

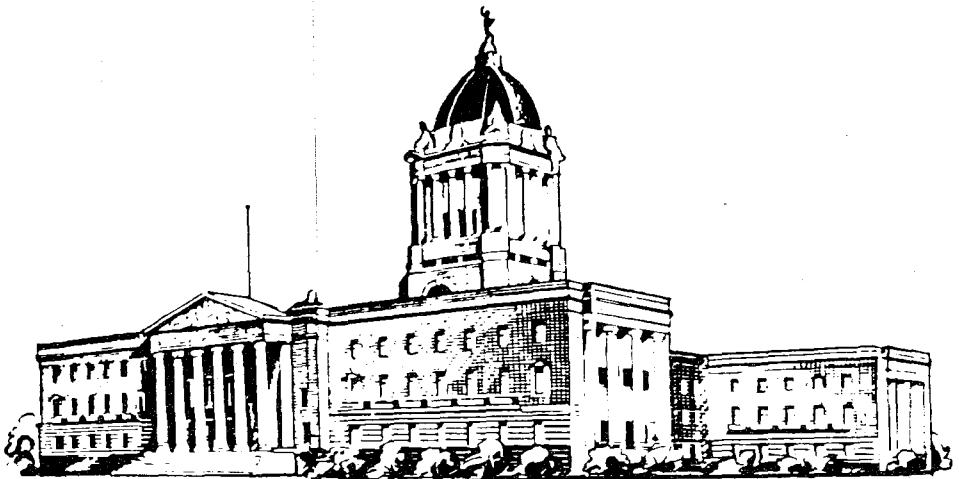


Legislative Assembly of Manitoba

DEBATES  
and  
PROCEEDINGS

Speaker

The Honourable Ben Hanuschak



Vol. XVI No. 13 2:30 p.m., Thursday, August 28th, 1969. First Session, 29th Legislature.

ELECTORAL DIVISION	NAME	ADDRESS
ARTHUR	J. Douglas Watt	Reston, Manitoba
ASSINIBOIA	Steve Patrick	10 Red Robin Place, Winnipeg 12
BIRTLE-RUSSELL	Harry E. Graham	Binscarth, Manitoba
BRANDON EAST	Hon. Leonard S. Evans	Legislative Bldg., Winnipeg 1
BRANDON WEST	Edward McGill	2228 Princess St., Brandon, Man.
BURROWS	Hon. Ben Hanuschak	11 Aster Ave., Winnipeg 17
CHARLESWOOD	Arthur Moug	29 Willow Ridge Rd., Winnipeg 20
CHURCHILL	Gordon Wilbert Beard	103 Copper Rd., Thompson, Man.
CRESCENTWOOD	Cy Gonick	115 Kingsway, Winnipeg 9
DAUPHIN	Hon. Peter Burtniak	Legislative Bldg., Winnipeg 1
ELMWOOD	Russell J. Doern	104 Roberta Ave., Winnipeg 15
EMERSON	Gabriel Girard	25 Lomond Blvd., St. Boniface 6
FLIN FLON	Thomas Barrow	Cranberry Portage, Manitoba
FORT GARRY	Bud Sherman	86 Niagara St., Winnipeg 9
FORT ROUGE	Mrs. Inez Trueman	179 Oxford St., Winnipeg 9
GIMLI	John C. Gottfried	44 - 3rd Ave., Gimli, Man.
GLADSTONE	James Robert Ferguson	Gladstone, Manitoba
INKSTER	Hon. Sidney Green	Legislative Bldg., Winnipeg 1
KILDONAN	Peter Fox	627 Prince Rupert Ave., Winnipeg 15
LAC DU BONNET	Hon. Sam Uskiw	Legislative Bldg., Winnipeg 1
LAKESIDE	Harry J. Enns	Woodlands, Manitoba
LA VERENDRYE	Leonard A. Barkman	Box 130, Steinbach, Man.
LOGAN	William Jenkins	1287 Alexander Ave., Winnipeg 3
MINNEDOSA	Walter Weir	Legislative Bldg., Winnipeg 1
MORRIS	Warner H. Jorgenson	Box 185, Morris, Man.
OSBORNE	Ian Turnbull	284 Wildwood Park, Winnipeg 19
PEMBINA	George Henderson	Manitou, Manitoba
POINT DOUGLAS	Donald Malinowski	361 Burrows Ave., Winnipeg 4
PORTAGE LA PRAIRIE	Gordon E. Johnston	7 Massey Dr., Portage la Prairie, Man.
RADISSON	Harry Shafransky	4 Maplehurst Rd., St. Boniface 6
RHINELAND	Jacob M. Froese	Winkler, Manitoba
RIEL	Donald W. Craik	66 River Rd., Winnipeg 8
RIVER HEIGHTS	Sidney Spivak, Q.C.	1516 Mathers Bay, West, Winnipeg 9
ROBLIN	J. Wally McKenzie	Inglis, Manitoba
ROCK LAKE	Henry J. Einaron	Glenboro, Manitoba
ROSSMERE	Hon. Ed. Schreyer	Legislative Bldg., Winnipeg 1
RUPERTSLAND	Jean Allard	119 Provencher Ave., St. Boniface 6
ST. BONIFACE	Laurent L. Desjardins	357 Des Meurons St., St. Boniface 6
ST. GEORGE	Bill Uruski	Box 629, Arborg, Manitoba
ST. JAMES	Hon. Al. Mackling	Legislative Bldg., Winnipeg 1
ST. JOHNS	Hon. Saul Cherniack, Q.C.	Legislative Bldg., Winnipeg 1
ST. MATTHEWS	Wally Johansson	471 Home St., Winnipeg 10
ST. VITAL	Jack Hardy	11 Glenlawn Ave., Winnipeg 8
STE. ROSE	Gildas Molgat	463 Kingston Crescent, Winnipeg 8
SELKIRK	Hon. Howard Pawley	Legislative Bldg., Winnipeg 1
SEVEN OAKS	Hon. Saul A. Miller	Legislative Bldg., Winnipeg 1
SOURIS-KILLARNEY	Earl McKellar	Nesbitt, Manitoba
SPRINGFIELD	Hon. Rene E. Toupin	Legislative Bldg., Winnipeg 1
STURGEON CREEK	Frank Johnston	310 Overdale St., Winnipeg 12
SWAN RIVER	James H. Bilton	Swan River, Manitoba
THE PAS	Ron McBryde	56 Paul Ave., The Pas, Manitoba
THOMPSON	Hon. Joseph P. Borowski	Legislative Bldg., Winnipeg 1
TRANSCONA	Hon. Russell Paulley	Legislative Bldg., Winnipeg 1
VIRDEN	Morris McGregor	Kenton, Manitoba
WELLINGTON	Hon. Philip Petursson	Legislative Bldg., Winnipeg 1
WINNIPEG CENTRE	Bud Boyce	777 Winnipeg Ave., Winnipeg 3
WOLSELEY	Leonard H. Claydon	116½ Sherbrook St., Winnipeg 1

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Thursday, August 28, 1969

Opening Prayer by Mr. Speaker.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I wish to bring to the attention of the honourable members that we have with us in the Speaker's Gallery 30 students of Assiniboia Residential School. These students are with us under the direction of Mr. Cardinal and the school is located in the constituency of the Honourable Member for Charleswood. May we welcome you to the Manitoba Legislature.

HON. ED. SCHREYER (Premier) (Rossmere): Mr. Speaker, on a point of order - procedure I guess, but simply to advise the Honourable Leader of the Opposition that it is hoped to move a motion of condolence as is the custom.

MOTION OF CONDOLENCE

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, it is the custom in this House over all the years that at a time when the House reconvenes and when there has been a death of a former member that the House take the time to pause and reflect back on the memory of one who has been in this Chamber at some previous time. And in the case of today, I wish to bring to the attention of members of this House the fact that Mr. Nicholas Vladimir Bachynsky has passed on.

Mr. Bachynsky, as some members here are personally aware, was a long time member of this Assembly, having been an MLA from 1922 continuously right up to 1958. Mr. Bachynsky was born in the Western Ukraine and he came to Canada more than 60 years ago, settling first in the Coppercliff area in Ontario and subsequently in 1909 he moved to Manitoba and homesteaded in the Fisher Branch district. He furthered his education at the Brandon Teachers College and was one of the first teachers in the Fisher Branch district. In 1922, as I say, he was elected to the Legislature and served the constituents of Fisher for 36 consecutive years. In 1950 he was appointed as the 17th Speaker of this Legislature and held that post until his retirement in 1958. I'm sure that members who sat in this Chamber while he was here will want to make some comments, some observations as to their memory and recollection of him here.

I think it should also be said of Mr. Bachynsky that he, along with the former member the Honourable Mr. Hryhorczuk, was one of the first of the people of his ethnic group, of Ukrainian ancestry, to have been elected by people in his area to represent them in the Legislature of Manitoba.

So, Mr. Speaker, with these words of commemoration I would like to call on honourable members to associate themselves with the following motion. I move, seconded by the Honourable Member for St. George, that this House convey to the family of the late Nicholas Vladimir Bachynsky, who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. JAMES H. BILTON (Swan River): . . . question?

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

MR. BILL URUSKI (St. George): Mr. Speaker, although I have not sat in the Legislature with the member in name, Nicholas Vladimir Bachynsky, I might point out that as long as I can recall I have known this man and I would like to pay tribute to him, whose life in my estimation was dedicated to the service of his fellow man and community as a whole.

Mr. Bachynsky was born in the Ukraine and came to Canada in 1906 and settled in the Ontario or Coppercliff area and subsequently moved to the Brandon, Manitoba area where he continued his furtherment of his education. He moved into my home area, which is the Fisher Branch area, and became the first teacher in the Town of Fisher Branch. In his service in the Fisher Branch area he also taught in my home town of Poplarfield and a school district near by by the name of High Plains. I might point out that I'm informed by my mother and father that he was their teacher when they went to school in their earlier days. As I stated, I have known Mr. Bachynsky as long as I can recall and I know of no other man in my

(MR. URUSKI cont'd.) . . . . home area who has held the respect, and I feel rightfully so, of all the people residing throughout the Fisher Branch area in the Fisher constituency.

He served in this Legislature, as the Premier stated, for 36 consecutive years, and in 1950 he was elected Speaker of this House and became the first Ukrainian Speaker of parliamentary assemblies in this world of democratic countries.

Thank you very much.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: First I apologize for interrupting the procedure of the House. However, in my anxiousness, Mr. Speaker, I want to assure you that I rise in reverence to the memory of one of your predecessors and mine. None of my party, Sir, sat in the House during the late Mr. Bachynsky's term of office, which as has been stated was for a considerable number of years. And as has also been stated, Sir, he had served some eight years in the office which you now hold, and from remarks that I have heard around the House from time to time he served with distinction.

One of the things that I am pleased to relate, Sir, is that Mr. Bachynsky's portrait in life size is part of the fabric of this wonderful building depicted in oils. I feel, Sir, that the character and sincerity of this man is imbedded in there for all time and for future generations to see. Sir, I would say that he served this province well and certainly his people, and the people of Fisher Branch I am sure will remember him for many many years to come.

It is an honour, Mr. Premier, for me on behalf of the Conservative Party to join you in extending condolences to the family of the late Nicholas Bachynsky.

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

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, on behalf of the Liberal group in the House, and my own personal behalf, I want to join in the condolence motion today to a distinguished Manitoban.

When I first entered this House Mr. Bachynsky was then the Speaker, and to me he was always Mr. Speaker even when he left these Chambers. He was indeed a most distinguished gentleman. I think that Mr. Bachynsky is in a sense a capsule of Canada and of Manitoba, someone who came from another land, who came here and participated fully in the development of the province and finally recognized here in the House in the highest honour that this House can bestow on anyone. The House does not name premiers or cabinet ministers but the House does choose the Speaker, and this House had chosen Val Bachynsky because of his qualities, his talents, and the man he was for that very high honour. I think it's fitting that we should today pay tribute to Mr. Bachynsky the man and the embodiment of what he was.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I too would like to join with other members in the sentiments that have already been expressed in extending condolences to the bereaved family of the late Nicholas Bachynsky who was Speaker for these many years.

I did not enter this Chamber while he was still Speaker of the House. It just so happened that he left the Speaker's chair the year before. However, I visited the Chamber on many occasions before that and I have seen him in his office and serving the people. No doubt his many years of service indicate his fairness and his fair play as he occupied the Speaker's chair. No doubt he was also well liked and earned the respect of the people in Manitoba as he served for so many years the public and his fellow men. At this time I would join with other members of this House in extending condolences.

MR. SPEAKER presented the motion .

#### ORAL QUESTION PERIOD

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

MR. WALTER WEIR (Leader of the Opposition) (Minnedosa): Mr. Speaker, before the Orders of the Day, I wonder if I might direct a question to the First Minister. I was just wondering, Sir, while you were bringing fraternal greetings the other day in British Columbia if you announced the reduction of medicare premiums by \$100,000?

MR. SCHREYER: Mr. Speaker, I did not give any definite indication as to how much the reduction would be. What I said there was no more nor no less a definitive indication than what was said here. It will be announced in precise terms very shortly.

MR. WEIR: Mr. Speaker, a supplementary question. I wonder if at the same time he announced that if extensions were made to medicare that your government could with a clear conscience increase premiums at that time?

MR. SCHREYER: Mr. Speaker, a question was asked about the possibility of extensions to the services under medicare, and I didn't give any indication as to whether or when we would be making any such extensions.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Mr. Speaker, as a matter of personal privilege and as a member of this House, I would like to make a short statement. I would like to do it at this time as I am planning to make a public release of this to the news media.

Re political kickbacks by Manitoba politicians and their administrations. It is a sad day indeed that I have to turn to this type of appeal. I regret, and indeed find it humiliating, that I must turn to the news media to obtain a personal privilege which I feel was denied to me this day as a member of the Manitoba Legislature.

I would like to assure the people of Manitoba that at no time as a past member of the Manitoba Conservative Party was I ever conscious of any rebates by successful contractors, architects, organized unions or other groups which may have either done business with government or expressed a desire to do so. In all fairness, I must also state that neither have I ever heard this suggestion in respect to the Liberal Party, the Social Credit Party or the New Democratic Party. It is unfortunate that such a broad statement in respect of knowledge of political kickbacks will place Manitoba industry, Manitoba unions and our Manitoba politicians under an umbrella of unfair public scrutiny and criticism. The suggestion of factual information covering underhanded payments of public money should be used to prosecute everyone concerned to the fullest extent under the present legislation, and I publicly promise to support such action. As it now stands, the suggestion of factual information of underhanded payments of money for political favours leaves each of us open to public suspicion and criticism of an unfair nature which is impossible to defend oneself. The image of all politicians and political parties in Manitoba must be at a record low, provincially and nationally.

I wish to assure the people of Manitoba that I financed my own personal campaign as an independent candidate. I at no time solicited funds for political use nor did any agent of mine do so in respect to the recent election. I wish to also assure the people of Manitoba that neither my agent or any other persons assisting me offered in any way any rewards of a financial nature to any person or persons for contracts of any type.

May I thank you for your indulgence and again express my regrets that I have had to use this last court of appeal to attempt to clear my name and my personal political activities. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, before the Orders of the Day, I would like to direct a question to the First Minister. Has he received any further phone calls from architects to date?

MR. SCHREYER: Mr. Speaker, I should imagine they'd be pretty reluctant to call me now, wouldn't they.

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

MR. GORDON JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, my question is for the Honourable Premier. Does the Premier feel that his recent political trip to B. C. has been justly rewarded by the results?

MR. SCHREYER: Mr. Speaker, I have learned many things on my trip to British Columbia, and it confirmed my suspicion that it really was non-productive for premiers of one province to go into another. The past performance of Premier Bennett when he campaigned here, Premier Roblin when he spoke one evening in B. C., and my trip on Tuesday night was no exception - it was non-productive.

MR. SPEAKER: The Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I direct this question to the First Minister. I wonder if he has had an opportunity to familiarize himself with the public statements made by the presidents of the Manitoba Architectural Society and the Winnipeg Builders Exchange, the question that I asked him yesterday.

MR. SCHREYER: Yes I have, Mr. Speaker, and if my honourable friend would like to specify just what his question is, I will try to answer.

MR. ENNS: Thank you, Mr. Speaker. A supplementary question to the First Minister. Does the First Minister consider the remarks made by these gentlemen publicly as being untruthful?

MR. SCHREYER: No, Mr. Speaker, I would answer simply by saying that when we introduce the resolution having to do with committee study of possible ways of reforming election expense fund raising that I hope to make a full statement, at which time I would hope to put this comment of mine in its perspective. And before I take my seat, may I just take the opportunity to say to the Leader of the Opposition that I am genuinely sorry if I have reflected on his personal integrity. I am prepared to say that if the Honourable Leader of the Opposition insists that he was not involved, I accept that without reservation. He says he wasn't aware; I accept his word for it as well.

MR. WEIR: Mr. Speaker, I would like to thank the Honourable the First Minister.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARHUR MOUG (Charleswood): Mr. Speaker, I would like to direct this question to the First Minister. Did he receive any phone calls from contractors today?

MR. SCHREYER: Mr. Speaker, I have as much patience as my honourable friends. If they want to keep asking the same questions I will give them the same answers, and that is no.

MR. WARNER H. JORGENSEN (Morris): Did you receive one from Premier Bennett?

MR. SCHREYER: I was expecting a phone call from either Premier Bennett or the Honourable Member from Morris, but neither called.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, just to change the subject and the tenor of the discussion, I would like to direct a question to the Minister of Health and Social Services. In view of the recently announced federal cutbacks in financial aid for urban renewal, can the Minister say whether he has a program of alternative propositions to put to federal housing officials in Ottawa?

MR. SIDNEY GREEN (Minister of Health and Social Services) (Inkster): Mr. Speaker, on this question our first course is to see just what can be done with regard to existing programs in Manitoba and the announced federal cutback, and when that has been ascertained and when as we expect, at least in the future, we will be left on our own - as by the way was advocated by the Honourable the Leader of the Opposition when he was First Minister of this province - we will have to discuss a provincial program with regard to urban renewal as if there were no prospect of federal assistance, unless we can change the Federal Government's position and I would think that that can only be done by changing the Federal Government, which I will also try to participate in.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, in the past few days there have been a few comments of concern expressed in the House with respect to the attire worn by honourable members in this House. There must surely be some reason for my friend the Honourable Minister of Tourism and Recreation for that brilliant orange blaze that we see from this side. Could the Honourable Minister perhaps take this occasion, or could I lead him into this occasion to explain.

HON. PETER BURTONIAK (Minister of Tourism and Recreation) (Dauphin): Well, first of all I would like to thank the Honourable Member for Lakeside for giving me the opportunity to get up and explain as to why I am wearing this jacket and so on. I fully intended to do this, but I thought perhaps that after the debate gets a little too heated I was just going to interject, but everything was going so smoothly I just thought I had better listen.

Mr. Speaker, just to explain the reason I am wearing this jacket, and I have this hat here with me too which is -- (Interjection) -- Oh I had it on before, and I have got some ribbing from the boys because they said it was a little too small, and I have also got -- (Interjection) -- With your permission, okay I'll put it on.

MR. LAURENT L. DESJARDINS (St. Boniface): Take it off, take it off.

MR. BURTONIAK: I was afraid of that. As you all know, a few days ago many of our athletes from the Province of Manitoba participated in the First Canada Summer Games in the Province of Nova Scotia, and I thought that perhaps some of the honourable members of the House would be interested to see the kind of uniforms that our athletes were wearing. So I have just to say a word more on that. I believe that this type of competition that our athletes were participating in is really necessary for all athletes, not only from the Province of Manitoba but from all provinces throughout Canada, if we are to succeed in winning our share of the glory in international competitions. I submit, Mr. Speaker, that the idea of summer games and the winter games which were held in the City of Quebec in 1967 is a very good idea and I am sure that the results will be fruitful.

(MR. BURTNIAK cont'd.)

Therefore, Mr. Speaker, I am sure I speak on behalf of all of Manitoba when I say, and I extend sincere congratulations to all our athletes from Manitoba who participated in the summer games, and say we are certainly proud of their achievement.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker -- I'm sorry.

MR. BURTNIAK: I was just going to say that perhaps that answers the question as to why I am wearing this jacket.

MR. ENNS: A subsequent question, Mr. Speaker. Would the Honourable Minister consider that the vigorous activities that we engage in in this Chamber from time to time might qualify us for some of these jackets in future?

MR. SPEAKER: The Honourable Member from Fort Garry.

MR. SHERMAN: A supplementary, Mr. Speaker, to the Minister. Is the Minister considering coming in tomorrow and showing us what the female athletes wore at the games?

MR. BURTNIAK: If you would suggest it I will take that opportunity to do so.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, a supplementary question. Is the Minister considering making an application to have the Canada Games held in Manitoba the next time that they are held? Perhaps not in Winnipeg, but in a larger centre like Brandon or Dauphin?

MR. BURTNIAK: That's a good suggestion and we will take it into consideration.

MR. SPEAKER: The Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, before the Orders of the Day, I would like to ask a question and I am not sure if it is the Minister of Cultural Affairs or the Honourable Member for St. Boniface. I am wondering if they are aware that the Department of Education in the Province of Quebec have authorized the schools of that province to fly the flag of France, the Fleur-de-Lis, on top of the flagpole and that the Canadian flag will be placed in a lower position on the mast.

MR. SCHREYER: Mr. Speaker, I didn't catch if the honourable member directed his question to the Minister of Education in particular or was it to anyone?

MR. MCKENZIE: I am not sure whether it is Cultural Affairs or . . .

MR. SCHREYER: Well perhaps, Mr. Speaker, if the honourable member wouldn't mind, I would simply say to him that the question really doesn't have relevance here. We have nothing like that in mind.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I would like to direct a question to the Honourable Minister of Finance. I wonder if it is because the supplementary estimates are not yet ready that they were not tabled yesterday at the same time as the other estimates?

HON. SAUL CHERNIACK Q. C. (Minister of Finance) (St. John's): That's correct, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, if I may be permitted to have leave to make a brief statement? Thank you. I am sure that honourable members would like to join me in extending hearty congratulations to Premier Bennett and his Social Credit Government on their tremendous victory at the polls yesterday. I think this is a very strong vote of confidence that the people of British Columbia gave to Premier Bennett and his government in the free enterprise system that he was preaching across the British Columbia province. I think it also means that there is a strong vote of confidence for the way of life that we, and the people in B. C., are living today in the free enterprise system where the capital is flowing in instead of having to borrow by the millions as we in Manitoba seem to do. I think it also has done one great thing, and that is it not only has arrested a possible trend that other provinces might go New Democratic, I think this will have done well for other provinces in Canada, and I feel that members here would like to extend and join me in extending hearty congratulations to the new government in B. C.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I am not surprised at the remarks of my honourable friend the Member for Rhineland and his association with the Social Credit Party I believe it is of Manitoba, but I think it would only be proper for me to

(MR. PAULLEY cont'd.) . . . . point out that my honourable friend the Member for Rhineland is still a loner. He has been a loner insofar as Social Credit in Manitoba is concerned for some years and I anticipate that that will continue for a long time if indeed my friend is successful.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I too take the words from my honourable friend the Member for Rhineland seriously to heart. I believe that it does warrant some expression of congratulation to someone and his colleagues when they win the endorsement of a majority of the people of the province under our democratic system, so that in this sense I have no hesitation in joining with some of the words expressed by my honourable friend the Member for Rhineland. I just want to say however, Mr. Speaker, that while it is certainly true Premier Bennett won a renewed mandate, it is also true that the New Democratic Party was not repudiated in the sense that its support in terms of the popular vote has held constant.

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

MR. DESJARDINS: Mr. Speaker, I rise on a point of privilege. I say privilege because I don't think that it is right to ask any questions of members other than the front bench of Ministers, but the Member from Roblin did name me; he wanted an answer. I know that it was in a way to embarrass me, but I would like to say to the honourable member that I think we have enough in looking after the affairs of Manitoba. I am not concerned with Quebec, but if he wants to know my personal thought on this, I say that if we had a vote here in Manitoba I would always vote to see the Canadian flag flying way above any provincial flag.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I had no reflection on the honourable member's constituency. I just thought of him being the member in charge of Dominion public relations and I thought the matter should be discussed at that level.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I don't quite know who to direct this question to - perhaps the Minister of Youth and Education. The university complex of Manitoba at Fort Garry is one of the major offenders for pollution in terms of dumping raw sewage into the Red River. Has he any information or has he been contacted that the recent stiff pollution measures announced by the Federal Government would seriously affect the capital costs - an outlay of capital costs to rectify this situation that could conceivably have a bearing on our public funds.

HON. SAUL A. MILLER (Minister of Youth and Education) (Seven Oaks): Mr. Speaker, I am not quite sure that the Minister of Education is responsible for pollution by the university. However, I will take the question under advisement and discuss this with the Minister of Municipal Affairs whose responsibility includes Metro, which as the member probably knows is in charge of pollution.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK Q. C. (River Heights): Before the Orders of the Day, Mr. Speaker, I would like to address a question to the Honourable Minister of Health and Social Services. I wonder if he could indicate to this House whether the percentage figure upon which medicare costs were projected is higher than originally anticipated.

MR. GREEN: No, Mr. Speaker, I can't give the honourable member that information.

MR. SPIVAK: Mr. Speaker, a supplementary question, whether the Honourable Minister would get that information for the House.

MR. GREEN: Yes, Mr. Speaker, I will undertake to get the information.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Health and Social Services. Is he aware, or has he any information if there were any arrangements made by anyone in his department or any of the agencies under his authority, for temporary, financial temporary accommodation for the people because of the fire that took place on Main Street in the 600 block on August 14th?

MR. GREEN: No, Mr. Speaker, I am not aware as to whether that was the case. If the honourable member wishes, I will undertake to find out.

MR. PATRICK: Mr. Speaker, I understand that there were such arrangements, and as recent as today the people were told that they will not get any compensation because they were told to take accommodation in the McLaren Hotel.

MR. SCHREYER: Mr. Speaker, yesterday the Honourable Member for River Heights asked if there were any substance or any information relative to the rumor that Northwest



(MR. SCHREYER cont'd.) . . . . Industries had decided not to locate at the Air Canada base here in Winnipeg. I am happy to be able to tell him that in the words of the President of the organization himself, there is no change of plans intended.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well, Mr. Speaker, I would like to thank the Honourable First Minister for the information. I wonder if he could inform the House whether he intends to call the Air Policy Committee into session as requested?

MR. SCHREYER: Mr. Speaker, hopefully this meeting will be convened for next Wednesday. Announcement as to precise time and place will be made tomorrow.

MR. SPIVAK: A supplementary question, Mr. Speaker. In view of the fact that there has been a change in government, I would still assume that all parties would be involved and be asked to be represented on the Air Policy Committee.

MR. SCHREYER: Mr. Speaker, there's no intention to change the format.

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

MR. JACK HARDY (St. Vital): Mr. Speaker, I'd like to direct this question to the Honourable Minister of Transportation. Is the Honourable Minister aware of another traffic fatality on the Perimeter Highway last night?

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): . . . Mr. Speaker.

MR. HARDY: Mr. Speaker, in view of the fact that this now approaches approximately 15 deaths in the south section of the Perimeter Highway, is it still the government's attitude that they will not install traffic signal lights along that section?

MR. BOROWSKI: Mr. Speaker, I don't know which government you're referring to. I believe we've made it very clear when I took over this office that I am very concerned about accidents any place in Manitoba, and anything we can do we certainly will to cut it down.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I wonder if I could have the permission of the House to make a statement. I rose with the Honourable Member from Rhineland and he was recognized first. Now I'm afraid I may not get concurrence in my making a statement but I would like to explain, if I may. I have satisfied myself, after consultation with the Clerk, as to the procedure involved in the Capital Supply Bill, and since I wasn't sure myself after some years of experience and since we have a goodly number of new members of this Assembly, I thought I would ask permission just to describe the routine procedure involved. I've already stated that there is some urgency in having the Capital Supply Bill dealt with.

I've already brought in the message from His Honour and I would expect that as we go through the Order Paper and reach the point of going into Committee of Supply that we would then deal first with Capital Supply. As soon as we complete Capital Supply in committee, then it would be necessary to go into Committee of Ways and Means to again get the concurrence of the committee to the passage of the Capital Supply. We will of course be unable to do that until we have dealt with the motion which is on the Order Paper and held in the name of the Honourable Member for Rhineland, that is that the House resolve itself into a committee to consider Ways and Means. But assuming that we do pass that motion, we would then be in a position to go into Committee of Ways and Means to deal with capital estimates; and as soon as we report on that, and incidentally as soon as we report on that then I would request leave - and that is the procedure - for first reading of the Bill and distribution. Mr. Speaker, all of this could be done today with of course co-operation of the House. Assuming it were done today or whenever first reading was granted, then I could tomorrow, again by leave, ask for or propose second reading of the Capital Supply Bill; and again, by leave, we could go into Committee of the Whole immediately following; and then assuming we deal with it in Committee of the Whole, by leave I could propose third reading of the Bill and then it would be ready for Royal Assent. I thought members would be interested in knowing the procedure that has been followed in the past, which I hope we can follow at this time as well.

MR. WEIR: . . . on our side leave would be granted I think on all counts.

MR. CHERNIACK: Thank you.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to direct a question to either the Honourable Minister of Finance or to the First Minister. In view of the relative success of this past summer's program in which the government participated, will the government give consideration

(MR. SHERMAN cont'd.) . . . . to increasing its financial aid in the coming year to the University of Manitoba's project to aid in finding summer employment for students? And I ask that question now, Mr. Speaker, because at this time of the year university registration is under way and the possibility of summer employment has a bearing on whether or not some people go to university.

MR. SCHREYER: Mr. Speaker, since the question overlaps departments, perhaps I should answer and indicate to the honourable member that based on the experience of this program which was initiated this year, based on the experience of it, indications are that it is the kind of program that is worthy of continued support and accordingly the likelihood is that we shall do so.

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

MR. HARDY: Mr. Speaker, may I direct this question to the Honourable the Attorney-General. I wonder if the Attorney-General could advise this House as to whether or not the GLCC structure being built at the present time in the City of St. Vital is going to be operated as a self-serve or a conventional type?

HON. AL. MACKLING (Attorney-General) (St. James): My understanding is that it will be a self-serve type.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to address a question to the Honourable the House Leader. Would he undertake to table the bills not distributed at the last session - that were introduced but not distributed? Otherwise, information is available to the present and the former government that is not available to other members of this House, and therefore I would request that these bills be tabled and that each caucus receive copies.

MR. PAULLEY: I regret very very much that I cannot comply with the request of my honourable friend. There were a number of bills of which Notice of Motion was given by the former administration. Until such time as they were properly produced to the House they were not in possession of the House, and therefore I am not in the position and neither is the government to accede to the request of my honourable friend. If there were bills that were in possession of the House - that is the previous House - and distributed, if my honourable friend hasn't got them I certainly would be agreeable to try and find them, but any bill that was not produced in the House last year technically is not available to us or to anyone else.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: A supplementary question then. Are these bills not available at the present time to the present government, and as already mentioned, those bills that were introduced but just not distributed.

MR. PAULLEY: As far as the present government is concerned in respect to those Bills, Mr. Speaker, they are not available. Some were around; some were not; and in any case, in any case they are not properly in our hands, so I'm sorry I can't comply with the request of my honourable friend.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I'd like to direct my question to the Honourable Minister of Agriculture. May I ask him again where and when the Veterinary Laboratory facilities will be located? I think he indicated perhaps about 10 days ago that he'd know today.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): As the Honourable Member for La Verendrye presents his question today, I might say that the government has made a decision and the decision is that the facility will be located at the University of Manitoba grounds.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I would ask the leave of the House to make a very short announcement.

Mr. Speaker, I wanted to bring to the attention of the members of the House and of the public of the young peoples Youth Panorama that is being held at the Zion Apostolic Church on Pacific Avenue. This is a national meeting that is being held for the next three days. The purpose of the convention is to highlight the clean-cut young people in this city and across the nation that are normally not seen or heard of, and they are in particular adherents to this particular church which I mentioned.

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

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources) (Brandon East): The Honourable Member for Riel had asked for information on progress on the definition of the boundaries within Hudson's Bay and the acquisition of oil rights within Hudson's Bay for Manitoba. I'd like to inform him that some discussions have taken place between my staff and that of the Federal Government to clarify technical details. No further action has taken place to date in respect to any political solutions but I expect to be discussing the matter further this autumn.

The member also asked about the number of oil exploration holes being drilled. According to press reports a drilling barge is on site and proceeding with the drilling of a well in Hudson's Bay. The location of this well is reported to be 58 degrees, 30 minutes, 2 seconds north latitude and 87 degrees, 10 minutes, 5 seconds west longitude. This is approximately 250 miles east of Churchill. We understand the well is being drilled by the Aquitaine Company, which along with other companies have large holdings in the Bay. There are no oil exploration holes being drilled in the Hudson's Bay area of Manitoba at the present time. However, we have received indications that one hole may be drilled on the western shore as soon as conditions permit. North West Oils Limited hold the permits upon which the well is planned.

I also have a copy of a magazine article which may interest the honourable member which will give you further details on the activities there.

MR. CRAIK: A supplementary question relating to that, Mr. Speaker. Does the location longitude and latitude, would that place it in the triangle that is formed by the extension of the Manitoba boundary and the 60th parallel in the Bay? Does it place it in that pie-shaped sector that would be created by the extension of the angular portion of the Manitoba boundary in the Bay and the 60th parallel, which I believe is the upper limit of Manitoba?

MR. EVANS: I could guess but I would rather take a close look at the map before I answer that.

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

MR. HARDY: Mr. Speaker, I'd like to direct this question to the Honourable Minister of Tourism and Recreation. In view of the obvious success of the Canada Summer Games, is it the intention of the government to re-assess the recreational program with a view in mind of extending grants to local levels of government for recreational purposes?

MR. BURTONIAK: I appreciate the question from the honourable member and will take that as notice.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): In view of the announcement of the Honourable Minister of Agriculture in regard to the Agricultural Service Centre, I would like to ask the Honourable Minister if he has given consideration to any further service in the western or northwestern part of the province in conjunction with the establishment of this Service Centre and the University of Manitoba?

MR. USKIW: Is the honourable member asking whether there will be an extension of the same service?

MR. WATT: That is correct, Mr. Speaker.

MR. USKIW: At the moment there is no consideration.

MR. SPEAKER: The Honourable Minister of Health and Social Services.

MR. GREEN: Mr. Speaker, before the Orders of the Day, I'd like to lay on the table the Annual Report of the Department of Health and Social Services for the fiscal year ending March 31, 1969. I would like to indicate, Mr. Speaker, that this is one of the reports which wasn't filed at the last session, and therefore which the government has given indication that it would be filing although the requirement has been dismissed by resolution.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

MR. BURTONIAK: Mr. Speaker, there have been some questions asked in the last week or so in regard to Hecla Island, and as I promised - I notice the Honourable Member for Lakeside is not here - but I promised him on one or two occasions that the answer will be forthcoming in the near future and I'm prepared to make the announcement today. Work will begin immediately on Hecla Provincial Park and that the new provincial park will include Hecla Island, Black Island, Deer Island and dozens of smaller islands in a narrow section and along the eastern shoreline of the lake. This park will be a marine park, offering a new concept in recreational facilities. It is an outstanding opportunity to develop the designated

(MR. BURTNIAK cont'd.) . . . . area for Manitobans and tourist visitors with an emphasis on water-oriented activities.

The park is being developed under a joint Federal-Provincial Interlake FRED program, with the Federal-Provincial governments participating on a 60-40 basis. The total of \$2,560,000 has been assigned under the FRED program for this development, including construction of a causeway joining Hecla Island to the mainland. An additional \$600,000 from the FRED land readjustment program has been earmarked for purchase of private holdings on the island. All other lands within the boundaries of the complex are Crown owned.

Features of early settlement on Hecla Island will be preserved with creation of an historic village and typical fishing village at the present site of Hecla village. Private commercial developments of up to \$5 million are anticipated. The project is expected to provide employment for approximately 100 full time and up to 1,000 seasonal workers during the development. When complete, the public and private sectors are expected to provide work for up to 40 full time and 230 seasonal employees.

While I'm on my feet, Mr. Speaker, I would also like to answer the question to the Honourable Member for Roblin in regard to the Asessippi Resort. I have checked with the department and I would like to inform the honourable member that there will be an answer forthcoming in the mail if this is which you wish.

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

MR. MOLGAT: Mr. Speaker, I'd like to ask a supplementary question to the Minister's statement. He stated this was to be a provincial park. Am I correct? Are the negotiations continuing with Ottawa with regard to a second national park in Manitoba?

MR. BURTNIAK: At the present time I'm not prepared to answer the question of the honourable member, but I will look into that and I'll let you know.

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

MR. GORDON JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, my question is to the Minister of Tourism and Recreation also. Several years ago the Honourable Duff Roblin and the Honourable Sterling Lyon, who were Cabinet Minister and Premier respectively, made noises as if there was going to be a park established on the Assiniboine River at the Portage Diversion, so my question is, is this government -- do they have any plans, is there anything going on in this area?

MR. BURTNIAK: I'm sorry, I'm not responsible for whatever the previous government or governments had indicated, but I can assure the honourable member we will have a look at it and perhaps there is something in the offing.

MR. WATT: May I direct a question to the same Minister with regard to his announcement on Hecla Island? May I ask the Minister if he's proceeding with the project with the full agreement of all the Advisory Boards in the Interlake Regions?

MR. BURTNIAK: I didn't quite catch the answer, Sir.

MR. WATT: Probably, Mr. Speaker, this microphone is not working. My question to the Honourable Minister is in his announcement on the proceeding with the development of Hecla Island, is he proceeding with the full agreement of all the Advisory Boards in the Interlake Region?

MR. BURTNIAK: Advisory Boards on the Hecla Island? Yes, I think that is true. Are you referring to the fact about expropriation? What exactly are you referring to?

MR. WATT: Mr. Speaker, I'm referring to the nine or ten advisory boards in the Interlake Region in regard to the FRED cost-sharing programs.

MR. USKIW: Mr. Speaker, perhaps I might answer the honourable member's question. I'm not certain that we have unanimous support. I don't expect that on any project to have that kind of unanimity, so my answer is I don't imagine that it's quite that unanimous.

MR. WATT: Mr. Speaker, I'd like to direct another question to the Minister of Agriculture and I would like to ask the Minister if and when he is proceeding with the Bee Act?

MR. USKIW: Would the member repeat the question please?

MR. WATT: My question to the Honourable Minister of Agriculture is if and when are you going to proceed with the Bee Act?

MR. USKIW: That was one of the acts that we decided we would lay over until the next Session.

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

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Tourism

(MR. MOLGAT cont'd.) . . . . and Recreation. Will there be a federal contribution to the provincial park in the development at Hecla and so on under the FRED Agreement or under a separate unit. Could he indicate what the federal contribution is?

MR. BURTNIAK: \$600, 000.

ORDERS OF THE DAY - MOTIONS FOR PAPERS

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

MR. MOLGAT: Mr. Speaker, I'd ask the indulgence of the House that this order stand for the moment.

MR. SPEAKER: May the honourable member have leave? (Agreed.) Orders for Return. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye that an Order of the House do issue for a Return showing:

(1) The amount of money received by the Government of Manitoba from the Government of Canada under tax-sharing agreements, federal-provincial cost-sharing agreements and all other agreements or arrangements in the fiscal year ending March 31, 1959, with a breakdown as to appropriate categories.

(2) The same information for the fiscal year ending March 31, 1968 and the fiscal year ending March 31, 1969.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, may I indicate that I am prepared to accept the Order. I must point out that there is a difference in formula as between the '59 year and ten years later, which I understand is related to certain gross figures having been used and certain net figures now being used, but the department has indicated that it will go to work. It's a fair size job to try to give figures which are related in the same manner, one with the other, but if the member wishes to proceed with it, it's acceptable to us on that understanding.

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

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

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for La Verendrye, that an Order of the House do issue for a Return showing:

(1) The total amount of equity capital in Churchill Forest Industries as of July 15, 1968, with a breakdown as to the amount held by the company or companies involved, the names of all such companies, and the amount of Manitoba Development Fund money involved.

(2) The same information as of July 15, 1969.

(3) The same information as of August 15, 1969.

MR. SPEAKER presented the motion.

MR. SCHREYER: Mr. Speaker, naturally we would want to provide the honourable member with all the information that he seeks and we do undertake to accept this Order for Return and to provide as much information as is consistent with standing provision for maintaining confidentiality - previous commitments given as to confidentiality - and also as to not harming the firms' competitive position. If none of these factors bear directly the honourable member's Order will be acceded to without reservation; otherwise, I simply must express reservation as to providing any information that will violate any commitments as to confidentiality.

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

MR. MOLGAT: Mr. Speaker, I believe that under the rules I am unable to make a comment at this point, so I ask the matter be transferred then to Friday next.

MR. SPEAKER: . . . be transferred to Friday.

MR. MOLGAT: Either tomorrow or Tuesday.

MR. SPEAKER: Committee of the Whole House.

MR. CHERNIACK: Mr. Speaker, I move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following bills: No. 18, an Act to amend The Motive Fuel Tax Act; and No. 19, an Act to amend The Gasoline Tax Act; both Acts standing in my name.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole with the Honourable Member for

(MOTION cont'd.) . . . . Elmwood in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Is the committee ready to proceed with the bills? Bill No. 18. (Sections 1 to 6 were read and passed.)

MR. CHERNIACK: Mr. Chairman, it occurs to me that there is a misprint is there not in Section 7 - the last Section? There are two 6's on my copy. Well then may I move, Mr. Chairman, that the last numbered section should be renumbered 7.

MR. CHAIRMAN: Will the committee take that as notice then that Section 6, "the commencement of this Act," be renumbered as No. 7. -- (Interjection) -- As an amendment?

A MEMBER: As a correction.

MR. CHAIRMAN: A correction. Preamble -- passed; Title -- passed.

MR. SPIVAK: Mr. Chairman, in terms of procedure the motion should be put in any case I think for the record.

MR. CHERNIACK: The Clerk would make sure that it was in order. If it's a typographical error I'm not sure that it's necessary. Is that correct?

MR. CHAIRMAN: It's merely a correction rather than an amendment. Bill No. 18 be reported? -- passed. Bill No. 19, (Sections 1 to 3 were read and passed.)

MR. SPIVAK: I believe this is the same mistake as well. This should be Section 4.

MR. CHAIRMAN: We'll make a correction to the Section that's numbered 3, "the commencement of the Act" to No. 4.

MR. CHERNIACK: No, Mr. Chairman. If you look at Section 2 it is an amendment of Section 3. Section 3 (9) is therefore the amendment and this is correctly numbered as Section 3 of the last Section.

MR. CHAIRMAN: May we accept that from the Minister of Finance? (The balance of Bill No. 19 was read and passed.)

MR. CHERNIACK: Committee rise and report.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of the Whole has considered Bills 18 and 19 and wish to report the same without amendment.

IN SESSION

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I beg to move, seconded by the Member for Kildonan, that the report of the committee be received.

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

GOVERNMENT BILLS

BILLS Nos. 18 and 19 were each read a third time and passed.

MR. SPEAKER: Adjourned debates on second readings. The proposed motion of the Honourable the Attorney-General, Bill No. 3. The Honourable the Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I've had the opportunity of going over this, and as mentioned it is exactly the same as the previous act that the Honourable Attorney-General mentioned before, and we have no opposition from this side of the House.

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

MR. SPEAKER: The proposed motion of the Honourable Attorney-General, Bill No. 4. The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I beg the indulgence of the House to have this matter stand.

MR. SPEAKER: (Agreed.) The Proposed Motion of the Honourable Minister of Agriculture, Bill No. 17, an Act to amend The Natural Products Marketing Act. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I rise to make a small contribution in connection with the debate on this matter and I am sorry that the Minister of Agriculture is not in his seat.

I'm one who is well aware of the problems of agriculture in our province. I'm also well aware of the aspirations of the great number of farmers in this province and of the farm organizations. I am also aware of the desire and the principle of marketing with which I agree. However, I am also aware of the necessity of co-operation and understanding and

(MR. SPIVAK cont'd.) . . . . working with a real desire to achieve the best that can be achieved in the field of agriculture with those firms who are in the processing business. The future of Manitoba insofar as the agricultural community is concerned is going to be largely dependent on the agrifood business and the ability of the province to be able to develop this to its maximum potential. The Department of Industry and Commerce has within its mitts a major study that was undertaken several years ago which indicates the direction that the province must take in developing and building the agrifood business. There must be a co-operative effort made between industry and between the agricultural community in order to develop this maximum potential, and this must come about as a result of the understanding of the problems and the desire to co-operate, recognizing the competitive position of Manitoba in the agrifood field and in the growth and development of the industry.

Now the amendments that are proposed in themselves may not appear to be that significant insofar as future development is concerned. But what is required and what I would like to suggest to the honourable members on the other side and to the Minister of Agriculture - who as I indicated is not present but I'm assuming that those members who are in front of us on the treasury benches will at least advise him- is that there must be a constant dialogue between industry and between his department and between the farm organizations and the farm community, and that no change should be made nor should any effort be undertaken that has not been discussed and at least some reasonable consensus achieved, because if in fact in this area we were to become leaders or more militant in our desire to try and solve the situation that exists within our farm community we will find that in doing this we will place ourselves in a position that industry that has contemplated developments here will look to other areas because of a lack of concern and because of a fear that there will not be stability in the arrangements that can in fact be arrived at in this province.

Now I'm one who recognizes the real problem that exists in the farm community. I'm one who has publicly stated that the Prime Minister of this country should have become involved in the problems of Western Canada and the problems of the farmer a lot earlier than he did, because in this particular situation, although we are now at a very critical stage and although it may also be suggested that there was very little that could be done, it becomes pretty obvious that leadership has to come from the top and the input of the leader becomes essential if government policy is to be shaped and fashioned to solve the problem as best it can. And I'm suggesting in this particular situation that leadership must be shown by the Minister of Agriculture and by the Premier and they must make sure that as they deal in this field, in the field of marketing, and as they deal in other agricultural matters, that there is a constant dialogue and understanding and a consensus with the industries who are here, with those who may be contemplating coming here, so that in effect the right environment will in fact be developed to allow us to develop to its maximum potential which will allow for a greater diversification of our agricultural community and which will allow our agricultural resource base to develop and grow to its maximum.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: I understood him to say that the Prime Minister had become involved in the agricultural industry in Western Canada. When did that come about?

MR. SPIVAK: I am not sure of the exact language. I do not have a Hansard in front of me, but if I said that I did not mean it; I meant he became involved in the agricultural problems of Western Canada. He should have been involved many months earlier, because as I pointed out in my few remarks the leadership must come from the top, and without his input and the use of his office, I suggest that there is no way in which you are going to arrive at the kind of radical decisions that must be made to at least attempt to solve the short term problems of the farmers and the long term objective of developing the agricultural industry to its maximum potential.

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

MR. USKIW: Mr. Speaker, I am going to close the debate unless others wish to speak. They'll have no further opportunity until we get into committee.

Mr. Speaker, this again, as I mentioned in my introductory remarks, is one of those bills that was introduced to this House by the previous administration and there was one minor change made to it, not a change in principle at all, a change by way of improvement for the protection of those concerned. The former Minister of Industry and Commerce has

(MR. USKIW cont'd.) . . . . . indicated to the House this afternoon, as I understand, the caution with which we must approach this type of legislation and the development of the agricultural industry in Manitoba, and I am not sure whether he said that he supports or opposes the bill before us. Perhaps I might ask the permission of the House to ask the member whether he was speaking in opposition to the bill.

MR. SPIVAK: Mr. Speaker, I'll answer the question again. I am sorry that he was not in the House. He would have heard my word that I did support it.

MR. USKIW: Mr. Speaker, I am happy to note that the former Minister of Industry and Commerce supports this bill because it means that we have a vast majority of the members of the Legislature, as I gather, supporting the amendment to the Act. I know that over the years there have been many changes in that piece of legislation, and because of some of the changes that were made we got into some difficulties with certain marketing boards, commissions and so forth, and it is only because of these difficulties that the administration that was turned out of office on June 25th was in preparation of changes in the Act during the last session. It was indeed an admission of their previous failures when they made the initial changes in the Act some several years ago. I am glad to see that they know the errors of their ways, that they are prepared to backtrack on some of their thinking, and indeed -- (Interjection) -- that's right, the second time you are changing it too - and are indeed prepared to make the kind of positive approach to provide for the industry some assurance of stability and at the same time provide the necessary guarantees to the producers, the farmers, with respect to commodities that are under board or commission control.

One of the things that has always bothered me, Mr. Speaker, is the fact that it has been very difficult at times over the last few years to assure the producers of a given commodity the right of the Natural Products Marketing Act. It was difficult because there was always someone running interference within the governing body of the day, and we found that it was a very frustrating experience to try and establish marketing boards and marketing commissions, even though they were voted in by a vast majority of producers of that particular commodity. So I hasten to say that although the powers that we are seeking to put into this Act are broad, it doesn't necessarily mean that they are going to be applied at all times.

I note that the Member for La Verendrye had some reservations, although he said he supported the principle of the bill, he had some reservations about the powers that were asked for, and that sometime perhaps in the future these powers might be abused. I want to point out that I researched this possibility and I find that the only area where we may run into difficulty is in the area where someone is contravening the legislation and that it is only in that case that the powers may be as severe as they appear, but that innocent people should not have to be subjected to undue hardships by this type of legislation.

All I am saying is that it doesn't matter what kind of legislation we introduce into this Chamber and what kind of acts we pass, whether it be with respect to traffic laws or the orderly marketing of products, when one disobeys a law of the land one has to suffer the consequences according to the statutes, and where people are not disobeying that regulation or law there is no problem. So the penalties although they may be increased somewhat over what was in the act before, they will only apply to those that are deserving of those penalties, as long as we have the assurance that the majority of producers of that commodity want to live under that system of marketing.

And I want to say that this is purely permissive legislation in the sense that we are not going to impose boards or commissions on people that don't want that kind of imposition. We will only do so as we are asked to do so by the very people that are requesting this form of bargaining power. They will develop the kind of plans which they feel they can live with and these plans may or may not have within them the broad powers of the Natural Products Marketing Act - may or may not, according to the wishes of a producer group. They may use all the powers of the Act or they may use part of the powers of the Act as it appears reasonable to themselves.

Now I want to assure my honourable friend the former Minister of Industry and Commerce that it is my intention to co-operate fully with the development of industry and commerce as it relates to agriculture, the processing industry, the input industry into agriculture and the processing out of, and that there is no doubt in my mind at all that the climate that we will attempt to create is a climate of concession and liaison, if you like, to assure that all sides have a reasonable measure of security in the development of the agricultural industry



(MR. USKIW cont'd.) . . . . in Manitoba.

But I want to say one thing, that I will make sure as Minister of this department that no one will tread on someone else's toes with respect to the establishment or lack of establishment of marketing structures for the producers of any commodity in Manitoba, that I will not restrict any group from this legislation simply because of pressure groups from any side. The Act is there for the use of people who want to use it, and if I have a request from any group of producers, whether it be in vegetables or whether it be in livestock it doesn't matter, if I have a request and I am satisfied that a substantial number of those producers want to establish a board or a commission, whatever the case may be, then I would not allow my decision to be influenced by people that may be biased in opposition to marketing boards or marketing commissions. But on the other hand, I would want to solicit the support of the industrial sector in agriculture hopefully to do a good public relations job with those people concerned to make sure that they are not brought under undue distress in the setting up and operation of these boards.

There is not too much more that I want to say in connection with this bill. I would hope that it receives the overwhelming support of the Legislature. I may point out, Mr. Speaker, that this represents a measure of change in the Natural Products Marketing Act that I am in agreement with, but not necessarily only the part which I would like to change within the Act. But future changes within the Natural Products Marketing Act will become a matter of policy that will be announced at some future date and some future legislative sessions. I may say that I am going to take a very good look at the Natural Products Marketing Act to find out whether there are ways and means of improving it for the benefit of the total community in Manitoba and the industry that we are involved in.

Mr. Speaker, I wanted to make one more point before I sat down and that was in reference to the comments made by the former Minister of Mines and Natural Resources wherein -- (Interjection) -- and Agriculture - and Highways - wherein he stated that there was no need for a retroactive clause in this bill because of the fact that the Manitoba Hog Commission, the commission had set aside reserves to the extent of 70 or 80 thousand dollars and they apparently were able to do so within the confines of the Act as it was. I want to indicate to my honourable friend that that is one of the very reasons why I had to have this clause in this bill, is so that we would legalize what they have been doing against the law to this date.

MR. CRAIK: Would the Honourable Minister permit a question?

MR. USKIW: Yes.

MR. CRAIK: When you mentioned that you will only impose boards if asked by that segment of the community representing that particular product, do you mean asked by a segment which is in conformity with some specific percentage of the growers or on some basis -- you weren't very specific. I wonder if you could spell out the exact terms.

MR. USKIW: Mr. Speaker, I want to point out to the House that I have a very open mind and I think I am able to recognize when there is sufficient measure of support for anything that I may propose in the way of changes in marketing legislation and whether or not we have boards or commissions established, and I simply want to point out that if I am satisfied that there is that kind of substantial support that I will give favourable consideration to implementation of boards or commissions - or referendums.

MR. CRAIK: Mr. Speaker, then with regard specifically to the vegetables that were taken out of the marketing scheme, the six or seven items that were taken from it, does he anticipate action on that basis, subjective action which he has indicated on the basis of the large percentage that did want marketing for those vegetables?

MR. USKIW: Mr. Speaker, at this point I have no knowledge of any request for the re-introduction of certain commodities under the Vegetable Marketing Commission operation. I have no knowledge of any request to bring certain commodities back under the control of that commission.

MR. CRAIK: I can assure my vegetable growers in my constituency at this time that you have no plans at this time for any changes in the Vegetable Marketing.

MR. USKIW: I want to reiterate again that my position as Minister is not to impose things on people but to respond to the request of the people of Manitoba.

MR. SPIVAK: Mr. Speaker, I have two questions really to ask of the Honourable Minister if he will agree. One really relates to questions and answers that have been given. I wonder could he indicate to us, if he is going to be exercising this discretion, what kind of

(MR. SPIVAK cont'd.) . . . . criteria he is going to apply?

MR. USKIW: Mr. Speaker, I am not sure that I caught the member's question.

MR. SPIVAK: I think you indicated to us that you are going to be exercising discretion, and in exercising the discretion, I think this side of the House would like to know what kind of criteria you intend to apply.

MR. USKIW: I think the honourable member knows that every Minister has to exercise certain discretion in making decisions, important decisions, and he knows the way those decisions are made.

MR. SPIVAK: I take it on that matter there is no criteria. Now one other question, Mr. Speaker. I wonder if the honourable member can inform the House whether before he introduced this bill, which was basically the bill that was introduced by the previous administration, he discussed the contents -- I wonder if he discussed this matter with the processing industry.

MR. USKIW: I have had no representation from the processing industry to this bill. I want to point out that there aren't any growers today that are under any marketing structure dealing with processing companies. That if anything develops - its future development that we are talking about - purely hypothetical.

MR. SPIVAK: Well, Mr. Speaker, my question was not whether they had requested a meeting but whether he had undertaken, or he had thought it sufficiently important before such a bill was re-introduced that he at least would discuss it with the processing industry. I take it that he did not.

MR. USKIW: Mr. Speaker, I did not discuss it with the processing industry. There will be an opportunity in committee and I am sure that anyone that wants to make representation to the members of this House and the committee will have ample opportunity to do so.

MR. SPIVAK: Mr. Speaker, I believe the First Minister wanted to ask a question of myself.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I realize that the debate has been closed on this bill, however I was unable to participate - I was called out - and I haven't been able to make my contribution, so at this time I would just like to register my reservations on certain points and I will make them known when we are in committee.

MR. USKIW: Mr. Speaker, I recognize that my honourable friend from Rhineland has always had reservations about marketing legislation, and in that respect I understand his point.

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

MR. SPEAKER: Bill No. 25. The Ombudsman Act. The Honourable the First Minister.

MR. SCHREYER presented Bill No. 25, The Ombudsman Act, for second reading.

MR. SPEAKER presented the motion.

MR. SCHREYER: During the course of the past ten years approximately there has been discussion here in this Chamber from time to time as to the advisability and desirability of establishing in this province an office known as Ombudsman, whose function it would be to act as a civil rights commissioner, if you like, acting on behalf of the citizens of the province in all those cases where they feel that they have a grievance with or against the Crown.

I recall well a discussion that was held, a debate that was held here in this Chamber sometime around 1960 or 1961, at which time I proposed that the time had come for the establishment of such an office because of the proliferation in modern society - and ours here is no exception - the proliferation of administrative machinery in government because of the fact that government was impinging more and more with each passing year on affairs affecting individuals, that on the one hand while this was a process that need not necessarily be resisted because oftentimes it was in the public interest that government involve itself to protect the public interest, to act as an instrument of the people, nevertheless, because of the very fact that there was this increased administrative activity there would be growing increasing numbers of cases where citizens would allege that they had a grievance against the Crown. The office of Ombudsman is conceived of as an institution that would with efficiency be able to investigate cases of alleged grievance, administrative malpractice, or acts of maladministration if you like, and be able to give the citizen redress, or at least recommend to the Legislature and to government steps to be taken to give the citizen redress if redress is required.

It is my understanding that no one in this Chamber at that time or now is really opposed in principle to the concept of an Ombudsman, and so it is hoped that with the introduction of this bill that it will receive the approval of the majority of members of this House and that Manitoba will be able to establish this office or have this office established by 1970.

(MR. SCHREYER cont'd)

I should point out to honourable members that since there has been discussion in past years it perhaps is unnecessary for me at this time to go into any detail as to how the Ombudsman would exercise his powers, what his full powers would be. These questions can be treated as matters of detail when we get into committee stage.

Let me then, Mr. Speaker, simply indicate to honourable members that there are some changes that have been made in Bill 25 relative to the provisions that were contained in Bill 57 in the previous Legislature that were recommended to the House by the previous administration, and honourable members will be able to note what these changes are in particular and in specific terms.

I might say by way of general explanation that the changes that have been made are in almost every case - in fact I think I can say in every case - changes that are designed to lessen the restrictions on the Ombudsman so far as his exercise of powers are concerned. It is felt that if necessary, as we learn through experience, that we can move to reduce some of the powers given to this officer, but it is felt to begin with that we should opt for, choose the course of giving this officer of this Legislative Assembly more rather than less powers to initiate investigation, to summon and subpoena documents, to have access to departmental information, etc.

One other point that deserves special mention at this time is that the Ombudsman, when he is selected, it is proposed that he be chosen on the basis of the recommendation from the Cabinet to the Assembly, that the actual appointment as such is done by the Assembly itself. We feel this is important psychologically in the sense that if this officer is to have the confidence of the people of the province to the utmost extent he should not only be independent but the means of appointing him should be quite free of partisan bias.

With these introductory remarks, Mr. Speaker, I would hope that I shall be able to answer any questions that honourable members have at a later stage and to say that it is a matter of intense satisfaction to me, as I'm sure it is to many members in this House who have given this matter some thought, that we should be now just on the verge of establishing here in our province a most important institution, a most important institution insofar as individual citizen's civil rights are concerned.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I would just like to ask one question of the First Minister in respect to this legislation to which I subscribe and which I endorse, and that is, can the Minister at this stage advise the House as to the extent of the government's investigations of the possibilities of candidacy for the role of Ombudsman and office of Ombudsman, how far-reaching and far-ranging the search for the proper candidate may be, and how close the government may be to having selected the person which it is felt will best fill the office.

MR. SCHREYER: Mr. Speaker, I don't intend to speak now, just to advise the honourable member that I'm taking his question and will be replying after all other honourable members who wish to speak have spoken.

MR. WEIR: Mr. Speaker, if nobody else wishes to speak at this time, I move, seconded by the Member for Riel, that the debate be adjourned.

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

MR. SPEAKER: The proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 10. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, it's not the intention of the group on this side of the House to offer any impediment to the swift passage of this important piece of legislation. It's, if anything, I think an opportunity, or the opportunity should be taken, and I think it will be accorded to us by members opposite, to express some satisfaction on the part of those who have worked - and I don't really include myself in that group, I was the end-all recipient of many years of work, many diligent studies, many of these studies and reports that are written about how things should be done to improve a situation, particularly the situation for primary producers, and as so often is the case these reports and studies find their way on dusty Ministerial shelves or go through prolonged processes of discussion as to the advisability and feasibility of - but when one of these things finally do come to fruition, it is I think an occasion for members, all members in this Chamber to have some satisfaction in seeing it moving forward.

I think that while there may be the tendency on the part of the members opposite - I don't say that I detect it and I would not impute the motives to them - to be critical of the delays that

(MR. ENNS cont'd) . . . . were in the offing or why this Bill wasn't passed earlier, I believe the Minister of Mines and Resources indicated with some irony that it was Manitoba that was indeed in the forefront in the development of this federal and provincial marketing scheme, and that we should be at this stage with the scheme already operating and in - well, not in full swing, but in operation - that we are now dealing with the necessary legislation to make it fully operational. I think it has to be understood, and certainly is understood by those who deal with other matters that involve other jurisdictions, it has to be remembered that the provinces were talking about the manner and way in which a natural product is going to be handled in the Northwest Territories, in Alberta, in Saskatchewan, in Manitoba and a good portion of the Province of Ontario, and that it did take a considerable degree of discussion, a great number of meetings to arrive at some common ground that we have, you know, finally found that enabled this corporation to become established.

So, Mr. Speaker, with those general comments let me make it very clear that this is a piece of legislation that we on this side take as much pride in as I'm sure those on the other side in having the occasion or privilege of presenting it. We also would have to caution - and I'm sure the Minister is aware of some of the difficulties that one faces when one attempts to undertake very basic rationalizations of any industry - when it comes down to the nitty-gritty it affects people, it affects firms, it affects businesses, it affects long-established practices, traditions, and there is very often a very wide misconception or misunderstanding of how an actual scheme will work in its practical application than to how it was anticipated it would work when it was merely at the discussion stage; and I think undoubtedly the department and the Minister is running into some of these occasions and situations at the present time. It couldn't be but otherwise.

Again, I think that there are a few particular points that I would like to bring to the Minister's attention, points that I regard that I was unsuccessful or failed to achieve during the time I had jurisdiction over this legislation, and number one is that it should at all times be remembered that Manitoba contributes approximately 50 percent of the market that is to be regulated, and that I was most unhappy with the situation that we only have one member on the Board of Directors. I was further unhappy with the fact that we were unable to convince the Federal Government that they should relinquish the five civil servant appointments to the Board of Directors on this Crown Corporation because I do feel that while we glibly speak of Saskatchewan, Alberta and Northwest Territories - and it's again a nice bit of arithmetic to work out on paper that every region should get its director - the simple fact of the matter is that we have 50 percent of the industry here, and if it's being run not according to our interests we should have I think by some equation of democracy something approaching 50 percent of the say perhaps. That may be putting it too lightly, but it's a concern that I'm expressed with. The major part of the processing industry lies in Manitoba; the major catch is caught in Manitoba; and we have one voice on a Board of 10. Five on this board of 10 are senior Federal civil servants.

I'm concerned about the lack of producer voice, primary producer voice on this Board - very much so concerned. I'm also concerned at the lack of industry voice that is representing the industry processors on this board. I know that there are provisions for Advisory Boards and these may allay - or perhaps I'm anticipating concerns that are unjustified - but I indicate these concerns to the Minister in speaking to the bill at this time to let him know that these were my concerns, and if I can be in any way helpful to the Minister in the future administration of this bill, that it's in these areas that I express certain fears and concerns.

I would also have to say that there are undoubtedly some very very important discussions and negotiations that will have to take place respecting the clauses regarding redundancy in the bill, clauses that are of very real concern to members of the processing industry here in Manitoba and should be of concern to all of us, including the Minister of Labour insofar as that we are speaking of Manitobans employed. We want to at all times keep in mind that we are talking about one of those enviable kinds of products, the kind of products that we in Manitoba should have many more of, namely insofar as this is an export product, 90 percent of it is export. In that sense I suppose we are doing our little bit as Canadians in trying to offset the deficit with our giant American neighbour in our trading positions with them.

But it's in these areas that we will be watching the performance of the board and indeed those who are responsible provincially, namely yourselves, in its operation. We would hope that a major effort be made because the opportunity exists to maintain the very closest liaison

(MR. ENNS cont'd) . . . with the federal Board. We are fortunate that its headquarters is here in Winnipeg, in Manitoba, and that it's of utmost importance that a relationship exists between your department and the Government of Manitoba and this federal board, which I think we all appreciate has the final jurisdiction over the matter, so that our interests are in fact not jeopardized.

With these few comments, Mr. Speaker, I certainly hope that this bill would receive speedy passage in the House.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, if no one else wishes to speak, I would move, seconded by the Honourable Member for Portage la Prairie, that debate be adjourned.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, if the honourable member doesn't mind, I would like to add a few comments here. There have been a number of people who have had a part in this particular series of activities that led up to the formation of the Fish Marketing Board. As a result I'm sure the present Minister has found that it's a very intriguing involvement to find himself in.

One of the major points that has been made by my colleague from Lakeside is one which I wanted to reiterate, that is the fact that a very very large percentage of the product is for export purposes. Something in the order of 90 percent of the commercial fishery does go to export to the United States. As a result of this I think we are in a much more solid position in justifying the existence of a government marketing board for the purpose of marketing. I think we would be in a much more difficult position if we are looking at vegetables which are primarily for home consumption, because the end result of any marketing board must be to get a higher price for your product. And whether it's selfishness or not, as legislators for the province of Manitoba we feel that we can look at this in the light of gaining a better price for our Manitoba producers, especially when 90 percent of the product goes out of the province and out of the country and is a matter of export, such as wheat or any other commodity that is developed from a natural base.

But might I point out to the Minister of Mines and Natural Resources, and through him to the Minister of Agriculture, when it comes time to make the arbitrary decision which he has indicated he's going to have to make some day regarding marketing of local products for local consumption, it is entirely a different ball game and that the Fish Marketing Board should not be used as an example, transferred to that particular field of agriculture.

I would also like to back up the Member for Lakeside's request that the Minister, if he has opportunity, would press the Federal Government to make a more equitable distribution of board members out of the ten. We must share responsibility in this too, but in the give and take that was necessary in the formation of the board, it was necessary, since it is a federal board, to provide them with as much leeway with the responsibility that they were undertaking, but one member out of ten was really not proportionate in any way, and it would be helpful if we could gain at least two more members, one representing the Fishermen's Federation and the other the processing industry in Manitoba, since both are so vitally necessary to the success of this industry.

The price of fish this year has brought about a very favourable condition for introducing the board, and I think we ought to all be very pleased that this has happened because the board is getting into operation from the fishermen's point of view, from a very satisfactory point of view in that the price is higher, but the same cannot be said of the processors at the present time. However, undoubtedly the Minister will hear from that portion of the industry directly. Thank you.

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

MR. SPEAKER: On the proposed motion of the Honourable the Minister of Municipal Affairs, Bill No. 28, an Act to amend The Municipal Act. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. The proposed Act, as the Honourable Minister of Municipal Affairs mentioned, is identical to the Act that was previously written by the previous government, and we are in favour of this Act in principle but there are a few comments I would like to make.

Mr. Speaker, this Act was originally written at the beginning of this year and certainly all of us here want to see the province enjoy the hundredth birthday in the best way we can, but we must remember that since that time we've had municipalities all with mill increases. We've had members warn us in this House that possibly taxes might not be paid because of the agricultural situation, and the Act does give the municipalities to borrow up to 4 mills, and certainly I'm one that does agree that elected members of any kind should have some freedom in this respect. I don't think that they should be controlled but I would say, Mr. Speaker, that this Bill should be regarded with caution and I think that it should be thoroughly discussed in committee because it could end up with municipalities taking on more debt than they can handle at the present time. I would say that the birthday present could be debt for three or four years where they might not be able to do other things that they have planned.

So, Mr. Speaker, I would only say that I would like to see the Bill very thoroughly studied in committee.

MR. BUD BOYCE (Winnipeg Centre): Mr. Speaker, if no one else would like to speak, I would move, seconded by the Honourable Member from Crescentwood, that the debate be adjourned.

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

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer Affairs, Bill No. 12, The Consumer Protection Act. The Honourable Member from Fort Garry.

MR. SHERMAN: Mr. Speaker, I ask the concurrence of the House in having this matter stand.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 22, The Financial Administration Act. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I yield the floor to the Honourable Leader of the Opposition for whom I adjourned the debate.

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

MR. WEIR: Well, Mr. Speaker, I just wish to say a few words about this because in principle we agree with the Financial Administration Act and it's our view that it will make things easier in the administration of the department in the financial aspects of running the government. I have compared them. I know the Minister of Finance - I don't know whether he's checked it himself personally or not; he indicated it was identical with the bill that was presented at the last Session. I see one clause that appears to be missing in my view, and I see a couple of small changes but I'm not going to say anything about it at this stage of the game because I'm sure that if it was intentional that there will be an explanation at committee, and if it wasn't intentional I'm sure it will be inserted at committee, so I'll be happy to take up the discussion there and we support the bill at this time.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, because so many bills came on the Order Paper at the same time I have been unable to examine this one, and I therefore move, seconded by the Honourable Member for Churchill, that debate be adjourned.

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

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 23, The Provincial Auditor's Act. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I rise to support the bill before us. There are some principles in here, or items that I'm not quite sure just what the implication will be. I might throw out some questions in connection with the particular bill and the Minister closing debate could probably give us some information on it.

I notice too under the suspension section that leaders of recognized parties will be taken into consultation. I do hope that this recognition here does not apply, or our rules do not come into play in this particular section, so that all leaders will have a chance to have a say. I don't know whether this will ever be used, that particular section. It will probably be a case where this could be on the books and never have to be used.

(MR. FROESE cont'd.)

I notice too that under the item of Security Requirements that there's a broad statement there that requirements applicable to persons employed in the department will be subject to this Act or to the Auditor, and according to his wishes the way I read it, and I'm just wondering in this connection whether the Minister can give us information as to bonding. What is the situation here with people that are in the employment of the Auditor? To what extent will they be bonded and so forth?

Another item that is of interest to me is in connection with having to report to the Minister. I note from the Bill that the Auditor shall make a report at least once each year. Here I would appeal to the Minister when he says "at least". Why not put in twice? Because I feel that we as members should have reports more often than once a year and if the Auditor is not required to report at least twice a year, then no doubt no reports will be available to us as members. Therefore I would ask that this particular section be amended to read: "to report at least twice each year," so that reports can be made available to honourable members.

There is also a section dealing with "that he will have jurisdiction over certain receipts and payments of public monies that are not part of the Consolidated Fund." Perhaps he could enlighten the Committee as to just what funds there are over which he will have jurisdiction in the way of performing his audit, that are not part of the Consolidated Fund.

There is another section dealing with warrants, and while some years this might not come into play I'm sure that this particular year warrants probably will be a very large item. I certainly would like to know just -- maybe it's out of order to make this request at this particular time, but how much has been issued in warrants this year by the government, because monies have not been available through the regular channels because the estimates were not voted, and therefore they had to resort to special warrants.

I think these consist of some of the questions that I had. I certainly approve of the legislation that is before us and I hope that some consideration will be given to amending the one particular item that I questioned.

MR. SPEAKER: Are you ready for the question?

MR. G. JOHNSTON (Portage la Prairie): Mr. Speaker, if no one else wishes to speak, I beg to move, seconded by the Honourable Member for Rhineland, that the debate be adjourned.

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

MR. SPEAKER: On the proposed motion of the Honourable the Attorney-General, Bill No. 2, The Statute Law Revision and Statute Law Amendment Act, 1969. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I wonder if, with the indulgence of the House, I could have this matter stand?

MR. SPEAKER: Stand? Committee of the Whole.

MR. PAULLEY: Mr. Speaker, I wonder if you'd mind calling the Committee on Ways and Means.

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Minister of Finance, that the House resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I've had very little time to prepare to speak on this particular motion that I adjourned, however I will oblige at this time in order that the government may proceed with some of their bills that they feel they are in a hurry to have them passed.

In discussing ways and means, this is quite a broad subject and you could discuss very many different matters. However, I just wanted to bring about a couple of matters that I feel that I would like to discuss briefly. When we are talking of ways and means, naturally we're considering revenue, and revenue that is to be provided for the operation of the Government of Manitoba. And we're spending more and more money each year for that very purpose. I recall when I first came into the House the total estimates were \$89 million. Now we see a figure something like \$377 million. This is a very substantial increase over these eight, nine years, and I feel that we should take a very close look at the expenditures that we're making and also at the monies that we have to provide - and whether we're justified in spending all the monies that we do for the purposes that they are being allocated for.

In order to get the revenue, no doubt the people and the businesses of this province have to make revenue in order to pay the tax, and the tax that they have to pay naturally is going up too if we are going to request more revenue, either that the tax itself will be increased or that

(MR. FROESE cont'd.) . . . . the volume of business is increasing so that the revenues in this way are enlarged.

No doubt in order for an individual to pay a tax he must have a profit, and I feel that the profit system is one that I would briefly like to make a few remarks on. I subscribe to the profit system as such and I feel that in this day and age, especially the farming community is having far too small a margin, far too small a profit even to make a livelihood for the people on the farm. The margin is being decreased year by year to a large extent because of the increased cost of the commodities that the farmer has to buy, and yet the commodities that he has to sell, or is able to sell, the values of which is being decreased. We've noticed the price of wheat going down this last couple of weeks and we find that other crops, the price is going down. Flax is going down. We are not sure whether the buckwheat that is being grown today or this year we will be able to market. I understand there is only a market for roughly - what is it - half a million bushels of buckwheat? And that if we do have a surplus the farmers of this province might not be able to sell it, and if they do it will be at a reduced price, so that the profit will be very much reduced and at the same time we are going to ask the people for more revenue. I don't think this adds up.

We also need a profit to retain and maintain initiative, reward and ambition. If we do not have profit to go along, we find that initiative is not there. People will not go into new ventures or expand their operation. There has to be a reward; there has to be margin. Also we find that if this is not present then ambition is curtailed or is not coming forward. We also need the margin under our profit system to entice development of industry by individuals and corporations. If we see no profit, people will not invest or develop new industries or expand their existing industries if there's nothing in it for them, and we feel that profit is necessary in order to give a return on investment. When we speak of return on investment, I can assure members of this House that the return on the farmers' investment is very very low. Just - was it two years ago, when the real estate men at a convention here in this city, they mentioned it was one of the lowest of any of the industries, and they mentioned something like three percent. Well, Mr. Speaker, this is far too low in order for people to go into farming. We will find, as a result, that investors will go away from farming into other industries that are more advantageous as to bringing about a profit to them.

Then, too, the consequence of not having margins is that we're stifling development, that stagnation will set in and that we will have an absence of prosperity, and government revenues will be affected. This means that we will find it more difficult to get the necessary revenues that we will be requiring.

We know that competition is also very essential. It is needed. It is referred to as the lifeblood of trade, and in this respect I often feel that a lot of unfair competition exists today because of government boards or Crown agencies receiving unfair advantage through legislation, and in this way that we do not have the proper competition that we would like to see. I've also noticed this to be the case in connection with marketing boards, and while I was called out before I did not have the opportunity to speak on the Bill amending The Natural Products Marketing Act, I no doubt will participate in this matter later on, but to me marketing boards are robbing individuals of certain rights.

MR. SCHREYER: On a point of order, Sir, the honourable member is speaking on a subject matter which doesn't come under the purview of this Bill and that's quite all right with me, but .. (Interjection) -- Sorry, Mr. Speaker.

MR. FROESE: Mr. Speaker, we're discussing ways and means and what I'm trying to get at is that if the profits or margins aren't there the revenues will be curtailed or will be also not existent, and I feel that today we have a lot of unfair competition today as a result of certain powers that this Legislature is extending to marketing boards and Crown agencies. These then happen to centralize authority and control into these boards and therefore take away the rights of individuals to do certain things for themselves in a smaller way. We note this from the Canadian Wheat Board. Farmers are relying on the Wheat Board to buy their grain and to sell it and to export and so on, but today they find themselves in a position where this grain is not moving and where they're unable to make deliveries and to sell their goods, yet they have no recourse; they have no way out. They must just sit there and can do nothing about it, and I feel in this way we're giving too much power and too much control to boards of this type which then have control over them, and this has the effect of taking away or not giving to them the proper prosperity that people of this country should enjoy. Not only that, we know



(MR. FROESE cont'd.) . . . . that regimentation is creeping in; not only creeping in - it's there. We find on so many occasions that when we've had hungry people across the ocean in the African countries, and where we would like to give them wheat, we were unable to do so because of the red tape involved and the regulations of the Canadian Wheat Board as such, that farmers are unable to do certain things on their own in a smaller scale that they would like to do.

So we have facilities that have been to a certain extent I think, brought into disrepute by certain individuals over the years and I've referred to the Grain Exchange that we have in this city. I always felt that we did receive certain services and we are receiving services through the Winnipeg Grain Exchange, and these services and facilities are being used widely by such groups as the Canadian Wheat Board, the elevator line companies, the wheat pools and other organizations. We also have a booklet put out by the Department of Agriculture under the Economics and Publications Branch, and it is written by R. F. Mitchell, Farm Management Specialist, and the caption of it: "Flaxseed and Rapeseed Futures". I think honourable members should take time out and read the publication. I think it would be worthwhile for them. Not only that, I feel that we as members should take time off one morning and go and see the Grain Exchange in operation because I'm sure that honourable members would have things to learn from it. I'm sure this can be arranged because members of the Exchange have already indicated that they would be quite willing to have us, and I feel that we should have more cooperation between these agencies so that we could put these facilities to even greater use by individuals and smaller parties.

Because of the unfair competition that is being placed upon individuals through legislation in connection with marketing boards and otherwise, I feel that this has resulted in depressing the economy of the prairie provinces and I don't think there is any doubt about this, because when we have something like 800 million bushels of wheat in storage which the farmers cannot sell, if they were able to sell this wheat this money would be available to go into circulation and to work on behalf of these people. Now it's tied up in wheat and nothing is moving, and as a result we don't see any development that could otherwise come about. So I feel that this government should take greater effort in seeing to it that something will be done, and when the premiers will be meeting, of the three prairie province, I hope matters of this type will be discussed so that the farmers of this province and other provinces are able to market their grain and in this way give us more revenue so that these revenues can then be used for the purpose of development and in turn this would give us all some more revenue in the province.

In speaking on this motion, I would like to hear some time during the debate, either on this occasion or when the budget comes up, from the government as to their position in connection with treasury branches. We have financial organizations . . . .

MR. SCHREYER: Will the honourable member accept a question?

MR. FROESE: If I can answer it, I will.

MR. SCHREYER: Mr. Speaker, the Honourable Member for Rhineland mentions the desirability of establishing in Manitoba, treasury branches. I'd like him to tell me, if the government were to proceed with that could we be sure of his support?

MR. FROESE: I am in support of extending the treasury branches. I'm just a little leery as to, in Manitoba's case, how it would work out. Because Alberta has large reserves, they are able to use the services of the treasury branches to a much greater degree than we would be able to do in Manitoba because they can, I think to a certain degree - I should probably not use the word "create" credit, but I am sure this is what is happening as a result of being able to use their reserves to back the credit that is in this way enlarged or expanded, and I think it certainly is a thing that we should be looking at and consider, and probably have a committee investigate and see whether it would be advantageous to Manitoba to go into such a thing.

The other matter of encouraging organization of a provincial bank. I feel that the bank in B. C. has done a lot of good for British Columbia and it will do more good in the future. The operations of the bank during the first three months of its operations had a profit of \$240,000, which might not appear large but it had a profit from its very beginning and I feel that in this province we should have a bank here that would be prairie-oriented. Why should all the big decisions in connection with large loans, bank loans be made down east? I feel that the people of this province should have a greater say in the financial organizations concerning and bringing about the credit for the people of this province.

I would also be interested to hear from the government side on the matter of nationalization of banks - I think this was an earlier plank of their party - and what are their views on

(MR. FROESE cont'd.) . . . . this matter, and is this a matter that they are considering at all? I know this means that it would involve not only this province; it would naturally mean other provinces and the Federal Government as well, so that it might not be proper to raise this question, but I think it would be interesting to hear their views on this matter.

Perhaps this next item is not directly involved here but since it's dealing with matters of finance I feel it doesn't hurt to bring in the matter of whether amending legislation will be brought forward so that school districts, school divisions, municipalities and so on will be able to deal with and open accounts in credit unions. For all these years we've been asking every year whether we cannot get legislation to amend The School Act, The Municipal Act, so that these organizations can buy one share in a credit union and in this way they would then be entitled to use the services of the credit union. So far it has been prohibited. I would like to see that this be done at an early opportunity so that our credit union organizations could be put to greater use, because these are the organizations where the people are in control of their own funds and their own moneys, and providing their own credit services, and I feel this is very important.

A further matter - and I've already touched on it in the previous Bill - has to do with year end financial statements of this government. Will a statement be provided to honourable members of the fiscal year-end of March 31, 1969? I think the government should be able to provide a condensed financial statement as to the receipts of the government during the last year and probably the total of disbursements, and so on; whether the budget estimates of the previous government for that year have been realized and whether the revenues exceeded their expectations and so on. I think this is information that we should have and I'm sure this would be helpful to us in passing the estimates that are now before us and also in assessing the budget that will be placed before us.

Mr. Speaker, these are a few comments that I wanted to make at this particular time and I hope I wasn't taking too much time and I hope that some reply will be coming forward from the other side.

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

MR. SPEAKER: I ought to have brought this matter to the attention of the House before putting the question. As this motion reads in the Orders of the Day there's a slight error. It should read that "This House will at its next sitting resolve itself into a Committee to consider Ways and Means." The rest is correct, I believe, "for the raising for the Supply to be granted to Her Majesty." There was that one omission.

Committee of Supply.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Labour, 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.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Elmwood in the Chair.

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: Capital Supply. Resolved that there be granted to Her Majesty a sum not exceeding \$310,800,000 for Capital Expenditures, requirements of (1) The Manitoba Telephone System, \$17,000,000 -- passed; (2) The Manitoba Hydro . . . .

MR. FROESE: Mr. Chairman, in connection with this item I would like to know from the Honourable Minister, who is also Minister of Utilities, is the . . . .

MR. CHAIRMAN: Is this the Telephone System?

MR. FROESE: Yes, is this going to be an ever-recurring item that we are going to have continual expansion of this utility, year after year on this basis, and if so, are they set up on that basis that they would have to have continual development of this type, that this could not be curtailed for a year or two and then go on again? Would that mean that certain people would be taken off their jobs and that this would disrupt the operation of that utility? Because, Mr. Chairman I am just wondering if we should run into more difficult times, that I think we have to take a good look at the steady expansion of these utilities, whether we can afford this expansion to go on year after year and create this indebtedness year after year. I would like to know from the Minister: what is the situation in this connection?

MR. CHERNIACK: Mr. Chairman, it has been a matter of my personal regret, on a

(MR. CHERNIACK cont'd.) . . . . personal way, that the former Minister of Finance and the former Minister reporting for the Telephone System is not sitting opposite us, but I must say that in general I guess I am pleased that he is not. Nevertheless, if he were here he would no doubt be better able than I to reply. Nevertheless I must say that in the short period of time that I have been in the office, I have received a number of communications from people throughout rural Manitoba demanding improvement in telephone service, and I think there isn't the slightest doubt that it is essential that the communications are made possible so that people in Manitoba are able to make full use of the Telephone System which is vital for the life in our community.

I understand that there is no increase in program, that it is a continuing matter, that the Telephone System has a long-range program whereby it is planning to improve services, to give the necessary service to the people, and that it is possible to continue to do so within the financial structure of the Telephone System to repay its debts in accordance with the projection. I might say that - and now I'm relying on the note that I have, which was the same note supplied to the former Minister - that the Telephone System will be spending upwards of \$29 million; with depreciation and other funds generated internally they will be required to borrow only \$17 million from the bond market; and that this is all that appears; that is, \$17 million is the authority required.

MR. FROESE: The reasons for my inquiring here is that we have heard the remarks by the First Minister in Ottawa in connection with the public spending and that certain curtailments are being advised, and also that provincial governments are asked and required to reduce a certain amount of spending if at all possible. In my mind, I am trying to ascertain if certain cuts should be made in the public spending sector. Where are they supposed to be made? This is why I am asking the question on our Public Utilities, whether we are expanding too fast, whether at some time, if things should become more difficult, where the cuts should be made.

MR. BEARD: Mr. Chairman, might I ask the Minister a question before I get into this debate. Will there be another point at which he would like to have the Manitoba Telephone System brought up or is this where you would invite debate on the Manitoba Telephone System?

MR. CHAIRMAN: I might say to the honourable member that we are discussing the first item which is in fact the Manitoba Telephone System, and any comments would be in order at this point.

MR. PAULLEY: If I may, Mr. Chairman, suggest to my honourable friend that possibly the better time to discuss the whole question of Manitoba Telephones or any other utility would be when the estimates of the Department of Public Utilities is considered. This is Capital Supply on which it possibly would be in order, but I would suggest that the better time would be when the estimates of the department concerned are before us.

MR. WEIR: Mr. Chairman, might I ask the Minister of Finance if he has a rough breakdown of the \$29 million that the Telephones - the areas that they intend to spend the \$29 million.

MR. CHERNIACK: No, Mr. Chairman, I do not have the \$29 million. I am informed that some \$12 million is available within the System, that \$17 million is required from the public. I hope that at the next Session I will be able to give fuller information based on what I hope to learn in the intervening months.

MR. WEIR: Mr. Chairman, I wonder if the Minister of Finance would be kind enough -- \$17 million is a sizeable chunk of money and if he would be good enough to circulate to the members of the House, at some point in time, just a general breakdown so that it might be on our records at that time. I don't ask for the information now.

MR. CHERNIACK: Mr. Chairman, I will certainly try to do so. I must say that I relied considerably on the decision of the former government to ask for the \$17 million.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. MOLGAT: Mr. Chairman, I'm asking the Minister the same question on all of the items, so maybe he could supply it to me in a written form, and that is, how much is still available from previous capital appropriations in past years? Now last year I obtained exactly that information from the government in a completely detailed form, and if this is possible it would suit me; otherwise I would ask the Minister on each item. Which would he rather do?

MR. CHERNIACK: Mr. Chairman, if it is within the competence of my department to do it, I think they should, and I'll certainly enquire and see if that were possible.

MR. CHAIRMAN: The Member from Rhineland.

MR. FROESE: If the information is supplied, I hope he supplies it to all the parties.

MR. CHERNIACK: That's understood.

MR. MOLGAT: I'm sure it is available, Mr. Chairman, because it was provided last year in exactly that form. In previous years I had asked the question on each item, but it's easier if we can obtain it. Now did the Minister not recently have a bond issue on behalf of the Telephone System? How much is that bond issue for?

MR. CHERNIACK: The bond issue was for \$17 million and I am happy that the question was asked. Unfortunately I don't have the information at hand - it's down in my office - but it was a very successful issue. It was sold immediately and, knowing little about the bond market and how one operates, I relied to almost a complete extent on the advice given in the department and it proved to be good advice because not only was it sold immediately but as of yesterday the market price was exactly the same as the issued price.

MR. MOLGAT: Under what authority was that \$17 million then borrowed if the House had not passed the estimate which is now before us?

MR. CHERNIACK: I believe, Mr. Chairman, and I am definitely subject to correction on this, that the sale was made as of September. Now I really don't know whether it was a former authority or a present authority. I will certainly find that out for the honourable member.

MR. CHAIRMAN: Shall we proceed? Item (1) -- passed; item (2) Manitoba Hydro Electric Board. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Chairman, can the Minister at this time inform us what the purpose of the \$200 million is, or would he rather do that at a later stage?

MR. CHERNIACK: I can go so far as to read the notes which were prepared for the former Minister. Hydro had capital authority left in the amount of \$78 million at the end of the last fiscal year, so there is an answer to the question which was already asked. The Board has asked for \$200 million which will accommodate this year's 107 millions, and the following 1 1/2 to 2 1/2 years required borrowing authority for capital purposes. The Board will have exhausted this authority by March 31, 1972, and will need additional authorization prior to that time, presumably at the 1971 session.

MR. MOLGAT: For this coming year then, the anticipated amount that will be borrowed will be the \$78 million carryover from previous years and 102 is it?

MR. CHERNIACK: 107 million.

MR. CHAIRMAN: No. 2. The Manitoba Hydro-Electric Board \$200 million -- passed. No. 3. The Manitoba Water Supply Board \$800,000. The Leader of the Opposition.

MR. WEIR: . . . breakdown on the \$800,000 for the Manitoba Water Supply Board. Have they any projected areas there?

MR. CHERNIACK: I can do the same for the Honourable Leader of the Opposition and read the very abbreviated note to the effect that the \$800,000 is the estimate of the Manitoba Water Supply Board as to the amount of capital they may require to provide for waterworks projects in sundry municipalities throughout the province. If it is possible to obtain a detailed breakdown that the honourable member has asked for, I am sure that the Department of Mines and Resources will make that effort.

MR. FROESE: When he does supply, could he give us also the towns or villages that are to be served - the names of the various towns and villages.

MR. CHERNIACK: Well Mr. Chairman, I am guessing that they may not know now exactly what they are planning to do during the balance of this year, but if it were possible, then I think it should be supplied and that's the only way I can leave it.

MR. WEIR: I am satisfied because I think we can get at it in current estimates even though the appropriation isn't there. I think the Minister will likely cooperate with us.

MR. BARKMAN: Mr. Chairman, this is a step in a new direction. You say financing for the municipality. Could you explain that part or did I understand wrong?

MR. CHERNIACK: No, you misunderstood me. It's the amount of capital that the Manitoba Water Supply Board may require to provide for waterworks projects in sundry municipalities throughout the province.

MR. CHAIRMAN: No. 3. The Manitoba Water Supply Board \$800,000.00 -- passed. No. 4. The Manitoba School Capital Financing Authority \$25,000,000. The Member for Riel.

MR. CRAIK: Does this \$25 million come entirely from the Canada Pension Fund -- this \$25 million considered a loan therefore and it's kept entirely to the school capital financing?

MR. CHERNIACK: Well Mr. Chairman, as I understand it, it is up to the government to make the decision at the time monies are needed as to how they will be furnished on a loan basis. As to whether it comes under the monies loaned by the Federal Government, by the Pension Plan or not, I believe is a government decision. At this stage, this government has not made any change from the policy that was carried on by the former government on the question of borrowing. Therefore I can only report to the honourable member that when he was the Minister of this Department, there may have been certain procedures. This government has not made any changes.

MR. CRAIK: . . . question, I note that in the schedule here there is nothing specifically indicated for the Health, Science and Coordinating Council. Can you give me any idea wherein this might be, because it's a fairly sizeable amount and it should actually either be broken out or it should be in a department of Health but it wouldn't be under Manitoba Health Services. I presume that's probably for the purchase of the old building.

MR. CHERNIACK: Mr. Chairman, I wish that the honourable member would have asked this question of the former Minister of Finance at the time when they were both members of the treasury bench, because again I repeat that this is being presented to the House in the identical form as that which was proposed to be presented at the previous session. I did make the caveat that there is an increase under the Development Fund, but other than that this is exactly the same way that it was to be presented, or was presented by the former government at the prior session. I did not read the note which I have and which I am quite prepared to read if I may: "This is the estimate gathered from many sources as to the probable capital requirements involved in building public schools throughout the province. This is money that the province borrows and lends to school districts, taking in turn debentures of the school districts concerned. Last year the amount was \$15 million, the year previous it was \$10 million. They have no . . ." - and this the Honourable Member for Ste. Rose will be interested to hear - "They have no unused authorization as at March 31, 1969." The House is now as fully familiar with this matter as I am.

MR. CRAIK: With regard to the Health Sciences Coordinating Council then, there has been no change with regard to the policy regarding the building program from the previous government. Do I gather that?

MR. CHERNIACK: I hear the Honourable the Minister of Youth and Education saying there was no change. What I can say with certainty is there is no change in this item before us.

MR. FROESE: Mr. Chairman, just what is the interest rate attached to this amount? And also are technical and composite schools under this item, or is this just straight public, elementary and secondary schools?

MR. CHERNIACK: I am certain, Mr. Chairman, I cannot indicate what the interest rates are because, as the Honourable Member for Rhineland is well aware, the interest rates fluctuate considerably at all times, and therefore how can one forecast what the interest rates will be? As to the question of technical schools, I am not in a position to answer it. I don't know if the honourable minister is. He shakes his head - he is not either.

MR. FROESE: I understood from previous discussions that the money secured from the Canada Pension Plan had a set rate, that it had to yield a set rate. Am I not correct in this?

MR. CHERNIACK: No, the honourable member is wrong, Mr. Chairman. As I have learned, once a month the province is notified by the Federal Government of the amount of money that is available to the province from the monthly distribution by the Federal Government. Some ten days after that information is received, and assuming that the Federal Government has been informed that we can use the money, we are informed of the amount of the interest rate. At that stage we have a right to refuse the money if we feel the interest rate is out of line, but as the honourable member must know, the interest rate on the Canada Pension Plan is lower than the rates generally available. But we don't know the rates. We're advised about it once a month.

MR. CHAIRMAN: The Member for St. Vital.

MR. HARDY: Mr. Chairman, I wonder if I might direct a question to the Honourable Minister of Finance. Would he inform the House the total amount of monies that are available to the Province of Manitoba through the C.P.P. on an annual basis?

MR. CHERNIACK: I cannot inform the member in that regard. I don't know whether anyone knows in advance what it is. As I have indicated, the Federal Government notifies us once a month as to the amount. I'm under the impression that the last one was between

(MR. CHERNIACK cont'd.) . . . . \$6 and 7 million - that's for the last month.

MR. CHAIRMAN: No. 4. The Manitoba School Capital Financing Authority, \$25,000,000 -- passed. No. 5. The Manitoba Housing and Renewal Corporation, \$6,000,000 -- passed. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, could we have some indication as to where this money is being spent? Is it all spent in the Greater Winnipeg area?

MR. SCHREYER: Mr. Chairman, I wonder if the honourable members would mind just holding that. The Minister that might be in a position to answer is, I believe, on his way down to the Chamber, unless the Minister of Finance is in a position to answer.

MR. CHERNIACK: . . . . if he's on his way down, I can still read the note that I have before me for the edification of members. It doesn't really answer the question of the honourable member but I think that if I have the information I should impart it to make you as equally aware of the matter as I am.

"This is the estimate of the Manitoba Housing and Renewal Corporation for their required capital borrowing authorization. This new \$6 million is for housing, and with the currently unused \$5 million, provides \$11 million for housing purposes in the coming year. Approximately \$9 1/2 million will be found from Central Mortgage and Housing Corporation. The province's share will come to \$1 1/2 million but we need the whole amount of borrowing authority - which is the total of \$11 million - to enter into arrangements with Central Mortgage and Housing Corporation. The Corporation also has approximately \$3 million of unused authority which is available for commitments, and further proposals with respect to urban renewal."

And may I report to the House that there have been steps taken in connection with housing outside of the City of Winnipeg to my knowledge. There are developments taking place outside, but I would not dare to attempt to give you information from memory and I would think that if the Honourable Minister of Health does not come down in the next moment, that he will check the Hansard and will attempt to give the answer to the honourable member.

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

MR. MOLGAT: Mr. Chairman, I've been particularly interested in knowing if there's an amount here set aside for housing in non-treaty Indian communities. I know that there is a program here in connection with the Federal Government, and -- (Interjection) -- Yes, now that the Minister of Health and Social Services is here possibly he can answer the question.

Dealing with the \$6 million borrowing authority under the Manitoba Housing and Renewal Corporation, is there a portion of that amount, and what portion is it, set aside for housing in Metis or non-treaty Indian communities under the sharing program with Ottawa?

MR. GREEN: Yes. I'd like to inform the honourable member that a portion of that money would be available for the housing that we are building in isolated communities, the program which was commenced last year. I can't give the honourable member the amount of that portion but part of that is available for that share of the program. The amount has been built up to \$6 million as a result of unused monies in previous years, but part of it would be available for that program.

MR. MOLGAT: If the Minister doesn't have it now I'm quite prepared to wait until another time in the course of the regular estimates, so I wonder if he could obtain for me the amount which is going to be spent in isolated communities; which communities are going to get the housing; and what the cost-sharing agreement is with Ottawa.

MR. GREEN: I'd be happy to get that for my honourable friend.

MR. CHAIRMAN: No. 5. The Manitoba Housing and Renewal Corporation, \$6,000,000 -- passed. No. 6. The Manitoba Development Fund, \$50,000,000 -- passed. No. 7 . . . .

MR. FROESE: Mr. Chairman, we have a very substantial increase here. I forget -- Did the Minister give us the information why the need for the additional amount?

MR. SCHREYER: Mr. Chairman, I think it's just as well that the Member for Rhineland has asked this question as to why there is this substantial increase in Capital Supply for the Development Fund, and the reason has to do with the fact that the Fund has made commitments in the form of loans committed to various enterprises, and has made these commitments to the extent that it has exhausted its capital supply authorized and requires this amount in order to meet its commitments. And really, I suppose it's a sharing of responsibility here as between the previous administration and this one. We find ourselves in the position of having to ask this House for authorization in order to enable the Fund to meet its commitments made in the course of the past several months.

MR. FROESE: When this amount is allocated to the Manitoba Development Fund, in what form is it allocated? Will it form part of their share capital or is it just a contribution to the . . .

MR. SCHREYER: Passing of this item will not have the effect of increasing the share capital of the Development Fund.

MR. MOLGAT: Mr. Chairman, did I understand the First Minister correctly to say that the whole of the 50 million has been committed by MDF already? That this is the completely committed amount?

MR. SCHREYER: Well, perhaps the word isn't completely but let me put it this way, that the Fund has made commitments in the forms of loan commitments which, in order to honour, must have an increase in capital supply.

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

MR. G. JOHNSTON (Portage la Prairie): I'd like to ask the Premier who's responsible for the Development Fund, if a Crown corporation can borrow Development Fund money?

MR. SCHREYER: I'm sorry. I couldn't get the full impact of the question.

MR. G. JOHNSTON (Portage la Prairie): Can Crown corporations borrow Development Fund money?

MR. SCHREYER: I don't think there's any statutory prohibition against that. I don't think.

MR. CHAIRMAN: No. 6. The Manitoba Development Fund - \$50,000,000 -- passed. No. 7. The University of Manitoba - \$2,000,000. The Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, could the Minister of Finance just quickly explain the rationale for the \$2 million? I realize that he is new but, as the representative of the constituency in which the University of Manitoba is located, I also am new.

MR. CHERNIACK: And therefore you're about to know all I know now. This \$2 million authorization is needed to enable the province to guarantee a university bank loan so that the university may make a very advantageous arrangement with one of the chartered banks of Canada for \$2 million long-term loan in connection with the construction of the new Student's Union Building, University Centre. This money will be required to be borrowed from time to time as the need arises.

MR. CHAIRMAN: No. 7. The University of Manitoba, \$2,000,000 -- passed. No. 8. The Manitoba Health Services Insurance Corporation, \$3,000,000 . . .

MR. MOLGAT: Could the Minister explain what that amount is?

MR. CHERNIACK: Yes, I have already mentioned in reply to a question sometime earlier. I'll read the note, but I had mentioned it. "This \$3 million is to provide sufficient funds for the purpose of acquiring a head office building for the Health Services Insurance Corporation and the Manitoba Hospital Insurance Corporation operations. With this authority we can hope to arrange a long-term bond loan for the Corporation. The Corporation will then be able to repay the Treasury for short-term advances we have already made for the purchase of the MMS Building." You may recall I did report that earlier in the Session.

MR. CHAIRMAN: No. 8. The Manitoba Health Services Insurance Corporation, \$3,000,000 -- passed. No. 9. General Purposes, \$7,000,000. The House Leader of the Liberal Party.

MR. G. JOHNSTON (Portage la Prairie): Would the Minister explain what "General Purposes" are?

MR. CHERNIACK: Yes. I must inform the House that -- There's some interesting -- well it is a full page of reading so possibly it would be well to leave it for 8:00 o'clock. (Besides, I'm missing a page obviously.)

MR. CHAIRMAN: It is now 5:30. I am leaving the Chair until 8:00 p.m. this evening.