the examples of this at the present time. And I would trust that those that are enforcing the law will see to it that the provisions of the code are enforced in a firm but a just manner upon the passage of this legislation.

I'd just like to make one more comment, that more than the concern of obscenity I have a greater concern about another trend that has developed in our society, the emphasis in our movies upon violence, upon bloodshed. To me this is more serious than obscenity that involves sex, much more serious; the recent showing of the movie Clockwork for example where there were showings of instances where youths had used chains in order to beat other youngsters up. It's my understanding that within a short period after the showing of this movie in this city itself there were instances of that type of crime demonstrated in our midst, violence and blood. And this seems to be so much the way of our society today that I would hope that some way we could focus a little bit upon removing these instances of the use of violence.

Now the Censor Board and the practice to date has seemed to zero in more on the other instances of obscenity than that demonstrating violence. I think if I could only say in concluding, Mr. Speaker, that there's no short-term solution to this. There is only a long term solution, and that long term solution is the construction of a better society; a society in which human values, values of worth, of decency are substituted for the cheap materialistic values of present society. And I think this is the purpose of most of us in this House, but certainly with the development of technology surely in the last 25 years it's been demonstrated very firmly and very soundly to us that we must replace these values while we still have time with sound and decent values in our midst.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, it's not my intention to speak to the bill but simply to, for the record at least offer an objective view to some of the remarks the last speaker just mentioned in his stinging indictment of our materialistic society, particularly the North American society which he somehow related to the phenomena of the pornographic growth. He also singled out our friends and neighbours to the south, the Americans, the United States as being a particular contributor in this regard. I think an objective research would indicate, Mr. Chairman, that a country that this government oftens chooses to model itself after, namely Sweden, or such other countries as Denmark as indeed other non-North American countries perhaps have certainly been an avant-garde of the current problems with respect to pornography, with respect to smut and general permissive society. And to attempt to again, you know, to put in his little ideological dig against either my friends across the border, the Americans - and they are my friends - or our society here in general with all the difficulties that we have, is just not supported by fact. The country, Mr. Speaker, that this Premier and this Government has often held up as a model, is having to some extent overcome some of the hardnosed materialistic drive as having been 50 years down the path of socialism happens also to lead the country and the world with respect to the problem that we're discussing under Bill 70.

MR. SPEAKER: Are you ready for the question on the amendment? All those in ... The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I move, seconded by the Honourable Member for Rupertsland that debate be adjourned.

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

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I understand that the Honourable the Leader of the Liberal Party is prepared to proceed on Bill 109, so accordingly ...

MR. SPEAKER: The Honourable Leader of the Liberal Party. Order, please.

MR. ASPER: Mr. Speaker, the bill is the product of a year's deliberation following the passage of Bill 36 last year. If you recall, honourable members who attended the Municipal Affairs Committee meeting to consider this bill will remember that on behalf of the Liberal Party I made a submission at that time saying that while we recognized that the bill had been pasted together from a series of precedents and that it lacked the reform of city government law that we had hoped for, we registered a protest at that time about certain principles and about certain types of legislation that the bill restated and included. And we were led to believe, perhaps we were optimistic, but we came away with the impression that while government felt it had to move expeditiously at that time because it had only six months at that time to put the machinery into action, to create the new City, that we could at this session look forward to meaningful change. Change which would at least consider some of the very deeply felt objections we raised to certain of the kinds of provisions of the bill. And so, Mr. Speaker, we record our gross disappointment tonight that these enlightened, we thought; we thought useful, we thought contributing suggestions that we made last year have in the main been ignored.

As for the bill itself, Bill 109, is fundamentally a clean-up, I suppose, a tidying up of certain anomalies, and I will concede that one or two or three or four of the dozens of invasions of privacy, abuses of power that we perceived in the City Act last year have been softened. And it will be recalled that at that time at the hearing, Mr. Speaker, we urged the Minister to refer this bill, the predecessor Bill 36 to the Law Reform Commission to obtain an objective view so that there would be no doubt that our position was not one of political expediency but one sponsored out of a deep felt concern for the kind of laws we pass. And I'm happy to be informed that the Minister took our suggestion and did refer Bill 36, the City Act to the Law Reform Commission, which beautifully and duly reported to the Minister and to all of us in January of this year, leaving government ample opportunity to implement the recommendations that we made to the Municipal Affairs Committee last year which were in substance, in main, endorsed by the Law Reform Commission and are contained in this report. --(Interjection)-- I'm not into it yet, so it's a good time to do it.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the member speaking left the impression, at least he did on this side that the alleged invasions of privacy, etc, that he refers to as being in the City of Winnipeg Act and which were perceived by the Law Reform Commission and brought to the attention of the legislators - he left the impression that these offensive sections, if in fact they are as my honourable friend says, were inserted for the first time by the government when it drafted, or caused to be drafted, the City of Winnipeg Act. Is the honourable member not aware that many sections were transferred from the old City of Winnipeg Charter, and that really it goes back to the 1870s, 80s and subsequent amendments over the decades.

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

MR. ASPER: The First Minister is quite right, and if he will consult the transcript of the record of the Municipal Affairs Committee hearing at which I made the submission I confirmed to him at that point, or rather to the Member from Inkster in that discussion, that I recognized that the author of what I considered odious law, some of the rather oppressive provisions, was not the government, but that we had been led to hope that the government in drafting a model statute for a new concept, a new city, White Paper preceding it and so on, would be supersensitive to going through the existing legislation last year to produce and to eliminate the anomalies, inequities and the anachronisms that had crept into the law over a period of 100 years. So that while it was rather easy to ignore it last year it becomes impossible a year later having had (a) the benefit of the debate last year, and (b) a report six months ago, almost seven months ago from the Law Reform Commission to find no major movement in Bill 109 to reform the anachronistic law.

Now, I stress it because I don't want to give my friend from Inkster the opportunity to make a long speech on a syllable of my speech so I will underline and I hope honourable members

(MR. ASPER cont'd) opposite will communicate this to him when he returns to his seat; that I stress that there have been some conciliatory gestures in 109 toward the objections I raised last year, but in the main they have been retained in the bill. So while I don't fault Bill 109, because as I recognize it is housekeeping, it is in the total concept of city legislation a model government, a mockery, a nothing, because the City remains in practice and in law abandoned by its parent, this House. Because we've had the benefit of seeing what the bill would really do. We've seen the government of Manitoba apparently think that having given birth to the baby that it could be ignored, that it could be put out to pasture. Because we see no changes in the legislation in a substantial way, we see a further deterioration in the fundamental concept that the Minister of Finance and the Minister for Urban Affairs put to the people of Manitoba, and that was the Community Committee that was going to make up for the loss of the local neighbourhood council. And the Community Committee was to be a meaningful thing; well, Mr. Speaker, six months later we find the Community Committee is not meaningful and it is being further stripped by the definition section of Bill 109 of any substantial input into community life. It is as I believe my honourable friend from Sturgeon Creek said the other night, it is a periscope, it is a sidewalk engineer. It peers and supervises but it has . . . And until the Community Committee is given genuine power, genuine legislative authority, genuine fiscal resource by statute, we will have abandoned what we finally came to accept as a consensus last year, the idea of central government supported strongly by neighbourhood government.

The people of Manitoba, the people of Winnipeg particularly, are observing Bill 36 in action and now understand why we complained loudly last year that the bill being retroactive in a fiscal sense, retroactively grouping and pooling assets would lead to what I called last year retroactive confiscation and would lead to the tax adjustments which have just been felt, some beneficially, most in a profound way the reverse of that. I'm speaking of one or two in St. James-Assiniboia who felt a 19-mill increase, I believe, because of the fact that they were not allowed to use their assets that they had built up over years to soften the impact of the centralization of city services. When we face the prospect of where we're going from here, the unification of further services, and the attendant likelihood of tax rise which I freely predict, not happily but confidently. The abandonment of the concept by the government that gave birth to the city will become even more widely felt. We had hoped that this Bill 109, the successor to 36, would cure the self-evident mistakes that were made in 36.

The city has been assigned constitutional authority to look after certain responsibilities in 36 and has been denied a proper fiscal base from which to operate. It does not have the taxing capacity, the financial room to carry out its responsibility. We made the proposal last year, we make it again here tonight that 109 would have been a far more appropriate piece of legislation that we could have endorsed quite readily had it removed the cost of welfare, health and the administration of justice, from the constitutional or the fiscal back of the City of Winnipeg. Because it is those areas ignoring the educational side alone, those areas where unless the Government of Manitoba is prepared to do one of two things, and that is move into tax sharing arrangements as it insists on having with Ottawa, Provincial-Federal. Unless we move into tax sharing arrangements between the province and the city we must lift the constitutional authority's responsibility of the city off its back because it does not have the physical capacity to look after it.

I've heard the First Minister ask or rely on comparisons and precedent before and I've always thought that this was a model government, an enlightened government and one that didn't look to the past but looked to the future and set its own models. When you create a new city, Mr. First Minister, I think you create a new concept you also go for the complete package - you don't just say we'll squash you all together and give you the old constitutional and financial authorities. --(Interjection)-- No, I've said that - you haven't understood me if you think I said increasing taxes. What I said is tax sharing between the province . . . --(Interjection)--

MR. SPEAKER: Order, please. Are the members interested in going into committee where they can have an exchange? The Honourable Member for Wolseley.

MR. ASPER: We said at the time that aside from the fiscal failure, which is - regardless of how the Minister of Finance feels of his city - is being felt very deeply by the people, certainly who have felt the first blow in what is one of many to come I think. We asked that the clumsiness of the council, the 50 be reviewed. And I think while I don't propose to judge for the City of Winnipeg, it will be very interesting to hear their submission. It may very well be that the City of Winnipeg is happy to be governed under that system, and certainly I don't believe this

(MR. ASPER cont'd) Legislature should impose our views on the City of Winnipeg. I believe that the City of Winnipeg should govern itself just as we reject any impositions by other bodies on us if we can help it. Now I want to be hearing from city officials in Law Amendments, we'll be wanting to question them on to what extent bureaucracy has expanded or contracted or stayed the same. Certainly I can testify to the fact that the feeling of remoteness by the people of Winnipeg to the council has not vanished, has not been decreased and may have even been augmented, but certainly the problem of remoteness, the feeling of alienation from the elected official remains.

Mr. Speaker, one of the specific changes we had asked for and looked forward to this year was the change that would permit the City of Winnipeg to set its own electoral boundaries. It is wrong that this House, the Lieutenant-Governor-in-Council, the Cabinet of this province sets the electoral divisions for Winnipeg. We, in the Province of Manitoba set the electoral divisions for the Province of Manitoba through an independent commission and a commission which is appointed by the Government of Manitoba and its constitution can be changed by legislation anytime; this House controls how that commission will be set up. We're simply saying that the City of Winnipeg in governing itself should be given the same rights not to have to come cap in hand and say, please, Mr. Premier, Mr. Lieutenant-Governor-in-Council, we want you to change our boundaries.

And you well know, Mr. Speaker, that we said last year and we say it tonight and we say in a bill that is also before this House that the Mayor of the City of Winnipeg should be elected and we should not have the suggestion that - Ah, there's a lot of time, we have two more years until those elections. Why can we not now decide this issue? Why do we have to say we'll dangle this one? Maybe we'll look around and see who might want to run for mayor. Is that what we're doing? The point is either well taken or not, that the city should have an appointed mayor, appointed by the council as the bill now provides, or to be elected. It's our submission that when you speak of the First Magistrate, when you speak of the man who speaks for your city, your largest single metropolitan area, you want him to speak as a man who is popularly elected, a man who has the confidence of all the people and not just those of that of the councillors. And so we will be urging in other legislation, and I won't dwell on it tonight, that the city mayor be elected.

And we say again in looking at the city bill, we expected to see Bill 109 contain the most elementary provision and that is that section 63 of Bill 36 should have been amended to make the auditor for the City of Winnipeg guaranteed to be independent. We've heard in this House, we hear in the city council continual debate over figures, data, waste and so on, and it's only when a legislative body has a truly independent auditor that you have the confidence of the public that they are getting the proper reports. We asked for that amendment, it seemed elementary, we couldn't even get that. We put the City of Winnipeg councillors into a position where they set their own salaries. We would liked to have seen an amendment in 109 to remove that burden, that embarrassment, that conflict of interest from them, just as it should be removed from this Chamber and should be placed in the hands of independent commissioners so that no person, no taxpayer, no voter, no elector, will feel aggrieved that the people he's elected have set their own salaries, can hire and fire themselves, and so on. It's a point of great contention amongst a great segment of the population and it can only be solved in some manner like that. --(Interjection)-- By a commission.

MR. SPEAKER: The Honourable First Minister. On a point of order?

MR. SCHREYER: Yes, on a point of privilege. The Member for Wolseley if I understood him correctly intimated that the Auditor-General both federal and provincial were independent and that the same ought to be done with respect to the City of Winnipeg. Is that my honourable friend's point? Or that the Auditor-General in the case of the Province of Manitoba was not an independent servant of this Legislature, because that would be a point of privilege in my opinion.

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

MR. ASPER: What I said, Mr. Speaker, was that the City of Winnipeg auditor is not independent, he is simply appointed by council to audit under the bill. --(Interjection)-- No. And the point of comparison should come as no surprise to the First Minister because it has been said by Liberals in this House for three years, that we do not feel satisfied with the Provincial Auditor legislation. We do not feel that the Provincial Auditor legislation sufficiently removes the auditor from the influence of the Legislature and while he's a servant of the Legislature --(Interjection)-- What? --(Interjection)-- Of the Legislature. The Auditor-General

(MR. ASPER cont'd.) in Ottawa has through a series of traditions and differences in legislation and custom, and also the regulations under which he operates, has somehow been able to strike a more independent posture, something that we feel ought to be done in the city Certainly if you ask my comment on the Provincial Auditor, yes, my comment is that the legislation should be amended so that the Provincial Auditor, like I'm suggesting for the City Auditor, should not be an employee but should be an independent outside consultant having nothing to do with the day to day operations of government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I feel I must pursue this point of privilege because the Provincial Auditor of Manitoba occupies a relatively unique position under our statutes and there has been some treatment of this very same subject matter earlier this session and the matter was dealt with in a definitive way at that time with concurrence on both sides of this House. My point of privilege is that if the Member for Wolseley is again suggesting that the Provincial Auditor is in some way unable to function in a way that is independent and answerable to this Legislature, then that is simply not the fact of the matter; that it is only in Ottawa in recent months that the Auditor-General has felt compelled to voice protest against government efforts to impinge on his independence.

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

MR. ASPER: . . . it escapes me what the point of privilege is. I have expressed an opinion and if the First Minister wants to debate it, fine, there may be other opportunities, but this is not the place.

MR. SPEAKER: Order, please. To the enlightenment of the honourable member, one of the rules of procedure is that one does not cast aspersions or reflections upon a member who is not a member of this Assembly, if he happens to be a member of the government, that is, civil servants.

The Honourable Member for Wolseley.

MR. ASPER: Mr. Speaker, the point I was making, and continue to make, is that the legislation covering the city auditor is inadequate and it should have been amended so that the law provided specifically that the city auditor was not a full-time member of the city staff but was somebody who came from independent consultants outside of the city employ, so that his dependence upon employment, continued employment, would not be dependent or influenced in any way by the fact that he was working full-time for the city. --(Interjection)-- Mr. Speaker, I would call for order but I'm not in a position to. I would ask the honourable members opposite to make notes; I have lots of time and I can go back over the material as often as you'd like and I'll answer all your questions when we're through.

If the members opposite, Mr. Speaker, show a little interest in the subject of reforming the city bill as they've shown in Bill 109, and they've shown tonight, then really I suppose we're treading water and we're not going to accomplish very much. I'm intending to be constructive, I'm intending to be constructive in my suggestions. We've suggested as others have, and as the city has suggested, that environmental control over the city, the question of pollution, should be not discretionarily delegated by the province to the city but should be mandatorily within the city's authority. Instead today we have concurrent jurisdictions between the province and the city and there is conflict. The tax structure we have expected to see changed and we have had our hopes raised but we've got the same tired thing that cities have had for a hundred years, property tax, business tax, and no expanding capacity to finance the increasing costs of city government. So again we point out to the government that they will soon have to come to terms with the question of, are they going to expand the city's taxable capacity, as many jurisdictions are, permitting the city to levy the same tax as the province levies, which can constitutionally be done -- don't look at me as though it's never been done before, Mr. Minister of Finance, because it's been done. Only this government seems to be tied slavishly to the precedents of the past; and we suggest, Mr. Speaker, that one of two options is available and should have been considered, the sharing of taxation throughout the province or permitting the city, which is probably one of the more attractive means of solving the problem, permitting the city greater taxable capacity just as the province historically asks the Federal Government.

The bill that we're seeking to amend, 36, has the incredible provision of setting the tax rates for business tax in the city and it is historically considered the enlightened thing, I would think, to say to the city, you may tax a business tax, set your own rates, pass your by-laws,

(MR. ASPER cont'd) setting your category, and go and levy your tax and be answerable to your taxpayers. But no, Bill 36 says: these are the categories of tax, these are the rates, and it can only be changed by a statute of this House. And that's wrong, because the City of Winnipeg is made up of elected people who should be mature enough to be able to set their own tax rate, their own categories of taxation, and not to have to come to this House to ask for permission to change their tax rate. They're answerable -- (Interjection) -- Normally, I would but there have been enough interruptions. I would like to finish.

The City of Winnipeg has for some time been asking this House to change the act to permit the city to have the borrowing capacity without the approval in effect of the Minister or the Municipal Board. We had expected to see that restriction removed in the bill and it isn't. Mr. Speaker, it escapes us how we can say to the City of Winnipeg, which is a self-elected political body, that here's your constitutional authority, here are your responsibilities, but you can't borrow money unless an external body appointed by us approved it. I ask this government would it accept it if the Federal Government, which is the next layer of government, said to this House, you can tax, here are your responsibilities, but you can't borrow. Because if that were the case \$700 million approximately of borrowings of the last three or four years might not have been approved -- (Interjection) -- and it is considered to be the enlightened approach to civic government that they be given strong local authority, answerable to their own taxpayers, allowed to do what they think fit, and answer to their electors rather than have us impose. I find it curious that we permit the City of Winnipeg very stringent borrowing without permission of the Municipal Board but then go to the City Centennial, the Convention Centre, and say you can go and borrow money for your Convention Centre - a couple of million dollars - it is ironic that we've got two yardsticks, it's a double standard, Mr. Speaker.

Now the major thing that was offensive in Bill 36 outside of the structural side of the city was the fact that it offended basic civil liberties; it affronted the basic principles of privacy, and whether or not the First Minister is sensitive that -- we make it clear that he didn't write the clauses -- nevertheless he takes the responsibility, his government takes the responsibility on two counts. One, for having brought it in in the first place, re-enacting it, and now at the first opportunity to abrogate some of the most preposterous provisions of the law, passes up the opportunity, therefore tacitly leading us to understand that you approve these things. And we ask them to look at section 434, subsection 2, of the old act which provide the right of entry by civic officials and it's probably one of the most frightening clauses. It permits, in spite of the attempt to soften it, it permits a total right of entry without a search warrant, without permission of city officials into any dwelling house in this province. And, Mr. Speaker, we oppose that provision and I'm happy to say the Law Amendments Committee did likewise, and made recommendations that no entry, throughout this bill, into a person's home be permitted unless (a) there is notice to the person that entry is requested; (b) that entry and inspection is refused; (c) the city licence officer or the city inspector or the city policeman then go to a magistrate and prove the need for entry and get a warrant. And when they said, "Ah, but that's not very efficient," we said, "yes; it is not efficient, nor is democracy." The most efficient form of government is totalitarianism and we say that we resist these kinds of provisions as being quite unbecoming.

We have in Section 524 the right of the city to license you to carry on business or prohibit you, which means that every man, woman and child who lives in the City of Winnipeg carries on his vocation at sufferance, at the whim, at the complete discretion of the City of Winnipeg Council, and we say that we should not have come to the point in our democratic evolution that any governing body, whether it's this body, the city or the Federal Government, should have the right to say, you will carry on a certain trade and you won't; and we'll say that we're only going to have 600 grocery stores in Winnipeg and the 601st isn't going to be licensed. It's a disregard, it's a callous disregard for the basic rights of economic freedom of choice because Section 524 then and now will be left saying, the city council can without assigning any reason whatever to it, refuse to license a person to carry on a shoeshine business, or anything else it doesn't like.

Section 122 of the old act was complained of last year too. We said here was an example of the one-way street where power was given to the city, it was unlimited power, to invade one's privacy. Where power or rights were given to individuals in this bill, they were narrow and restrictive. Section 122 says that, "If the city passes a by-law and that by-law is illegal and you are injured by that, you can quash the by-law, which is reasonable, but only if you were

(MR. ASPER cont'd) within one month after the by-law was passed. Now you may not know for three years that the by-law was passed, so the ability to quash becomes absolutely meaningless. We ask a simple thing, change it, it's wrong, and perhaps my honourable friend from Lakeside was right tonight that it's only on certain bills that the government will listen to the Opposition and respond, and other bills it's a case of digging in their heels.

Section 524(1)(k) of the old act buries it, something that probably to most people on city council, or at least in the electorate of the city, aren't aware exists. That's a provision that allows the City of Winnipeg to set the prices at which you and I will sell our services. The bill actually says this, that the City of Winnipeg can pass by-laws setting the prices, and the fees that anyone carrying on business in this city can charge. Now, if that is not state control of the economy, provincial or municipal, then get rid of it -- (Interjection) -- 524(1)(k). Sorry Section 524 (1)(r). I'll read it to you -- (Interjection) -- Well perhaps it should be read into the records.

Mr. Speaker, the section I'm referring to is 524(1)(r), and it allows the city, it gives the city the power and then I'm quoting: "to prescribe definite or minimum or maximum fees, rates or amounts to be charged or taken for any service performed or supplied by the licensee, and the means of enforcing payment thereof." Any person who wants to carry on a business in Winnipeg or that of a messenger boy, the city has the power to demand that he be licensed. The city then has the power to say, you can have a licence, but he can't. And now the city under this section has the power to say, and now that you've got your licence you've got to charge \$70.00 an hour or \$3.00 an hour, or whatever the city likes. I don't mean to suggest that the City of Winnipeg or any municipal government seeks that kind of power, I simply say it's there in the bill, it's wrong, get rid of it.

The same section (1)(k), Section 524(1)(k), requires every person in Winnipeg to file information returns on any matter of its business, or their business, to the City of Winnipeg, and there's an amendment in 109. I believe 109 amends it by saying that the request for information must be reasonable. And we say that we have gone past the point, Mr. Speaker, when governments can continually come to the public and demand the filing of more returns, more information. We've got Statistics Canada, we've got statistics Manitoba, and now we've got statistics Winnipeg. And surely we're gathering enough books and computer -- I recognize that there are members of government who have to keep a certain computer busy, but surely we could find something more productive to do than gathering records.

Mr. Speaker, the great ludicrous affront in Bill 36 last year, and it's carried forward by its omission from amendment in Bill 109 this year, is Section 524(1)(s). And normally if this had happened in less placid jurisdictions, Mr. Speaker, we could have expected protest, we could have expected perhaps that there would be pickets, placards out in front of the Legislature. Not only is this section ludicrous but it offends the Human Rights Act. This section says that the city can pass by-laws to prevent the issuing of licences to females or minors under a specified age, or their employment by a licensee in the trade licensed or regulated. Now this gives the city, and, Mr. Speaker, this gives the city the right to say women can be employed in one industry and cannot be employed in another. And I'm satisfied that the power is not being used but the fact that the power is on our books is offensive. It stains the books and should be removed -- (Interjection) -- It was. It's not removed.

The Section 524(1)(aa) is another example, Mr. Speaker, of the search and seizure, the right to enter. And this goes on throughout the bill and it wasn't, it is not removed. In 524 subsection 2, the city bill says, if you're denied a licence and you're not permitted the right to carry on your business you can appeal but you've got seven days in which to appeal. Now when your livelihood is threatened or suspended, it seems reasonable that we should ask the government to amend the bill, to increase the time of appeal to at least 30 days, just as the Crown has between 14 and 30 days to appeal sentences or decisions it doesn't like. And most other appeals are based on 14, at least, days and in many cases 30 days. So we'd ask the Minister to consider that amendment to broaden the length of time of appeal.

Mr. Speaker, last year we raised the objection to Section 519(3) which says that if one has a claim against the city because he is injured in the sidewalks of the city he must bring his claim within one month, and if he doesn't bring his claim within one month he forever extinguishes his right to claim against the city. And that's a one-way street. When one injures himself on my property he has one year normally, in some cases an unlimited time within which he can sue and make his claim. Why is the city a special plaintiff or defendant? If one

(MR. ASPER cont'd) has a claim against the city he should have the normal time, not one month, but not less than one year within which he can bring his claim.

There were a lot of other things which we had hoped for in Bill 36 which we again hoped, and were missing from 36, and hoped it would be here in 109 and they aren't. And I would earnestly refer my honourable friend the Minister to the Law Reform Commission report where this was gone into in great depth, and where in almost every case that we raised last year the Law Reform Commission has come down on our side and said, make those changes.

Some of them are incredible, Mr. Speaker, Section 432, overhanging shrubbery. The City has the right to enter on any land in this city without notice, without warrant, without probable cause, and remove any plant or tree which it deems should be removed. Mr. Speaker, you will appreciate that coming from the constituency of Wolseley my people are very sensitive about trees and have made a historical defence of their trees, -- (Interjection) -- any kind of trees. While the law says things like this people who are concerned seriously can't rest because we don't want little Caesars running around in uniforms, coming roaring onto our property and saying, no notice -- you don't even have to be notified under this section. One can go through so much of what the Law Reform Commission said -- (Interjection) -- The First Minister again for the third time reminds me that we're referring to a section that has been in the act for a long time, and the First Minister was out when I answered and therefore I'll answer him again, that there was some excuse in 1971 when the bill was passed in a pasted-together fashion because of the rush, but by your silence, your government silence, at the first opportunity to amend it you tacitly endorse that. You will make us extremely happy, Mr. First Minister, if you in the course of this debate make the assurances that these basic civil rights will be protected by further amendment. The actual amendments would take no more than an afternoon to draft to rid this act of its plethora of anti-human, anti-privacy provisions. -- (Interjection) -- I do implicitly, implicitly. -- (Interjection) -- Whoever.

Section 477, same complaint, and the amending bill remains silent. This is the one which permits -- this is one of the most odious of all. This is the one that permits any building inspector, health officer, market superintendent or inspector of licenses to enter, including a police officer, at reasonable times, admittedly -- whatever that means -- to enter and inspect any premises if he thinks any by-law of the city is being violated. I won't use strong language, I'll use the language of the government's Law Reform Commission to describe it. I'm reading from Page 25 of the Law Reform Commission Report. "477 gives a veritable host of officials and constables" -- true at all reasonable times -- "power to come barging into any premise in which such official has reason to believe any by-law of the city is being violated." This means at 2:00 o'clock in the morning -- I'm interrupting the quote, Mr. Speaker -- at 2:00 o'clock in the morning your home can be broken into without notice, without warrant to inspect the wiring. "The utter" I'm quoting again, Mr. Speaker, "the utter unfettered perfection of this police power makes the mind boggle! This is an ongoing institutionalized writ of assistance to harass and ferret out whom? Dangerous criminals? No. Violators of municipal by-laws. As stated the powers to enter and inspect should be made to conform to certain recommendations," and I'm stopping the quoting. And I could go on through the whole bill, it would make no difference. The point is that the power to license, the power to inspect, the power to invade, the power to come onto property, the power to license and restrain people, the power to set peoples' prices on their goods -- (Interjection) -- Protect people from themselves, says the Minister of Labour. The Minister of Labour if you'd follow his logic through, he says, these are all to protect people. Then if his logic is valid, his logic would lead one to conclude that we can best protect people by throwing them all in jail and locking them up.

Mr. Speaker, I would like to read one last section from the Law Reform Commission which is, as I say, an objective body commenting on the same bill that I'm speaking of. -- (Interjection) -- 1972, January 24, six months ago. -- (Interjection) -- Mr. Speaker, the Minister of Labour from his chair says in referring to the Law Reform Commission, a bunch of lawyers who don't know something or other from something or other, and I wonder, Mr. Speaker, my point is, I'm perplexed that the alacrity with which the First Minister normally rises on a point of privilege to defend any government official when they are questioned doesn't seem to obtain in the case of the insult afforded to the Law Reform Commission a moment ago. -- (Interjection) -- On a point. No. Only if you are prepared to ask for a retraction of the insult to the Law Reform Commission. -- (Interjection) -- Oh! Mr. Speaker, if the Premier requires all those silk and kind words of praise on everything that he's done that's good, well it

(MR. ASPER cont'd). . . . won't take very long. There isn't that much. Nevertheless it will take more time than the House requires. It is true that the Premier in leading his government, so that he will feel better as the evening wears away, did adopt a longstanding Liberal resolution of policy to establish a Law Reform Commission for which we compliment you.

Mr. Speaker, the Law Reform Commission, the Law Reform Commission ended its comment on the provisions, which I find so distasteful, by saying on Page 29, "The examples extracted in the foregoing part of this report in some instance demonstrate legislative overlapping. The tendency in drafting the act seems to be one of making very sure that the city has sufficient power of entry and search. It has. They should always be tempered by regard to the rights of those whose dwellings or other premises are to be entered and inspected. In general summation it is recommended that a requirement of the exercise of those powers be firstly, a request to enter and inspect. This will, we have no doubt, open most doors. Where there's no one present to respond to such request it might as a practical matter be attempted by telephone if there is one. If there's no response, or negative response, and the need to enter were urgent, no doubt a warrant could be speedily obtained on reasonable and probable grounds. If there were no response or a negative response but no urgent need then a written notice specifying the date, the time of the intended entry would be appropriate. If such notice were disregarded then a warrant could be sought.

"And it's further recommended in general that warrants ought not to be available except on reasonable and probable grounds and to cope with hazardous emergencies. Dwellings especially ought to be no less secure in regard to provincial and municipal law than they are in regard to criminal law." And, Mr. Speaker, in this regard I want to depart from the quote to make the observation even more forcibly. That in this country a person suspected of the most heinous crimes has less civil rights or privacy than one suspected of not keeping his wiring in condition in the basement. -- (Interjection) -- Less, I'm sorry, greater. Thank you for the correction. The criminal suspected has greater rights and so, Mr. Speaker, the need for change is self-evident. The Law Reform Commission goes on to say "on the other hand business premises to which the public is invited should be as accessible to City Inspectors during business hours as they are to the public. Does the city need the power to swoop into premises on a sudden raid? It has no jurisdiction to enact criminal law or war measure provisions. The city needs no powers to deal with criminals, malefactors or revolutionaries so long as parliament has enacted appropriate statutory provisions, and it has. The warrant is the ultimate resort. It involves the need to set out reasonable grounds to persuade a judicial officer that it ought to be issued. In all events the need if any to enter and inspect premises should be demonstratively real and objectively ascertainable and not illusory or capricious. The act should not be an engine of possible oppression." And, Mr. Speaker, that is precisely what the act is. It is the design or the intention of its drafters and its passive supporters to permit the city these outlandish, outdated, inappropriate, and anti-human powers. If the government is seriously intent on taking a look at Bill 109 then the place to start is into making it a more sane, humane, piece of legislation and to take advice from the Law Reform Commission as I've read tonight.

MR. SPEAKER: 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 House Leader.

MR. PAULLEY: I wonder, Mr. Speaker, whether you would call the resolution standing in the name of the Honourable the First Minister; the adjournment standing in the name of the Honourable Member for Riel.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, the topic of this resolution of course is one that has probably been discussed more in this Legislature, in the history of this Legislature in the last hundred or at least eighty years than any other topic of discussion and has at the same time of course generated more emotion than any other topic has generated in the history of Manitoba. If one were to speak, Mr. Speaker, directly to the motion you really only deal with two things: One is the resolution and the other would be the back-up document referred to in the resolution. However it is difficult to of course speak on these two in isolation from the topic which the resolution would delegate to the committee recommended by the resolution.

So, Mr. Speaker, I think I would like first of all to refer to the resolution as it has been

(MR. CRAIK cont'd) presented by the First Minister and to go through some of the points that are pointed out here.

Well, as you go through the "Whereases" of course there are not a great number of things to disagree with because you can take them any which way you like, until you come to the latter ones, particularly the last four, and of course there are a number of points here that should be discussed, examined and discussed in some depth. I think, Mr. Speaker, that first of all we have a long history of discussion of this topic in Manitoba and the topic is pretty well understood by the members of the Legislature at least. I don't think, Mr. Speaker, that we have to look outside of Manitoba, such as is recommended by the resolution, to Alberta and Saskatchewan nor to the Province of Ontario to offer guidance or instruction as to what we should do in Manitoba. Therefore I think that two of the Whereases do not apply.

I think, Mr. Speaker, that the second last Whereas which refers to the resolution which was passed in this Legislature back in the second session of the Twenty-Ninth Legislature which I guess is last year or the year before -- I'm not sure which it was, two years ago -- I would point out here, Mr. Speaker, that where this is mentioned in this resolution that there is something that should be pointed out. This says that "Whereas at the Second Session of the Twenty-Ninth Legislature, a resolution was adopted by this Legislature that there be consideration of the advisability of granting financial assistance for the costs of instruction provided by qualified teachers in all educational institutions of the Province of Manitoba that offer a curriculum approved by the Department of Education."

Mr. Speaker, that's not entirely true, there's a very important missing element in that statement. The resolution at that time recommended that the government consider the advisability and it was worded that way specifically because that is the traditional and accepted way of moving a motion in this Legislature. But the word "government" is missing in this Whereas and I think it's a significant word in that statement. I say that, Mr. Speaker, because there have been debates that have preceded this topic in this House, very, I think, adequate debates and I refer specifically to the debates that took place in 1964 between the Premier at that time and the former Premier, the Member for Lakeside, who was sitting on this side of the House and was at that time no longer the Leader of the Liberal Party but spoke with a great deal of authority on parliamentary procedure, and in the debates that took place between he and the First Minister there was agreement that the responsibility for outlining a program of this sort lay with government, and it was stated clearly by the Member for Lakeside at that time, Mr. Campbell, and it was accepted with conviction by the Premier at that time, Mr. Roblin. And I can refer you to the Hansards, Mr. Speaker, and it probably should be I think repeated here. I quote here Mr. Roblin's statement contained on Page 1927 of Hansard of 1964, and I excerpt from it but I assure you that it's in context. "The answer is, there is no way in which we can bring this matter to discussion except by the government taking responsibility as we have. The former Leader of the Liberal Party was right on that point; we have to take the responsibility for what we do and we have to take it as a government." He also adds here for what it's worth: "And to do so is not partisan." Well, Mr. Speaker, he was accused of partisan activity -- (Interjection) --

MR. SPEAKER: The Honourable First Minister state his point of order.

MR. SCHREYER: Yes, right, Mr. Speaker. The Member for Riel has just referred to an excerpt from Hansard of 1964 in which the then Premier made the statement which was just quoted. I have no quarrel with that, but my point of order is that elsewhere that same year in this House, if not in this Chamber in the committee of this House, the then Premier also stated -- and I'm wondering if that ought not to be included now as well -- that the government was not convinced that it need proceed if there was not some firm undertaking of support from the other parties in the House. I mention this as a point of order because that, Sir, was also stated at the time and I believe it's relevant.

MR. SPEAKER: On the point of order, it may be relevant but I do not see that I can adjudicate whether it is or is not a procedural point since I wasn't present and I can only hear the debate from the one gentleman at one time. The Honourable Member for Riel.

MR. CRAIK: Well I think, Mr. Speaker, that the other point that the Premier may wish to bring up can be brought up either by himself or another speaker following. But I want to assure you that there is more debate in Hansard here that leaves no doubt that the government of the day and after some very tense discussion by two people who are fairly knowledgeable in the parliamentary process agreed wholeheartedly that the basic decision for bringing in the basic

(MR. CRAIK cont'd) recommendations that involve the expenditure of large sums of money, which this does, the basic recommendation has to be made by government. Therefore Mr. Speaker, the responsibility does lie with government for that.

In the introduction of the motion at that time, in 1964, the then Premier laid down the three basic premises which he felt were in keeping with the history of this topic in Manitoba dating back to 1894 and gave the government's position. In addition to that of course it was a government resolution that was brought in that set the basic ground rules for what was to be done and the details were worked out by a committee. But that, Mr. Speaker, is not what this resolution is about. This resolution is about setting not detail with regards to a policy, a basic policy, which has been instituted by government, but it is a cop out from a responsibility that has to be assumed by government. And that, Mr. Speaker, is our, and mine at least, basic premise in this argument. It has to be the number one item in speaking to this resolution. That is that the basic recommendation on something that is going to introduce a program which is not a program which outlines details about government policy but a program which lays out a whole new course of action to be recommended by government cannot in fact be done, or should not be done by a committee such as is recommended by this particular resolution.

Mr. Speaker, I've read through the document that is here, that has been placed before us, and I must say that I don't consider it to be a good document, I think that it is a document that outlines a very large number of platitudes with regards to education. And let me say in reading it that my basic philosophy as far as an educational system for the Province of Manitoba -- and I think this is in context with what I said on the resolution two years ago -- is that I would support aid to separate schools within the context of the public school system. And when I spoke to it at that time, I paid tribute to the job that had been done over the history of Manitoba Education, by those schools. But I would not at that time, Mr. Speaker, and I never would at this time either support a principle that did not produce an integrated public school system. Mr. Speaker, that means a public school system where the school boards of Manitoba that are set up by this province are in charge basically of the school system.

The Shared Services program that was outlined and instituted following 1965 by the former government provided basically what the government now refers to as their "umbrella program". There is nothing new that I can see in the umbrella program and I think the resolution itself that is presented here basically if you read one of them you can see in it that it has done this effectively over the course of those years.

So basically, Mr. Speaker, my philosophical position is that I cannot support anything but an integrated public school system. Therefore, Mr. Speaker, I would have not only great hesitancy, I would fight with a great amount of determination any move by the province which would set up a dual system of any sort of education in the Province of Manitoba. I know that the public school system has come under a great deal of fire for one reason or another. I know that the antagonists of it say that it does not produce truly secular education. I can't dispute it, but at the same time I can't think of any system which would better produce high quality secular education in the school system, which Mr. Speaker, I believe in with a great amount of dedication. I think that our public school system does come under a great deal of fire for any number of reasons, but, Mr. Speaker, I have a great deal of faith in it and I think that it has produced well for the Province of Manitoba. I don't think it is producing a rubber-stamp type of education. In fact, I know it isn't. I know that within every school division in Manitoba you'll find that there is a variation between the schools that provides plenty of opportunity, and this idea people get that the Provincial Government is setting curriculum throughout the Province of Manitoba, that it's stamping on to all the students of Manitoba a standard form of education, is just not true. It's a misconception of what is happening in our public school system. In fact, if there's one thing that characterizes our public school system it is the variety of education that is going on in it. And this is essential; it's essential in any school system that a degree of freedom be provided whereby experimentation can go on, where there is freedom for the teachers and there is freedom for the students to experiment and to try and adapt to what they think is the best form of education.

Mr. Speaker, without that you don't get dedication in teaching. If a person in a school system who is a teacher or a person who is a student feels that they are pursuing a line of study that to them is correct and right, and provides them with the stimulation to do so, you cannot help when you have a motivated teacher and a motivated student but produce good education and that is regardless of what a blanket curriculum may be that is set by the Provincial Government.

(MR. CRAIK cont'd) And that is happening in our school system. You find that it falls down in some schools but it is topnotch in other schools; and if it is not topnotch in some schools it is very seldom the fault of the department of education but is an internal problem associated with the school system.

In reading through the document here, you can't help but read it and wonder if it isn't more of a defence of a public school system than it is of a segregated school system. Because, Mr. Speaker, I would like to read you some excerpts from it. First of all, let's look at this, Mr. Speaker. On page 12 it says, "Of all provinces in Canada, Manitoba has the greatest diversity in terms of the relative proportion of cultural groups. Within the broad framework of provincial goals such rich diversity is to be prized, protected and developed. This commitment to a pluralistic society counters uniformity and conformity."

Well, Mr. Speaker, you can look at that and you can say, if you want to interpret it, you can get frightened and say the only way we are going to preserve that is to put all the kids in one group in this school, all the kids of another group in that school and protect them. But, Mr. Speaker, if you want to gain from a pluralistic society and if you want to get a rich development or a development referred to here, isn't the greatest contribution of an education system the education that one child renders to another? And, Mr. Speaker, that is not mentioned all through this document and that is one of the most important features of the whole educational process is the interaction of children, and it's not teachers as much as it is the children themselves. So if you look at that statement alone you can't help but conclude that if you want to reap the benefits from the pluralistic society and the rich diversity to a development that's in the interests of the province, that it's the children in the province, you can't help but come to -- many people will come to the conclusion that the only alternative is to have them to grow up together, to study together, to fight each other, on a day-by-day basis rather than on a year by year basis and to rub off these characteristics that are rendered to us by the different cultural and ethnic groups that are in our province.

Let me go on further, it says: "Planning for all programs must begin with a total view of the persons in the school. It begins with a respect for the integrity of the learner and of the teacher and a respect for the process of interaction whereby each teaches and learns one from the other. Every person possesses physical, emotional, esthetic, social, creative and productive qualities and capacities. The commitment of the school is to foster total growth." Mr. Speaker, all I can say is yes, yes, yes; a thousand times yes, but how do you get it? You don't get that by separating them.

Page 14, on goals. "The tensions between the needs of the individual for growth and expression and the needs of the group for cohesion and continued momentum is at the heart of organized society." Again, Mr. Speaker, it makes references to the tensions that exist in organized society, the need for growth and expression and so on, but again how can you conclude from it, Mr. Speaker, an important statement like that; ask yourself how you get it, Do you get it by any other means than by integrating students at a tender age?

Page 16. "The responsibility of the school system is to promote formal and informal learning; to offer programs of education and service." Mr. Speaker, what is informal learning if it is not the learning that goes on between students. So again all I can say, Mr. Speaker, is yes, wholeheartedly yes. There's nobody could contest that but in the interpretation of how you get it is where the difference comes in. I must say again, Mr. Speaker, that most of these things as I read them, I say yes, yes that's right, but the way to get them of course in my estimation is through an integrated school system where the children are put together and can undergo this informal educative process. "The community is a rich and exciting setting for youth and adults to learn individually, together and associated with one another." Again, it's almost a solid proof argument for integrated school system.

Mr. Speaker, there's also some political statements in here which can be brought in here. I think that the report would have been better off without them. Statements such as "The base of school programs has been broadened to a degree with the introduction of regional comprehensive high schools 1971 and the new emphasis on general courses." My God, Mr. Speaker, who wrote this? Comprehensive schools were started in the late 60s and the General Course that was brought in and the curriculums that were brought in were revolutionized in the 60s. I assume this is a post-graduate who graduated in 1970 and took a job with the Minister of Colleges in 1971. The statement is not without -- this book is not without a lot of those kind of misinformation to be presented, therefore is part of the reason why I say it doesn't appear

(MR. CRAIK cont'd) to be a very well thought out document in many respects. -- (Interjection) -- I've read it, Mr. Speaker.

Page 26. "However there is a reason to believe that the present emphasis on economic growth, increased industrial production and unacceptable pollution will be replaced by a concern for the quality of life in Manitoba." Well, I don't really know what that has to do with an integrated or a segregated school system. "The distribution of educational resources must be organized in such a way that young people will have a choice whether to leave the rural and northern areas", but again in reading the rest of it, there's no program here that says that by changing anything according to this resolution, that you're going to make those changes or facilitate the movement and growth of children from the rural to the urban areas. How for instance, Mr. Speaker, is beyond me and I questioned this and wondered, how can you by changing the school system into a segregated school system, which I think is the alternative to what I am saying that I basically hold as the only solution to Manitoba, how do you solve the problem of rural-urban shifts of young people by segregating the school system down from what it is. If there's anything that facilitates a movement of people from one type of a life style to another, it is probably by bringing together larger groups of them, offering more alternatives collectively and also allowing them to get accustomed to working with one another. Because surely the minute they move into an urban society they're cast into a situation where they have to put up with many sociological and cultural pressures that they probably didn't get exposed to in their own setting in a rural location.

Mr. Speaker, on Page 30 it says: "There is presently limited information on the outcome from the Manitoba school system, dropout rates can be calculated; however the statistics do not reveal the reasons which encourage many individuals to drop out." I suppose that's partly true because your information is never complete. You can read the rest of this, talking about the motivational, the dropout problems and so on, but again there's nothing in it that anyone that's familiar with the educational system can in any way say would be rectified by changing the school system along the lines recommended to be studied by the resolution.

Mr. Speaker, on Page 32, the needs are defined, the needs of the school system. Well if you list them here, "The resources must be examined in the context of the goals of the public school system. This paper would see the goals as: 1. Equality of educational opportunity. 2. A comprehensive system of education. 3. A system that meets the educational needs of the individual and the society. 4. A system responsive to community needs." Well the first three are really motherhood statements. They're not debatable. To a large extent they're ones that fit an educational system of any type if you want to meet those goals. I think in the fourth one, it says: "A system responsive to community needs". The only catch here is what community are you talking about; and therein I think lies, again, one of the important parameters that have to be controlled, what kind of an educational system we have. I think the community needs refer to the community of Canada, not even Manitoba, but Canada. Certainly I don't think that -- generally speaking when you say community needs, you're referring to an ethnic community or a geographical community within Manitoba or any other type of community you can think of. The only community you conclude from this considering the mobility of students is that community has to refer to Canada or to the world. And if you look at that community, Mr. Speaker, the most important thing you have to create is a tolerance for students, one for the other, at that young age where they can adjust to the needs that they're going to hit when they run into the outside world.

So, Mr. Speaker, I think that that's pretty important. What community are you designing for and I think that the only community that you can design for is the total community which is far outside the Province of Manitoba, and the whole design of the educational system has to be to provide students with the equipment, the moral equipment as well as the educational and training equipment so that they can adjust to that community.

Mr. Speaker, I think that one of the things that is really missing in the government's program and has been missing, that I would like to have seen more clearly defined is a statement of what their priorities are in education. And I raise it at this point because I think it's important in designing for this total community.

I think in Canada that one of the most important things that should be done in education is to foster the French language on a linguistic basis, and I realize that this will even not be considered in the present atmosphere as being a very astute political statement to make, but I think that -- (Interjection) -- Pardon? -- (Interjection) -- One of the most important things

(MR. CRAIK cont'd) that is required in Canada is to give the opportunity to students to become bilingual and our school system is not doing that. We have made some moves as a result of the federal financing that has been available but that has been pretty restricted under the new conditions of going to 100 percent French in some particular schools but it has not achieved the greater goal that is required which is to provide linguistic ability in the second language for all Canadians.

Mr. Speaker, I don't say this as lip service, I say it because I know that in other countries of the world that linguistic abilities have been done and done with relative ease, and they are being done with much greater ease now with the new mechanism of television.

Mr. Speaker, you'll find that if you go to the small country of Scotland that a French-language program has been instituted into the public school system there where linguistic French is taught in the early grades and is taught to the extent that at Grade 3 level -- Grade 4 level it is possible for Scottish children to converse with one another in the French language.

Mr. Speaker, can anyone say that anywhere in Canada in the last five years there has been made an honest effort to really promote the facilities to make a bilingual country? What we have done instead of this is divide ourselves up into the traditional argument of whether a designated area should be formed or whether a particular school should be isolated off and given 100 percent French rights, but no concerted effort has been made anywhere along the line by the government to foster the French language on a linguistic basis for those people that might want to become bilingual.

Mr. Speaker, I think that despite whether the fact that a person may be Ukrainian, German, Anglo-Saxon or one of the other so-called ethnic groups in Manitoba, that you would find that if you offered them and their children in the public school system the possibility to become bilingual in a language other than their native second language that they would by vast majority go along with the suggestion and would adopt it wholeheartedly. I say this, Mr. Speaker, because I've questioned any number of people of different ethnic backgrounds and I've always found a wholehearted support for the concept, despite what the establishments may say, Mr. Speaker, despite what the establishments may say in Manitoba. And I refer to the establishments who are always dominated by elderly adults and not by the young people, Mr. Speaker, who education is designed for and who are going to have a lot more to do with this country than most of us are because they've got a longer lifespan to do it. If you talk to them you get different answers than if you talk to the adult establishment that exists in all of the educational interests in Manitoba. And I have no doubt that if you present a concept to them that will allow them to develop a bilingual school system, not to the point where they're fighting over what language all the books should be in, but first of all taking it to the point where they have the ability to converse with one another and have a broader understanding of the two languages, you'll give them something that not only enriches their culture but probably one of the few things that is going to help hold the nation together.

Well, Mr. Speaker, that's a point of philosophy that I've wanted to present for sometime because I felt it was important. It is one that I addressed myself to for the period while I was Minister of Education and had made some substantial starts and beginnings at least to see that it was done in Manitoba, and I assure you that if I had continued on in that post that there would have been a concerted drive and effort to provide for bilingualism in a linguistic sense in the public school system of Manitoba. And I have no doubt that it would have been bought wholeheartedly by all the ethnic groups of the Province of Manitoba, rather than pursue as a priority anything that might appear to be a balkanization and trying to preserve through the public school system the ethnic identity that exists and can be preserved just as well through the home and through the church and through social affiliations. So, Mr. -- (Interjection) -- No, Mr. Speaker, it wasn't the benefit of hindsight. Well, Mr. Speaker, you know we have some difficulty with the House Leader because he's an expert on all matters and perhaps if he'd confine himself to knowing what his Labour Bill is about he might be of much greater assistance to this House.

Mr. Speaker, if the Minister of Labour is truly concerned about whether or not this is hindsight or is a statement of fact that was introduced by the former government I'll file with him correspondence if that suits his purpose. I'd be very happy to give it to him. Because knowing his particular nature of course it's well-known, as has been pointed out by the House Leader of this House, that sometimes truthful statements are of no concern to them or the lack of truthful statements are no particular concern to him.

Mr. Speaker, in referring to the House Leader I want to talk about the Shared-Services

(MR. CRAIK cont'd) Program. The design of the Shared-Services Program has come under some criticism by the members of the government particularly the Member for Inkster, but let me say that the basic philosophy of the Shared-Services Program was the importance of the public school system and the authority of the school divisions. So first of all let's say that there hasn't been any moves that I have seen that have basically eroded the position of the public school system insofar as the authority of the public schools divisions are concerned. The basic design of the public school system, that is the responsibility delegated to the school divisions, said that whatever happened in Shared-Services was to happen through them and by them. Mr. Speaker, I think that has been what has happened, I think essentially that is correct; there's no abrogation of that principle as far as the Shared-Services design is concerned.

The points that have been raised are that there are anomalies that exist in the Shared-Services Agreement. Mr. Speaker, I recall one only -- there's reference been made to four or five by I think the Member for Inkster -- I recall one only that was made during the period that I was involved in this, and it was an agreement that existed with the St. Boniface School Division regarding the Juniorate in St. Boniface whereby the school division declared or took over a portion of the building and supplied the teachers for the teaching of the public school courses in that school. Now I think that that's open to some interpretation and perhaps that has been put on by the members that have spoken and referred to it. However I must say in its defence that again it was within the jurisdiction of the Public School Board. The action that was taken was ratified by the Provincial Government. I would say that if there are schools that are receiving support, whether it is through the public school system, the school boards, if they are receiving it but are not under the umbrella of the public school system as far as some evaluation of curriculum, the facilities, the buildings, and the jurisdictional responsibility, then of course you are in a position where the interpretation could say that there has been an abrogation of the principle. That would be open to some question. But again, Mr. Speaker, I think you would find that as long as it comes under the school board and the action is taken by them, by the locally elected authorities, that there is not a great deal of ground that I myself could challenge. It may be challenged by a lawyer; it may be challenged by someone who, some zealot who had felt very zealously that this was an abrogation and of course he would have the right to do so, but I myself would not see it outside the basic principle, that the action is taken within the public school division. I think as basis for this I go back beyond the Shared-Services Agreement and would have to point out to you that you have any number of entire school divisions in the Province of Manitoba that have for decades been public school divisions but have in fact operated on a principle that there was an input there of which they had control by virtue of their geographical boundaries to bring in their inputs during the half hour provision per day, their own desires, and in effect ran almost a separate school system within the ambit of the public school system. And that's gone on, Mr. Speaker, as we know, for decades all through the history of Manitoba, and you can mention Mountain School Division, Red River School Division, Seine River School Division to a certain extent, and any number of others, where this has gone on for many decades.

So to select out the anomalies that have existed in the Shared Services program would be possible if, and the one I refer to, Mr. Speaker, the only one that I can refer to is the one in which I know, I was involved in personally at one time. In that case I consider it not to be anomalous within the terms of references of the Shared Services Agreement. If however there are schools that since then have been brought in by this government, and they know better than I do what the conditions of those agreements are, and some of them are in the back here, I would point out that they have expanded it not from four to five but if they have five, they have expanded it from one to five, or one to six, or whatever it is. The only one as I say I recall is that one singular one and I consider it to be within the overall conditions of the Shared Services Agreement.

Well, Mr. Speaker, to reach some conclusion on this the motion before us is to set up a committee that does not say that it is a committee which re-examines what a committee looked at before, but it is a committee which is given the responsibility here of setting out a whole new program. We know that the Shared Services Agreement was successful in the eyes of the now Minister of Labour who opposed it vigorously. It was successful, Mr. Speaker, by his own words in this House, he has admitted that he was wrong. Mr. Speaker, I suggest to you that the present Shared Services Agreement is the umbrella program that has been referred to by

(MR. CRAIK cont'd) the present government. If they're going to change that, Mr. Speaker, they have to do it by government action, and I suggest to you that the only course of action for the government is to withdraw this motion. Withdraw the motion and bring back in your recommendations, as a government should, and bring them back in at the next session.

In the meantime, Mr. Speaker, on the basis of the past history, my own concept of what a public school education is, my own concept of how the Shared Services program is performed, I have no alternative but to vote against the resolution which is before us and in the meantime to save Manitobans the arguments that they've had to go through over and over again, and of course to save them a good deal of taxpayers' money that's going to have to go into financing yet another committee investigation into this problem.

MR. SPEAKER: The Honourable Member's time is up.

MR. CRAIK: Mr. Speaker, I'll just be a minute or two. Well, Mr. Speaker, let me just recap here. I must say in conclusion to cap-off I think the public school system is working well. I have no bone to pick with the operation of the school system outside the public school system. I recognize their difficulties; I recognize also the historic background and papers that have been presented on the rights and decisions made by not only Manitoba but by Canada historically, but one can only make a decision based on the present and on the future, and on the future interests of Manitoba, and particularly the young people of Manitoba for whom we are designing an educational system. And the only one that will do it is an integrated school system. I think the Shared Services program that was introduced was a positive step by the government of that day. In my estimation it has solved, not all the problems but it has solved a few of them, and at this point I am prepared to stay with it and until the government is prepared to bring in its recommendations as was passed by the resolution of the Member for Rhineland then I'm not prepared to support a committee which is going to sit between now and some future day. So I suggest again that the government either withdraw the motion and bring in its recommendation at another session, or to vote against the motion and let it die.

MR. SPEAKER: The Honourable Minister of Public Works. Order, please. Question by the First Minister?

MR. SCHREYER: Yes, Mr. Speaker. It's rather important. I'd like to ask the Member for Riel if accepting his premise or statement that Shared Services is a good concept, I would ask him if he intended to imply in his statement as well that in its practical application that it was working well and that there was no need to try to make certain improvements in Shared Services?

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: I have a feeling, Mr. Speaker, that there are some things that have to be done but I also know that this question has been so well threshed over by so many people. Members of the Legislature, and in government, that I think that any changes that have to be made to it can be made without a special committee. I think that your Department of Education and your Cabinet can easily work over those requirements and bring them back as government recommendations. I don't see the need for a committee to do it.

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works)(Elmwood): Mr. Speaker, I move seconded by the Honourable Minister of Industry and Commerce, that debate be adjourned.

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

MR. SPEAKER: The Honourable Member for Morris wish to go on to question?

MR. JORGENSEN: I wonder, Sir, if I may be permitted to ask for a substitute on the Committee on Industrial Relations. I should like to move, seconded by the Member for Rock Lake, that the name of Mr. Blake be substituted for that of Mr. McKenzie on the Standing Committee on Industrial Relations.

MR. SPEAKER: Is it agreed? (Agreed)

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: I beg to move, seconded by the Honourable the Minister of Finance, that the House do now adjourn and stand adjourned until 2:30 tomorrow afternoon; and may I remind, in proposing this motion, honourable members the Committee on Industrial Relations will meet tomorrow morning at 10:00 o'clock.

MR. SPEAKER presented the motion and after a voice vote declared the House adjourned until 2:30 tomorrow afternoon.