

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Friday, June 26, 1970

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.

ORDERS OF THE DAY

MR. SPEAKER: Committee of the Whole House.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, I wonder if you would mind calling Bill 119 which was distributed this afternoon. The bill is an Act to amend The Teachers' Pension Act standing in the name of the Honourable the Minister of Education. I believe that consent is required. It is my understanding that that consent has been obtained. I pass the ball to the Honourable Minister of Education.

GOVERNMENT BILLS

MR. SPEAKER: The Honourable Minister of Education.

HON. SAUL A. MILLER (Minister of Youth and Education)(Seven Oaks), by leave, presented Bill No. 119, an Act to amend The Teachers' Pension Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Education.

MR. MILLER: Mr. Speaker, this is The Teachers Pension Act to which I made reference previously in a statement before the House. There are many items in the bill but all of them really relate to three major changes in the benefits available to teachers who retire or terminate their teaching career.

As I mentioned some weeks ago, Mr. Speaker, it was considered desirable to improve the early retirement benefits available to teachers who may become eligible for early retirement. A significant improvement in the early retirement benefits is contemplated by scaling down the reduction which now applies in the event of early retirement. In effect, the early retirement penalty - and it is a penalty really, it has been - is being reduced from seven percent per annum to a quarter of one percent per month. This means that on the passage of this bill a teacher retiring at age 60 would now be entitled to a pension equal to 85 percent of the pension which he or she had accrued up to the age of his retirement, whereas before he would be entitled only to a pension equal to 65 percent of the accrued pension. Now you realize this obviously imposes quite a hardship on teachers who wanted to retire, who were ready to retire but just simply couldn't afford it, and we hope this will now make it possible for them to do so.

The second major change is related to those teachers who terminated their services as teachers before reaching either full or early retirement age. At present, the terminating teachers are permitted to withdraw the contribution which they have made to the TRAF Fund without interest. The proposal now contained in the bill introduces a gradual vesting of the accumulated pension benefits after a teacher has completed a minimum of five years. The amount of pension which vests increases annually until the full vesting is reached at the end of the ten years of service. This vested pension would then be payable at age 65 and would be available only if the employee leaves his contribution in the plan of course. I should add that vesting does not take away from any teacher terminating his services the right to withdraw his contribution. That right he still has, but it does offer him an attractive alternative which was not available before.

It has also been decided that retired teachers who are presently in receipt of pensions should receive an increase in pensions to reflect the increase in the cost of living since the date of their retirement, and a formula has been worked out which gives greatest recognition to those retired teachers whose needs are the greatest. Provision has also been made for these cost of living adjustments to be reviewed at regular intervals.

Now there are two other areas, Mr. Speaker, which I should mention. First, recognition has been given to the problem of the unfunded liability which presently exists in the teachers fund and steps are being taken to control this liability by an annual amount being fed into the fund. Secondly, permission is being requested for the Minister to enter into reciprocal pension arrangements with other governments, both federal and provincial, but really it's provincial that I'd be interested in. These agreements would be of course subject to the approval of the Lieutenant-Governor-in-Council.

(MR. MILLER cont'd.)

Before I conclude my remarks, Mr. Speaker, I'd like to say that I used the word "pensions", but the changes in pensions refer equally to those who have retired on disability allowances as well.

Now I know this is somewhat a complex bill and I expect that there will be questions that members may have. I'll try to answer some of them if I can; others would perhaps better be answered in Law Amendments when members of the staff who are knowledgeable in this matter can be in attendance with me and have the expertise that are required for pension funds and the treatment of them.

So with those few words, Mr. Speaker, I want to thank members of the House for giving leave to introduce the bill at this time.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I move, seconded by the Honourable Member for Arthur, that debate be adjourned. If the honourable member wishes to speak he's at liberty to do so.

MR. BUD BOYCE (Winnipeg Centre): I just want to make a few comments if I may. First of all, I want to assure the Minister that I agree with him for - you know I'm not going to say anything derogatory - I agree with you, and second of all, it's a government bill. But I just want to point out in connection with this change in teachers' pension, something I'm going to start beating the drum for is -- let me put it this way, that right at the moment if you think of wheat production and our ability to far out-produce our demands and if you think of producing cars at the rate of a car every five seconds and a person every seven seconds, and you bring into that people who have been addressing themselves to the problem of automation and things of that nature have guesstimated that by the year 2000, people will be working about 15 hours a week. Now I suggest that -- (Interjection) -- Well, as of tomorrow I'm going to be working in a different way I suppose -- with reference to changing the concept from retirement to one of a deferred income.

Now, as I said, I agreed with the Minister because I think this is a start, but I would like to see us move in the direction that within the next few years we could plan for people who are working in all areas, not just teachers but people who are working in a productive capacity in a sense in any area, so that we could definitely plan towards, say, the target year 2000. Now if I can use the teachers as an example, right at the moment they have to teach to age 65, 35 years of service, and we cut it down to 60 but they're still penalized. If we could use for example the base of 60 years of age and 35 years of working experience, and if we started right here in 1970 and if we worked out a program that every two years we cut down the working years by one year, by the year 2000 people could have 20 years of service.

So what I'm suggesting is that perhaps we should address ourselves to working out a program which people would have to contribute to themselves. This isn't something that I'm suggesting that people, you know, just get something for nothing - for my colleague from Pembina. In other words, if you want to consider it rather in a - I hate to use the word, but a kind of encouraged savings towards a deferred income, because as I said initially, we're out-producing ourselves and I am of the opinion that we can never create enough jobs to absorb the people who want to work.

So if perhaps we could work to a change in human philosophy that we could accept a deferred income, that by the time people were 50 years of age they could move on into other endeavours which wasn't so taxing. I know in my experience, and many of you here could cite me many many instances of people who get locked in about 55 or 60 and they're afraid to move, afraid to change because they're going to lose their pension benefits.

Now many people in my view actually die in their jobs. I know of people who have worked 40 years in banking and they really didn't like it after they got to be age 55 or 60 because they weren't too far up on the ladder, but yet they were locked into it, they couldn't move, they can't change jobs, and if you look at the newspapers you'll see that the demand for experienced people is usually around the age 35. So if a fellow is past 35 - 40, it is sometimes difficult to change your type of occupation.

So just with these few words - this will probably be the last time you will have to indulge with me this session - I would just suggest that perhaps we should adjust ourselves a little more into the future when it comes to what I consider deferred income rather than pensions, which has to me a connotation smacking of, well we're through with you, we have used you all we can so get out.

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

MR. PAULLEY: Mr. Speaker, I think if you now follow the Order Paper for Adjourned Readings.

MR. SPEAKER: The proposed motion of the Honourable the First Minister, Bill No. 43. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I wonder if I might ask the indulgence of the House to have this matter stand. (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 17. The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, in contrast to what some of my colleagues who have spoken on this resolution in their opening remarks, I want to congratulate the Minister, although he is not in his seat, in bringing this bill before the House, but probably for a different reason than what he may possibly anticipate, because, Mr. Speaker, in my opinion this bill has one good feature. It ends clearly, decisively and finally, any discussion concerning the economic philosophies of the Government of Manitoba, and the intent of this bill is perfectly clear and for this we should be grateful.

For a year we have heard differing and contradictory statements from the members of the government concerning their economic philosophy. This bill makes clear that they are socialistic in the long accepted sense of the word. They propose under Bill 17 to introduce state ownership and to discourage private ownership. They propose to establish state ownership in competition with private ownership and in an unfair competition at that. They propose to establish corporations which would in effect achieve the confiscation of private business without compensation. These three purposes, state ownership instead of private enterprise, private ownership; state ownership with unlimited public financing and competition with private ownership; and the establishment of unfair competition for state-owned companies are clearly socialistic. They are clearly intended to destroy private firms, private firms which have been termed by the government as parasites, and clearly intend to discourage private investment within the Province of Manitoba.

It is also significant that these purposes are to be achieved in the field of natural resources development, a field in which much of the future growth of Manitoba would lie if the province were governed by people dedicated to the private enterprise system.

For this much, Mr. Speaker, we must be grateful because at least now we know where we stand with the government on that side of the House; at least we no longer need question the philosophy of the government. It is avowed socialist. It is clearly far to the left and much farther than was indicated to the people of the Province of Manitoba in the past election in 1969. -- (Interjection) -- Did my honourable friend have something to say?

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Yes, Mr. Speaker, I said "nonsense".

MR. WATT: Well, Mr. Speaker, that's generally what we can expect from what I have termed before my "learned friend", the Minister of Finance, nonsense, and when he gets up and says "nonsense" he is clearly indicating what he has injected into this Legislative Assembly from day to day and from month to month and from year to year. Now I appreciate his comments, I appreciate his comments, Mr. Speaker, because when he gets up and says "nonsense", that is clearly what stands foremost in his mind -- (Interjection) -- Yes, I thank my honourable friend for calling order. He should call it to himself more often.

Perhaps a debate has gone on in caucus, Mr. Speaker, and perhaps a debate has gone on in the Cabinet. This is something of course that we are not aware of in these Chambers, but if any debate has occurred however, it is clear that the left wingers have won. The pious statements, pronouncements of the First Minister on the hustings and in public need not mislead the people of the Province of Manitoba any longer. If he ever had any intention of encouraging private initiative he gave up when this bill was approved for first reading. If there was a debate, the left wing won; if there was no debate someone has been less than frank on the hustings and in the public. But none of that matters now. The intent of the government is now perfectly clear. They want Manitoba, it is their intention to take Manitoba to a sharp turn to the left. They are through playing ideological tiddlywinks. The left wing of the New Democratic Party have won; along with automobile insurance we now have Bill 17, "A Charter for Socialism".

It must be perfectly clear from the outset that Bill 17 is not designed to assist private enterprise in the development of natural resources because under Part II, Mr. Speaker, of the Manitoba Development Fund Act the government can accept an equity position in private firms;

(MR. WATT cont'd.). . . . it can be used to allow government to share in the cost and rewards of bringing higher yields from the resource base of Manitoba. The Manitoba Development Fund can channel the money of the people of Manitoba, money raised by taxes and money borrowed against the credit of the people of Manitoba into resource development and industrial development. Under that Act the government has the power to share in the development of Manitoba. Bill 17 is completely unnecessary if we are to have a private enterprise system under which government does not accept equity position in resource development and economic development. And further, without Bill 17 and using the Manitoba Development Fund, the Manitoba Government already has power to invest in an equity position in cooperation with private enterprise and in the development of the resources of our province.

The purposes of Bill 17 are clear. They are obviously different from any legislation present in the statute books in the Province of Manitoba. The purpose of Bill 17 is to establish companies owned, financed and operated by the Crown and designed to compete with present and potential private firms. Before turning to the details of these three questions, let it be perfectly clear, the purpose of Bill 17 is to go all the way. Under Bill 17 the Minister can establish any business he likes related to natural resource development; finance it at public expense and run it in any way he may choose. There would be no limitation on his power to compete with existing firms. There would be no limitation on his power to allocate natural resources to his newly created corporations. There would be no limitations on his power to eliminate competition from private firms already established in the resources development work. And finally, there would be no limitation on his power to draw from the provincial treasury the funds necessary to bankrupt any embarrassing competition from the private sector. It does not outlaw private investment, it merely makes private investment impractical. Crown corporations established under Bill 17 would have three or four advantages over private firms. Each of these advantages would be adequate in most cases to prevent new investment from private sources in resource development in Manitoba; in combination these advantages are such that no private investment in resource development industries would be secure. There are few businesses or few businessmen who would invest under these circumstances; and without investment existent businesses would be driven out of business.

MR. CY GONICK (Crescentwood): Would the member permit a question?

MR. WATT: When I finish my speech. Before turning to an examination of the advantages which Bill 17 would create for its proposed family of Crown corporations, let us examine the kinds of enterprise that we can expect under the new Charter.

Clause 2 (a) of Bill 17 empowers the Lieutenant-Governor-in-Council to establish firms, and I quote: "To carry on all forms of business of growing, winning, harvesting, processing and marketing natural resources of any of the products thereof." By Order-in-Council, not by act of Legislature, but by Order-in-Council, a corporation can be established for any commercial purpose which the government sees fit. The only limitation is that it must have something to do with natural resources. Some possible examples immediately come to my mind. Mining is a rapidly expanding business in Manitoba, it is one of our great growth industries. The province collects a good deal of information concerning geological formations and outcroppings from the mining companies. The province can now proceed to establish a mining company to produce nickel, to produce copper, zinc or any other material from the mineral resources of the province. They can establish such a corporation by Order-in-Council, borrow against the credit of the people of Manitoba to finance this operation and proceed to compete with the taxpaying mining firms of the province. There may be little or no restriction on their ability to seize from mining companies valuable properties which have been discovered and prepared for development by such mining firms.

In the field of forestry, Crown owned logging companies can be established. These would compete directly with existing logging companies and individuals in the logging business. Firms could be established to enter such enterprises as box making in competition with existing firms; chipboard manufacturing, timber treating and the production and treating of posts and of poles and of other timber products. They could even establish a pulp mill. Which I suggest, Mr. Speaker, would come in pretty handy when the government - as suggested by the government - when the time comes that they will take over the press.

A considerable amount of private capital has been invested recently in Manitoba in growing wild rice. This Bill would empower the government to proceed to produce wild rice in competition with the people who have conducted research with their own money and established wild rice growing in the province.

(MR. WATT cont'd.)

The first commercial fish farms are establishing themselves this year in the Province of Manitoba. I think I mentioned this today in a question to the Minister of Mines and Natural Resources. It so happens that I had intended entering into that field, this particular year acquired a licence or a permit, but found that the companies that produced the fingerlings and the foundation fish were sold out. The Crown can establish a corporation or corporations under Bill 17 to enter into the fish marketing business in competition with farmers and others; and perhaps the government would like to establish a fish hatchery or perhaps a feed mill to produce fish foods. -- (Interjection) -- My honourable friend says it's a good idea. That's the idea of the Bill. I'm just pointing this out to him. That is the idea of the Bill.

All forms of agriculture involve the harvesting or the harvest of products which are produced in part by the use of natural resources - when I say "in part", almost totally by the use of natural resources. Under this Bill state farms can be established in competition with the existing agricultural industry. Perhaps this is not the intent of the government at this time but why, I ask why? The power to establish state farms is clearly present in Bill 17.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Will the honourable member permit a question?

MR. WATT: I will permit a question when I finish my speech. I'm sure that my honourable friend will remember what I have said in respect to agriculture.

The list could be extended almost endlessly. The fact is that in the economy of Manitoba a great portion of the production or export-oriented industries use the natural resource base in one way or another and under Bill 17 the government can, by Order-in-Council, establish any enterprise they wish. The only small qualification is that such enterprise must, in some way, relate to natural resource base.

Let us now look at the advantages which such government-controlled enterprises would have over established firms in the province. There is no particular order of importance to their advantage. One advantage will be more important in one case and different in another case. I am listing them more or less in the order in which they occur in the development of a firm. The first advantage to a government-owned enterprise is access to virtually unlimited equity capital. Bill 17 simply empowers the Lieutenant-Governor-in-Council to purchase the shares of the capital stock of a company. This means that the revenues from the taxes paid by Manitobans can be used to establish Crown corporations to compete with the private firms who paid the taxes in the first place. It also means that the borrowing power of the province can be used to raise money for equity capital. It gives to the Cabinet the authority to establish any business they choose at the cost of the taxpayers of this province. A privately-owned -- I can hear my honourable friend saying "pass", and I hear them saying "pass" when the Bill comes before Law Amendments and when it comes before Committee of the Whole. That's what it is there for, the intent, I am pointing out clearly. My honourable friends will get the opportunity to say "pass" when the Bill comes before such committees.

A privately owned firm by contract may raise equity capital from people willing to gamble on the future of an enterprise. While businessmen invest their own money, we can be sure they also invest their talents and their energies to make sure the investment is a sound one and that the new enterprise works. These energies and talents are scarce and so is equity capital. If Bill 17 becomes law those resources, equity capital and managerial ability will become much scarcer in the Province of Manitoba.

Consider for a moment the position of a businessman considering the expansion of a box factory in central Manitoba. There are many risks to any new business venture. There is the necessity to win markets and the threat of competition from other firms; the need to acquire natural resources from the Crown and so on. The cost of equity capital to such businessmen is ordinarily high and it's particularly high at this particular moment. Suddenly he's confronted with a new factor, the possibility that the Crown may establish, side by side with him, a competing box factory financed at provincial expense. Cost of equity capital to the Crown owned venture would be smaller. Presumably the Provincial Treasurer can buy shares in the new venture with no hope these shares will ever yield a surplus or profit or other form of return. The cost of borrowing the money to buy the equity shares can easily be hidden in the accounts of the province. The cost of equity capital to the Crown owned firm is effectively zero.

The first disadvantage faced by the private sector is obvious. Equity capital would be available to a new Crown corporation in amounts which are within the operative ranges of what is needed, unlimited and at a cost so low that the private sector could not hope to raise money under similar circumstances.

(MR. WATT cont'd.)

I will return to the effect of disadvantage later but first let us examine the access to debt capital which Bill 17 provides. Bill 17 empowers the Provincial Treasurer to make loans to a company with or without security. With that power, Mr. Speaker, the Provincial Treasurer can buy Manitoba. The only limitation on the action of the government is the capacity of government to borrow against the credit of the people of Manitoba and the power of the government to tax the people of that province. Any funds which the Government of Manitoba can raise can be loaned to this proposed new nest of Crown corporations with or without security.

Consider this advantage of Crown corporations in comparison to private firms. One of the difficulties of new firms and growing firms is a shortage of capital. The shortage is continent-wide and indeed even world-wide. Certainly it is present in Manitoba. New firms, wishing to borrow for the purpose of establishment find debt capital difficult to borrow and expensive. Established firms wishing to expand face the same difficulty. Now they are to be thrown into competition with Crown corporations who can borrow an apparently unlimited amount of money from the Provincial Treasurer with or without security, at interest rates which the Provincial Treasurer in his wisdom may consider appropriate from time to time and completely tax free.

I think we are beginning to see what the Honourable Member for Crescentwood meant speaking in Brandon when he referred to "state capitalism". I think we are beginning to see - and I repeat this - what the Honourable Member for Crescentwood meant when he spoke, speaking in Brandon, referred to "state capitalism". -- (Interjection) -- No, I don't believe it is anything new to my honourable friends over there. I think they've been aware of it right along. I think they were aware of it in 1969 during the election but they didn't tell the people; but they're telling them now through Bill 17.

I continue, Mr. Speaker, -- (Interjection) -- I always know when it's getting to my honourable friend, the Provincial Treasurer, when he keeps interjecting. Consider the difference between the terms in which a private firm can borrow money from Manitoba Development Fund and the terms in which one of these Crown corporations could borrow from the Minister of Finance. As a development fund, the private sector would be confronted with interest rates of I say, more or less, 9 to 11 percent. He would be confronted with demands for security which would include mortgage on his plant and equipment and he would be required to assign his receivables to the Manitoba Development Fund and he would probably be required to post personal guarantee, and this could quite conceivably include such provisions as granting a mortgage on his personal property, and even his own home, to the Manitoba Development Fund. The manager of one of the new Crown corporations would merely need to sit in his comfortable office and call the Minister of Finance by telephone and say, Saul, would you send me another million bucks? It would be very interesting, wouldn't it be, very interesting.

There is a third and perhaps a more subtle advantage proposed for the new Crown corporations. The bill appears to provide for research and training, conducted completely at the expense of the government. Now, one of the major costs in establishing a new business or expanding an existing business, is research; another of the costs is training management and technical personnel. These are costs which appear in various ways on the balance sheets of firms in the private sector. Evidently on the balance sheet of our new Crown corporations they will be entered only in as gifts from the people. A multitude of miscalculations, errors, fumbling and bungling can be hidden away under the general heading of "Research and Managerial Training." No doubt if Bill 17 becomes law, if anyone ever gets to see the accounts of these proposed corporations, that is exactly what will be found. The ability to train management and technical personnel and conduct research without cost to the firm is an interesting advantage. It is certainly advantage which is not possessed by any firm in the private sector. It will be another of those unique little advantages which the new Crown corporations will possess.

Finally there is another great area of advantage proposed for these new corporations, and it is difficult after the events of the last six months to be shocked by anything which the present government of Manitoba does. I must however, admit to being a little shocked by this one. Under the heading "Transfer of property by government to company" we find that the Lieutenant-Governor-in-Council may transfer to one of the new corporations any resources or property owned by the Crown. So far, well and good. This is normal in the operations of government; but consider this, "notwithstanding the provisions of any other Act, the government may transfer. . . ." That means the natural resources and other assets may be transferred to

(MR. WATT cont'd.). . . . the Crown corporations under terms different from the terms laid down for the allocation of resources of the various Acts previously passed by this House.

For example, forest resources may be transferred by different means, presumably at no cost, and presumably without the competition from the private sector to a new Crown corporation. Similarly, water areas suitable for fish farming can be transferred to a new Crown corporation. There need not be any payment by the Crown corporation to the Crown for the use of these resources. There need not be any embarrassing competition for these resources between the Crown corporations and any citizens or corporations in the province. A simple Order-in-Council will be adequate; no other legislation is obtained. The Minister may simply decide, I want that and reach out and grab it. Other firms must compete for the resource base. They must compete with each other. They must pay appropriate dues, taxes and royalties to the Crown; and now it is proposed that they should do so in competition with Crown corporations which can obtain these resources free of cost, without competition and other rules, which are completely different from rules which apply to the allocation of resource to private firms and individuals. Perhaps of all the advantages this is the greatest; this alone should be enough to discourage anyone from investing another dollar in the resource development of our province.

If Bill 17 is passed and becomes law these will be the rules of competition between the public sector and the private sector of Manitoba. Crown corporations will be able to obtain capital at low cost in virtually unlimited amounts, and no personal risk will be involved to any person employed in the development, administration, management or operation of the Crown corporations. In the private sector equity must come from the personal savings. The complete or partial loss of this equity capital must be anticipated. Such losses would continue to be the personal losses of owners, managers and operators of a proposed business.

HON. AL. MACKLING, Q.C. (Attorney-General)(St. James): How many more pages?

MR. WATT: I'm sure that my honourable friend is not enjoying what I'm saying, but I intend to finish my speech.

MR. MACKLING: No, I wanted to. . .

MR. WATT: But as usual, my honourable friend interjects.

MR. MACKLING: No, I wanted to. . .

MR. WATT: . . . when he doesn't like what is being said, and he's done this constantly through the past, I forget how many months we've sat in this House now, and listened to him saying absolutely nothing.

MR. MACKLING: I just wanted to see your smiling face once more.

MR. WATT: So I continue with my speech, if I may, Mr. Speaker. In the private sector equity capital must come from the personal savings. My honourable friend was not listening so I read this again. -- (Interjection) -- The question has been asked several times, Mr. Speaker, in this House referring to members reading their speeches and I recall the last member on that side of the House said he was reading from his notes, so I just simply say to you, Mr. Speaker, that I'm referring to my notes. In the private sector equity must come from personal savings. The complete or partial loss of this equity capital must be anticipated as such losses would continue to be the personal loss of the owners, managers and operators of a proposed business. There are definite limitations on the availability of equity to the private sector. The borrowing powers of the proposed Crown corporation are unlimited and there is no necessity required to provide security against any monies borrowed. The cost of borrowing is apparently at the whim of the provincial treasurer. The private sector can borrow only by offering sound security including personal guarantees. There are limits imposed upon the amounts of money which may be borrowed by the private sector and these limits are usually related to the equity capital; and the equity capital or the position of the new Crown corporation of course is better than the equity position of the private corporations. Cost of money to the private corporations would be usually higher in most cases than the cost of money to the Crown. New Crown corporations can call upon the Provincial Treasury to finance the cost of management training and research. Private sectors must pay their own resources for the cost of management training and research. A new Crown corporation can obtain allocations in natural resources on any terms which the Minister of Mines and Natural Resources may think appropriate. Private firms must compete with each other and with the Crown corporations for allocations of resources and must pay fees and royalties and taxes to the provincial government; and the private sector must also obtain the resource allocations fairly and legally under the established Act governing resource allocations. None of these restrictions would apply to the proposed Crown corporations.

(MR. WATT cont'd.)

This picture Mr. Speaker, is rather bleak. It seems most unlikely that businessmen will attempt to compete with the framework of these rules. The availability of private capital for resource development will simply disappear. With it will go the managerial and technical talents of the people who wish to invest. These resources, capital, technical and managerial skills will not vanish from the face of the earth, but only from Manitoba. Of course, this is apparently what the government wants. Bill 17 is a blueprint blank cheque for socialism.

It is evidently the intent of the government to establish firms in the natural resources field in competition with existing firms, and under terms of competition ~~so one-~~sided that the private sector cannot hope to expand and would in many cases be confronted with eventual business failure as a result of competitions from these favorite firms.

The government has now made clear contention it proposes to move quickly and thoroughly into the field of natural resource development according to a socialistic blueprint. That blueprint has begun to emerge in the form of Bill 17. Let the government be as explicit in stating the cost of what it's proposed to do. Let the government make clear to the people of Manitoba that they are driving out private capital and that the government must now assume the full cost of resource development. Let the government make clear to the people of Manitoba that borrowing capacity of the province and the tax revenues of the province are to be diverted to the development of natural resource industries; let them make clear that this is to be done exclusively by the government and that the costs will be very large indeed. Let them provide to the people of Manitoba an estimate of the investments which will be made on behalf of the people of Manitoba every year under Bill 17. Let the government also make clear that all this is being accomplished at the cost of the people of Manitoba. Let them make clear that any losses encountered by any of the firms which the government propose to establish will be losses of monies which must be repaid by the people of the Province of Manitoba; and let them ~~make~~ clear that the peculiar advantages which they have created for their Crown corporations are created only at extra cost; and let them make clear that the cost of loaning equity capital to new Crown corporations must be paid for by the people of the Province of Manitoba. Let them make clear that they propose to loan the money of the taxpayers of Manitoba to Crown corporations, with or without security. Let them ask the people of Manitoba whether or not they want their tax monies loaned out, with or without security. Let them make clear to the people of Manitoba that the managers and operators of these new Crown corporations will have no personal stake in the success or failure of these Crown corporations; and let them make clear that the losses encountered by a Crown corporation will constitute only a minor embarrassment to a senior official. Minor embarrassments are not very costly....

MR. BOYCE: Remember C. F. I.

MR. WATT: They differ greatly with the losses of one's personal ~~savings~~. Let the government make clear to the people of Manitoba the cost of research development and management training are to be borne by the taxpayers of the province instead of by the private sector. Let the Government of Manitoba also make clear to the people of Manitoba that the resources...

MR. GONICK: Remember C. F. I.

MR. WATT: allocations are changed now. Let them make clear that the holders of timber quota no longer can compete equitably with one another. They are now in competition with Crown corporations which can have timber at any price the Minister decides, from any place the Minister may choose and under any terms the Minister may wish to establish. The Forest Act of Manitoba has no bearing on what the Minister may choose to do. Let them make clear to the people of Manitoba that the waters of the province are the property of the government of Manitoba, and that the government proposes to allocate these waters to Crown corporations under one set of rules and to the people of the province individually under another set of rules; or let them make clear that they have no intention of allocating waters to the people of Manitoba individually.

Let the Government of Manitoba make clear to the people of the province they propose for themselves the power to establish state farms. Let them make clear to the people of the Interlake region, for example, that under Bill 17 the Crown can recover grazing rights from the people presently using the land, turn these Crown lands into state cattle ranch, charge no fee for the use of the land and conduct the entire enterprise with money raised by taxing the people of the Interlake and borrowing against the credit of the people of the Interlake.

Let the government make clear that any information provided by a mining company to the province may now be used by the province to establish a mine on property which was explored

(MR. WATT cont'd.). . . . by that mining company. Let them make clear to the people of Manitoba that they have not elected Social Democrats. Let them make clear that the left wing have won. Let it be known to every person in Manitoba that we are now on the road to state ownership of farms, forests, enterprises, mines, fishing enterprises and even recreational development.

Then, Mr. Speaker, when those things have been made clear and when the people of Manitoba know and understand what this government stands for, let it go to the people and let the people decide whether they favour this sharp turn to the left or whether they favour the retention of the private ownership of farms, of saw mills and of box factories and of stone quarries and of cement factories and of vegetable processing plants and of vegetable oil crushing plants, of sand quarries and gravel quarries and what have you. And now. . . .

MR. SPEAKER: Order. . . .

MR. WATT: . . . this government is ready.

MR. SPEAKER: Order, please. May I remind the honourable member he has five minutes remaining.

MR. WATT: Thank you, Mr. Speaker. I'm just finished.

And now that this government is ready to talk about the nature of this socialism which they possess, let them go to the people and search a mandate on that basis.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Is the member suggesting that we abolish the Wheat Board? I was a little. . . . Was this a speech suggesting we abolish the Wheat Board?

MR. WATT: I didn't mention the Wheat Board in my speech. I was talking about Bill 17 and the power of the Province of Manitoba, the government.

MR. SPEAKER: Are you ready for the question?

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Will the honourable member permit a question?

MR. WATT: Sure.

MR. PAWLEY: Was the honourable member opposed to the previous government's policy in respect to the pumping of large sums of money into the Churchill Forest Industries project, the public monies involved there?

MR. WATT: My answer to that question, I want to say to my honourable friend, is it the intention of the government today to carry on with the development of the Churchill Forest Industry Products? Would he answer that question?

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. GONICK: Would the honourable member permit a question?

MR. WATT: Sure.

MR. GONICK: Could the member advise the House what powers exist in Bill 17 which allow the government to do things which they couldn't do without Bill 17?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, it was not my intention to enter this debate and I really would confine my remarks to a minute or two. The fact of the matter is, and I believe the last questioner was getting at this, I'm sure the Honourable Member from Arthur was not aware that the previous administration of which he was a member of passed an Act, and over the years amended the Act, which gave wide scale powers to the Manitoba Development Fund allowing that very organization to set up all types of corporations, not only corporations dealing with natural resources, but corporations in the manufacturing field, corporations in the service field, corporations in every sector of the economy, and let me read, just let me read two paragraphs, short paragraphs from The Development Fund Act. "The Fund may subscribe for, or obtain or otherwise acquire in whole and dispose of shares, share warrants and securities of any company," not natural resource companies, any company "Or acquire assets or any interest of any person carrying on any business capable of being conducted to enhance the industrial development of the province in any part thereof."

Now let me read just one other section and this is from the old Manitoba Development Fund Act. "Subject to the approval of the Lieutenant-Governor-in-Council, namely the Cabinet, the fund can cause to be incorporated, can establish, make loans to and operate corporations and dispose of shares, assets, or interest in the shares or the assets of such corporations and grant options respecting the same to prospective purchasers". Sir, Mr. Speaker, the point is that this is legislation passed by the previous government with wide-sweeping powers

(MR. EVANS cont'd.). . . . -- (Interjection) -- it's just a short speech, just wait until I finish - wide-sweeping powers, far wider, Sir, than is presented or suggested in Bill 17, so I suggest that this talk of wide-scale government ownership, based upon this particular Act is just not acceptable and I think the people of Manitoba will take your remarks, Sir, with all due respect as a bit of nonsense.

MR. WATT: Mr. Speaker, will the honourable member permit a question? Would he give the name of the section that he just read? Is it not "Extraordinary Powers" - Has it any relation to this bill which is not "extraordinary powers" that this is all that is asked for by that government?

MR. EVANS: No, Part I. I'll send you a copy of the bill.

MR. WATT: This is policy.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, if there were jackboots, I think they were created when that particular legislation was passed some years ago.

I want to say, Mr. Speaker, that the Member for Brandon quite properly responded to the kind of criticism that came from the Honourable Member for Arthur but I want to deal with something very specific and closetohome wherein the previous administration failed very miserably to indeed prevent the downfall of a very major industry in the Province of Manitoba and indeed within driving distance of Winnipeg. I want to outline, because my honourable friend opposite mentioned the fact that he was concerned that we might be involved in the promotion and the development of greater numbers of fish in the lakes of Manitoba, that we might go into competition in the fish hatchery business. You know that would have been a good idea ten years ago if you people hadn't sat on your fannies because ten years ago we produced about 12 million pounds of fish in this province and in 1968, we produced three-quarters of a million pounds of fish, according to the statistics with which my honourable friend is familiar with and statistics which were distributed in the House of two or three weeks ago. Those were the years to put some funds into the fishing industry to prevent, to prevent the downfall of the Interlake, to not make necessary an \$85 million program to salvage a depressed area because of a loss of an industry.

If my honourable friends would have been on their toes they would have used The Manitoba Development Fund Act and they would have pumped millions of fish into those lakes which would have kept our fishermen busy, and which would have kept our fish plant busy. Today we have a redundant industry for which my honourable friends are asking for compensation, when they were the ones that were in power and had the facilities but they were too lazy to act.

MR. WATT: On a point of privilege, Mr. Speaker, I want to point out to my honourable friend that since this government came in we've known nothing but pollution in our lakes and in our fish, nothing but pollution.

MR. SPEAKER: Order please. Order. The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): I move, seconded by the Honourable Member from Swan River that debate be adjourned.

MR. SPEAKER presented the motion.

MR. CRAIK: Before you put the question, can I direct a question to the Minister of Agriculture? It is a purely technical question - what kind of a pump do you use to pump fish?

MR. USKIW: Well, I said you ought to pump some money into the fishing industry.

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

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources)(Inkster): Mr. Speaker, would you please call Bill No. 113?

MR. SPEAKER: On the proposed motion of the Honourable Minister of Education. Bill No. 113. The Honourable Member for Swan River.

MR. BILTON: I stood that in the name of the Honourable Member for Emerson.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I, like the other members of my caucus, wish to voice at the outset that we are in support of the Bill 113 in that we do realize some areas that could be better but in a general way we do not intend to oppose the principle of this bill.

Basically, as I understand it, the Bill is designed to remove restrictions, unnecessary restrictions that exist at present with regard to the teaching of French or subject material in French or in English and I say, Mr. Speaker, that this bill really removes unnecessary restrictions because I am convinced that at the moment and maybe for sometime to come, this

(MR. GIRARD cont'd.). . . . bill will not have a very significant impact on our schools, because we are not in a position to make rapid changes in this domain.

I would further like to suggest that it might well be Mr. Speaker that the restrictions that were imposed by the previous legislation was unnecessary in that it is not really the legislation that was holding back the use of French as a language of instruction in school but I would suggest it's primarily, primarily the lack of qualified staff, qualified material, textbooks and so on. I say this having full knowledge of what goes on in my own particular school for example and I think that our school at Lorette is quite typical of a school that can be considered a bilingual school. We have approximately 65 percent of our students who are of French origin and yet in spite of having legislation that permits us to teach 50 percent of the time in French, we are not able to do nearly that much. At most we are able to achieve approximately 35 percent because we have a shortage of, not especially personnel but of textbooks and courses available to us.

I think there's something very important in the bill, however, Mr. Speaker, that ought not to be forgotten. I think this marks the historical place in time when the people in Manitoba value or express a value for a language and a culture other than English and I hope, Mr. Speaker, that in no way is the objective to satisfy an ethnic group but rather to recognize the value of a culture and a language other than English. I can't emphasize too much, Mr. Speaker, the cultural value that could accrue from this bill and I couldn't play down enough the ethnic character that this bill might have.

It is my hope that with the teaching of a second language or a third language or whatever, we will be able to awake in our young Manitobans an awareness of the value of things that are cultural, an awareness of the value of languages other than French and English. I think, Mr. Speaker, that by giving courses that are high quality and comprehensive and interesting courses in French as well as in English that we are able to awake also an interest in the cultures other than French and English and I do hope that this bill, in an indirect way, might have this kind of by-product. I can't think, Mr. Speaker, of a more accomplished person than one who is multi-linguistic and one who is multi-cultural in thought and in understanding of people. I think that there is as much to be said of a bilingual person or a multi-lingual person as there is to be said of a person who is an accomplished artist or accomplished pianist because from an artistic point of view, the cultural value attached to this kind of development in my view is just as great and just as desirable. Then what we must do is strive to awake this kind of interest in our young Manitobans.

Now there is very interesting background to Bill 113 and I would suppose all of us wish as much as possible to forget that Bill 113 hasn't arrived the easy way. There is a great deal of political discussion in the past history of Manitoba that is really not conducive to the kind of thing we hope to bring about by Bill 113. The discussions in the past have been emotional, tempered by a lack of understanding, a total lack of cultural value attached to the political discussions of the past. I think that we can say that the discussions in the past have really been discussions between people who fought cultural affairs on basis of politics and not on the basis of culture at all.

I would like to indicate that before I was interested in politics, I spent some time reading the Hansards and the debates of the past and in some occasions - and I can remember quite vividly in some specific occasions - there were very ugly debates on this very issue, debates that forgot altogether the issue of culture and the desirability of bringing culture to our young people and the debate became totally political and emotional and sometimes irrational. I can't help but think, Mr. Speaker, that at times it became so political that those people involved in those debates were more interested in their own political future and, in fact, harmful to their own cause. I think those debates clearly show that the issue sometimes was lost in terms of logic and only lived because of its emotion. It's my hope, Mr. Speaker, that the politicians of Manitoba will realize that an affair as important as this to the cultural future of Manitoba ought not to be used to make political hay and I have little time, Mr. Speaker, for accusations or for political debates that are not aimed at the prime objective of this bill.

I'd like to congratulate the government in bringing the bill forward; I'd like to congratulate them because they did it in a non-political way. I'd like to suggest, though, that it would have been very difficult to bring about the same bill if we had thought it should have been brought about five years ago because there will be a price tag attached to this bill. We don't yet know what it's going to be but I think part of the credit here must go to the Federal Government in that they have provided some funds that will assist us in making this bill work. I know that in

(MR. GIRARD cont'd.) the bill there are certain areas that show we are not yet fully organized. I'd like to see more details in the bill. I'd like to see, for example, where the advisory committee on languages that is to be set up will not only have representation from St. Boniface College but rather from an organized pedagogical school in the same way as the Faculty of Education, for the counterpart, is included in the advisory board. I am a little at a loss as to why the Minister has reserved so much choice as to who will be on the advisory board. It seems as though he has a lack of confidence in some groups because he asks that they submit four and we'll take two from them, but it might well be that he has some very good reasons to do this.

Generally, Mr. Speaker, I'd just like to say that we are happy to see this bill, with its imperfections, and we'll be looking forward to putting it into practice.

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

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, before we pass this bill I think I should make a few remarks. I agree that we should have more languages taught in this province of ours. I think it's a sad thing that it took so long for it to come about because in the meantime over these many years, we have certainly already lost many teachers or many people who could have certainly developed the various languages in our province much more than presently and while we still have, I think, means whereby we can develop the necessary teachers so that we can supply our schools wherever these are needed with them, probably not for the moment, but certainly I think we should not skimp on monies and provide the necessary funds to bring this about.

I am interested also in the matter of other languages under a certain provision in this bill, not related to French and English and while we have, still have well over 100 classrooms in southern Manitoba and across the province that are giving instruction in the German language, I feel that it is very high time that some assistance or at least some timetabling be allowed so that instruction in these other languages can be brought about during other times of day than heretofore. The Trustees Association of Manitoba, at its annual meeting or convention, I think last year and the year before, passed resolutions to that effect, that The School Act and the regulations should provide for timetabling so that instruction could be given at any time during the day, to further this aspect of instruction and I am sorry that this is not stated in the Act itself. However, we have heard from the Minister and also from the First Minister in connection with this, that this will come about, that this will be provided on the regulations and we are looking forward to this so that from here on we will have this provided to the schools where we have the necessary teachers to do this and to retain the language and the cultures of the various people and various groups that we have in this province. I do not only speak for my particular group, I would like to see this on behalf of other groups as well. I have stated so in this House on previous years and I think ever since I came into this House. I have always stood for this, asked for these provisions and I'm very happy and delighted to see that this is going to be brought forward and that from here on in, we will see more of this and that the government will be providing for the necessary expense.

MR. SPEAKER: The Honourable Minister will be closing debate?

MR. MILLER: I'll be closing the debate, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Education.

MR. MILLER: Mr. Speaker, I want to thank all those who took part in the debate and when I finished my remarks at the end of second reading, you may recall that I asked that this bill be given consideration that when it passes, that it pass unanimously and I want to congratulate members for the remarks they made because I feel that this bill, when it does pass in a few minutes, will be passed by unanimous vote of this House. I think it is a milestone certainly in the development of our province and the recognition that Manitoba is a community of minorities and that we are recognizing this fact, as well as the fact that French is one of the official languages of Canada.

I would like to dwell for just a minute or two on some of the questions that were posed by some of the members regarding other languages. They were not specifically mentioned in this bill to any great extent, because these other languages as subjects for instruction in classes can be passed by regulation and will be dealt with in that manner, so that languages such as Ukrainian, German and the question from the Member from The Pas, who questioned the Cree, the teaching of Indian languages, that too will be permissible and regulations will be passed to make that possible.

(MR. MILLER cont'd.)

The question with regard to the composition of the two committees and the St. Boniface College, I might point out to the Member from Emerson that the St. Boniface College is one of the groups from which we will draw members but if - and I trust in the not too distant future - Manitoba will be the site for the teacher training facility for Western Canada for French teachers and when that time comes along of course, the committee will be comprised of representatives from that institution, rather than St. Boniface College.

The Member from Rhineland made the remark that he is sorry it took so long and perhaps none of us really can be held responsible for it. Sometimes these things do take very long, but when they do come about, as they are now, it's obvious the time is right, that our community and people are ready for it because from the discussion I have heard so far, it is obvious that since this House of 57 people represents Manitoba, from the comments I have heard, Manitoba is more than ready for this bill. Thank you.

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

MR. LAURENT L. DESJARDINS (St. Boniface): Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken the result being as follows:

YEAS: Messrs. Barkman, Barrow, Bilton, Borowski, Boyce, Burtniak, Cherniack, Craik, Desjardins, Doern, Evans, Fox, Froese, Girard, Gonick, Gottfried, Graham, Green, Hardy, Henderson, Jenkins, Johannson, Johnston (Sturgeon Creek), Jorgenson, McBryde, McGill, McKellar, Mackling, Malinowski, Miller, Patrick, Pawley, Petursson, Shafransky, Sherman, Toupin, Turnbull, Uskiw, Watt and Weir.

MR. CLERK: Yeas 40; Nays nil.

MR. SPEAKER: I declare the motion carried.

MR. MILLER: Mr. Speaker, I would make this observation, I believe this is the first bill that this House has carried by unanimous vote.

MR. WALTER WEIR (Leader of the Opposition)(Minnedosa): Mr. Speaker, I think that we would have to make a correction, I can recall other bills that had a unanimous vote since I have been in the House.

MR. GREEN: We're talking about this Legislature.

MR. WEIR: That's not what he said.

MR. GREEN: That's right, the Honourable Leader of the Opposition is quite correct. Would you call Bill No. 108, please, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Finance. Bill 108. The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): I can't seem to find it. My bills are all messed up to the point of no return. Mr. Speaker on speaking on this bill, there is only one point disturbs me about this. The Minister of Finance hasn't answered my question yet. I asked the question the other day as to whether this bill, which makes it possible for cars operated or owned by the government, to use coloured gas, I would like to know if Crown corporations such as proposed Automobile Insurance Corporation, would be using coloured gas.

MR. CHERNIACK: I answered that.

MR. McKELLAR: I never heard you. Well, what was the answer?

MR. CHERNIACK: No.

MR. McKELLAR: No, well I'm glad to hear that, because this is very important. Another thing I was wondering about out in the rural areas, in sections of the province - I'll give you a good indication - many towns have been able to sell the government quantities of gas. Now knowing coloured gas as I do - and I buy lots of it every year - I was just wondering will the service stations be allowed to put up pumps and sell gas or will the coloured gas come from the pumps that are operated by the government themselves in the various garages or how will they supply the needs of the government cars in the rural parts of Manitoba? That's all I have to say, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, there were several questions that were asked and I am getting the answers ready but I don't propose to hold this bill up. We will of course be able to deal with it in committee by which time I certainly should have the answers to any and all of the questions that were asked. Unfortunately I was not in the House when this bill was partially debated last night and I still haven't got the transcript of Hansard so that I gather that the House is prepared to pass the bill on second reading and when we deal with it in committee I expect that I will have the answers.

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

MR. GREEN: Bill 121, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable the First Minister. Bill 121. The Honourable Member for Souris-Killarney.

MR. McKELLAR: Well, one of the reasons why I want to ask questions, I want to know, there are two bills that are repealed. Two bills that are repealed, the Fair Accommodations Practices Act and The Fair Employment Practices Act and I remember those bills so well when we were dealing with them and I think Mr. Roblin was the Premier at that time; it spelled out and I think it covered practically every situation that might cover employment and in case of the possibility of hotel accommodation, the accommodation problem and I was wondering just what the purpose of bringing this bill was when we had the matter covered under these two separate bills before. Is it just window dressing or what's the purpose. I don't know. The First Minister made quite a to-do about this bill when he brought it in, but I can't find anything any different here than what's in the two bills, The Fair Accommodations Practices Act and The Fair Employment Practices and actually you know, there are certain things you can't legislate. One of the things that concerns me when you try to put everything into a bill that you might run into serious problems. The only question, as I mentioned before, what different sections are there in this bill that there aren't in the two previous bills that are being repealed?

MR. MACKLING: If you have the questions, maybe I can answer them both at the same time.

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: Well, I understand the Honourable Member wishes to speak? Well then perhaps the Premier would like to answer the questions although I think. . . .

MR. SPEAKER: Are you ready for the question?

MR. FROESE: . . . the case then I will make a few remarks and I can probably add later on in committee. I recall too well, too, when the bill was brought in, the one that is going to be repealed, The Fair Accommodation Practices Act, I think it was away back in 1960 or 1961 and I spoke on it at that time and there was quite a heated debate on the bill at that time. In certain ways I do not like the legislation too well because, for instance, "employers not to discriminate in employment practices", supposing an employer probably has two or three vacant positions and he advertises and he probably gets 25 applications. Should he get three employees there, of coloured or so on, let's just take an example, and the rest of them are white, what would be a fair situation in choosing the employees, for rating them on the basis of population in Manitoba? On that basis probably the employees that he would hire should all be white because the coloured population in this province is so small. So that it is very hard actually as far as discrimination is concerned that you do not discriminate. There are so many different ways in which discrimination can take place. For instance when you hire teachers they might have the same qualifications, one might have an accent and as a result he might not get the position. Well this is discrimination, but at the same time it might be some valid reason in that particular case. So there are various ways and means along different lines which discrimination does take place and which I don't think you can legislate against. I do hope when this bill is passed that since we've had no trouble - at least I'm not aware of any trouble on the other bills that have come to the notice of this Legislature; maybe the government knows of cases and if so I stand to be corrected but as far as cases coming before this House or being discussed in this House I am really not aware in connection with the two other bills that are on the statutes at the present time and which will be repealed. There are other reasons I could mention. Cleanliness is another one in connection with hotel accommodation, that there could be discrimination on those grounds. So that I will not oppose the bill on second reading; I would like to hear from the Minister concerned if they feel justified in bringing legislation forward and that there have been cases, let's hear about them so that we can bring proper judgment to the legislation.

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

MR. MACKLING: Mr. Speaker, I would like to make a few brief remarks in order to answer if I'm able the questions that are raised by the Honourable Member from Souris-Killarney and the remarks of the Honourable Member for Rhineland.

The Human Rights Act provides for the establishment of a Human Rights Commission which the previous legislation did not have. It is true that there was a Fair Accommodation Act and a Fair Employment Practices Act, but neither of those acts had a mechanism for the enforcement of those acts per se. They come under the aegis of the Labour portfolio and they didn't have a separate and concerted administrative machinery to enforce the provisions of

(MR. MACKLING cont'd.). . . . those acts. Now the Human Rights Act does provide for the establishment of a Human Rights Commission with specific enforcement powers and rights of inquiry and so on and they're spelled out with some particularity in the Act and it is not -- and I can assure the Honourable Member from Souris-Killarney -- windowdressing. The Human Rights Commission will have power to take proceedings against those who have been carrying on any discriminatory practice. It also will have -- of course the commission itself will have a very fundamental educative factor because it will be able to demonstrate effectively the reasons why discrimination should not be tolerated. I'm sure that, as the First Minister indicated when he introduced this bill, that that alone may be the most significant factor of the work of the commission, because as the Honourable Member from Rhineland has pointed out in many instances it's very difficult to tie down what the act of discrimination is. But there have been cases, I can assure you, Mr. Speaker, of flagrant discrimination, and in those cases there has to be a technique to take proceedings to arrest and frustrate continuing discrimination which is unfair. I think if the honourable members read the provisions of the Act very closely they'll find that it will be possible to take very positive steps to correct abuses that have and continue to exist in the area of discrimination in the fields provided; and I think that you'll find on a close reading of the Act that it is a great improvement over the provisions of the two previous acts that dealt with the areas that are included and covered and I think in a much more thorough way in this Act.

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

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

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

MR. GREEN: Bill No. 111, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Health and Social Development; Bill No. 111. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. When the Honourable Member for Fort Rouge was speaking in this debate she dealt at some length with a problem which is maybe particular to a religious group. This involved the treatment of a child, or the surgery on a child in a hospital without the consent of the parent. There was some concern expressed and one of the points that was brought up by, I believe it was the Honourable House Leader, was the point that they felt that the life of the child was the concern of the people of the province more than that of the individual and the parents. Mr. Speaker, I am not one that thinks that the individual should have the supreme authority over all our laws or anything like that but there has to be some concern for the rights of the individual. This has been expressed in other acts; we've heard it expressed tonight in this place and I believe that this question has to be looked at very seriously, because there are some things in this life that I don't believe the state has a right to interfere in and religion is one of them.

MR. GREEN: Did the honourable member quote me as saying that I felt that the state has more interest in the child than the individual?

MR. GRAHAM: Mr. Speaker, I felt from the -- the interpretation I got from the words of the House Leader was the feeling that the . . .

MR. GREEN: . . . spoke on this?

MR. GRAHAM: No, you were questioning the Member for Fort Rouge.

MR. GREEN: I assure you that I never . . .

MR. GRAHAM: Maybe I am mistaken. Mr. Speaker, if I am I apologize. There is a field here that is a very touchy subject, if I may say, because it has been raised numerous times in numerous jurisdictions both in this country and in other parts of the world and while I'm not familiar with the law in other jurisdictions -- I'm not even familiar with it in this jurisdiction to the extent that I can quote the law verbatim -- but I do not believe that there have been any clear defined parameters in an area such as this. I may be wrong, but it's something that I would certainly want to hear the views of the people expressed on in committee, so at this time I have quite some reservation about that part of the Act.

However, Mr. Speaker, there's another part of the Act which deals a great deal with the establishment of rehabilitation centres and in this area the Member for Fort Rouge did not enlarge a great deal. We in Manitoba realize that rehabilitation, making the unuseful life useful, is probably the single most important factor facing us in our society today. As we continually

(MR. GRAHAM cont'd.). . . . pass laws we are putting more and more regulations on the lives of individuals and there are more and more laws for people to violate. According to our system of correction we have basically used a penal system and now we are moving towards a modification in that field, and have been for quite some time, to detention homes, correction centres, rehabilitation centres and many other methods. The cost today, Mr. Speaker, of keeping even one individual for a term of one year in a correction centre is roughly equivalent to what we spend on four individuals in the course of our year's expenditure; and really we are not achieving any net results from that expenditure because that expenditure is in the form of detainment. So anything that we can do to make the life that we are detaining a credit to our society, and I sincerely hope an asset to our society, so that they can in return make a proper contribution, is a very beneficial program. I commend the Minister for this type of program.

There are many fields yet to be explored in the field of rehabilitation. But, Mr. Speaker, we have tried already in many fields and our success to date has not been something that we could stand up on a pedestal and crow about. We have read in our papers every second week or so - and here, Mr. Speaker, I hesitate to point at one particular institution but I feel that I should use it as an example. In the Portage Home we have found there has been consistent escape from our minimum security detention. The percentage does not seem to be declining; in fact I would assume from the regularity of reports coming from that area that absenteeism is on the increase rather than the decrease. I do not know whether the number of inmates has increased in proportion to the number of defaults but I would urge the Minister to take a careful look at some of the present practices that are now being used and I sincerely hope that if this particular part of the Act will assist in any way I would urge every member in this Chamber to consider it carefully when they are voting. There are some reservations about some of the particular sections, but, Mr. Speaker, those can be dealt with in committee stage and I will say for myself that I don't hesitate to approve of this legislation for second reading.

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

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

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

MR. GREEN: Bill No. 37, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture; Bill No. 37. The Honourable Minister of Health and Social Development.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, I would like to make a few comments on Bill 37, the proposed act for credit unions in Manitoba. I would like to commend the Minister of Agriculture for the expertise that he and his staff have shown in the preparation of this Act. I must say that the credit union movement in general in the Province of Manitoba has been working on this Act for -- as far as I know -- for about six years that I've been implicated in it myself.

The Honourable Member for Rhineland made reference to the start of the credit unions in our province being 1937. I would like to get on the record that the start of the credit unions and the Caisses Populaires in Canada was in 1900 in the Province of Quebec by Mr. Desjardins and then in the Province of Manitoba in 1937, mostly by Monseigneur Benoit in St. Malo in the constituency of the Honourable Member for Emerson; and then it spread all over the province. We have approximately now 250 credit unions in Manitoba and over 4,000 in Canada. There is approximately one for every Canadian who are members of credit unions or Caisses Populaires. There's many hours that have been spent by thousands of people in Manitoba preparing this Act, making suggestions to the Honourable Minister of Agriculture and his staff regarding different amendments for the revamping of The Credit Unions Act which dates back to 1938.

I would like to make a few comments regarding the principle of this bill. We make reference to the share capital in the new Credit Unions Act or cutting the share capital down to one share per member. I do believe that this is coming about following the recommendation of the Carter Commission. This will actually allow credit unions to pay all interest on their deposit by the 31st of December of the same year. The only part that would be taxable in credit unions would be the reserve fund and the small amount that they would have under undivided earnings. I had to be of the same opinion as the Honourable Member for Rhineland, up till now anyway - apart from what we can foresee coming forth by the Federal Government, regarding the recommendations of the Carter Commission that the share capital was the strength of our credit unions up till now and I was happy to see it this way - but with the term

(MR. TOUPIN cont'd.). . . . deposits and the amount of interest that could be payable on these term deposits that could be made for a period of 30 days up to 5 or even 10 years, and the interest payable could be every three months, twice a year, but payable by the 31st of every year, this would equally be a strength of our credit unions; and it could allow us equally to make loans not only to the members but loans to housing, loans to municipalities, loans to school boards and so on. When we only had the share capital we couldn't do this to a great extent because these investments were made for a period of one year.

Now the interest rates on the different deposits will be determined by regulation and this could be changed quite rapidly by Order-In-Council. We equally changed quite a few sections in The Credit Unions Act regarding the different committees. We now do not say that it is something that is allowed for the Board of Directors and that is the annual meeting to decide if they're going to have the Credit Committee and the Supervisory Committee appointed by the Board of Directors, we say that they should be appointed by the Board of Directors. If we look at statistics in the Province of Manitoba on credit unions, we find out that today most of the credit unions or Caisses Populaires in the province have this done by the Board of Directors. These are only two committees that can be appointed by the Board of Directors. You have the Educational Committee, you have the Development committees and so on. More and more of this is being done.

We equally allow Mr. Speaker, in this proposed Credit Unions Act for centralization of credit unions and Caisses Populaires in our province. I think all members of this House are aware that the federation - well the biggest federation in Canada, have now purchased the assets of one bank, total assets of one bank and the biggest portion of another bank. One of them is a bank that operates only in one province, the other bank operates in three provinces. We are equally talking of the borrowing power of credit unions in our province and in Canada. If we eventually want the credit unions to operate, not necessarily like banks, but if we want credit unions to offer services to their members and to the members' institutions, financial institutions, I believe we could eventually, by means of some sort of a centralization of services, not of the functions of the members - I do believe in the autonomy of each local credit union; and I fought for this way back in 1962 and 1966 - but I do believe that we have to centralize some services, not only provincially, but nationally. I do believe that this will happen. This is allowed through this proposed Act and it will definitely happen and I think it's good because it will not only allow the credit unions to be able to borrow 50 percent of the share capital savings and surpluses of the societies but they may, if they ever become able to purchase shares in banks, be able to borrow the same amounts as the banks do from the Bank of Canada.

The Honourable Member from Rhineland was making reference to an amendment that we brought forth allowing 20 percent of the assets to be borrowed, that is 20 times the assets to be borrowed and when we say up till now the only amount that could be borrowed by a credit union is 25 percent of the shares, savings and surpluses of the society and 50 percent that they were authorized by the annual meeting. But this now eventually could be changed by centralization. And I don't say that they will all centralize but any two credit unions with these amendments could centralize.

We often talk of the principles of credit unions, of Caisses Populaires in our province; we talk of the objectives that we have. I think the main objectives of the credit unions was and still is, although it is changed on the proposed draft here, is first of all savings, encourage all members to save their money and the second objective of the credit unions is to make loans at a reasonable rate. But we're saying here, by this proposed draft that the main objective of credit union is to provoke the cooperative enterprise among its members. Well, this includes everything, in my mind. If we talk of a cooperative movement, it definitely means that the society itself is there to serve and serve best its members.

I did make reference to the share capital. I do believe that this is quite a change in direction regarding the credit union movement but I still feel that if it is well administered by the different boards of directors and by the central credit unions, that this could be something beneficial to all credit unions.

MR. FROESE: If I may interject - we don't know whether this taxing will come about because of the Carter Commission Report and I think we are making presumptions here or assumptions here.

MR. TOUPIN: There's the Carter and then the Benson; if it came from Carter - we don't know, Mr. Speaker, but this is something that we have foreseen for many years and even if it didn't, I think by what we're saying here is that we're strengthening really the credit unions to

(MR. TOUPIN cont'd.). . . . the different types of deposits that could be allowed by this Act now.

We did make reference about the voting in credit unions. The voting is unchanged; it's still as it was in the old Act, if the honourable members would like to glance at the original Credit Unions Act of the Province of Manitoba, a member of a credit union has only one vote on any question that may be voted at a meeting of the credit union either special, **general** meeting of the members. There's no vote by proxy and there is voting by representation by agents in certain cases - well, that did exist in the past - and the votes, anybody over 16 years of age may vote. And there is equally a reference in the proposed Credit Unions Act that no member below 21 years old may become an officer of a credit union. Well, naturally this will be changed automatically with the Act that we have regarding the age of majority.

We equally make reference, Mr. Speaker, regarding the interest rates, since we are talking about more or less taking away completely the interest rate that was payable on the **share** capital. We are saying in the Act in the proposed Credit Unions Act that the interest rate will be determined by the Board of Directors and could be equally set by Order-in-Council. That is on deposit savings and the time and manner of payment of such interest rates. We often make reference to the different accounts that we have in financial institutions in our province. In the credit unions we don't allow - as the honourable member knows - overdrafts unless you have a line of credit that has been negotiated with your member, and these lines of credit can either be on demand or for a term. But I don't really believe, like the Honourable Member for Rhineland mentioned, **that** all loans should be on demand because as you may well be aware. . . .

MR. FROESE: I did not say that all loans should be on demand but secured by demand notes so that in case of trouble that they could take action; otherwise they can not.

MR. TOUPIN: Well, Mr. Speaker, unless the Honourable Member for Rhineland has a point of order, I do hope that he'll let me proceed. I appreciate your I didn't want to take you out of context. It means two things but not the same thing to two people so -- (Interjection) -- That's right. But if we only allowed, Mr. Speaker, demand loans in credit unions, this is quite good. A lot of banks are doing this today. If the interest rate changes they call your loan and you automatically either repay back or fall on a new loan. In a lot of cases a member is caught quite - how should we say -- (Interjection) -- yes, he is definitely, and especially if he has taken a loan from a credit union say to buy a provincial government bond say, for 10 years and if he has to repay the credit union he may be at loss. It's not always for constructing a home or a barn and so on or buy a car.

Mr. Speaker, I do want to make reference to a few other items on the principle of this bill, first of all regarding the amount that has to be set aside for the reserve fund. Up till now this amount was determined by the amount of undivided earnings that you had at the end of each year and it was 20 percent of the net earnings that you had at the end of each year that you had to refer to the reserve fund and the reserve fund is still there only for in case of bad loans but it is now specified in the new Credit Unions Act that the maximum amount that you have in the reserve fund when you can actually cease to transfer any other funds, is based on the outstanding amount of loans that you had at the end of each year. I feel that this is wise because really especially now if you're going to change, if you're going to take away the biggest part of the share capital and if you're going to pay the interest on all different types of savings, you will not have such a big amount of undivided earning and you can't base it on the undivided earning so you have to base it on, really on the outstanding amount of loans but you don't take the estate loans in consideration when you take say, your ten percent of the outstanding loans; you take your mortgage and your personal loans.

But we do have to mention, I know the Honourable Member from Rhineland Mr. Speaker, mentioned that the share capital, the share capital was not actually considered something that you owed to your member - I hope I'm not taking you out of context - it is a liability, and it is something that is owed; you borrow from your members, whether you borrow from shares, they pay you on shares, or whether you borrow from them when they deposit on savings or whether you borrow from them when they deposit in term deposits of the credit union, it's still a liability. There's no change there. It's only a different classification and really if you borrow from your members in term deposit it's the same on your financial statement, the column of your liabilities is the very same that if you borrow from a central credit union either from the Co-op Credit Society or La Société Caisse Populaire. It's really the same; you have to actually account the same way when you really want to find out if you've borrowed 50 percent

(Mr. TOUPIN Cont'd) . . . of your saving, the share savings and surpluses of your society.
 -- (Interjection) -- you can ask me a question after if you like.

We do make mention regarding the accrued interest either on savings but if it's payable by the 31st of December there's no problem, there won't be accrued interest on savings but accrued interest on loans or investments and bonds, debentures and different other investments made by credit unions. I feel that if you have a loan that is payable, say monthly by your members, that there could be accrued interest up to the 31st of December of the operating year. The same thing as you would have, for instance on your bonds, debentures and other investments made by the credit unions, because if you really want to pay the on-going rate on your different types of deposits, I do believe that you have to accrue interest but only for the period ending December 31st of the current year, no further, and it has to be payable, say the first or the second month of the following year, not accrue it and add it on to the outstanding balance of the loan like some credit unions are doing. If there's no payment in a period of two years, 24 months on any loans, unless they renegotiate and re-submit the applications to the Credit Committee, that loan has to be taken off the reserve fund. They have at least to make one payment or re-submit a demand to the Credit Committee.

I do believe that regarding this Act, although it is quite substantial, a lot of different things that could be done in the future by the credit unions and the Caisses Populaires in our province could be done by regulations - and we do mention this here - without having to come back and amend The Credit Unions Act practically every year like we've been doing for the last ten years that I've been in the credit unions, anyway. Mr. Speaker, again I would encourage all members of this House to vote in favour of this bill. I do believe it is progressive legislation -- (Interjection) -- no, it's progressive. -- (Interjection) -- I don't believe so. It's progressive legislation being presented by good social democrats, a New Democratic Government and I do hope that all members of the House, the Liberals and Conservatives will vote with us on this Bill 37. Thank you.

MR. SPEAKER: Are you ready for the question?

MR. JACOB FROESE (Rhineland): Mr. Speaker, would the Honourable Minister submit to a few questions? When a credit union has lost - and I'm not speaking of bad loans - has lost, where do you deduct these losses from, from shares or deposits, and why?

MR. TOUPIN: Mr. Speaker, if you don't mind, I'd like to take each question separately. First of all, there has been losses of credit unions in the past. I remember taking management of one credit union that did have quite an amount in loss and this was spread over a period of ten years and it was taken off the undivided earnings at the end of each year, and deducted and authorized by the annual meeting, but it was spread over the period of ten years. It is not taken off the reserve fund.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, just before the Honourable Minister closes the debate I thought it - rather I had to say a few words coming from a town that has a credit union with assets about \$12 million or so. -- (Interjection) -- I will assure you that I will be short though, and when I listened to the last two speakers speaking so efficiently on the matter of credit union, I was reminded when I asked about two or three years ago if it wouldn't be possible to relieve our ever busy Minister of Agriculture of this Department - and this is no reflection on what kind of work he's doing - because the jubilation shown by the last two members, I'm sure that the bill that is brought forward will be accepted by this Chamber. However I should, perhaps, also add that in case this decision is going to be made, I feel that the Honourable Member for Rhineland could be asked to vote on Bill 43 on that condition; perhaps you could make him one of the legislative assistants in the field of credit unions; and if not, you have much material in the Honourable Minister that just spoke. But I am serious; I don't think - this is not the time to bring it up - but I do believe that some day the Minister of Agriculture should be relieved of this department.

The Honourable Minister of Health and Social Development mentioned the fact that municipalities, school boards and others were having the advantage of credit unions in their areas and this was very much so, I'm sure, in many communities, and two of the - I don't want to go into details because we're talking of the principle - but on Page 10, if you look at the Act under 10 (e)(i) the way it's set up, I think there's a possibility that this will exclude a town to sell their debentures to a credit union. I'm sorry to see this, because I agree with the Honourable Minister that this is exactly what is needed and exactly what is the intent, I believe, and I may be reading it wrong.

(MR. BARKMAN cont'd.) Then of course the other part where the Honourable Minister mentioned that of course there was no proxy, just the one vote, and this is the only other page I will quote, I think it's on Page 16, under Section 36, it seems that the way it's set up it could perhaps - I'm asking the question - could several delegates of a small community out-vote a large number or a large poorly attended meeting, I should say; and I think the possibility's there unless I'm not reading it correctly, but this can be brought up in committee stage. So with all the powers that be with the two last speakers I'm sure that the Minister that brought in the bill would wish to have a few words on it; I shall sit down.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, just before the Minister closes debate I'd like the opportunity to say one thing, to raise one anxiety that we have on this side with respect to the legislation, and it has to do with safeguards for public monies. We feel that until such time as we're satisfied, Sir, that credit unions are covered by federal deposit insurance that no public monies of the Province of Manitoba should be placed on deposit with such organizations. Now I know that there is a provision in the bill for credit unions to apply for deposit insurance under The Canada Deposit Insurance Act, but the Canada Deposit Insurance Corporation Act - I think that's the proper name - but there's nothing mandatory about that kind of insurance protection and there's nothing in the legislation that says that they must do so and for obvious reasons. I'm not suggesting that it should be mandatory, but the avenue remains open for some element of risk and some element of danger where public monies invested in credit unions are concerned, where any monies invested are concerned for that matter; but what we're concerned with is the monies of the people of Manitoba, the public monies, and so we feel, Mr. Speaker, that the people of the province really deserve an undertaking from the Minister that before making any such deposit, before depositing any public monies with a credit union, that he will satisfy himself that such a deposit will be protected by a satisfactory deposit insurance scheme. This is our basic concern at this stage on the legislation.

There may be other things when we get into committee on a clause by clause examination, but in our examination up to this point our basic worry is purely that one, Sir, the lack of any safeguard for public monies deposited with credit unions. I wanted to bring that to the Minister's attention before he closed debate.

MR. SPEAKER: Will the Honourable Minister of Agriculture be closing debate?

MR. USKIW: Yes. I don't have all the answers for my honourable friend, but I want to say that a lot of the points that were mentioned were covered by the Minister of Health and Social Development. I'm not going to go into those areas at all. I want to say that the Member for Rhineland did not surprise me in his questions, very serious questions of some of the sections in the Act, but that I think that the most appropriate place to deal with those, at least it's my opinion that the differences will not be resolved because of the member's peculiar position on some of these points, but the place to debate them, I think, will be in committee, where we will have all the expertise of the department and the industry with us and we might be able to, hopefully, enlighten my honourable friend, the Member for Rhineland on some of these points, and if not, well I suppose the majority will have to rule in that case.

The Member for La Verendrye mentioned that perhaps there ought to be a deal between the Member for Rhineland on Bill 43, so that we can get some co-operation from him. I have to suggest that there's a simpler way than that to become a ministerial assistant, and that is for the Honourable Member for Rhineland to walk across this little aisle here and he would be a candidate for a ministerial assistant, so that if that is the goal why it's a very simple procedure. In any case -- (Interjection) -- in any case Mr. Speaker, I don't have any more to say on this bill at the moment. I think we should let it go to committee and questions that were put and were not answered should be answered in committee stage.

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

MR. GREEN: Mr. Speaker, if you will call Bill No. 122, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Attorney-General. Bill No. 122. The Honourable Member for Gladstone.

MR. SHERMAN: Mr. Speaker, the Honourable Member for Gladstone adjourned the debate for me, Sir, so . . .

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you. Mr. Speaker, we're not very happy at this stage with Bill 122 and what's contained in it and what we've seen of it. We feel that in its principle and in its

(MR. SHERMAN cont'd.) fundamental thrust it constitutes a very serious invasion of privacy and contains a very serious threat to, not only to the operations of legitimate business enterprises and the operations of a legitimate industry but we feel that it contains, implicit in many of its sections, a very serious threat to the individual himself, to the consumer, and we are examining it very seriously and very carefully at the present time and intend to introduce specific proposals and specific amendments when the bill reaches committee stage.

There are a number of individual provisions in the legislation that disturb us greatly. I know I can't go into individual sections, but if I can just refer by subject area briefly, Mr. Speaker, to two or three aspects of the bill that disturb us. I would cite the provisions having to do with notification. I would cite the provisions having to do with disclosure of source of credit report sources. I would cite the provisions having to do with penalties, or punishment as it's worded in the legislation, that is described in the legislation for employers or firms that commit a breach of the legislation itself. I would cite the provisions having to do with privilege and the danger to which those who participate in confidential reports on others leave themselves open for legal action, and leave themselves exposed under this legislation and without benefit of protection for the kind of service that they're called upon to render in the credit field. These are four aspects of the legislation, Sir, which trouble us very greatly and as I said, in overall direction and impact, we find the legislation to be most unpalatable and to constitute a very serious threat to the privacy of individual persons, individual companies and a legitimate industrial practice.

So when we go into committee stage we will have many improvements to offer, and we will have many modifications and conditions to propose. At this point all we can do is register our objection and our opposition to the basic principle of the bill and advise the House and you, Sir, that up to this point in time we've - in our investigations and examinations of the legislation and our discussions of it with people who will be affected by it, we have found very little in it that we would recommend to the people of Manitoba.

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

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, we will not oppose the bill on second reading. We'll let it go to committee, but I do, as well, have reservations as was mentioned by the Member for Fort Garry. I know there's a requirement in the bill to notify all subjects of the report and I just wondered if this is necessary in every case. I think that any person should be able to obtain a copy of the report if he so desires, but I wonder - it should be a requirement to send a copy of the report to every single person, and there's a couple of other principles in the bill that I'm not so sure but I think it'd be wrong because I felt that there was some necessary and required legislation in this area, so we would be prepared to let Bill 122 go into Law Amendments Committee and perhaps there will be some recommendations made at that time.

MR. RON McBRYDE (The Pas): . . . member permit a question? Are you agreeing, or associating yourself with the remarks of the Honourable Member from Fort Garry?

MR. PATRICK: I didn't say that, Mr. Speaker. I said that I had some reservations, as was mentioned by the Member from Fort Garry. I didn't say that I agreed, but in a couple of areas I do have reservations. I, as well, said that there were some necessary changes required in this area, so I'm not prepared to not support the bill at this time, I think it'd be wrong; I think it should go to Law Amendments Committee so we can hear representations and perhaps we can have a couple of amendments at that time.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I move, seconded by the Honourable Member for La Verendrye, that debate be adjourned.

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

MR. GREEN: Bill No. 123, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Mines and Natural Resources. Bill No. 123. The Honourable Member for The Pas.

MR. McBRYDE: Thank you, Mr. Speaker. I'd like to make a number of comments on the Bill 123, an Act to amend the Wildlife Act. I'd like to make a few comments on the Sunday hunting provision and I'd like to address myself to the remarks of the Honourable Leader of the Liberal Party.

First of all, Mr. Speaker, in regards to the idea of Sunday hunting rights or privileges, I would like to first of all say that I'm not a great hunter. As a matter of fact I know that those

(MR. McBRYDE cont'd.) people, my friends on The Pas reserve who I hunt with, call me the murderer, the way I attack ducks. In this regard Mr. Speaker, I would like to say that I came to Manitoba from another province where there are no Sunday regulations and the first duck hunting season I went out during the regular week days and got up bright and early on Sunday morning, went to the lake where the ducks are very easy, that is where they sit on the water so that you can blast them quite simply. I got my legal limit of ducks and went home again. A few weeks later I learned that I had broken the law, and I wasn't even aware of this because I'd never experienced this type of legislation before.

Mr. Speaker, I would tend to agree with the Minister that we should look at the possibility of Sunday hunting in certain areas of the province. I know that there was some discussion of this matter on the hot-line radio programs this morning and people were addressing themselves to the problems of the farmers who were putting their life in danger and at least on Sunday they didn't have to put their life in danger. Mr. Speaker, I don't think this is the way to tackle the problem. I don't think they should have to put their life in danger on any day of the week, not just be safe on their farms on Sunday, so maybe we need regulations in a different area in terms of hunting on people's property. So Mr. Speaker, I think that this bill will certainly give some advantage to people who work during the week and not leave all the hunting mostly for the tourists who are coming in.

The main thing I'd like to deliver this evening Mr. Speaker, is address myself to the remarks made by the Honourable the Leader of the Liberal Party this afternoon. From what I can understand Mr. Speaker, what the House Leader of the Liberal Party was saying this afternoon, when he was talking about treaty Indians and hunting rights, basically he was saying that someone in his constituency had a complaint that someone was jacklighting game near his constituency or someone he knew was jacklighting game and that these were treaty Indians and therefore this government should look at the possibility of restricting hunting rights to some treaty Indians. Mr. Speaker, I would like to point out to the Leader of the Liberal Party and agree with him that jacklighting of game animals is a problem that we have in this province and it's a serious problem to conservation and, Mr. Speaker, it's not a treaty Indian problem, it's a problem of all citizens of Manitoba, some of whom break the law by jacklighting. I regret the inference of the honourable member that this is a problem of treaty Indians.

Now, Mr. Speaker, if treaty Indians are hunting and if they do leave food, if they do break conservation laws in the sense that they don't take the game - that's how the law affects them, if they don't take the game home to eat - they can be prosecuted the same as anyone else. Mr. Speaker, I think that the way the treaty Indians look at this and I'd like to go into it in some depth, -- and this is what the law basically implies as well -- is that they are hunting for food and a number, or maybe even the majority, of other hunters are hunting for fun or for the pleasure of hunting. Now, Mr. Speaker, if you take the argument that I think that the Honourable Leader of the Liberal Party presented this afternoon that if some hunters, who are treaty Indians, abuse the law then we must examine the right of the treaty Indians to hunt completely. Now, Mr. Speaker, if you follow this further I guess, if any hunter abuses hunting laws we should stop all hunters from hunting altogether, if you follow that argument through to its conclusion. Mr. Speaker, I'd like to say -- and I'm sure that the House Leader of the Liberal Party must have had this opportunity during the Task Force -- if you talk to treaty Indians, they have lots of stories of abuses by tourist hunters, by other hunters. Mr. Speaker, they have many complaints of what goes on, their main complaint being that certain animals are shot for trophies and left -- the food is left there to rot. Now, Mr. Speaker, I think that these people should be prosecuted for breaking the law and a treaty Indian should be prosecuted if he is not hunting for the purpose of obtaining food.

Mr. Speaker, the Leader of the Liberal Party also went on to say that he had a letter from the federal Liberal Minister, who did not want to comment on this controversy but thought he should leave this to the Provincial Government. Now, Mr. Speaker, I don't know, you know, how he can try to avoid the issue in this manner, Mr. Speaker. Certainly the treaty Indian people come under The Indian Act, they come under The Migratory Birds Act which is federal legislation and they come under federal Fisheries Regulations and to try and throw the argument back to the provincial government and avoid the argument at the federal level is somewhat ridiculous. Mr. Speaker, if you put the arguments together, the fact that because some treaty Indians abuse hunting privileges and because the Federal Government doesn't want to deal with this problem, then we should address ourselves to this problem, the argument of the Leader of the

(MR. McBRYDE cont'd.) Liberal Party doesn't make much sense.

But, Mr. Speaker, I would like to address myself to this problem because I think it is important. Mr. Speaker, before the arrival of the white man in this country certainly the Indian people didn't have any restriction on their hunting rights. And, Mr. Speaker, I think at that time they were their own conservation officers and managed to conserve the game in such a way that they would have game next year because to be otherwise would have been somewhat ridiculous, to destroy game that they would need to eat the following year. So, Mr. Speaker, the Indians have been for a long time conservationists and I remember once there appeared in an Indian Affairs publication, a program that was going to teach treaty Indians conservation and this was quite an affront to the treaty Indians and actually a joke to them that here's a group of people that have a severe difficulty conserving their natural resources should be trying to teach the Indian people who have been trying to conserve natural resources for a long time, should come and try to teach them how to do it.

Now, Mr. Speaker, there's still one more important aspect though, Mr. Speaker, and that is that in their early dealings with the Europeans when they arrived the treaty Indians made a contract with them. They made treaties and, Mr. Speaker, we have to respect these treaties. Mr. Speaker, I'd like to, for a moment, refer to the book -- not the Good Book but the fairly good book and if honourable members would kindly reach in their desks and turn themselves to Page 2 of the Appendix of the good book, the good book being of course the Interim Report of the Northern Task Force, the position of the treaty Indians in Manitoba is quite clearly stated by Dave Courchene, their leader. "Hunting and fishing rights and recognition of the historic rights granted by treaty to Indian people with respect to hunting and fishing it is specifically recommended that the Government of Manitoba recognize their moral and legal obligation to protect these rights by (a) urging the Government of Canada to restore the hunting and fishing rights of Indian people, rights guaranteed by treaty, by passing corrective legislation making amendments to The Migratory Birds Act and such other legislation as is applicable; (b) that the Government of Manitoba immediately through its Departments of the Attorney-General and Mines and Natural Resources order its officials to cease and desist its program of prosecution of Indian people for hunting and fishing in pursuit of food as is provided for by the treaties."

Mr. Speaker, that is the position of the treaty Indians in Manitoba and I think it's a legitimate position, Mr. Speaker, and it's a position with which I agree. Mr. Speaker, this gives the treaty Indian in Canada some little rights above the rights that we have, what the Hawthorne Report would say is the citizens-plus, a certain advantage to being a treaty Indian in Canada. Mr. Speaker, is this unjustified? Mr. Speaker, I don't think so. The treaty Indians in many regards in Canada have been getting the short end of the stick for a long time and here now we want to deny them this one little advantage they have and I think that maybe the Minister of Transportation made some implications in this regard when he received some sort of complaints about treaty Indians getting road contracts in the north and people who were not treaty Indians phoning up and saying, well why can't I have a road contract? And his reply, probably not in quite such polite terms I guess, was that they had been at the disadvantage for a long time, in most cases they're at the disadvantage, let's give them this little advantage. Mr. Speaker, I'd have to agree with that position.

Mr. Speaker, I'd like to go further since it's a subject of debate in this House recently, if we are going to take away these contracted rights, that we made with the Indian people, then the only logical thing we can do is provide them with compensation or make a new contract that is to their benefit.

Now, Mr. Speaker, this has been the history -- and I can't remember the author of the book but there's a book called *The Worst of the Bargain* which comes from the sentence that whenever the Indian people and the white people make a deal, the Indians always get the worst of the bargain and there have always been certain more powerful groups that have always taken advantage or often taken advantage of the Indian people in Canada. Certainly they did in regard to treaties, in regards to taking certain lands, with permission of the Federal Government, away from Indian groups by somewhat suspicious means. They have done so in many cases, Mr. Speaker. I can recall when I was in British Columbia and there was a problem over salmon fishing rights on the Fraser River. Now, Mr. Speaker, the argument was thus: that the salmon run was less and therefore we must stop treaty Indians from fishing in the salmon run. Now, Mr. Speaker, this was a very simple thing to say because the treaty Indians were not at that time a powerful group. They didn't have any political influence to speak of at all, so you could

(MR. McBRYDE cont'd.) say this. But, Mr. Speaker, to say that the salmon run had been depleted and therefore the treaty Indians should not be allowed to fish as the treaty guaranteed was to ignore the fact that there were hundreds of commercial fishermen fishing the same fish at the mouth of the river, that there were plants up the same river polluting the water so that it was killing off fish, but no one took steps to deal with those people. The treaty Indians were the simplest ones to put the blame on and the simplest ones to restrict their rights.

Now, Mr. Speaker, other bills or Acts of government have certain effect. Here in Manitoba there has been some problem with the expanding wildlife areas and how they affect certain treaty rights and I think the treaty Indians are getting the opinion that in terms of the treaty, in a comparison we have given them a driver's licence but we said you couldn't drive on the following roads. And they're afraid that pretty soon there will be no roads that they will be allowed to drive on and therefore their driver's licence would be no good. This is what's happened to treaty, Mr. Speaker. It's been eroded so that it hardly becomes meaningful any more.

Mr. Speaker, various acts of government - and sometimes we realize it - have these kind of strange effects. For example, on the Bay Line there has been some discussion in the area of sturgeon fishing and the sturgeon fishing season ended approximately, I think it was ten years ago, and the people were looking forward to being able to fish sturgeon again but because of the regulations in the Department of Mines and Natural Resources it said, "any person who has fished within the last two years." Well, Mr. Speaker, the only people are those couple of communities on the Bay Line I'm thinking of, who had fished in the last two years, were the white traders in that area who could afford to go to other areas of the North to fish. So the effect of the rule was to eliminate from traditional sturgeon fishing, people who had fished when the season was stopped but allow those who had already had an advantage in the community, to have a further advantage because of our rules and regulations.

Now, Mr. Speaker, the nature of the hunting in my experience still has a very important cultural aspect in terms of the treaty Indians in Manitoba. At least, Mr. Speaker, in terms of my experience on the reserve at The Pas, because if an Indian person goes out and works he keeps his pay cheque to himself. If he goes out and catches fish to sell to the Fish Marketing Board, he keeps those fish and that money himself. But if he goes out and gets ducks or if he goes out and gets a moose those quantities are shared. So, Mr. Speaker, on occasion I have known people who have gotten two or three moose on one hunt and this would be of course sort of unforgivable and yet the whole community benefited from those moose and there was no waste whatsoever.

Now, Mr. Speaker, I don't want to disagree with the House Leader of the Liberal Party that there aren't sometimes abuses but, Mr. Speaker, there is some resentment with the treaty Indians because they feel they've had their rights eroded, because they feel they've been put at a disadvantage and sometimes they'll abuse this advantage that they do have and I won't disagree with him that this happens. But, Mr. Speaker, I don't think the way to deal with it is to cut out guaranteed treaty rights of the treaty Indian people in Manitoba. I think maybe, Mr. Speaker, there are other approaches that would be much more beneficial and I'm not sure of the facts here but I understand they have a program in the Cumberland House area of Saskatchewan which gives control of resources to the people living in that isolated community so that they are responsible for the fishing, they are responsible for who can hunt there and how much they can take. In this way the community has accepted the responsibility and it's my understanding that this approach has been fairly successful.

Mr. Speaker, when the buffalo were first brought into The Pas area, the Department of Mines and Natural Resources came to a band council meeting, I recall, and explained in detail what was happening to the buffalo, what was going on and the Indian people were very accepting of the fact that the buffalo were there and that everything should be done to make sure that there was no harm coming to the buffalo. They didn't disagree with this, once they were fully aware of the facts and understood what the situation was. They had no desire to abuse what was going on.

So, Mr. Speaker, I think we should be more concerned about ensuring rights than thinking about taking these rights away. Mr. Speaker, I would like to suggest, I would like to recommend that we should go further and I understand in the formerly progressive Province of Saskatchewan, in isolated communities, they have given similar hunting rights to non-treaty Indians who live in isolated communities and given them the same hunting privileges as the treaty Indians. Now, Mr. Speaker, because of what has happened in many of these areas, this is a

(MR. McBRIDE cont'd.) fairly practical approach because many of the treaty Indians in northern Manitoba, because of the advantages of being out of treaty, because at one time you couldn't get jobs if you were a treaty Indian on the railroad and (2) you didn't have drinking privileges. So a number of treaty Indians left treaty but they still live in the same communities, in the same circumstances, in the same style of life as the treaty Indians in the same community. Mr. Speaker, I don't think it would be that difficult for us to consider giving the same hunting privileges to those non-treaty Indians who live in isolated communities in similar circumstances to treaty Indians.

So, Mr. Speaker, I'd like to just say that I can't agree with the basic arguments presented by the House Leader of the Liberal Party. I think that the rights of the Indians have been guaranteed by treaty and that we should not take away these rights without a full negotiation, the same as if you try and break any other contract and, Mr. Speaker, we should not be restricting these rights, we should be ensuring these rights and perhaps should be expanding these rights.

MR. SPEAKER: Are you ready for the question?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I rise to make a few brief comments in connection with this bill of my colleague, the Minister of Mines and Resources. I'm happy to advise the House that like some of the honourable members, I know the Honourable Member for Assiniboia, and now I know that the Honourable Member from The Pas, enjoys the outdoors in a very enthusiastic way and are hunters. -- (Interjection) -- Yes, if the duck stays still that's my best opportunity, but I confess that I do endeavour to desist from firing my gun at a stationary bird. I like to get them on the wing, I think that's much more sporting, but I'm not the best hunter and I think that I don't take too high a toll of the birds.

I do want to compliment, and I'm not being at all facetious, the Honourable Member from The Pas. I think he has set a lot of the facts out in respect to the need for a proper understanding in perspective of the rights of the Indian people in respect to the game that is available. I choose to think that perhaps some of the remarks of the Honourable Leader of the Liberal Party though might have been pointed toward the safety problem in respect to night hunting generally. I know that I have had occasion to look at some of the files where rather pleading letters have been written in respect to the danger situation that is involved with night hunting and I don't think that anyone is very happy about the continuing practice of night hunting at all. -- (Interjection) -- I mean night hunting with a firearm. Under the present game act it is unlawful for anyone to night hunt. However, the cases that have been tried and taken to Supreme Court have confirmed the right of Indian people to hunt at night regardless of the present game acts that are in force in the provinces. I think that that's understandable. These rights were there and surely no one wants to abrogate vested rights for people who need the food. However, it does pose a problem in respect to safety, that is a matter of some real concern on the part of a lot of people, and I choose to think and hopefully think that that's some of the concern that was manifest in the Member for Portage's remarks. But I do think the Member from The Pas has put the record very very clear in respect to the rights of the people and they ought not to be removed or in any way jeopardized without proper consultation or negotiation or however that may be.

I did want to say just a few words however, Mr. Speaker, in connection with the item that the Honourable Minister of Mines and Resources indicated was subject to a free vote, because it's a very contentious matter, and that is the question of Sunday hunting. I know I have been in company with hunters who have from time to time said it's awfully inconvenient that we can't go hunting on Sunday; but I have had occasion also to discuss with some degree of seriousness, this subject matter with several hunters from time to time and I think the consensus continues to be that it would be unfair and unwise to allow Sunday hunting generally. As a matter of fact, as a member of the Winnipeg Game and Fish Association, I know the position that the Game and Fish Association has taken from time to time and just the other day in speaking to Mr. Paul Murphy, who is the secretary of the Game and Fish Association and editor of the "Wildlife Crusader", I understand that resolutions recently dealt with by the convention of the Game and Fish Association which was held just recently, June 18, 19 and 20th again confirmed a position against Sunday hunting.

The resolutions were resolution 46, 47 and 48 contained in a booklet that I have here and the resolutions came from a cross-section of the province. A resolution from Charleswood was to the effect that "whereas some other provinces permit Sunday hunting, therefore be it resolved that hunting on Sunday be permitted in Canada" and that resolution was defeated. The following resolution 47, "whereas the average hunter does most of his hunting on weekends during the recognized hunting season, and whereas weekends under the present conditions means Saturday only; and whereas a two day hunt would serve to improve the quality of the hunt by giving hunters time to get away from the roads; therefore be it resolved" and so on, "that the Wildlife Act be amended to allow Sunday hunting in zones 1, 2, 3, 4 and 9 and that the no hunting day be changed to Monday, providing that the hunting of migrating birds be excluded in order to comply with the Migratory Birds Act." That was from the northern zone of the Game and Fish Association; that too was defeated. Also a further Sunday hunting resolution from the northern zone was defeated, resolution 48. So, Mr. Speaker, it is obviously indicative of the thinking of sportsmen in the province that there is not an overwhelming consensus in support of Sunday hunting generally.

Now there could be an argument made for Sunday hunting in remote areas of the province where there wouldn't be any really substantial inconvenience with residents in the area by the

(MR. MACKLING cont'd.) discharge of firearms and by the passage of people and so on, and vehicles; but the fact of the matter is that in all likelihood, introduction of Sunday hunting in but a portion of the province would be progressively followed by demands for those rights to be extended further and further in other sections of the province; and really it's not all that vital, there is sufficient pressure on the game animals now and there is sufficient pressure on the areas of the province where hunting takes place. Any of you who are hunters or enjoy going out in the country in the fall, will note the increasing number of farm properties that are erecting signs providing for no hunting or no trespassing, and if Sunday hunting were to be introduced it would mean a substantial number of farmers would convert immediately to this type of posting, because they wouldn't have an opportunity to have a day when their land wouldn't be inundated with people out hunting. I can assure you, Mr. Speaker, that this sort of reform would create I think an even greater problem in respect to the right of the sportsman to practice or to indulge in what hopefully will continue with the proper control of the game that is here; proper conservation I think will not be assisted by any enlargement or the right of the hunter on this day of the week; so I hope that, as has been in the past, the pressure of the minority of people for the increase in hunting privileges will be resisted.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct a question to the Attorney-General; would he permit a question? Does he believe that there is a decrease of game from year to year and it's quite substantial? For instance, I believe I stated, I don't know if I recollect the correct figure, but in Quebec this year the deer that was taken was something like 4,000 and a year ago it was 12,000 which is a substantial decrease. Would it not be in the interest even for our native people and for everybody, if there is any certain species that may become extinct, would it not be in the interest of all the people and our native people to protect a certain specie?

MR. MACKLING: Oh indeed, and it's true that certain species according to different conditions, whether they be basic conditions of the ecology, do vary substantially. The Honourable Minister of Mines and Resources in his department must be very cognizant of the changing pattern of game and wildfowl, but certainly the addition, as I have indicated, the major concern that I think that -- and it's a concern with the Minister in his department and that's why it's not a government measure per se at all. He indicates a free vote is because of his concern in respect to Sunday hunting.

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

MR. JACK HARDY (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member from Brandon West, that debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 25, Mr. Speaker.

MR. SPEAKER: Bill No. 25, The Animal Diseases Act, standing in the name of the Honourable Member for Rock Lake. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Although this motion is standing in the name of the Honourable Member for Rock Lake the House Leader asked me if I would be agreeable to say a few words on it at this time. I'm not usurping his position in the adjournment of this debate because I know that he wants to make some comments on it, but I feel that if it's the wish of the House to want to proceed with this legislation now, progress it further, well I'll be quite happy to make my contribution at this time; after having spent the last three-quarters of an hour or so listening to the government caucus again. It's wonderful to have speed-up motions because one of the things about them, you get the government's different points of view, and it's very helpful during the time of a speed-up motion to hear them argue out their various positions on that side of the House.

MR. WATT: It was the understanding that the bill would stand in the name of the Member for Rock Lake?

MR. JORGENSEN: Yes I thought I made that clear when I rose to speak, that I wasn't usurping his position on the Order Paper.

Well, Sir, in connection with Bill 25, when the bill was introduced by the Minister he outlined several of the intentions of the government in proceeding with this legislation and although one can in principle agree with the intention of the legislation, I'm sure that no one can disagree that the idea of attempting to insure that animals proceeding to market or animals being used for propagation purposes, it's desirable that they remain as free of disease as it is

(MR. JORGENSEN cont'd.) possible; not only to insure the consumers of the product that they are eating a disease-free product but also to insure that people who are in the process of raising livestock have some assurance that when they are purchasing animals, that these animals are quite free of disease. This is a desirable objective and I won't quarrel with that. However, in looking over some of the terms of the bill I'm beginning to wonder if the whole burden of achieving this is going to fall on the shoulders of the farmer and in looking over some of the sections I am somewhat disturbed by what I see.

The first section, and I don't want to deal with it clause by clause, but I have to refer to some of the sections in order to make my point. One of the early sections indicates that if a farmer detects any disease in his animal that he must forthwith notify a veterinary surgeon. There is no suggestion here that the veterinary surgeon is going to make a trip to his farm expense-free and there is a penalty attached to him not notifying a vet. I don't know who the drafters of the bill, how familiar they are with farming operations, but it doesn't quite always work out just as simple as that, because the farmer in many cases is not in the habit of immediately calling a vet as soon as there is some disorder in an animal. In many cases a farmer if he has sufficient experience will attempt to carry on at least a preliminary diagnosis himself to determine whether or not it's just something that he can take care of with the administration of some drugs or whether it requires the service of a veterinary surgeon. In this instance, you are placing him in the position that if he doesn't immediately call a vet on the detection of a disease, that he is liable to some penalties, and it's not going to be quite as easy to administer as the Minister may think.

In addition to that, I'm somewhat alarmed at the power of the inspectors. An inspector can without a warrant enter the premises of a farmer and carry on and conduct any kind of an examination of an animal that is suspected of having a disease. It seems to me that the inspector is being given some pretty far-reaching powers in being able to march on to anybody's property. Anybody that knows the traditional attitude of farmers know that they respect a great deal their own personal rights and are not very happy about having somebody just marching on to their property and telling them what they're supposed to do. The legislation also provides without a warrant that an inspector can search any vehicle and he can stop the transportation of any livestock to the markets and demand that the animals be inspected and consign them to whatever destination that he chooses.

But one of the sections that disturbs me most is the one dealing with the compensation. It may be that my understanding of the section is not complete, but I want to raise it at this time so that if the Minister wants to reply to it when he closes the debate, he may be able to do so. There's provision in the legislation that the municipality "may" make compensation to the farmer whose animals are ordered destroyed. I find this a rather loose way of dealing with animals that are ordered destroyed by a government employee. I find it somewhat offhand to see the suggestion here that the inspector can walk on to a farmer's property, order animals destroyed and then tell somebody else to make compensation - tell the municipality that they "may" make compensation.

There is another section a little further on that says that the Minister may, in his discretion, order compensation to be made. That's even more confusing, because now we don't know who is going to actually make the compensation, whether, is it the municipality or is it going to be the Minister, and is it going to be at the Minister's discretion or is it going to be mandatory that when the director or the veterinary inspector orders an animal destroyed that that farmer is going to get compensation. That is the law in Ottawa. That is a federal law; that when an animal is destroyed by order of the Veterinary Director, the farmer receives compensation and there is a scale of compensation set out in the Act, so that there is some knowledge on the part of the farmer as to how much he is going to be compensated for the destruction of an animal; nothing in this legislation at all. I would hope that before this legislation is passed, some rate of compensation, some scale of compensation can be set out, so that we have some idea just how far the government intends to go in carrying out the intentions of this Act.

There is a rather serious problem in connection with this particular situation. When a farmer, for example, delivers poultry to an evisceration plant, it is quite possible for the inspector at that plant, who is a federal government employee, if he feels that some of the birds are diseased, he may order those animals consigned to a separate container where they are sealed and sent into a rendering plant. For every bird, although the farmer has the custody of those birds from the time that he purchases them, feeds them all summer, and then at the time

(MR. JORGENSEN cont'd.) of delivery to an evisceration plant they are found diseased, it is possible for the veterinary inspector to take every single bird away from him and no compensation whatsoever.

This matter has been brought to my attention on several occasions and I raised it with the people in Ottawa but nothing has been done. The situation remains the same. I think it's grossly unfair that the evisceration plant are able to resell that product to the rendering plants at a price that is somewhat - naturally somewhat lower than the price of the birds - but the farmer gets absolutely nothing for it after having raised the bird, fed it and prepared it for market. I think that this is a situation that should be corrected and I hope that we don't have a continuation - and if this is what the legislation appears to me to be like - a continuation of that situation on the provincial level; and if it is, then I think that farmers will object to it very much in spite of the fact - and I'm quite certain that farmers in principle would want to support the intention of this legislation, the more adequate control of animal diseases within this province. I commend the Minister for introducing this legislation in his attempt to do something about the control of animal diseases. As I said earlier I am beginning to seriously question the method or some of the methods that he intends to use in bringing this about.

I note also with some interest that the sale of veterinary medicines will be limited to people who are going to be licenced by the Director of Veterinary Services. I know this has been a contention on the part of the veterinary surgeons in this province for a long time, and indeed, I suppose, across Canada. A good portion of the income of a veterinary comes from the sale of drugs, and I know that they have for years attempted to get the sale of drugs restricted to themselves. I have no serious objection to that, except that it would work a very severe hardship against many farmers today unless the veterinary clinics that the Minister earlier spoke of are set up at available positions across this province enabling farmers to purchase their veterinary drugs at convenient locations. That is not the case at present and the veterinary surgeons are scattered far and wide across this province. There are so few of them that to have to purchase drugs from a veterinary at the present time, would work a severe hardship against many farmers in the distance that they would have to travel in order to purchase drugs for sick animals. -- (Interjection) -- Well, the intention is to restrict the sale of drugs to people who are going to be licenced under the Act. -- (Interjection) -- Well, the Minister says control. I again want to deal with the Bill clause by clause because that can be done in committee, but it says that "a veterinary surgeon shall sell, offer for sale or distribute or keep for sale or distribution any medicine, drug or vaccine for diseases of animals unless he first obtains from the director a permit for that purpose. So he's going to be controlled in that sense.

I know that the particular problem that the veterinaries speak of at the present time and complain about very much is the fact that a good many of the representatives of the feed companies carry with them a supply of drugs as they travel about the country and they're the dispensers of medicine and drugs for animal use although they may not be expert in the diagnosis of diseases. I think that's a legitimate complaint on the part of the veterinary surgeons, in that all too often we find that a veterinary is called in at the last moment, and all too often we find that the veterinary is called in when the disease of the animal, the sickness of the animal has reached a stage where it's almost impossible, if not impossible, to arrest; and all too often we find the veterinary surgeons blamed because he's unable to effect a recovery of that animal. If in many cases a skilled veterinary surgeon was called in the first place and an early diagnosis of a disease taken place, the probability is that the spread of disease could have been effected and the death of an animal could have been prevented. I'm not going to quarrel with the intention here of that legislation because I think, first of all the fact that the sale of drugs, the sale of veterinary drugs by a veterinary surgeon does enable him to get a bit of extra income in the rural areas and also because it enables him to effect some control over the use of those drugs; I think that from that point of view it's a desirable feature. Too often we find in many of the rural areas because of the expense of calling in a veterinarian surgeon, veterinarians are called in at the last moment when all too often it's too late to do so.

So although I must say that I have some reservations and I will likely have some questions to ask about that particular aspect of the bill when it appears before committee, I want to indicate to the Minister that with the intention of the legislation in the control of animal diseases within the province, I agree. We may not agree as to how that can be achieved. My only hope is that it's not going to be achieved by placing an additional burden -- and although I realize that it's extremely difficult to reach the goal that the Minister set out without somebody being dislocated somehow -- I hope that the burden of the cost of this control program does not fall on the

(MR. JORGENSON cont'd.) shoulder of the farmer, as it appears to be under this legislation, and perhaps we can do something about changing it or at least giving me the assurance that this is not going to happen.

MR. SPEAKER: Are you ready for the question?

MR. GREEN: Mr. Speaker, I believe that the adjournment stays in the name of the Honourable Member for Rock Lake.

MR. SPEAKER: Yes, my apologies.

MR. GREEN: Bill No. 116, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Government Services. Bill No. 116. The Honourable Member for Kildonan.

MR. GREEN: Mr. Speaker, I believe that bill was adjourned for the Honourable Minister of Labour.

MR. PETER FOX (Kildonan): Mr. Speaker, I adjourned this bill for my honourable colleague the Minister of Labour.

MR. SPEAKER: Will the Honourable Minister be closing debate?

MR. PAULLEY: I would be.

MR. PATRICK: I just want to make a couple of comments on this. Are you tired? I agree with the principles involved in the bill. I did some comparison with some of the other provinces and I still see some inequities in respect to a couple of areas. For instance, Section 31 (3) "Partial disability allowance" which the requirement in Manitoba is, after 15 years there's a partial disability. I understand in some of the other provinces and Alberta the requirement is only 10 years. I'm talking where an employee who has 15 or more years of service is retired from the service on account of illness or disability, not amounting to a total permanent disability to the extent of wholly disabling the employee from entering any gainful employment, and the requirement here is 15 years while in some of the other provinces I understand it's ten.

Also the pension formula which is based on 70 percent of the last 10 years of service and some of the other provinces as well it is based on 70 percent of the last 5 years of service in some of the other provinces. Perhaps the Minister can comment on some of these things.

Refunds of contribution. I see at one time we had no interest on contributions at all and I think the provision now makes it at three percent, and again some of the other provinces the interest is four percent for refunds of contributions. Now I think this is good legislation, it's timely and it has some very good provisions. I agree with such things where an employee terminates before he's ready to be pensioned off that there's a decrease in his penalty and I think is much better than what it used to be before.

Also the other good provision is the increase in existing pensions to offset, I think this is the most important provision, to offset the cost of living and early retirement on a reduced pension after completion of 15 years with a quarter percent charge per month. I think it's more in line to what some of the pensions are in government services across, or civil service in some of the other provinces. I wonder if the Minister would have any comment to make on the points that I raised.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, if no one else wishes to speak, I'd like to make a comment or two, and I appreciate the co-operation of the members of the House in the general acceptance of the proposition being placed before the Assembly in respect of the Civil Service Superannuation Act. I realize that there's always room for added improvements to a proposition such as this; and I do agree with my honourable friend the Member for Assiniboia when he says that by comparison with some other jurisdictions there are deficiencies in the legislation that is being proposed.

My answer to my honourable friend, Mr. Speaker, would be that we're not perfect, we admit that we're not perfect, but we are, we feel, in this legislation catching up with deficiencies over long period of time insofar as the Civil Service Superannuation Act is concerned in the Province of Manitoba. I want to say to my honourable friend that I think that there are greater advantages that could be found in this bill to the benefit of the retired civil servants in Manitoba than will be found in many similar pieces of legislation of the other provinces, and indeed the Dominion of Canada.

My friend the member for Assiniboia did say in his final sentence or two, one of the nice features about this bill is a recognition of a cost of living bonus taking into account increases in cost of living. Well I want to say to my honourable friend that this hasn't been done in a considerable number of jurisdictions that I'm aware of in the Province of Manitoba and I appreciate

(MR. PAULLEY cont'd.) the fact of his comment and I'm sure that the recipients of our superannuation pensions will recognize the advantage of this legislation.

My friend mentioned the question of the formula for the basis of the pension, as to whether it should be 5 years, 8 years or 10 years. I want to say, Mr. Speaker, that I'm fully cognizant of this, as indeed is the Superannuation Board, but we could only go so far with the monies that were available without adding on to the cost of the contributions of the employees and the government itself; and it was on this basis that we arrived at the question of no change than that that is established at the present time. I want to say to my friend the Member for Assiniboia in three years time, the next actuarial review of the Superannuation Fund and the situation prevailing at that time, that this will be a matter under serious consideration. It was raised, and in consultation Mr. Speaker, with the employee representatives, who made representations to me as Minister of Government Services, we amicably came to the agreement of the continuation.

MR. BILTON: . . . direct a question to the Minister?

MR. PAULLEY: My friend wants to ask a question.

MR. PATRICK: The Minister mentioned Mr. Speaker, that you can only do so much with so much money that you had in the plan. I understand the plan in Manitoba has much more in reserves than some of the other provinces. Just to give you an indication of an average pension - for instance, in Manitoba on an average over-all basis is \$159 . . .

MR. SPEAKER: Is the honourable member debating in rebuttal?

MR. PATRICK: I'm leading to a question - is \$159 -- while in Alberta it's \$242, which is quite a differential.

MR. PAULLEY: I want to say to my honourable friend though, Mr. Speaker, that after this legislation is hopefully passed, the situation will be rectified to the advantage of the pensioner in the Province of Manitoba over that of the pensioner in Social Credit territory, and I'm sure that the pensioner in Manitoba will be thankful that they're in Manitoba instead of in Alberta.

My friend also mentioned the matter of the 15 years insofar as partial disability allowances. I recognize this, but here too a similar situation in so far as availability is concerned. The Member for Assiniboia mentioned the question of the percentage on refunds. I'm sure Mr. Speaker, that my honourable friend recognizes that this is a new departure and it was hitherto not done at all. There was some suggestion originally that the percentage of refunds either should be increased or cover a longer period of time, again by joint consultation between the employee representatives and the representatives of the government, it was agreed that this would be a logical and a good place to start.

I understand the other day my honourable friend the Member for Swan River raised two or three points in connection with the Fund and the basis upon which the cost of living index of allowances was raised and he was concerned about the effect on those who retired prior to 1941, if I understand correctly. Now I want to say to my honourable friend the year 1941 is the year that the actuaries of the Fund chose as the base for the application of the increases in the cost of living. We had accurate information year by year - it might be, Mr. Speaker, that we could have gone back to the year 1929, but I want to assure my honourable friend that anyone who became eligible for a pension and is still living prior to 1941 will receive the benefit. I am sure that my honourable friend will understand or agree that anyone who retired at 65 in 1941 is an elderly citizen in the Province of Manitoba somewhere, if my mathematics is correct, around about 94.

My honourable friend also mentioned, if I understand the grapevine correctly, why approval by the Lieutenant Governor in Council and not just simply the Board. The answer to that, Mr. Speaker, is, and I'm sure my honourable friend would on reflection agree with this, that the Lieutenant Governor in Council has to look at the financial aspects as well. I want to assure all that the Lieutenant Governor in Council will adopt the schedule of the cost of living to now, but there could be a possibility of changes on the Board that would put the Lieutenant Governor in Council in a predicament; but I'm sure that my honourable friend will agree with me that it is desirable for the Lieutenant Governor in Council to at least have an opportunity of assessing cost factors and the like. By way of illustration, if the cost of living went up 50% inside of a year, then I'm sure that my friend would agree with me that the Lieutenant Governor in Council would have to take a very close look at the effect on the treasury of the Province of Manitoba. But I want to assure my friend that there is no hesitation as far as we are concerned at this time of the application of the full cost of living increases as provided for in the Act.

Now I think, Mr. Speaker, those generally are the questions that have been raised; if I

(MR. PAULLEY cont'd.) have omitted any -- (Interjection) -- my friend says one more. I wonder, Mr. Speaker, if you would permit him to ask that question. I'll try and answer it.

MR. BILTON: I just have the other question. I thank the Minister for his replies, it's been related to him as I gave it. There was just one other point which was brought up by my colleague from Assiniboia and that was the 3% interest in the Fund that is paid to the widow that is left, and I wondered why it should remain at 3% because surely the fund is investing the majority of its funds and earning a great deal more than that, and could not a little better interest be passed on to the contributors, rather than 3% which went out 30 years ago.

MR. PAULLEY: . . . Mr. Speaker, but again I say that after consultations between all of the parties concerned, the employees and the government, we felt that it would be reasonable to start out on this basis. It could have been 6% it could have been 8%, but again the cost factor applied would have been a minimal reduction in the amount of actual pension.

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

MR. GREEN: Bill No. 130, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Municipal Affairs. The Honourable Member for Riel. Stand? (Agreed)

MR. GREEN: Bill No. 129, Mr. Speaker, on Page 6.

MR. SPEAKER: The proposed motion of the Honourable Member for St. Matthews. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Yes, Mr. Speaker, I'll be very brief on this. I have studied the bill and I listened to the Honourable Member from St. Matthews when he presented it, and it is a housekeeping bill in general as far as the Metro Act is concerned. When he explained it, he mentioned the downtown area which would give Metro wide powers of expropriation for gathering packages of land that they could buy and develop in a certain way but the Act does not specify any area. This Act takes in the whole of Metro Winnipeg and on this basis I believe it gives the Metro Council far too wide powers, or far too great a power as far as expropriation is concerned. One might think that the city that the land is to be expropriated in should be the people involved in this, Metro is there to do the zoning, and the city involved or the municipality involved may well be the people that should be taking care of the expropriation.

Mr. Speaker, I do not intend to hold this up going to committee. The Member also explained that Metro personnel would be there to explain the reasons why they are asking for these changes and I'll have more to say on it in committee. Thank you.

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

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that the House do now adjourn.

MR. SPEAKER presented the motion.

MR. CRAIK: Mr. Speaker, I wonder if the House Leader could indicate what might happen on Monday.

MR. GREEN: Mr. Speaker, I expect to be calling bills. I would hope that honourable members would look over their material over the weekend because on Monday we will not be able to permit adjournment or else the day will close very quickly. I don't make that as a completely unequivocal remark but the fact is that on these bills in any event, that have been in your hands for some time, we would hope that honourable members would be ready to speak.

MR. CRAIK: Any indication, Mr. Speaker, I wonder about when the next Public Utilities meeting might be called, after tomorrow.

MR. GREEN: I believe that that information will probably be available to the committee tomorrow.

MR. SPEAKER put the question and after a voice vote declared the motion carried, and the House adjourned until 9:30 Monday morning.