

LEGISLATIVE ASSEMBLY OF MANITOBA
Wednesday, 26 March, 1980

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions. . . Reading and Receiving Petitions. . . Presenting Reports by Standing and Special Committees. . . Ministerial Statements and Tabling of Reports. . . Notices of Motion. . . Introduction of Bills. . .

INTRODUCTION OF GUESTS

Before we proceed to Oral Questions, I would like to draw the honourable members' attention to the gallery, where we have 40 senior citizens from the Steinbach Group. These people are from the constituency of the Honourable Member for Laverendrye, the Minister of Fitness and Amateur Sport.

We also have 20 students of Grade 9, 10 and 11 standing from the R.B. Russell School, under the direction of Miss Medynski, and this school is in the constituency for the Honourable Member for Point Douglas.

On behalf of all the honourable members, we welcome you here this afternoon.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, to the Attorney-General. I refer the Attorney-General to the questions which I posed to him on February 27th pertaining to the CFI case and the matter of settlement of civil proceedings and its possible effect upon the criminal proceedings, and information to date to the effect that the CFI case might indeed be in jeopardy due to the settlement of the civil proceedings; can the Attorney-General advise the House as to whether or not, indeed, the criminal proceedings are now in jeopardy due to the earlier disposition of the CFI matter within the civil realm?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, this morning I was asked a number of questions by some representatives of Winnipeg's two daily newspapers. And I have already spoken to the reporter who was involved in the article that the Honourable Leader of the Opposition refers to, Mr. Speaker, because I never said that the criminal proceedings were in jeopardy. I did not state that to him; that was his conclusion as a result of the conversation I had with him.

Mr. Speaker, I want to point out that the civil settlement was entered into completely independent of the criminal proceedings and was recommended in fact by the special prosecutor that the civil settlement be entered into without delay.

MR. PAWLEY: Mr. Speaker, then by way of supplementary, can the Attorney-General then assure the House that the criminal proceedings have not been, indeed, jeopardized or affected prejudiciously by the civil settlement.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I can assure the Leader of the Opposition that the civil settlement was made without any reference or connection to the criminal proceedings.

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MR. PAWLEY: Mr. Speaker, further to the Attorney-General, the Attorney-General indicates without connection; I can't force the Attorney-General to answer my question, but I'm wondering if the Attorney-General would not appreciate the opportunity to be elaborating on his statement in order to deal more directly with the question of prejudice.

MR. MERCIER: Mr. Speaker, I can only reiterate that the civil settlement which was entered into was recommended by all counsel involved, both civil and on the criminal side. A special prosecutor recommended a settlement be entered into without delay. It was made clear in all correspondence leading up to the settlement and in the settlement agreement that the civil settlement was made completely independent of the criminal prosecutions and that the criminal prosecutions would continue.

MR. PAWLEY: Mr. Speaker, a question to the Minister responsible for the Environment. Can the Minister report to the House pertaining to a spillage of chemical at Canadian Bronze, as to the nature of the spillage and potential effect that such spillage has upon the environment?

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

HON. WARNER H. JORGENSEN (Morris): Yes, Mr. Speaker, the spill took place on March 20th. Our department was not notified until Monday and I might point out, Mr. Speaker, that perhaps is a weakness that we hope to correct in the present legislation, which amendment will be introduced during the coming session, to provide for people who are responsible for spills to report them immediately to the Environment Branch. But our officials were out there on Monday and added caustic soda to the chromic acid, thereby neutralizing it.

I might add, also, that the company themselves had placed caustic soda on the spill so that it was already neutralized to a large extent. I might also add that the spill consisted of chromic acid that had been spent in use, so it did not have its full strength.

The material was removed from the site by a vacuum truck and taken to the Brady Road landfill site, where it was again neutralized and mixed with domestic solid waste. The material has been covered, so that it is not possible for anybody to have direct access to it. I might also add that the Brady landfill site was particularly chosen because it has about 20 feet of clay underneath the site and brine water below that; so it was felt that it was a reasonably safe place to dispose of material. But my department will be continuing to sample and provide surveillance to ensure that there is no further damage that can result.

MR. PAWLEY: Mr. Speaker, can the Minister assure us that he is satisfied from reports from his department that none of the chromic acid in fact escaped into the city's sewage system?

MR. JORGENSEN: I am advised, Mr. Speaker, that the action taken by the company in neutralizing the chromic acid had the affect of reducing its acidity to the point where it was normal or neutral. So they feel that that portion that had spilled into the sewage system had been fairly well neutralized before it had reached that point.

MR. PAWLEY: Mr. Speaker, I refer the Minister to questions which were raised with him this past Thursday pertaining to the PCBs and his indication that he would take those questions by way of notice. Further to those questions, which await answering, can the Minister confirm that in fact the PCBs now have been moved from the warehouse in question and that the PCBs have been moved to the Province of Alberta at the cost of the Province of Manitoba?

MR. JORGENSEN: No, Mr. Speaker, that is not a fact. PCBs, to the best of my knowledge, remain in a storage facility at the J. Werier site and have not been removed as yet. Perhaps what my honourable friend is referring to is PCBs that were removed earlier this year, both from the Gimli storage site, as well as those that were in storage at Canada Packers. They have been moved out of the

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province. So that outside of the five barrels that are at the J. Werier site, to the best of our knowledge, there is no further PCBs in storage at the expense of the Province of Manitoba. I might add that the PCBs that were removed from Canada Packers to Alberta by . . . Contaminants were removed at the expense of Canada Packers. Those that we had in storage at Gimli were removed at our expense.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Yes, thank you, Mr. Speaker. My question is to the Minister of Natural Resources. Can the Minister confirm that two polar bears have died as a result of experimentation carried out to study the effects of crude oil on polar bears in the Churchill area?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I announced by way of press release yesterday that one bear had died as a result of the experiments and that two others were being brought to the city where they could be kept under closer supervision and care, and a decision was made last night by the committee in charge of caring for the bears that one of them was showing the same types of symptoms that the one that had died had shown and they felt that it was the humane thing to do to destroy the bear, and that was done last night.

MR. COWAN: Thank you, Mr. Speaker. Well, as the Minister had assured us in a press release on February 1, 1980, when he granted the permits for this experimentation to be done that it would be done in the safest and most humane manner, is the Minister now prepared to investigate the methods used in this experiment to, in actuality, determine whether or not it was done in the most humane and the safest manner possible and that these deaths of these polar bears were entirely unavoidable?

MR. SPEAKER: The Honourable Minister of Natural Resources.

MR. RANSOM: Certainly, Mr. Speaker, the research people involved will be evaluating all phases of the project and it had been undertaken, of course, in the light of a considerable amount of public reaction to the idea of doing research on the bears but it was felt by the federal government people, the Wildlife Service and with researchers from other parts of the world, as well as with the agreement of the Local Government District of Churchill, that in fact this sort of experiment was necessary to determine the effect of an oil spill on bears.

The study has shown to this point that the potential impact of a spill is considerably greater than they had originally anticipated. Because one must realize that the bears were not immersed in oil as, perhaps, the public perception is, but were immersed in water which had an oil slick upon it and that close to a month after that exposure that the animals have become sick to the point where one died and the other one was destroyed. So although the final evaluation and autopsy reports and everything are not in, I am assured by the researchers involved that they feel although it's unfortunate that the bears have died as a result, that there has been a considerable amount of worthwhile information collected.

MR. SPEAKER: The Honourable Member for Churchill with a final supplementary.

MR. COWAN: Yes, thank you, a final supplementary to the Minister. Well, as one of the first procedures that was going to be followed in the first experiment was dissection of the bears after they had been destroyed, can the Minister now indicate if the polar bears that had died as a result of this experiment are going to be dissected in respect to finding out exactly what it is that caused their death, and can the Minister assure us that there was no intent from the start of this experiment that dissection was involved at all points, right from the beginning, or the thought of dissection was involved?

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MR. RANSOM: Mr. Speaker, I believe that the honourable member is making a rather serious allegation against not only the scientists involved in this experiment but on scientists generally to open the question that respected scientists would, in fact, undertake a study with the knowledge and the intent of having the bears die so that they could conduct autopsies on them when that, in fact, was not the stated case of their research. Mr. Chairman, I think that is a rather serious allegation and I'd have no hesitation in saying that was not the intention of this study.

MR. SPEAKER: The Honourable for Churchill with a new question.

MR. COWAN: Thank you, Mr. Speaker, my question is to the Minister of Natural Resources, and I wish to point out that I had not intended to make that allegation, but my question to the Minister. . .

MR. SPEAKER: Order, order please. Is the member rising on a point of order? The Honourable Member on a question.

MR. COWAN: Yes, thank you. . . . that I had asked that question to give the Minister the opportunity to make assurances that that was not the case and I am glad that he has been able to do that and therefore clear up some doubt in the minds of the public.

Can the Minister indicate if there any other experiments of this nature that are anticipated to be held in the near future regarding the effect of crude oil spills on either polar bears or other animals in the area that might be affected by such spills in the future?

MR. RANSOM: Mr. Speaker, the permit which my department issued for the experiment to take place covered that experiment which has been underway, and it should be understood that our involvement was only to approve of the use of those four animals. We did not plan the study nor fund the study, and so I cannot anticipate whether other agencies, other universities, or the federal government might be planning further studies to help further the body of knowledge, expand the body of knowledge that will probably inevitably be required to be able to deal with the eventuality of an oil spill. And I believe we need only look to the sort of debate which has taken place with respect to the vinyl chloride situation where government has been criticized for not being prepared to deal with that sort of thing. And this is the reason behind the necessity for such experiments.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Honourable Minister of Finance. Mr. Speaker, in view of the fact that the federal government program to assist mortgage people paying payments on mortgage is a very limited program and in view of the fact that orders for sale are now being published at the rate of some 40 per week in the Winnipeg Tribune of Saturday's edition - there has been over 40 in the last two weekly editions - does the Minister have anything to indicate to the House as to reversing the condition of the Manitoba economy so that the people will not be foreclosed at the rate that they are now being foreclosed?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, we have noted the announcement by the federal government on their program and, as the Member for Inkster has indicated, it looks like a fairly limited program. We've said before on this question that the action is required at the federal level. It's not a Manitoba problem; it's a Canadian problem. It's a Manitoba problem, of course, as well because we're all affected by it right across the country.

Mr. Speaker, it's interesting to note the concern that is arising now by the members across the way. Had they been a little more concerned when the Conservative government program was defeated, Mr. Speaker, we wouldn't have this problem. Mr. Speaker, the information that we have at this point is not official

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information, it has been a statement made by the Minister, apparently, in a television program, the taping of a television program. But what we have so far would indicate that over a five-year period they would want to spend something like \$35 million and the subsidy limits would be something in the order of \$1,200 maximum and/or 30 percent of income.

Now that doesn't tell us very much; from what we've seen, it is fairly limited. We would be more than willing to try and assist the federal government in working out some sort of a program that would bring relief as rapidly as possible. We recognize the fact that there is significant hardship resulting from the moves.

The figures reported by the Federal Minister in the newspaper would indicate that the problem is more limited than what has been indicated by the figures raised by the Member for Inkster and what was our own suspicions.

MR. SPEAKER: Order, order please. I believe the Minister's answer has been unduly long.

The Honourable Member for Inkster with a supplementary, if he dare.

MR. GREEN: Mr. Speaker, in view of the fact that the figures that I gave to the Minister were discerned by me by reading the Winnipeg Tribune, which is available to all of the citizens in the province of Manitoba and I believe is used because their rates of advertising are cheaper than the Winnipeg Free Press and for no other reason, could the Minister tell me that there is false advertising in the Winnipeg Tribune with respect to mortgage foreclosures?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Well, Mr. Speaker, I think if the member has a question of that nature, it is not within the power of this House or this government to demand of the Tribune as to whether or not its figures are accurate or not.

MR. CHAIRMAN: The Honourable Member for Inkster with a final supplementary.

MR. GREEN: Yes, Mr. Speaker, in view that the Minister has said that the problems now being experienced by the province pre-date the existence of the Conservative administration, will the Minister of Finance please convey to the people of the province of Manitoba that date upon which he says responsibility for conditions in Manitoba may be laid on this government? So we can start asking . . .

MR. CRAIK: Mr. Speaker, I think the member has misinterpreted a comment that I made in reply in the first instance. The comment I made was that the Mortgage Interest Deductibility Plan would have brought some relief. The Property Tax Credit would have brought some relief to the current problem. There was no concern for the mortgage holder. There was no concern for the person with a mortgage when his friends in Ottawa defeated the former government, Mr. Speaker, when they were trying to do exactly that.

MR. SPEAKER: The Honourable Member for Emerson.

MR. ALBERT DRIEDGER: Thank you, Mr. Speaker, I have a question to the Minister of Highways. Could the Minister indicate when the people of Manitoba can expect load restrictions on provincial highways?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. DON ORCHARD (Pembina): Well, Mr. Chairman, road restrictions will be put on when we have a little more warmer weather and the roads get a little softer. The department determines when restrictions go on by the levels of deflection occurring in the pavements when heavy loads travel over them. When those deflections reach a critical level, the department will impose restrictions on those roads.

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MR. SPEAKER: The Honourable Member for Emerson with a supplementary.

MR. DRIEDGER: Supplementary question to the Minister of Agriculture. In view of the upcoming load restrictions and the lack of grain movement in the flood-prone Red River Valley could the Minister give us an update on the report that we're expecting?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, as I indicated the other day there will be a report available for the members. There have been meetings taking place with the local officials. An inventory of the grains has been taken and I will be able to report to the House in the early part of the week.

MR. SPEAKER: The Honourable Member for Emerson with a final supplementary.

MR. DRIEDGER: To the Minister of Agriculture. The 400 rented hopper cars that the province rented for the hauling of grain, are these cars available to both CP and CN rail lines?

MR. DOWNEY: Mr. Speaker, the initial 300 cars that are now being placed into the system are available to both railroads.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, my question is to the Minister of Northern Affairs. Last summer his department was responsible for the installation of a water system at Cormorant and through some sort of accident in the heat tape system the water system was melted after it was buried and I wonder if the Minister's department has been able to determine what happened to that project, what went wrong with that installation?

MR. SPEAKER: The Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): Mr. Speaker, I'll have to take that question as notice and bring back an answer.

MR. McBRYDE: Yes, Mr. Speaker, while the Minister is looking into that I wonder if the Minister could check and find out whether or not in fact his department just walked away from the project and didn't do anything further in terms of informing the people of Cormorant what went wrong and what they could do about the problems with that project.

MR. GOURLAY: Mr. Speaker, having a good knowledge of my staff in the area, I know that what the Honourable Member for The Pas is mentioning is absolutely not correct. However, I think questions of this nature would be better asked at the time of Estimates.

MR. McBRYDE: Yes, Mr. Speaker. Since the citizens that were expecting a water service have been without this service since last summer, Mr. Speaker, I wonder if the Minister could indicate what his department is going to do now. Are they just going to leave the system there unattended or do they intend to take some action in regard to this problem?

MR. GOURLAY: Mr. Speaker, the honourable member can be assured that this will be attended to very soon.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker. I have a question for the Minister of Education. Last Friday he had assured the House that he would be speaking with the School Board of Winnipeg No. 1 with respect to the 2,000 truants in Winnipeg No. 1. I would ask the Minister what the outcome of those discussions were?

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MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, to the Honourable Member for Rossmere, there were a considerable number of topics that were discussed at that meeting. I had expected that we would get to the topic of students absent from school, however time did not permit us to pursue that topic at that time.

MR. SCHROEDER: Yes, Mr. Speaker, another question then to the Minister of Education dealing with truancy out in the Elkhorn district. I understand that the children in that school have not been in school for the past two weeks and that at a parent's meeting last night, attended by some 50 percent or more of the adult population of that district, it was decided to keep those children at home further and I'm asking the Minister what he proposes to do about this?

MR. COSENS: Mr. Speaker, I met with the parent's delegation from that area and with the school board from that area and I can say to the honourable member that I deplore the situation as much as he does the fact that these children are out of school, are not in classes and that they're education certainly has to be suffering as a result. I'm encouraged that the two parties are getting together and that there will be a resolution very soon to that problem.

MR. SPEAKER: The Honourable Member for Rossmere with a final supplementary.

MR. SCHROEDER: Yes, Mr. Speaker, again to the Minister of Education. Yesterday he had indicated to me in an answer to a question on Elkhorn that he could not confirm that there was going to be one less teacher this coming fall. I would ask the Minister whether he can now confirm that there will be one less teacher this coming fall than there is right now; that right now there's one less teacher than there was last year; that the parents have decided to keep their children out of school until they get their two teachers back and until something is done to confirm that they can continue with their school in Elkhorn for at least the foreseeable future?

MR. SPEAKER: I said I could not confirm it. It's because I have not received any written notice from that particular school board that that is in fact the path that they are following in the reduction of one teacher in that school. I have read the papers as the Honourable Member for Rossmere has where that is suggested as a policy the School Board is following. As far as the staffing of any particular school division is concerned, I do not receive that information until the attendance reports are received at the start of the school term in September.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker. My question is to the Minister responsible for Tourism in the province. Could I ask the Minister if his department contracted with W. L. Wardrop and Associates, a Winnipeg based engineering consulting firm, to provide his department with a study on the tourist potential or some aspect at least of tourism for Manitoba?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Yes, Mr. Speaker, the study was to look at all aspects of tourism in Manitoba.

MR. BOSTROM: Can the Minister explain to the House the amount of money involved in this contract and also why he hired an engineering consulting firm to do what appears to be a marketing study?

MR. JOHNSTON: The study is costing, as I have said many times, Mr. Speaker, approximately \$267,000, in that area and it is not just a marketing study. The member is wrong when he makes that statement. It's studying all

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aspects of tourism such as destination points, historical points, etc. in the province of Manitoba.

MR. SPEAKER: The Honourable Member for Rupertsland with a final supplementary.

MR. BOSTROM: Yes, Mr. Speaker, I would ask the Minister why he would choose an engineering consulting firm to do what is essentially a marketing type of study regardless of how he may try to fudge that issue. And also, Mr. Speaker, I would ask the Minister why he chose this particular firm and if there is any coincidence with the fact that a Mr. Graeme Haig is a member of the board of directors of this firm who is a past president of the Progressive Conservative party of Manitoba?

MR. JOHNSTON: For the second time, Mr. Speaker, the honourable member is wrong. It is not just a marketing study and I hope he gets that through his head. Now, Mr. Speaker, I can only relate regarding his second accusations, that I remember the Member from West Kildonan once saying "if a person has integrity they have integrity" and I assure you that the firm we hired has integrity.

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: Thank you, Mr. Speaker. My question is for the Minister of Finance. Could the Minister of Finance advise whether any member of his personal staff has recently been appointed to the board of Flyer Industries and if so can he tell the Assembly the name of the person and what job he has retained by the Minister in respect to.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, a special assistant to myself has been named to the Board of Flyer, Mr. J.L. Burns, and I think that has been reported accurately in the media.

MR. CORRIN: Yes, Mr. Speaker, can the Minister advise us why he didn't assume the position himself and can he assure us that he will not in any way attempt to influence the thoughts or determinations of Mr. Burns in his capacity as a member of the Board?

MR. CRAIK: Mr. Speaker, the member may have noticed that there are, I think perhaps, three members of the staff of the provincial government that are on the Board representing the Department of Economic Development; I think the Deputy Minister of Economic Development is on the Board, I believe the CEDF Manager is also on the Board; and Mr. Burns is on the Board from Finance, primarily as a result of the admonitions of the Provincial Auditor who spelled out in the last report the problems that were being faced there from a purely accounting and financial point of view.

MR. SPEAKER: The Honourable Member for Wellington with a final supplementary.

MR. CORRIN: Yes, Mr. Speaker, I would ask the Honourable Minister whether he can perceive and indicate to the House whether he can perceive a difference between the civil servants he has mentioned who are also sitting on that Board and Mr. Burns, insofar as the civil servants are not under the control of the Minister in any direct fashion? I would ask whether on the basis of that distinction he would advise whether he thinks it is in the best interests of the corporation and the public will that that sort of undue influence be put upon the Board of Flyer Coach Industries?

MR. CRAIK: Well, Mr. Speaker, I am having some difficulty because there are also other people who have been appointed to the Board who are not in any related at all, in any way, shape or form, to the provincial government. I think

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there was a Mr. Fia, who is a former Superintendent or Manager of one of the major activities of Bristol Aircraft, has also been asked to go on the Board to bring to it his technical background. So, Mr. Speaker, there are a wide selection of people in government, quasi-government, outside of government, that have been asked to go on that Board.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, just two further short questions to the Minister responsible for the Environment.

Can the Minister of the Environment advise the House as to who first advised he or his Department pertaining to the chromite at Canadian Bronze?

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

MR. JORGENSEN: Mr. Speaker, my understanding is that it was CAE that advised the Department of the Environment.

MR. PAWLEY: Mr. Speaker, can the Minister advise how much of the chromite in fact did enter the sewage system, even though diluted?

MR. JORGENSEN: I wouldn't be able to give my honourable friend the answer to that question without making further enquiries.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the Minister of Consumer Affairs. Can he confirm that rent controls in Manitoba will be phased out in the next few months?

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

MR. JORGENSEN: Mr. Speaker, when the then Minister of Consumer and Corporate Affairs made his statement to this House, in 1978 I believe it was, he indicated a phase-out program. We are simply following that program.

MR. DOERN: Mr. Speaker, in the absence of the First Minister, I would direct a question to the Deputy Premier. Given that there are high interest rates prevalent in Manitoba, mortgage defaults, and a certainty of higher rents, I would ask him whether he would be prepared to consider extending the period of rent controls at least for another year or until mortgage rates come down.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Well, Mr. Speaker, I will agree with the member that there are difficulties being caused. The immediate difficulties that are evident, of course, are on the mortgage renewals on individuals who own their own homes. The problems that may face those who are renting are not quite as difficult at the present time, they may cause difficulties and that is being monitored.

With regard to whether or not there will be specific action taken, Mr. Speaker, I can't reply to the member on that question. I will pass it on for consideration.

MR. SPEAKER: The Honourable Member for Elmwood with a final supplementary.

MR. DOERN: I would ask the Minister if he would not anticipate, as I do, that people who are presently looking for purchasing new housing will be not able to do so and will, as a result, stay in the apartment field and will undoubtedly have to pay higher rents. Given that, I think, reasonable assumption that the government should study that matter with a view to extending that program, and if the program, Mr. Speaker, is being phased out on June 30th, which the Minister said it would be, then I say that some immediate action should be taken in that regard.

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MR. SPEAKER: If the Honourable Member for Elmwood has a question I would appreciate it.

MR. DOERN: That was a disguised interrogative, Mr. Speaker. I would ask the Deputy Premier this question: Given that rent controls will be phased out in three months, would the government undertake an immediate study in an attempt to ascertain whether they should be extended?

MR. CRAIK: Well, Mr. Speaker, I think that this can probably be taken up in more detail with the Minister's Estimates. The evidence to date is that the vacancy rate is such that there is good competition in the market, which has proven to be the most effective method of keeping the rates down. There is no substantive evidence at this point that the shift in mortgage interest rates is causing an impact in the rental market, but certainly, Mr. Speaker, it will be watched and consideration will be taken in of that matter.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSON: Mr. Speaker, I would like to answer a question that the Member for Lac du Bonnet gave me that I took as notice regarding the properties in East Selkirk. He asked me: Was the property of East Selkirk sold? The property was sold by public tender with one bid being received. Was there a reserve bid? There was both a market appraisal and a reserve bid based on MHRC's cost. The market appraisal suggested that a market value approximating \$75,000 was likely, although this value was not based on recent sales experience in the area, and the likelihood was that the value had dropped further. Three: Were MHRC's costs recovered? MHRC had paid \$65,000 for the property, had sold a portion to the Department of Highways for \$3,700, bringing the cost to \$61,300.00. The approved accepted bid was \$67,250, recovered the acquisition cost but did not cover the carrying costs. The decision to accept the bid was based on the fact that the carrying costs were increasing at a rate of \$11,000 per year and it was unlikely that the market would recover sufficiently to reach a level to recover costs plus carrying costs at that rate of an increase.

MR. SPEAKER: Order please. The time for question period having expired, we will proceed with Orders of the Day.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to Consider of the Supply to be granted to Her Majesty.

COMMITTEE OF SUPPLY - INTERIM SUPPLY

MR. CHAIRMAN, Albert Driedger (Emerson): Committee come to order, please. I've been advised that it is the desire to deal with the Interim Supply.

Resolved that a sum not exceeding \$568,587,270, being 30 percent of the amount of several items to be voted for departments as set forth in the Main Estimates for the fiscal year ending 31st day of March, 1981, laid before the House at the present Session of the Legislature, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1981.
The Member for St. Johns.

MR. SAUL CHERNIACK: There are some matters that I would like to question in regard to this proposal. Is it not the practice to distribute a copy of the Resolution? --(Interjection)-- The Clerk says "no". I accept his statement. Could we then learn what percentage is being requested?

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MR. CHAIRMAN: Order please. The request being 30 percent of the amount of the several items to be voted for departments.

The Honourable Minister.

MR. CRAIK: Mr. Chairman, I could give the details to the members at this point if it might be helpful to them. It would normally have been the Second Reading notes, but it's perhaps more advantageous if I were to break it down at this point. It represents 30 percent of the total as follows:

Total general statutory appropriations, \$95,624,900;

Total sums to be voted \$1,895,290,900;

For the total Main Estimate of Expenditure, the amount indicated, Mr. Chairman, of \$1,990,915,800, and this represents 30 percent of the second figure I gave you, namely \$1,895,290,900.00.

So the general statutory appropriation is subtracted off the total and 30 percent is taken of that. It's the same as the percentage that was used last year and it should provide spending authority until early July.

I could indicate to the members that there is a section of the bill, Section 3, that has been included in the Interim Supply Bill for the first time. It corresponds to a similar section which was included in The Appropriation Act 1979, when the legislation was changed last year, following discussion of the accounting for commitments by the Public Accounts Committee when it was before the Public Accounts then. The commitment authority of \$30 million is 30 percent of the total to be included in The Appropriation Act 1980.

There is another section, Section 4, the same as Section 3 in last year's bill, and while the amount of spending authority to be granted by this bill is 30 percent of the total to be voted in the Main Estimates, members should be aware that this restriction does not apply to individual appropriation. Section 4 permits expenditures up to the full amount of each individual item to be voted.

Another section, Mr. Chairman, Number 5, this title has been changed from last year's Section 4 title to be more descriptive, and a reference to commitments has been added to the section to tie in with the new Section 3. And a further Section Number 6 provides for transfer of certain authority to other departments of government. A new subsection dealing with transfer of flood control and emergency expenditure authority has been added to Bill 22. It is the intention for 1980-81 to have operating departments certify and pay their own flood or other emergency expenditures directly from a departmental appropriation to be established, rather than having such payments centralized through the Emergency Measures Organization.

And a Section 7, which is authority for expenditures in anticipation of recoveries, is revised as compared to the 1979 Interim Supply Bill. Instead of listing appropriations which have nil votes, or listing appropriations where timing problems could be experienced in effecting recoveries from other appropriations, a section has been used which is the same as one included in The Appropriation Act 1979. This provides the same authority to make expenditures, but as a general procedure, without specifying the individual appropriations. In all other respects, this bill is essentially the same as in 1979, with the exception of amounts included in Sections 2 and 6 which have been altered to coincide with amounts included in the 1980-81 Main Estimates of Expenditure.

Mr. Chairman, I know that that's not very helpful, because you haven't got these in front of you, but with that advance explanation perhaps when the bill is distributed the members will want to hold and have a look at it, and if they have any questions hopefully those few remarks will help explain it.

MR. CHERNIACK: Mr. Chairman, I'd like to thank the Honourable Minister of Finance for giving us this brief summary of what is intended. He is quite right that it will be more helpful when we have the bill before us. On the other hand, for some reason that I don't know about, I know that the Hansard staff had invited members to come and see the operations and I did not take advantage of the opportunity, nevertheless I notice that Hansard is running about a week behind and it may well be that even that information will not be available in Hansard by the time the bill comes. But in any event, we do have a little bit of a preview and possibly we will get more.

It does make it awkward, Mr. Chairman, because of the procedures that take place, that we must make sure that we have ample opportunity to discuss the

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ramifications of the various sections when they come before us on second reading, and that's why I think it's helpful to some extent.

Mr. Chairman, I'm rather sorry that the Minister of Agriculture stepped out because I wanted to ask him . . . I'm sorry, I mean the Minister of Highways, and I don't mean that as a slight to either Minister, nor necessarily a compliment to either Minister, I just made a mistake in designating their portfolio. The Minister of Highways, during his Estimates, undertook, well, made a statement which I didn't think was correct dealing with the precommitment of funds and I quote from the Hansard we received this afternoon on our desks where he stated, and I quote from the bottom of page 1283, "What the Auditor allows us to do is to draw up a road program based on a program which is not completed, in other words, carryover program, plus a deduction for pre-advertising, plus regular program, and he allows us to commit to program 1.6 times our capital budget, but he allows us only to spend what our capital budget is."

I told him at that meeting that I could not conceive that the Auditor had the authority to allow anything but could only certify as to whether or not the government was carrying on in accordance with the law and with the legislation that has been passed. And I invited him several times to find out on what basis his department and he may commit 1.6 times the Estimates.

Since you, Mr. Chairman - I'm not reflecting on you and your role as Chairman but you, Mr. Chairman - participated in the closure that took place the other day where we were not allowed to debate the Minister of Highways Salary to any decent extent; at that time I had hoped that we would be able to get answers from the Minister, including this one, where he obviously didn't know whereof he spoke. And I didn't really fault him that much, although a Minister responsible for a department should know by what authority he operates. The Minister of Finance's legislative assistant pitched in and attempted to explain what was happening in accordance with the Winnipeg City Council's procedures and I fear he, too, was't quite sure what he was doing.

Mr. Chairman, I didn't try to tell them what the situation was because I'm not that sure, but I had hoped that he would give us the answer and I would indicate, Mr. Chairman, I'm still looking for an authoritative response on the 1.6 and I kind of suspect that only the Minister of Finance can give us that authoritative response, and I hope he will. If not, possibly the Minister of Highways will return before we complete this item and will then be prepared to give us the explanation, which he must have by now, since it was last Thursday that I suggested to him he should get the answers. If, however, the legislative assistant to the Minister of Finance, whom I also had invited to get the information, if he has the answer possibly he'd care to give it to us now.

MR. CRAIK: Mr. Chairman, I'm not quite sure on the 1.6 ratio but there is, in the case of highways, a precommitment arrangement that the Minister referred to and which I think probably has been in place for a long time, and it allows the highways program to go ahead with precommitment of programs.

The programs don't all come into fruition in the final analysis and the 1.-whatever-it-is times the estimated amount that comes out in the Estimates does not get spent. The only thing I cannot confirm for the Member is the actual ratio that the department uses, whether it's the full amount or more than the estimated full amount as they are going into proposals and various stages of calling for estimates and tenders and so on, on projects. But it may well be over the estimated amount and the total would, of course, not in final analysis be spent. But that's the only way that you can mount a highways program is to have everything pretty well underway at this time of year in order to be into operation shortly after the beginning of the fiscal year, namely April 1 of each year. The ratio I can't confirm, but I'll perhaps have that for the Member before we finish here.

MR. CHERNIACK: I'm afraid my expectations were dashed; I thought the Minister of Finance could give me the answer and he didn't. He spoke of an arrangement of long standing but I assure him that's not good enough for the Provincial Auditor or anyone else; there has to be a legal basis and I assure the Minister that he will have an opportunity to get an answer from those who are listening over our heads because they must know the answer. And I really suspect,

and I told the legislative assistant to the Minister of Finance, I suspect it was in that very section that the Minister has referred to as being an authority. I think he referred to it as Section 3, I don't remember, but there is a section, there's some sort of authority in the Appropriations Act itself.

I'm losing the legislative assistant to the Minister as well, now, so that I really don't know whether the answer is available, but as I say, I expect it will be before we're through with this matter in committee. I see he is returning and possibly he can help us out and we will have that opportunity. As I say, it's too bad the Minister of Highways isn't here, because after a weeks notice he surely ought to have the answer.

But I am sure that there has to be legislative authority even for commitments and I might tell the Minister that when we had Capital Supply, as I recall it, we used a portion of Capital Supply as the commitment procedure because that did not lapse. But now that the government has introduced a procedure whereby there is no longer a continuing authority by way of Capital Supply and we're off appropriations lapsed there has to be a change and, as I say, I think it's in his own Act and that's why I thought I'd get the answer and I hope I will.

MR. CHAIRMAN: The Member for Lakeside.

HON. HARRY J. ENNS: Just one further bit of light for the Honourable Member for St. Johns on this same matter, he also mentioned the pre-advertising pretending program that the department undertakes in advance of legislative authority to spend any money within the department. But I should indicate to the Honourable Member that is a practice also of some long standing which the auditor approves on the condition that any contracts arranged with the roadbuilders of the province have a clause in the contract saying that this is subject to approval of the Estimates of the Department of Highways. In that sense, the Provincial Auditor recognizes the legitimacy of pre-advertising and pre-awarding of contract prior to legislative approval of the department's funds. --(Interjection)-- Yes, it is.

MR. CHAIRMAN: Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I suspect that both Ministers are talking about that year that was. I think that because there was objection taken to this procedure whereby the government could go ahead with a contract but the supplier had no commitment that government would go back, because government could easily say well, that appropriation wasn't passed, because of that and because it was apparent on the face of it that the procedure was changed. And now I'm really concerned to know whether or not . . . Well, maybe contractors are still prepared to sign open-ended contracts or, I should say one-sided, unilateral contracts. If they are, they are ill advised, Mr. Chairman. --(Interjection)-- I know they did but I thought it was the current government that was involved in changing it. We have a new financial administration; we have a new Provincial Auditor's Act, I should say. We have other changes. I think all that was brought about to update and improve the system which existed before and with which I for one was not terribly comfortable and that is the precommitment - and as I say I think we allowed a certain amount, maybe it was even a rolling fund of some kind in Capital Supply, but that was wiped out by this government. And now I really find it difficult to believe that the arrangement, as referred to by the Minister of Finance, or the practice, as referred to by the Minister of Government Services, is the basis on which they now rely to permit the Minister of Highways to make precommitments without having money voted for him and I'm still waiting for an answer which I hope I'll get.

MR. CRAIK: Mr. Chairman, I think the Member for St. Johns is perhaps confusing Capital Carry Forward and pretending because what is happening is that in order to get the summer works projects ready to go they are called ahead of the fiscal year and that's been going on. We never took any exception to that practice. That has been done and has to continue to be done for a good long time.

Now the only thing that I think may be in question is why can you pre-tender for more than what is going to be in your estimates, as has been indicated by the

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Minister of Highways. Well some projects are called and if they come in and for some reason are unacceptable, because they've come in too high or there aren't a sufficient number of tenders or they're not competitive or for some other reason, you don't go ahead with those projects. So as a result you may call for tenders on more than you expect to spend in the full knowledge that they will not all be approved when they come in. Therein lies the explanation for it, in advance of the fiscal year the call for tenders may in total exceed what is expected to be the total amount of the Estimates that will be voted for the fiscal year. As the Minister of Government Services has indicated here is that the contractors are in full knowledge of that and that has been the practice and they accept it. They know that when they tender, that no tender may be accepted.

As far as the ratio is concerned, I'll get that for you. I understand that probably that 1.6 is the number. I'll attempt to get that for him.

MR. CHERNIACK: Mr. Chairman, I have no doubt that the ratio is correct and really it wouldn't matter if it was 1.5 or 1.1 or 1.006, so I'm not concerned about the ratio. I'm concerned about the legal authority and, Mr. Chairman, I have to say again that although I know it was done in the past and the excuse was given, well we can always get out of such a contract by putting in a clause where the contractor understands that if there is no money voted then they wouldn't go ahead with the work, I am still under the impression that the Ministers are wrong in thinking that the former practice is still continued under the old inadequate, and that's my word, provision of The Appropriations Act. I do have the definite impression there was a change made and I do believe now that the Ministers present are not au courant on it. I don't want to press that now unless the Legislative Assistant for the Minister of Finance has learned enough now to give us the information and the Minister of Highways is still away.

I'm not pressing for the answer now but, Mr. Chairman, I'm going to press for the answer because I want to know. I honestly believe that the auditor objected to it, that in principle it was objected to, this practice they refer to and that it was corrected by The Appropriations Act.

Now there's one other thing I didn't grasp and that is the Minister used the expression Capital Carry Forward and I don't know that term as it applies to our present estimates and appropriations; and since I really don't know I'd appreciate clarification, how we have a Capital Carry Forward when we don't have any Capital Supply.

MR. CRAIK: Well, Mr. Chairman, I wasn't referring to it in relation to this bill. I was referring to it simply because I felt that he was mixing up the concept of no longer having Capital carry forward and transposing it over into the same argument in relationship to pretending. I felt that he was suggesting that there was opposition to the idea of pre-tendering by this government and by the Provincial Auditor, which I am not aware of. The changes that were made and they have nothing to do with what's before us but apply to Capital, would apply to Highway's Capital program, I suppose, that there is not a carry forward of capital now from one year to the other but there is a pre-tendering on highway projects.

MR. CHERNIACK: Mr. Chairman, I'm sorry I may be misunderstood. I am not criticizing the government for pre-tendering. I think it is essential not only for the reasons mentioned by the Minister of Finance but also for the fact that since the weather is unpredictable there are often times when you can take advantage of a good year and go ahead and do work more than you had planned to do. I am not confusing the former Capital carry forward with the present system. I am clear in my mind that because there is no longer the availability of Capital Supply which can be used for pre-tendering that there is another device, a legal device used for that and that device is not this contract that the Minister's referred to, which I personally never liked, and which I'm surprised is still being continued. I am still under the impression that in place of the former Capital Supply availability for pretending that there's now legislation involved and I still think it's in The Appropriation Act and I still think the Minister referred to it in his introduction of second reading today. I think it's there. I want the assurance that's what it is because I no longer remember, Mr. Chairman, and I'm not expected to.

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Now the Minister of Government Services says we'll wait for Hansard. I wish we wouldn't have to wait for the Minister of Highways who had a week's notice on this specific question and I had hoped would have given the answer.

MR. CRAIK: Mr. Speaker, I'll send, in the event that there is a holdup in Hansard, I'd be willing to send over my notes to the member or whoever else would like to have them before we deal with the bill and perhaps that will indicate at least whether or not the items are in here that he is referring to.

MR. CHAIRMAN: The Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Chairman, I'll leave that matter aside and I do believe that the Minister of Finance will find that in what he read out, one of those new sections covers the point that the Member for St. Johns is bringing up. What I'd like to ask the Minister of Finance is this, last fall, I believe it was in October, yes it was October, the Minister indicated that the Manitoba government would delay borrowing money on the open market because of the very high interest rates that prevailed at that time, 12 percent, and that he felt they didn't really need the money, they'd operate on short term money until the spring, until the end of March. In the light of what has occurred in the funding market is the Minister now in a position to tell us what borrowing rates would be for Manitoba and how they compare to what might have been the case last October when it was 12 percent?

MR. CRAIK: Mr. Chairman, the rates, if they were 12 last October, would probably be 14 now. And we have made no arrangements to do any long-term borrowing at this point in time. As a matter of fact, Mr. Chairman, I think that it's probably important to point out that not only have we not borrowed but we paid out last week one of the 1970 issues in European units of account, Series 9N. And it was paid out in Swiss Francs, because it was called in Swiss Francs by the lender.

Mr. Chairman, I think on that issue, if we feel that the interest rates are high now, it might be worthwhile, a bit painful but worthwhile, to realize that when that issue was taken out the nominal interest rate was 9 percent, and the prevailing rate in Canada at the time was 9.35. It was taken out March 16, 1970, which the Member for St. Johns may or may not recall; it was one of his earlier ones when he was Minister of Finance.

As of last week when we paid it out, the currencies had shifted in such a way - and it was called in Swiss Francs - that the justification for going to foreign currency at the time, which was an interest rate spread of three-tenths of one percent, the difference between 9 and 9.35. It turned out that by the time you took in your capital loss, your serial payments and the interest charge difference over the life of that ten-year bond that the interest rate in actual fact worked out to be 29.4 percent. Mr. Chairman, I say, the Member for St. Johns is perhaps smiling and I think it must be a bit of a painful smile. --(Interjection)-- Because it is a painful smile, Mr. Chairman. That will give you some idea, not a speculation, but an actual fact case of what has happened in this case.

Now, we are again facing other issues that are going to come up in the 1980-81 year where those kinds of decisions are going to have to be met again, but the proof of the pudding is in the eating. As good as three-tenths of one percent looked in 1970, the actual effective interest rate was 29.4 percent over that ten-year period and that was paid out. So we still haven't borrowed. Our preference is still to borrow Canadian. We will likely stay in the short market for some time until the thing relieves.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, with regard to that issue that the Minister mentioned that was paid off in Swiss Francs, Issue 9N, I think he said, could the Minister advise us what would have been the rate, the interest rate, if the issue had been rolled over rather than repaid?

MR. CRAIK: Mr. Chairman, the issue was due. It was a ten-year issue that came due and so it was due and payable. If the member has some unusual method he

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could use for rolling over without showing a loss, it would be very much close to having a magic wand in your hand. If you do that, of course I suppose you could go on forever and never recognize the fact that you were going bankrupt or going broke, you could just continue to do that. I haven't found any accountants, yet, Mr. Chairman, that would agree in principle with that method of bookkeeping.

MR. MILLER: Mr. Chairman, I wish the Minister wouldn't put words in my mouth. I'm not trying to put words into his mouth. No one denies the fact if an issue comes due that you have to repay it or you have to settle it, and if there's a spread in the exchange rate during that period of time that's a loss that has to be suffered, I recognize that. What I'm asking is this. When I use the term roll-over, I mean the issuing of a new Swiss Francs loan. What would be the interest today, recognizing that that loan, the one, ten years ago or whatever it was, has to be settled, a new loan for an equivalent number of Swiss Francs, what would be the rate of interest at this point in time? Would the Minister know that?

MR. CRAIK: Mr. Chairman, probably somewhere around the order of 6 or 7 percent.

MR. MILLER: So he's talking about a 6 or 7 percent versus a 14 percent, which he feels would be the Canadian rate today. Is that right? And this is at a point in time when the Canadian dollar is quite low, compared to the European. So that the Minister is saying he feels that even though the Canadian dollar today is low, that it may even fall much lower than it is today. Is this what the Minister is saying, that there is a possibility that the Canadian dollar, which I'm told today is 19.7 cents versus the U.S. dollar, may indeed be 25 cents a year from now or two years from now? Is that what the Minister is projecting for the Canadian dollar?

MR. CRAIK: Mr. Chairman, the Canadian dollar, on point No. 1, the Canadian dollar is, I suppose, in relative terms, weak right now in relation to the American dollar but the Swiss Franc at the present time is also weaker still in relation to where it was a month or two ago in relation to the American dollar. So there is more than one currency involved in taking into account in these considerations.

However, I think that it's folly to try and suggest that there is anything magical about the fact that the 6 or 7 percent interest rate is more attractive than one at 12 or 13 or 14. It's no accident that their interest rate is lower. The interest rate spread between the currencies is often reflected also in the spread between the inflation rates in the countries. So it's a little bit too narrow a gauge to use to compare only the interest rates, as I suspect the Member for Seven Oaks might well agree. I don't suppose we'll ever hit a date when the interest rates on the Swiss Franc and the Canadian dollar, not in the foreseeable future, are going to be anywhere near the same.

The interest rates at the time of the taking out of the 1970 issue were very close to the same, 9 and 9.35. In most of those currencies, I would think now you would find a much more substantial spread than that between the rates, but you can't go by interest rates alone and I think this should be a good case example for the members to have a look at, because it's not out of context with some of the other issues that we may have to deal with in the fairly near future unless the currencies shift back to where they were, and I don't find anybody anywhere in the money business suggesting that the currencies are going to reverse themselves.

MR. MILLER: Mr. Chairman, I tend to agree with the Minister that they probably reverse themselves to the point where it would come back to what it was in the '60s, but I suspect that the spread between the Swiss franc, let's say, and the Canadian dollar has pretty well stabilized and may fluctuate a few points either way but that in fact we are not going to have in the future the kind of dramatic drop that occurred in the '70s; I doubt it very much. If that was to occur I think the Canadian economy would be in terrible trouble, really drastic, and I don't think this country is yet ready to fall apart, despite everything.

But to go back to the original question, Mr. Chairman. Last Fall the Minister indicated he didn't want to go into the Canadian market because the interest rates

were high at 12 percent. Now he tells us that the interest rates - and we all know they're higher - he thinks they are about 14 percent. In the light of that, I am wondering will the Minister avoid any borrowing for this fiscal year, the one we are into now. Is he going to continue on a short-term borrowing just to tide him over, with the hope that interest rates are going to fall, or he perhaps might be as wrong three months from now as he was five months ago, that in fact he may be facing a higher interest rate again, in which case maybe he should have gone last fall and maybe he should go today

MR. CRAIK: Mr. Chairman, I presume when the Member for Seven Oaks refers to this year he means 1980-81, not 1979-80. Well, 1979-80 is over next week so we don't intend to do any issues in the next week, but it wouldn't be accurate to suggest that we won't do something in 1980-81, of course, because we will have to do some longer-term issues. But in the meantime, at the present time, we will continue on a month-by-month basis and probably take advantage of the short market for some time, until the longer-term rates tend to come down.

MR. MILLER: Mr. Chairman, then I want to ask the Minister, in the light of the experience, in the light of the last five months, then I am simply asking the Minister would he not have been wiser to borrow the money when he needed it in October, even though at that time it seemed a very high interest rate, than to continue short-term borrowing in the hope that the interest rates would drop before the end of March, as he indicated last Fall?

MR. CRAIK: Well, Mr. Chairman, we didn't need the money then so that is probably part of the answer. If we had borrowed the money we would have been acting as bankers, borrowing long and lending short. The usual practice of the government is to borrow for its spending requirements and not to act as bankers. So, Mr. Chairman, from that point of view the arrangements that were made for the borrowing requirements of the government were such that there wasn't any urgent necessity of borrowing at that time. I suppose if you want to use 20/20 hindsight and put the government in the role of doing some speculation, we could have gone out and borrowed at 12 and re-lent short at 14 and made money in the process, which I don't think is one of the mandates that we assume is the role of government.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, the Minister of Highways is leaving again, and now that I have caught his attention I am wondering if he can come back and respond to my question of a week ago of the legal basis for the 1.6 borrowing; I'm sorry, we are talking about pre-tendering 1.6 times the authorized Estimates. I must tell him that the Minister of Finance and the Minister of Government Services, I think, did not answer that question in my efforts to get answers today. But since the Minister of Highways had a week in which to learn the procedures, I would appreciate knowing from him what the answer is.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Yes, I think, Mr. Chairman, I am now looking at the actual section of the Act, Bill 62 from last year, and it is under Section 3(1), and the amount committed, authority for commitments for future years is set at a maximum fixed amount of \$100 million, so that rule of the multiplier times the program would not apply if it exceeded that amount, of course, but the fixed amount indicated in the Bill for these purposes, for pre-tendering commitment, is fixed at \$100 million.

MR. CHERNIACK: So, Mr. Chairman, then obviously the Minister of Highways was wrong and the Auditor doesn't have any authority to permit or not to permit an excess of commitment over expenditures and that then, I suppose, the Minister of Finance's indicating is the answer that whenever moneys are pre-committed or committed in excess of the amount in the appropriation is under that special section of The Appropriations Act and therefore authorized by this Legislature. I

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wonder if that is correct. Maybe the Minister of Highways can clarify it even better.

MR. CHAIRMAN: The Honourable Minister of Fitness and Sports.

HON. ROBERT (Bob) BANMAN (La Verendrye): Well, Mr. Chairman, the way I understand it is that last year, because of some concerns that the Provincial Auditor had and because of some concerns raised during the Public Accounts with regard to the pre-tendering practices, this particular Section was put in the Act last year to cover off those very issues that the members are talking about. It is my understanding that we have a limit of \$100 million right now for items such as the pre-tendering, so that the Legislature has indeed voted some authority to cover those particular items and that it is not done outside the authority of the Legislature. It is in response to some of the debates that have gone on before and some of the concerns that the Provincial Auditor has raised.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I only wish the Minister of Fitness, etc., had been at the Highways Committee a week ago and clarified the situation for the Minister of Highways, or indeed half-an-hour ago and clarified it for his Minister of Finance and his Minister for Government Services. I think now that we understand that there is authority and it is in The Appropriations Act, and I thank the Minister of Fitness for confirming to me what was an impression which I gave to the legislative assistant for the Minister of Finance last week.

That being the case, Mr. Chairman, I am not now asking for an answer but I really would appreciate it in due course and if necessary during the Minister of Finance's Estimates, now that the Minister of Highways' Estimates were prematurely foreclosed by this government's arrogant act of closure on his Salaries, and therefore we cannot ask him to answer the questions which he undertook to answer, that possibly the Minister of Finance in due course but certainly at the latest during his Estimates, will explain why it becomes necessary to continue what I . . . You know, I really think it is an unconscionable clause which was put in and I think it was put in by government or governments preceding the present government, that says that if we cannot find the money then this contract we are entering into now for the future can be abrogated by the government but not by the contractor.

I know if was a device that was used and I know the contractors relied on government and on the stability of government to provide the necessary moneys, but it is wrong. Mr. Chairman, I refer only to the fact that all the time that we in the NDP Government were advancing moneys to CFI under a contract which bore the signature of the present Premier of Manitoba and, I believe, the present Minister of Finance, all the time that we were honouring their contract they were screaming from this side of the House, you advanced the money, you shouldn't have done it. And you are put in the position where governments in an attempt to honour commitments of government can run into problems.

Therefore, I recall that when it was pointed out that we had to commit or have commitments for work to be done on Highways and Hydro and buildings in excess of the amount available for the year, either in Capital or in Current Supply, that we inserted that clause into the contract. As I say, I don't recall or I don't know when it first started but it is a practice that I thought was to be eliminated once this mechanism was provided for. This, apparently, is Section 3 of The Appropriations Act, and I would like in due course to hear from the Minister of Finance how it is that it is still being maintained. Is it necessary or is it that contractors don't dare to question or don't feel it necessary to question what I think is an adverse provision, adverse to them, provision in the tendering contracts?

Mr. Chairman, I want also to speak for a moment about this units of accounts loan that was paid off recently. The Minister says that because of a differential in interest it was deemed attractive at the time. I must tell him that there was always another factor involved in foreign borrowing and that was availability of funds. It is one thing to know what is the current market in Canada, but it is another thing to find out whether or not there are funds available for the loans. If funds are always available in Canada on the current market, then it would be

ridiculous to borrow money outside of Canada. But the fact that there have been borrowings by this government, by the previous NDP Government, and by the previous Conservatives the government previous to the NDP Government, in foreign funds is an indication that not only was interest rates involved, but also availability of funds. The Minister should not overlook it.

Now, what I wonder about, Mr. Chairman, is that here we have a situation where Manitoba owed Swiss francs and the debt was to come due quite recently; I don't remember what date the Minister mentioned. Maybe he could call it out to me; I would appreciate knowing the date of the maturity of that unit of account loan. --(Interjection)-- Oh, just ten days ago or so, March 16th, 1980.

Mr. Chairman, I am just shocked and I am really wondering what the exchange rate was to pay the Swiss francs on March 16th, 1980. The reason I say that, Mr. Chairman, is that within this last week, on Monday, I found that the exchange rate, Canadian to US, was 19 cents. That is to pay a dollar US you had to buy that US dollar for \$1.19. Today I inquired, by coincidence not knowing that Interim Supply was coming today, by coincidence I inquired today and I learned that to buy one American dollar today costs about 19.7 cents. I was told today the exchange rate was 19.7 thereabouts.

When I expressed my shock and some indignation to my bank manager, who surely is not involved in any way, and mentioned that I thought it had been around 15 some time ago, she said according to her recollection about two weeks ago it was 15. So if it jumped 4 cents, 4 percent in two weeks, I am hoping that the Minister bought his Swiss francs early enough so that he wasn't affected by the recent rates.

I see his legislative assistant is agreeing with me, I guess he too is hoping that that was the case. I guess we will learn it, but that would be really shocking if because of what I understand is sort of an aberration that the - sometimes, Mr. Chairman, when I stand in this spot I wish I were back on the other side where I could see the reactions of the people that really know what is going on in the financial market over my head. But not having eyes in the back of my head, I can only guess through the actions of the legislative assistant to see what they may be telling him from up there; an archaic system at best where you have to transmit messages by hand signals, especially when you are not taught the semaphoric code.

I was distracted for a minute, Mr. Chairman, but I'm coming back now to the shocking cost now of the US dollar. Now the Minister said that the Swiss franc is also soft as compared to the US dollar. I know nothing about that and I'm not expected to at this stage but I do imagine this, that if I owe somebody a Swiss franc and I have the opportunity to pay the Swiss franc by going out on the market and paying an excessive of foreign exchange to buy that Swiss franc with which to pay it back, I have an alternative and that is to borrow a Swiss franc rather than a Canadian dollar to use to pay back the Swiss franc because we know very well that the Minister didn't have this unit of account money, payable in Swiss francs, lying around in the cash box in his office drawer.

Mr. Chairman, I learned that within the memory of some of the people in finance that there was a Minister of Finance who used to have a cash box in his office and used to keep government funds there but this Minister didn't have Swiss francs lying around. Nor do I believe that he had Canadian dollars lying around. As a matter of fact, Mr. Chairman, I would venture to suggest that he had to borrow those Canadian dollars with which to buy Swiss francs with which to pay off the unit of account. That's speculation but knowing the way the moneys are managed in this province, the government never sits with cash lying around even for a portion of a day. Therefore either the money was invested on short term or the government had to borrow but it had to borrow it in a market where either it called its money back from whomever it loaned the money at a rate which I'm guessing would have been 12 percent, 11 percent, I'm not sure, or it had to go out and borrow the money with which to buy Swiss francs at 14 percent or something like that at a time when the prime rate is 15 3/4 percent; and we know that Manitoba because no doubt of the excellent administration it has had over the many years, including the last two, but certainly influenced by the last ten, that it can borrow money at a rate less than even prime rate.

So what I am saying to the Minister is that he must have gone out and borrowed Canadian dollars or took Canadian dollars away from people who were paying him

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substantial interest for that and go out into the market and buy Swiss francs to pay off a loan in Swiss francs. I would expect that if his eyes were not covered with blinkers and if he did not have a dogmatic philosophic approach to the question of foreign borrowings, that he would have investigated carefully and closely what it would cost to borrow Swiss francs with which to pay off this unit of account. We now know that the interest rate would have been somewhere around half of what it would cost him to borrow it now. He said 6 percent or so, maybe 6, 7 percent. It would have been to borrow what, not Swiss francs to convert to Canadian but rather Swiss francs to pay off a Swiss franc debt; and that being the case I really would like to know what was in the mind of the Minister who owed Swiss francs to take Canadian dollars worth 14 percent interest in order to buy Swiss francs at a substantial loss to pay off a Swiss loan when I believe he could have borrowed Swiss francs at 6, 7 percent, and paid off that Swiss loan. I know, as we all do, that there would be further speculation in the exchange rate which always takes place in foreign borrowing. But the Minister has borrowed foreign moneys before and will do it again and his predecessors in his party have done so as well.

The article referred to by the Member for Seven Oaks which is dated October 30th, 1979, said that the government will delay borrowing on the open market until next spring because of high interest rates. That would indicate that if the rates were not high the government would have borrowed, otherwise why even say to delay it. You only delay something you were planning to do otherwise. But he says we're not pressed. We don't have to cut programs. The government of Manitoba to my knowledge has never been pressed for money and should never be pressed. A good manager always makes sure that he borrows before he is desperate because if he is desperate to get the money he will pay the price demanded but if he's not desperate, he's a good manager to make sure that he has lines of credit open for him so he can take advantage when he chooses, not when the market demands.

But the story does say that the government will have to borrow between 50 and 100 million dollars, almost all for Manitoba Hydro, before March 31, 1980. Well I guess he borrowed and I'm not aware of it or for some reason he didn't have to borrow in spite of the fact that he expected he would. So I'm not faulting him really for not borrowing at 12 percent and now having to borrow at 14 percent; I fault him for all the postering that's gone on with the Conservative government vis-a-vis foreign exchange and exchange rates and interest rates.

And the postering which really comes to mind, Mr. Chairman, when I found in my papers a clipping from August 20th, 1977, Tribune, where Conservative Leader Sterling Lyon focused the Tory election campaign on the disastrous performance of the government and where he listed the number of things that he would bring to the attention of the people and did. He kept his promise. Amongst them, Mr. Chairman, among Mr. Lyon's examples of NDP-induced economic disaster were, "gross public debt is \$3,417 per person", and the way he screamed and hollered about that, Mr. Chairman, \$3,417 per person is the gross public debt. We kept saying you are confusing the people by talking gross. You should be talking net. We have all sorts of assets supportive of that debt. It's like saying to a person who has a \$20,000 house and a \$15,000 mortgage, you're bankrupt because you owe \$15,000, unless you recognize he has a \$5,000 equity in there. The then Leader of the Opposition, Sterling Lyon, would blind himself to the fact that gross is not net and that gross recognizes assets which may consist of moneys in reserve, moneys lying in cash in reserve that would be used to pay off the debt, and he refused to recognize that. Well, either he learned or his Minister of Finance learned that it is not quite correct to speak in gross terms at all and they changed their accounting system so that they were showing net debt.

But if one looks at the most recent available quarterly financial report of this government which is as at December 31, 1979, what do we find, Mr. Chairman? We find that the gross combined debt per capita in dollars at that stage was \$4,333.00. \$4,333 per capita. Now the Minister might stop me and say, but here we have declining population therefore the divider is such that there is more burden on the people that are left in Winnipeg because of those that left. He could say that but, Mr. Chairman, he won't say that because the fact that there is a declining population is his problem much more than ours, and that would not be an excuse. But even if it were it would be within a dollar or two or three, I

suppose, so I just brought that up to indicate that the divisor is not a larger population but rather a smaller population.

Nevertheless there was an increase of over \$900 per person, gross debt, between 1977 when the present Premier of Manitoba was screaming and yelling about the economy and today we find that it's up \$900 in two years and a few months. And if you talk about net debt, and my colleague from Seven Oaks told me that he believes that the net debt at that time when there was all the hollering about gross debt, public debt, that the net debt was about \$3,100, that we now have in the report that the net combined debt per capita, net debt, is \$3,968 an increase of about \$800.00.

So there we are, Mr. Chairman. This government will say well we tried our best. We really did try but we couldn't, we had commitments. Why? Aren't they taking credit for Seven Oaks Hospital? Every chance the Minister of Health has to make a speech he says we are going ahead with Seven Oaks Hospital, as if he had a choice, Mr. Chairman. The Seven Oaks Hospital was committed by the New Democratic Government. It was started by the New Democratic Government. The Minister tried, I believe he tried hard to get around it, not to proceed with it, to get it out of his sight but he couldn't, and it's there, is there today. It's a very attractive building in the constituency of the Member for Seven Oaks adjoining my constituency and it will no doubt serve the people.

But they can say, well, but the gross Capital and the net Capital debt have been increased by our having to spend that amount of money. Mr. Chairman, that won't wash because they are taking credit for our program. They are saying we have not cut program. They are saying we are running an orderly government and they've increased the gross public debt by some \$900 and the net public debt by some \$800.00. And all that at a time when they are increasing the costs, the user fees. Tuition fees, Mr. Chairman, tuition fees have gone up in the universities by leaps and bounds. Now I admit to you, Mr. Chairman, the New Democratic government in its wisdom froze tuition fees; in my recollection, the New Democratic government said to the universities, we will give you increased grants to maintain your standard of education but do not increase tuition fees because we believed that higher education at the university level should be available to all. And we never succeeded, Mr. Chairman, we never were able to make it available to all regardless of their ability-to-pay. But we were certainly aiming at that as the evidence clearly shows.

But this government increasing public debt and concurrently increasing the costs of education to students at the university level and at the expense of students in kindergarten, in Grade 1, and in the public school system; by reduced grants by putting greater burdens on property taxation, has really driven this province's finances into a grievous state. The people that are leaving the province, the net outmigration consists of people who are skilled people. They consist of people who are workers and artisans. They are people who helped build the country. They are gone. Nurses obviously. We had a surplus of nurses recently. Nurses were looking for jobs both in the province and then started to look elsewhere and I don't know whether this government drove them out but now we have a shortage of nurses and we have the contradiction between the president of the Health Sciences Centre saying we have to close beds because there is a shortage of nurses; and the Minister of Health saying, we don't have to close beds because of a shortage of nurses, we have to close beds because it was planned long ago, because of Seven Oaks Hospital. What do we find today, Mr. Chairman? The director of the Concordia Hospital, Sig Enns - is he the Human Rights? He's got some relationship with the government and maybe he can persuade this government to recognize what he supports and that is more beds in the Concordia Hospital, greater shortage of nurses, greater shuffling around of beds. This government is really taking us further and further into a messy situation and blaming it on the past; not blaming it on the fact that they gave out all sorts of revenues as soon as they came rushing into government, rushed in government, forgave revenues, reduced taxation on the rich and, at the same time, found that all the fat, all the money they expected to find in the nooks and crannies of the NDP government wasn't available to them. And that's why they had to start cutting programs or at least imposing on to the users of the various services increased costs on a personal basis. And that, I believe, Mr. Chairman, is clearly a philosophic approach of Conservatives. True Conservatives want to put the burden of services

on the people who receive them. They are prepared to pay welfare to those who can't work, at a limited basis, to make it so hard on them that even those who can't work can't work - not won't work, can't work - and are finding it so difficult to manage that they have to go out and look for some kind of other support. That they believe in, but aside from charity, which is what it is, they believe in forcing onto users the costs of providing services.

And I don't fault them for that, Mr. Chairman, I believe that's their philosophy and I recognize it as being a logical one. They could even point at an economist named Milton Freedman, who will always support their philosophic approach but what bothers me is that they deny that they have such a philosophic approach, and rather than debating with us the feasibility of their approach, the logic of their approach compared with ours, which believes that you distribute the burden amongst those who have the ability to pay in order to provide needful services such as education, such as health services, to those who are in need of the services.

Instead of that, instead of debating this approach, we find the First Minister with his epithets that are usually launched from his seat but often as well standing up, and he thinks he answers everything when he uses dirty words to him, a dirty word like socialist, a dirty word like Marx and the various dirty words he talks, dogma, rat-infested; I'm getting help from all sides of what it is the First Minister uses in trying to fuzz the issue. Oh yes, the latest was, Mr. Chairman, I won't forget ever, I think, the way, after the election took place, where the Conservative Party was sent back where they belong on the federal basis, where he said, when confronted with the fact that the NDP in Manitoba really sent the Conservatives where they belong, he said, "The NDP is an aberration." Well, that's okay. One can say that and get away with it. But Mr. Chairman, are you aware that he also said, "They only represent themselves". Isn't that a great expression? The NDP "only represents itself". The NDP which elected one-half of the federal seats in Manitoba, seven seats out of 14, defeating Conservatives, they only represent themselves. I suppose he said that because we say that the Conservative Party truly represents the establishment, the leaders in the capitalist system, the people who try to mold opinions and to force their opinions on the backs of others; that he will say, well the NDP only represents themselves, therefore they are an aberration.

Mr. Chairman, I dealt in some way with this concept of debt and capital cost by saying that I think we have a very, very short-sighted government, which with its dogmatic approach, with walking into government believing that they had a great deal they could accomplish by just cutting unnecessary services and finding that money with which to reduce taxation, blindly reduced taxation and found out that not only had they given up revenue but they had to cut program by imposing costs on the property taxpayer, costs of education, costs in other respects, reduce the programs that would have advanced the health services of this province in the way it was planned to do, taking advantage of the block funding which was imposed on the former government by the feds but still continuing to make his proper contribution. Instead of that, they have been reducing it all along. And they can blame it all they like on . . . They can talk about exchange rates, interest rates; in the end, Mr. Chairman, they have dragged down the economy of this province substantially by their faulty programs. And that is the big problem that we are facing today and which the next New Democratic government will face in a year or two. Because there will have to be a rebuilding process which will be painful. Nevertheless, it will have to come about.

Mr. Chairman, while the Minister of Consumer Affairs is here, I do want to take the opportunity to point out to him, as I did to our Speaker when our Speaker was in the partisan chair in opposition on this side, when they took advantage of inadequately quoting statements which I made when I was sitting where the Member for Lakeside is now sitting, when I spoke on the question of home ownership. And I refer to that because for some peculiar reason, or the knowledge in advance that he would have the need for it, the Minister of Consumer Affairs leaned down at his desk and pulled out a piece of paper and already had my speech in front of him as it was given some time ago, ready. --(Interjection)-- Fast recovery, he says. And Mr. Chairman, I did not have that fast recovery. I had to go back and find what I buried when the Speaker became Speaker and I thought no longer would I be misquoted or badly quoted or abused, and I thought well, now that the Speaker is gone

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he won't refer to it, but sure enough, the Minister of Consumer Affairs, who has one of the best retrieval systems I have seen in this House --(Interjection)-- who is a complete failure, as pointed out by the Member for Inkster, in retrieving vinyl chloride, nevertheless, when it comes to pieces of paper, he had it available. And Mr. Chairman, I really do object, as I guess we all do, when a person is quoted only in part and then the inference is taken which is improper.

We were debating a question a long time ago on whether or not we should pay a great deal of assistance to home owners and, at that stage, I raised the question of whether home ownership alone is the answer. As a matter of fact, the Member for Elmwood today started questioning the Minister of Finance on the problem of tenants who are affected by high interest rates increases imposed on the properties that they rent. By the same token, there are many people who don't own their homes, well that's obvious, and I was saying that to many people home ownership is not the answer but it may well be that renting was. And I said, and I quote, "that I wanted to raise on a philosophic basis, the question, because I don't think I have the answers. I don't think I have the answers." I'm quoting what I said on that previous occasion, Page 425 of 1973 Hansard. That's as long as it is that the Minister of Consumer Affairs has been dragging around that piece of paper. But on that occasion, I said, "I don't think I have the answers, but I do think it's worthy of consideration. There is a great deal of lip service played in this province by our people on all sides of this House that home ownership is desirable and should be encouraged. So I'd like to discuss that for a few moments that I have because I'm not sure that that's right, I'm certainly not sure that it's wrong." And I went on to discuss at greater length the problem of the poor person who sinks all his savings into a home and when he dies, it may well be that the market is adverse and he has lost his entire savings, or a substantial part, just by market conditions.

I tried to raise a question, which I still think is worthy of discussion. But I am distressed. I was distressed when the Speaker at that time misquoted me or inadequately quoted me and I was more distressed when the Minister of Consumer Affairs did that again, only on February 27, 1980, because I think he believes himself to be an honourable person. And I suggest to him that one is honourable if one carries out and supports the full statement that one is quoting, in order to make sure that when there is disagreement it's disagreement in philosophic approach but not by distortion.

Now, I admit, Mr. Chairman, I, too, have been guilty of distorting other people's statements. I'm sure that we all do that in debate, but I draw it to the Minister's attention, possibly for my self-protection and his, so that he may hesitate next time he is inclined to do that.

I see the time is up. Is it up, or do I have half a minute?

MR. CHAIRMAN, Abe Kovnats (Radisson): It's finished.

MR. GREEN: Finished. All right.

MR. CHAIRMAN: The hour is 4:30. Committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Virden, that report of the Committee be received.

MOTION presented and carried.

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PRIVATE MEMBERS' HOUR

MR. SPEAKER: We are now under Private Members' Hour. On today's business, we have no business under Address for Papers or Orders for Return, so we turn to Resolutions.

RESOLUTION NO. 14 - POSTING OF BAIL

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: Mr. Speaker, I wonder if I might request a minor change before reading my Resolution. There is a minor change I'd like to make in the last paragraph. I'd like to change the word after "Manitoba" to say, "consider the advisability of paying", rather than the word "pay".

MR. SPEAKER: Is that agreeable? (Agreed.)
The Honourable Member for Wolseley.

MR. WILSON: Mr. Speaker, I move, seconded by the Member for Virden:
WHEREAS many persons charged with criminal offences are required to put up cash bail;

AND WHEREAS a high percentage of the persons charged with criminal offences are subsequently found innocent of those charges or have the charges stayed by the Crown;

AND WHEREAS those persons who are found innocent of the charges or who have the charges stayed by the Crown are put to great financial burdens by posting cash bail;

THEREFORE BE IT RESOLVED the government of Manitoba consider the advisability of paying to those persons interest on the amount of cash posted by them for bail at a rate that is 2 percent less than the current prime rate of interest charged by the chartered banks to its preferred customers.

MOTION presented.

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

MR. WILSON: Mr. Speaker, I'd like to take some time to give a layman's opinion of what I think to be something that should have been looked after by the legal profession many years ago because, in my opinion, the bail system is completely one-sided in the favour of repeat criminals, those people that are the revolving-door type. The bail system favours the dead-beat; it favours the Legal Aid. They're the best customers of Legal Aid, and they don't give a hoot about rehabilitation, and it's no wonder the police are shaking their heads and they're saying it's a revolving-door system. I'm encouraging the Attorney-General that if he agrees after my presentation that government is an honest broker and wants to be fair, that it will consider either the interest system or another system that I am going to allude to later on.

I spent the better part of the day and this is in light of the fact that I received several sample copies from our very - I don't know, they have probably some of the largest profit sheets in Canada - this particular one comes from the Royal Bank in which they are now asking for anywhere from 16 3/4 percent interest to 17 1/4. So, I'm suggesting that when you have trials that could take anywhere from two to five years, the latest Clarence Campbell trial took, certainly, several years, I think if you're looking at a trial that may be five years away, to tie up somebody's money in the neighbourhood of \$10,000 to \$50,000 without paying interest, I don't think the government is being an honest broker.

True, it has been suggested that bail should be a deterrent to avoid flight; it should hold a dangerous person from society till his or her trial is to come about. It's supposed to cover the cost of apprehension after flight and I think that they take into consideration the nature of the offense, the past record of the individual and will, if the person hits the street, have a re-occurrence of the crime. I suggest the bail system today has not been looking at that system.

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I think basically a person putting up bail is supposed to keep the peace or he forfeits the bail. And in the case of the sample in front of me, he must be of good behaviour and must be at the beck and call of the particular court.

So, I would think that if somebody could tell me why these Crown lawyers demand such large cash bails; if somebody could tell me the criteria the judges use, I've mentioned some of them before, because it's mind-boggling when I look at the bail system and most legal aid cases. The police are certainly expressing a disgust again at the revolving door system and known criminals and sex offenders that they see on the street shortly after they had apprehended them. And I'm a little concerned about that.

I spent the better part of the day. I sort of disobeyed my honourable member, the Minister of Consumer Affairs, I didn't clear it with him, but I went over to the court system and spent the day and I found out that the property bail system, or bail system as we know it today, is a joke, because we never get any money from the cons and those people I talked about. And I suggest we've got to look at a cash bail system. Because the lands and tenements of those people; what do they care, they don't have anything, they're glad to put up property bail against their name. They're glad to put it up against their name because what does this person care if he puts up \$500 against his or her name. Let them out and they'll hitch-hike to Alberta or steal a car to Ontario.

I looked at many of these files today that are coming up at the end of March for bail estreatment, or forfeiture and six of them alone at \$500 apiece had skipped and the people had only put up their good name, alleged good name. And there doesn't seem to be any system whereby the Attorney-General's staff or the Sheriff's men check out the worthiness of this person's name to see if we can recover the money. And you know, I'm kind of concerned because I get the feeling on the street that these repeated criminals and these guys are laughing at the system. The Legal Aid staff lawyers and the bleeding hearts, you know, I can't for the life of me figure out why crime should be a liability to the taxpayers after a criminal has been caught; because if you have cash bail and with a little bit of interest that, to me, is the answer under our present system. And I say let some of those Legal Aid lawyers, like the Member from Wellington, co-sign if he is so sure that his client will appear and not waste the court's time.

Because, you know, this bail estreatment hearing is a very, very expensive thing to the taxpayers. A Queen's Bench Judge sits down there; you send a raft of government civil servants out there trying to serve these people because all parties involved have to be served and it's just a huge taxpayers circus because, you know, half the 180 people aren't going to show up because it is a forfeiture trial, half of them have only put up their good name, or alleged good name with no checking on it. You know, we're crying the blues about chasing people, and I rightfully say so, on maintenance payments across Canada but we're not looking after ourselves. We're supposed to be guardians of the taxpayers purse and I think, if we've got 180 people forfeiting stuff, that if it was cash bail it would be a simple system, there would be no judge, there would be no serving documents, it would be simply a case of, there's the \$500 right into the till. Never mind putting up the good name.

And that's where you come into another system that the Americans have, it's the bail bondsman system, which I'll touch upon later. I think that the cash bail with interest, or a bail bondsman system makes sense because right now we have a black market system. We have a system that exists today - and I don't care, I know of several lawyers that have told me this - I would like to have one member of the law society speak up because we should be above board. Now, if I am dead wrong, fine. --(Interjection)--

Well, you know, the Member from Inkster he's one that could speak up and he'll have a chance after. If he denies the existence of business people who put up cash bail for unbelievable usury type fees, high interest, loan sharks, call them whatever you want. Why don't we have a government control bail bond system where you give the cash bail at 10 percent interest on the first \$1,000 and 2 1/2 percent interest on the balance. Let some private businessman start businesses out there if the government can't do it.

Or, alternately, listen to my resolution and pay some interest. Well, the problem we have is we have all these people being revolved out into the street; we have all these Legal Aid experts in the House, the Member from Wellington isn't

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here, I often call them ambulance chasers or medicine showmen looking for customers. I remember in estimates talking about families they like to divide. A person goes to a marriage counsellor; they immediately appoint a lawyer for each side. And we know where that leads because it leads to fees so it's to their benefit to break up the family. That's what my opinion, in an extreme case, is all about, but I'm saying it does happen. And ladies and gentlemen and the citizens of Manitoba, in front of us right now we have a ship with its portholes open in a storm and I say let's shut them. I urge you to support my resolution because it will cause the system, maybe a bail bondsman system, or maybe there should be a proviso. I'll go along with the bail bondsman system.

If we have a proviso, that the government compensate the victims of false arrest, victims that have their charges dropped or stayed by the Crown, because it would be cheaper in the long run for the government to pay that bail bondsman charges for innocent people arrested, the Dr. Mudds and the Dreyfuses of society, than it would be to turn around and have the system as it sits now, where we've got approximately 180 names against property, people that don't care, who are in Alberta; and who's bringing them back, oh, it costs too much money to fly them back in from Edmonton.

Sure they sit here, what do they care, maybe that's where the leader of the opposition's talking about an exodus from Manitoba. Maybe our system is causing at least 180 of them to go to other provinces because they only put up their good name and maybe it's just as well Vancouver has them.

I think really the examination of this property bail by the Sheriff's men might give them some extra duties, when a person just puts up his name, because it's been suggested to me that a person can change their name for \$75.00.

I wanted to speak, again, to my resolution about what I consider a question about the bail system. And in order to look at that questionable system you have to talk about the Crown lawyers - and I'm talking from a layman's point of view and the plea bargaining that goes on. It reminds me of an all-star wrestling match where the winner is decided ahead of time and they go in there and they have a word game and there's a few winners tossed in for good measure.

But, what does the state have? It has a bottomless cash pit, Mr. Speaker. In Canada, think of what the government has; widespread use of wire taps. . .

MR. SPEAKER: Order, order please. May I suggest to the Honourable Member that he has a resolution on the floor dealing with bail and I would hope that he would keep his remarks fairly close to the subject matter.

The Honourable Member for Wolseley.

MR. WILSON: Yes, Mr. Speaker, I appreciate your remarks. I did want to talk about the question of huge cash bails in the case of non-violent crimes. And many of these huge cash bails are demanded by people that are put into positions of power who are flexing their authority. And I suggest that in this House we should direct some type of a policy or suggestion to them where we should be the shepherd and the civil servant should be the sheepdog. And they shouldn't be telling us what to do and how to run the system, they should be adhering to the policies that we've set in this House. How about thinking of the hardships of bail that are put on people. They empty the family chest; they empty the family financial chest of friends and for what? People are forced to sell stocks at current day prices, with no line of compensation, well below the expanded, bullish market that may exist in the future.

And the banks attitude towards a bail. . . go to one of these chartered banks sometime and ask them for a loan for bail and see what the Member for Minnedosa and others will tell you. How about the relatives that put up their homes, the mothers and the aunts and the friends willing to stand up and be counted; and how about the Credit Bureau and the credit ratings that happen to people; how about the line of credits at the bank that are withdrawn; and how about the public knowledge through the bail hearings that are printed in the media that cause business hardships, loss of business, loss of employment; and how about the call of the banks, the chartered banks, because a person is accused and out on bail of outstanding loans; and how about the fire sale of assets, autos, furniture, coins, stamps, anything to raise bail, unless you're allowed to put up the property bail, which only seems to apply to repeated offenders.

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And you have the ex-communication from social business and political functions; you have the income tax automatically seizing all your business records; and you have the income tax in concert with the RCMP seize records so they can aid in investigation - because unlike the staff member for the Attorney-General, it is still not legal for the RCMP to break into people's homes; and I hope Mr. Montgomery's suggestion is never adhered to.

And I would suggest, Mr. Speaker, that you should look at the bail interest because government is practicing at a double standard here, because if the government is now to allow interest on judgments, I believe they do; if the courts charge a penalty for storage of impounded vehicles and seizures and what have you; if there's going to be interest on the suitor's trust ledger; if we charge interest on the autopac payment plan, on farm loans, on student loans after 6 months of graduation, then I think we have to look at interest under a current bail system for large cash amounts. I'll even go so far as to say, anything over \$1,000.00.

And I think we have to look some day, if governments are to become the champions of the little man and the champions of the people that they are alleged to represent, that at some time there's got to be a compensation system looked at. You cannot put a price on reputation, health, business, job loss, you can't arrive at a dollar value. And interest on bail is a small compensation and I am sure that our party, I hope, who alleges to be a freedom party, putting people before the party; a political body, that some day a Tory government will clean up the court system so that every week Manitoba will not pull a Dr. Mudd on somebody. And we, as I say, should lead the way, set the policy and begin to have a little muscle with the Civil Service. And again, as I repeated before, we should be the shepherd and the civil servants should be the sheep dog and I think we're in and should be in for a retraining program because there is a lot of sick sheep out there. I think and hope that members will encourage the Attorney-General to look at this suggestion and others that I have made to either allow free enterprise to have a bail bondsman system out there with fair charges for their risk or to protect the taxpayers, because this property bail system is a joke, it is a revolving door, we have no guarantees. You have better odds in the collection business of collecting a bad debt than you have of collecting some of these forfeitures that are coming up at the end of March. I think maybe somebody should file an Order for Return to ask how much this system makes for the taxpayers of Winnipeg. I suspect that you will be alarmed to find out that in the long run we lose money.

I will end with the note, Mr. Speaker, that it seems to me after these criminals have been caught, that we, the taxpayers, shouldn't have to compensate or subsidize them whereas other people putting up cash bail should be given interest because they are all the same individuals in this province and they are all appearing before the court system, and there is a discrimination against people that are putting up tangible assets and cash bail against those that simply put up their name.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Yes, Mr. Speaker, I would like to commence my remarks by posing a point of order which has troubled me since I have heard the honourable member make his speech.

The point of order, Mr. Speaker: How does one vote for the Resolution and against the speech, which is what the Member for Fort Rouge once posed? How can we split the Resolution from the speech? Because I read the Resolution, Mr. Speaker, and I really am probably taking a dangerous path, it really should be the Attorney-General to deal firstly with this question so that I don't get myself into all kinds of uncharted waters, which I could stay away from. But what the hell, "Fools walk in where angels fear to tread", so here I go.

What it says here makes sense to me, what it says makes sense, and I don't why it makes sense to the honourable member when he says over \$1,000 but under \$1,000, no. If somebody puts up cash bail of \$500 and waits a year for trial, and interest rates being 15 percent, we are talking about him losing \$75.00. To me that is a lot of money; to the honourable member obviously that is not a lot of money, because he says it should only apply over \$1,000.00. I don't see why it

shouldn't apply to any cash bail. If a person puts up cash bail and sometimes they do have to wait a year for trial, it is possible, that they should get back \$500 plus interest and the bail money should be kept in some type of interest-bearing account. I know that term deposits are now paying in the neighbourhood of 13 percent, so that there will be no . . . The way this Resolution is worded, Mr. Speaker, it didn't even have to have "consider the advisability".

I believe that this Resolution would not result in the Treasury losing any money, that the amount of interest that would be obtained would pay for the people who put up the bail money. I would have liked the honourable member to stop there and have the Attorney General explain why this is not done or if it is not done; the member will have a chance to explain.

Now the rest of what was said, Mr. Speaker, I find astonishing and I am not even going to talk about the snide remarks about ambulance chasers and Legal Aid lawyers. These people are all engaged in . . . The member is talking about people who are engaged and he used derisive terms to deal with them, I suppose that is his privilege, but I, Mr. Speaker, wish to stand up for the integrity of the people that he is talking about. My practice doesn't happen to involve Legal Aid but the ones who do work for Legal Aid are performing useful services. The ones who get paid directly from their clients are performing useful services; the ones who don't get paid from their clients - and that happens too - and don't get paid from Legal Aid, they are all making a contribution. And if the honourable member can't see that and introduces that element into this Resolution, I don't see what benefit he gets out of it.

Now, Mr. Speaker, having said that I agree with this, I did not know it was a problem. I am glad that if the Member for Wolseley, my member by the way, has brought this to the attention of the House and there is this feature of not getting interest on bail money, I think it should be obtained. But it is not the usual situation from my point of view, Mr. Speaker, and I will admit of having had a very limited criminal law practice, but I did have to arrange bail on numerous occasions - It was over ten years ago; I haven't had to do it recently - and the usual bail bond is a property surety. That is the usual, and I, Mr. Chairman, don't think that it is possible that in most cases there is cash bail deposited, and when it is a property surety then I don't know what the honourable member is talking about. He seems to suggest that you shouldn't accept property, that you should demand cash.

The property bail person who posts bail doesn't lose any interest. His bail bond only becomes practical if the accused does not appear and his bail is forfeited, and his bail will be forfeited; it will not come as a cost to the Crown. They might not get the full amount of the bail, but there is a sale of property. It is not a light thing for somebody to come down, a brother, a sister, a mother, a father, post property bail and then have that forfeited to the Crown, but it does happen. I don't see that that is an area where interest is involved. The Crown is not paying out the bail. But why one would insist on cash bail, when no interest is lost if you don't post it, seems to me a contradiction in this Resolution.

The honourable member says, stop taking property, make them put up cash, and then pay them interest. Well, why go through that procedure? Why not let them put up property. There is no interest lost, no interest paid. Well, the honourable members says, then you don't have to take proceedings to sell the house to estreat the bail. --(Interjection)-- Well, Mr. Speaker, the honourable member seems to be suggesting under the guise of this Resolution - and that is why I would like to vote against the speech - he seems to be suggesting that we leave the bail system that we now have and go for a system of professional bondsmen; that there be money made on bail; that people put up bail and obtain from the accused a consideration for it. Now that used to be illegal, I presume that it is still is, that you could not buy a bail bond in Canada. The Attorney-General is not signifying one way or the other. You could not for a consideration get a person to put up bail. --(Interjection)-- The honourable member says that some people do it. As my practice was, that was not legal and I would think that it is not legal to this day.

The honourable member then says that people should be asked to put up bail. In Canada the custom has been to take into custody many many more people who are accused of crime than exists in other countries, and the only time you have to put

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up bail is when you are in custody, in order to be out of custody while you are waiting for trial. My preference, Mr. Speaker, and it has worked in England, is that far less people are taken into custody, they are given a summons, they are asked to appear at a trial, and they will generally appear. Now when the crime is more serious, serious enough, for instance, that if a person is convicted they are going to definitely spend a period of incarceration, then it becomes feasible to demand that bail be put up. But I don't see what is wrong with having property bail the way it is now, and I also agree with the intent of the Resolution, nothing else that was said.

I think that the Attorney-General and the members of the House should try to discount most of the things that my learned friend said and stick to the fact that if a person puts up cash bail he should receive interest on his money as long as the Crown has held it and until it is released, and I would ask the Attorney-General to say whether or not that is possible and if not, why not, because I think that the intent of the Resolution is certainly positive.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, with respect to the second paragraph of this particular Resolution, which reads that "Whereas a high percentage of the persons charged with criminal offences are subsequently found innocent of those charges or have the charges stayed by the Crown", I wanted to indicate firstly that I do not agree with that part of the preamble. There were questions asked during the Estimates as to statistical information relating to the numbers of charges laid and numbers of acquittals, numbers of stays, and we are attempting to determine that information, but I am sure that even when we get some detailed statistical information we will not find that a high percentage of persons charged are found innocent or have had charges stayed by the Crown.

Mr. Speaker, I have been attempting to obtain some information as to the amount of bail moneys that are deposited at any particular time and the length of time that various cash deposits are held, and we are attempting to get that information in order to consider the advisability of paying interest.

I agree with the Member for Inkster, Mr. Speaker, that in those cases where a person is found innocent that there is good reason that a person who has put up cash bail should receive interest. --(Interjection)-- Well, the Resolution, Mr. Speaker, only refers, as I read it, to those cases in which persons who are found innocent of the charges or who have charges stayed by the Crown, so that the Resolution itself only refers to those instances, not to instances where persons are found guilty.

MR. SPEAKER: The Honourable Member for Inkster on a point of order.

MR. GREEN: Yes, would the Honourable Attorney-General permit a question with respect to that one point; given the fact that that is what the Resolution said?

MR. MERCIER: No, Mr. Speaker.

MR. GREEN: Why not?

MR. MERCIER: Mr. Speaker, I think the rationale for taking that position is a reasonable one. In fact the Member for Inkster will recall during Estimates when he raised the subject of The Identification of Criminals Act and we discussed the reasons why a person who was found innocent should not receive back the criminal records and photographs and fingerprints. It was a few days later, Mr. Speaker, and I have informed the Member for Inkster but there are other members present who were there during the Estimates, that I came across a Law Reform Commission Report from Australia or New Zealand in which the Law Reform Commission there made exactly that recommendation, that persons found innocent should have their fingerprints and photographs, which are taken under similar legislation, should be returned or destroyed. And we have since then through my Department, Mr. Speaker, arranged to place this matter on the agenda of the Criminal Law Section of the Uniformity Law Commissioners, which will meet later on this summer. I

raise it, Mr. Speaker, because it's the same principle certainly but at least a person found innocent should have such records returned or destroyed and in this case provides a similar rationale for a person at least who is found innocent to have interest received on cash bail.

Mr. Speaker, I do want to say at the same time that I have received some preliminary information that there are some 75 separate bail accounts maintained by magistrates and judges in the province, that the average balance in those accounts is approximately \$500 per month and the province is receiving from those accounts somewhere in the vicinity of \$15 per annum. They are mainly checking accounts, Mr. Speaker, in order to avoid bank service charges and they involve small amounts of money. Apparently, in most instances cash bail is in an amount of \$500 or less and it appears that cash bail is only kept for approximately one week in length. So we have some detailed work to look at or some detailed information to obtain as we consider the advisability of developing such a practice, Mr. Speaker.

It should also be pointed out that for an individual who is assessed cash bail, he also has the opportunity to post a negotiable security in lieu thereof and he can purchase a security to insure that interest accrues on his money, which is then available to him when he receives his security back. So there is, Mr. Speaker, a way of purchasing a security and insuring that you earn interest on your moneys by posting it in lieu of cash bail.

But, Mr. Speaker, like the Member for Inkster, I agree with the principle, I think, behind the resolution, Mr. Speaker. We are prepared to review it further, considering alternatives that are available and the detailed information that might come forward and some of the disadvantages that might accrue if moneys are put in special deposit bearing accounts. It may be that bail moneys are not as easily refundable as they presently are, so that there are a number of considerations. There is a valid principle here, Mr. Speaker, and I therefore have no objection to members passing the resolution.

MR. SPEAKER: The Honourable Member for Inkster with a question.

MR. GREEN: Yes, Mr. Speaker, I wonder if the Minister will now permit a question.

MR. MERCIER: Yes.

MR. GREEN: Well, Mr. Speaker, I asked the question because it escaped me that the resolution only spoke about people who are found innocent. In view of the fact that bail really has nothing to do with innocence or guilt but merely an assurance to appear for trial and sometimes is put up by somebody entirely apart from the accused, should the innocence of the accused have any bearing upon whether interest is paid to the person who put up the money?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Well, Mr. Speaker, I've indicated I agree with the principle behind this resolution. There are a number of factors to be considered in whether or not such a measure would actually be introduced, as I've indicated, and that would depend on the kind of detailed information that comes forward, the statistics with respect to amounts of actual cash bail and alternatives of posting security in lieu of cash bail where a person can himself take measures to insure that he receives interest.

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

MR. CHERNIACK: Mr. Speaker, I must express my disappointment with the presentation by the Attorney-General. I should also express my complete rejection of the presentation of the member who moved the motion, the Member for Wolseley, and yet I wonder the extent to which the First Minister didn't think of making him the Attorney-General because this sounds like the second matter dealing with Attorney-General affairs where the whole House is about to support a resolution brought by the Member for Wolseley. --(Interjection)-- No, I'm not disappointed with the Member for Inkster at this moment for what he said today.

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Mr. Speaker, I must assure all members present that there are times when people make speeches, including my wife and my sons who on occasion disappoint me, so that the fact that I'm disappointed in the Member for Wolseley today doesn't necessarily mean that there are occasions when I might be pleased with what he had to say.

As a matter of fact, Mr. Speaker, I'm sorry that when he was in opposition and there was a responsive receptive government on that side of the House that he didn't bring this very resolution. He will stun me now by telling me that he did but I don't think he did because, Mr. Speaker, I think that the resolution is eminently reasonable and I would like to think, and I really do think that it been when he was on this side of the House that he presented this resolution that it would have been picked up more rapidly and enthusiastically. Because there is something basically right about the proposal and if, as suggested, as I inferred from what the Honourable the Attorney-General said, if they province has been profiteering, if that's the word, making a profit on the handling of cash bail, then I think it is wrong, no matter which provincial treasurer was involved in gathering that money in. I would like to think that when the resolution came before us - and I believe the Attorney-General would have seen it at least a day before we did; as a matter of fact, knowing how caucuses operate, I would think that he saw it long before we did because I assume his caucus dealt with this resolution - that he would have come ready with the information we needed and would have come ready with the response which is much more positive than we will look and see.

For example, Mr. Speaker, I had occasion this afternoon to refer to the fact that I was told of a predecessor of those of us who had the honor to be provincial treasurers, a predecessor of ours who kept a cash box in his desk, wherein the cash of the province was kept and when it was needed he knew just where it was and would dole it out. I have the feeling --(Interjection)-- Interim Supply is . . . That's what they call current operations, moneys available for current operations.

I have a recollection, Mr. Speaker, and it's a long time since I represented a person who put up bail in Police Court but I have some recollection of seeing a cash box. Indeed in the City of Winnipeg, it seems to me, the Clerk of the Court had a cash box where he put the bail money and I have the impression that in those days the money was kept in the same form in which it was filed and was not earning money. --(Interjection)-- Well, I guess it's a step forward if we learn that it is deposited in an interest-bearing account, but I'm not quite sure that I can accept the fact that as provincial treasurer for some five years I was participant in collecting the revenue that came from what was really trust money. There is no question in my mind that it was trust money and that's why I would like to have had the Attorney-General come quickly forward with the information and with the kind of a pledge that he already gave on the other successful resolution of the Member for Wolseley.

The fact that there are some 7,500 accounts just shows, I think, --(Interjection)-- Oh, 75 bank accounts. I thought the Minister said 7,500 bank accounts. Oh, 75 bank accounts throughout the province averaging \$500 would indicate that it is not a big matter we're talking about. But as has been pointed out, for the individual involved it is a substantial matter, especially with interest rates being what they are now, and something that should be a matter of right.

The indication that a negotiable security could be used only indicates the difference between a sophisticated and an unsophisticated person who puts in the bail. Obviously the sophisticated one knows well enough or is advised well enough to go out, get out of his own securities box, or purchase a negotiable security which is interest-earning and put it up or, if he's not sophisticated, he'll put up cash. I would like to think that just like there's a notice posted that you are entitled to be represented by a lawyer to persons who come into jail, that they should also be told, hey sucker, you'd better buy yourself a negotiable security to file so that your money earns money.

I think that the Attorney-General treated it too casually and I think that there could be a better way in which the administration could set up an account. I know this, that there are many many government accounts for which there are signatories throughout the province for the need for money and yet the money all goes into some form of centralized account where the government has control over

it and knows where it is in the central process, in the central office and has control over it but yet the money is readily available, except, the Member for Seven Oaks points out, that a weekend may catch them without the ability to do immediate banking, but that's a matter that could be handled and I think it is true that bail is on average kept for a long enough period of time where the fact that it is removed from the availability to the person providing the bail can be a hardship to some extent.

The Legislative Assistant for the Finance Minister shows his natural ability of dealing with money by pointing out that now banks are paying daily interest rates and therefore all the more reason for accomodation. --(Interjection)-- Well it's a lower rate but at least it is there and the member, himself, for some reason is proposing 2 percent less than the current prime rate so he contemplates that they wouldn't get their full return.

I want to conclude by indicating our party's support in principle with this proposal and to also indicate, Mr. Speaker, to the Attorney-General that he has already put before us - and it's on the Order Paper - a Bill No. 5, which refers to amendments to The Public Trustee Act and which indeed deals with the depositing by the public trustee into a common fund of moneys put in his charge and makes absolute provision for interest, for earnings, income on that to be allotted in accordance with the amount contributed. Why, Mr. Speaker, it's even according to the principle of two each in accordance with his desserts here and his needs because it is to be distributed on the basis of the moneys kept on deposit.

So the formula appears to be in his own bill, No. 5, where I say his own because it is being presented by the Honourable, the Attorney-General. If he can devise means, along with the Minister of Finance or the Legislative Assistant for the Minister of Finance, who is probably involved in these things, if he can find a way of having a formula to deal with it, I'm sorry that he couldn't respond to the Member for Wolseley by saying here is the formula; here is the way we will deal with it; by all means you're a good man Charlie Brown - and I can Charlie Brown because that's not the name of the member for Wolsely; had I named him there might be some trouble so Charlie Brown is a good analogy - and say you're a good man, and we're with you. Had you only brought this up in caucus, we would have been able to deal with it in advance. Or better, had brought it up when, as I said, a more enlightened government was in power up to 1977, the dismal October day, then no doubt it would have been dealt with then and people adversely affected up to now would have been helped much earlier.

MR. SPEAKER: The Honourable Member for Wolseley will be closing debate.
The Honourable Member for Wolseley.

MR. WILSON: Mr. Speaker, I wanted to thank the members opposite for their support and I certainly concur with the Member for Inkster in that it wasn't my intention, far be it from me to ever want to not protect the little man, and I agree, and would concur with his amendment that it should be any amount of money. I must admit I was not thinking when I suggested the \$1,000 ceiling. I was thinking more of red tape and paper work and I think under that, the comments of the member that certainly \$75 to a non-sophisticated working man is equally as important as 15 percent of \$20,000, or namely \$3,000 is to a non-sophisticated wealthy businessman, or whatever. He may not be wealthy but he may have enough relatives to put up that money.

This Resolution was put forward, Mr. Speaker, to make the government and public aware, in the best way I could, and certainly it is not going to be retroactive and is going to be of absolutely no benefit to myself. I wanted to thank the Member for St. Johns for saying the words, "hey sucker" because I think that the law that protects the sophisticated and the establishment should also protect the unsophisticated, the unknowledgeable, and the person who, it may be the first time in his life that he was ever before the court system.

I would also refer members to the recognizance form that is presented by the province of Manitoba, in which Section C in most cases, and I say, a very common practice - and I thank the Member for St. Johns for saying, "hey sucker" - because in Section C, it always says, Cash bail to be returned to: - and it names the lawyer. In other words, the person that's putting up all this cash bail, he will never see it, it will go to his lawyer. It is typed up by a civil servant for the

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benefit of the legal profession. The unsophisticated, hey sucker individual the Member for St. Johns talked about is the very person that deserves interest to help pay for other legal costs, in addition to the \$10,000, \$20,000 or \$30,000 cash bail he's asked to put up. There is no Clarence Campbell's in the province of Manitoba that have \$75,000 or \$50,000 coming from the NHL. We don't have those phenomenas here.

MR. SPEAKER: Order please. The Honourable Member for Inkster on a point of order.

MR. GREEN: Yes, Mr. Speaker, point of order. The honourable member says that the recognizance form says that the cash is payable to the lawyer. I wish he would table the form so that it can be examined by members of the House.

MR. SPEAKER: Can the Honourable Member for Wolseley table the document?

MR. WILSON: Mr. Chairman, I talked about a form that is a standard form that has to be filled in at the time of the bail application, and the Section C of that form is a dotted line in which, in the majority of cases, the lawyer representing the accused will . . .

MR. SPEAKER: Order please. The honourable member has been asked to table the document if he was quoting from a document.
The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, the reason I asked the member to table it is that he said it was payable to the lawyer, which I would be astounded to know that our recognizance form says that the cash bail is payable to the lawyer. The member has now explained that he says that in the majority of cases, and I don't know where he has that statistic, it is filled out that way. But it doesn't call for it to be payable to the lawyer, and if the lawyer was making that suggestion, I wish it to be clarified.

MR. WILSON: Mr. Speaker, I was responding to the Member for St. Johns who had said that unsophisticated people charged are sometimes not aware of their rights or the system which they are under, and I simply say that an astute lawyer, knowing that there is cash bail in a particular court, and knowing there is a particular line on a document that there can be typed in that the money can be paid over to him, with the full co-operation of the civil servants in the government, then I would suggest that, indeed, that person should be advised that he could get a bond or some security and get interest. But we must remember that the person is not sophisticated and he is ordered by a judge to put up cash bail, so therefore, being unsophisticated he does what he is told by the learned judge.

And I would simply agree with the comments of both the Members for Inkster and St. Johns, except that I am sure that the Attorney-General will consider what I have said and apply it as he can apply it, it may be that all cash, whether put up by anybody, mothers, aunts, accused, non-accused, will receive interest. And if I accomplish that, then maybe the errors that I have made in my presentation will have been worthwhile.

I use the opportunity of my 20 minutes, Mr. Speaker, to talk about the personal property aspect - and here I disagree with the Member for Inkster - because I believe that people putting up their name only is not good enough, not unless the government sheriff's men are willing to check, because the person is signing under The Canada Evidence Act that he's good for \$500.00. I would rather see him, rather than be slightly dishonest, to get his aunt or his mother or a businessman or somebody to co-sign that \$500, rather than say, I'm good for \$500, get out on bail and be long gone; and we, at the end of March, will have approximately 180 forfeitures. And I stand to be corrected, but I would love somebody to file an Order for Return, or maybe the Minister could give us that information, as to how much of those forfeitures goes to the government coffers, and weigh that against the presentation of the Queen's Bench judge, all the civil servants, all the notices to be served, and all that type of thing.

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So I really feel that the remarks of the Attorney-General have indicated to me that this Resolution will be examined and that unsophisticated people charged will be given the full advice of the civil servants so that they will not only receive interest but if there is some way that they can put up property that is of value, put up securities and bonds that they could get interest on without putting up cash, then I think I will have accomplished something.

QUESTION put, MOTION carried.

MR. SPEAKER: Is there some inclination on the part of the House to call it 5:30?

The hour being 5:30, the House is accordingly adjourned and stands adjourned until 2:30 tomorrow afternoon (Thursday).