

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, March 31, 1970

Opening Prayer by Mr. Speaker.  
MR. SPEAKER: Presenting Petitions.

READING AND RECEIVING PETITIONS

MR. SPEAKER: The Honourable House Leader of the Liberal Party.  
MR. CLERK: The petition of Portage Industrial Exhibition Association praying for the passing of an Act to amend The Portage Industrial Association Act.

REPORTS BY STANDING COMMITTEES

MR. SPEAKER: The Honourable Member for St. Matthews.  
MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I wish to present the first report of the Standing Committee on Statutory Regulations and Orders.

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS: His Honour the Lieutenant-Governor.  
MR. SPEAKER: We, Her Majesty's dutiful and faithful subjects, the Legislative Assembly of Manitoba in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and government and beg for Your Honour the acceptance of this Bill No. 21, an Act for granting to Her Majesty certain sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1971.  
MR. CLERK: His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this Bill in Her Majesty's name.

REPORTS BY STANDING COMMITTEES

MR. CLERK: Your Standing Committee on Statutory Regulations and Orders beg leave to present the following as their First Report:  
Your Standing Committee of the House on Statutory Regulations and Orders was appointed and its members listed at the First Session of the 29th Legislature on Friday, September 5, 1969. Your Committee composed of Hon. Messrs. Mackling, Miller, Toupin, Uskiw, Messrs. Allard, Barkman, Bilton, Desjardins, Fox, Gonick, Graham, Johannson, Spivak, Mrs. Trueman, Mr. Weir, was appointed and authorized to review the Landlord and Tenants Act and to consider any proposals for amendments thereto that might be submitted to the Committee; to hold such public hearings as it deemed advisable and to sit during the present session and in recess after prorogation and to report at the next session of the Legislature on the matters referred to it by a Resolution of the Legislative Assembly at the First Session of the 29th Legislature on Thursday, September 18, 1969.  
Mr. Johannson, MLA, was appointed Chairman, and the quorum was set at seven members.

Your Committee met at: Winnipeg - Thursday, December 11, 1969  
Winnipeg - Monday, January 5, 1970  
Brandon - Thursday, January 15, 1970  
The Pas - Monday, January 26, 1970  
Thompson - Tuesday, January 27, 1970  
Winnipeg - Thursday, March 5, 1970

Presentations, written and oral, concerning the Landlord and Tenants Act and possible amendments were made in Winnipeg by the following:

Professor E. M. Levine	-	individual
Mr. Joseph Zuken	-	individual
Mr. Walter C. Newman	-	Property Owners and Building Managers Association of Greater Winnipeg.
Mr. Harry Munroe	-	Winnipeg & District Labour Council
Mr. Grady	-	individual
Mrs. Shapiro	-	Age & Opportunity Centre
Mr. Bob Caron	-	Mortgage Loans Association of Manitoba
Mrs. Kofmuk	-	individual
Mrs. Ruby Permut	-	individual

(MR. CLERK cont'd)

Mr. Celestine Guiboche )	-	Winnipeg Tenants' Association
Mrs. Shirley Halter )		
Mr. Victor Courchene )		
Mr. Todd	-	Coalition for Development
Mr. Masyk	-	Day Centres
Mr. Clark Brownlee	-	Manitoba Association of Social Workers
Mr. Sidney Silverman	-	individual
Mr. Max Olin	-	individual
Mrs. Martin	-	individual
Mr. Shalom Schacter	-	individual
Mr. Robert Wilson	-	individual

Manitoba Farm Bureau submitted copies of a brief which were distributed to the members of the Committee.

Presentations were made in Brandon by the following:

Mrs. Swain	-	Mothers' Group of the Children's Aid Society of Western Manitoba
Anonymous tenant	-	individual
Mr. David S. Weiss	-	individual
Mr. Ted Charne )	-	Winnipeg Real Estate Board and Manitoba Real Estate Association
Mr. James Murray Robb)		
Mrs. Marie Dickson	-	individual

Briefs were presented in The Pas by the following:

Mrs. Theresa Kennedy	-	Welfare Recipients
Mrs. Leo Lavasseur	-	individual
Mrs. Lepinsky	-	individual
Mr. Towers	-	individual
Mr. Paul Le May	-	Group of Tenants and Landlords

Representations were made in Thompson by the following:

Mr. Jack Drapack	-	Thompson Property Management Association
Mr. Cecil Allen	-	Thompson Property Management Association
Mr. Richard Whidden	-	individual
Mr. Nick Evans )	-	Local 6166 United Steel Workers of America
Mr. David Fairlie )		
Mr. Bob Mayer	-	individual
Mr. Don Cameron	-	individual

Your committee reviewed the briefs, written and oral, presented to the committee hearings and those briefs mailed to the committee, and recommends that the Landlord and Tenant Act be amended as follows:

1. Rentalsman - An office of Rentalsman should be established. The function of the office should be the provision of information, conciliation and rent review. It would answer the questions of landlords and tenants, explain provincial legislation affecting them, seek to mediate disputes and to aid in fair settlements, and when necessary, undertake rental review.
2. The existing provisions of the Act respecting enforcement of rights by court process, should be simplified and applications should be made to magistrates rather than county court judges.
3. The right to distrain (remedy of distress), whether arising out of the common law, statute or contract, should be abolished.
4. The landlord should be allowed to hold a maximum of one-half a month's rent as a security for rental arrears or damages, to be returned to the tenant with interest at current bank savings rate. In case of dispute, landlord or tenant may apply to the Rentalsman.
5. Any attempt on the part of the tenant to waive his rights under the Landlord and Tenants Act shall be null and void. The tenant should have the right to sublet with consent of the landlord, which consent should not be arbitrarily or unreasonably withheld. In case of dispute, there should be the right of appeal to the Rentalsman.
6. The landlord should be under a duty at the beginning of the term to hand over possession of premises and to maintain premises during the tenancy in a good state of repair and fit for habitation. This duty, however, should be subject to an obligation on the tenant to repair damage caused by his wilful or negligent conduct, and to perform normal housekeeping tasks.

(MR. CLERK cont'd)

7. The practice of tradesmen making payments to owners or superintendents of buildings in exchange for the privilege of exclusive access should be made illegal and subject to penalty.

8. Landlords of multiple family units should not restrict canvassing and orderly distribution of election literature by candidates or their authorized representatives in federal, provincial, municipal or school board election campaigns.

9. Acceleration of Rent - Where the landlord claims an acceleration of rent and if the tenant pays arrears, together with interest, or remedies the breach of covenant within a reasonable time, there should be no acceleration of rent.

10. Mitigation of Damages - Where the tenant abandons the premises the rule whereby the landlord is not required to mitigate his damages should be reversed so that the ordinary rules of contract relating to mitigation of damages will apply.

11. Frustration of Lease - The doctrine of frustration of contract should be made applicable to leases. Where the leased premises have been destroyed by fire or been so damaged that they are no longer of use for the purposes for which they were let, the obligation to pay rent should cease.

12. The covenants in leases should be treated as dependent, each upon the others, and the positions of landlords and tenants, respecting breach of covenants should be assimilated. This would eliminate the anomaly of a tenant having to pay rent and perform his other obligations under a lease even though the landlord has broken such covenants as to repair, provide heat and give quiet enjoyment. When the other has broken a covenant in the lease, either the landlord or tenant should be able to apply to the Rentalsman.

13. Penalty for Lock-out - In order to prevent resort to self-help as a means of regaining possession and effecting a *de facto* termination of the tenancy, a landlord who changes the locks without mutual consent on doors giving access to the leased premises should be subject to prosecution.

14. Protection from Retaliatory Eviction - If, in the judgment of the Rentalsman, a notice to quit was given because of the tenant's complaint to any governmental authority of the landlord's violation of any statute or municipal by-law dealing with health or safety standards, including minimum housing standard by-laws, or the notice to quit was given because of the tenant's attempt to secure or enforce his legal rights, in such case the previous tenancy shall continue as if no notice to quit had been given, and the landlord should be subject to prosecution.

15. Right to Privacy - Except in cases of emergencies or mutual consent, a landlord should not enter rented premises without 24 hours written notice to the tenant, and time of entry shall be during daylight hours.

16. Simple standard leases written in layman's language, should be embodied in the Act, or attached to it.

17. Standard lease forms should be so worded that tenants with children of school age will not be required to move during the school year.

18. In renting premises or any renewals of tenancy, there should be no discrimination on grounds of race, religion, colour, or by virtue of a tenant's membership or participation in any associations of tenants.

19. Three months notice of rent increase should be required for leases a year or more in length, except for the amount required for increased property taxes, where a lease contains a tax escalation clause.

20. Right of Tenure - Either landlord or tenant desiring to terminate tenancy should be required to give notice and state cause.

21. The tenant should have the right to withhold rent to force a landlord to carry out his obligation. The landlord may refer the matter to the Rentalsman.

The above-mentioned principles for amendment should not be considered exhaustive of all possible amendments to the Act.

MR. SPEAKER: The Honourable Member for River Heights.

MR. JOHANNSON: Mr. Speaker, I move, seconded by the Honourable Member for The Pas, that the report of the Committee be received.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

MR. SPEAKER presented the motion.

MR. JOHANNSON: Mr. Speaker, if the honourable member wouldn't object, I would like to make a brief statement.

HON. SIDNEY GREEN, Q. C. (Minister of Mines and Natural Resources)(Inkster): Mr. Speaker, if the mover had intended to speak he should have of course been the first one recognized. I don't think the honourable member would object now. Otherwise, the mover would be closing debate.

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

MR. JOHANNSON: Mr. Speaker, the reason I did stand up to speak on the receipt of this report is because I think that the report has a rather great importance, or will have a rather great importance for the people of this province.

The Committee on Statutory Regulations and Orders of course was originally instructed to hold hearings in order to examine The Landlord and Tenant Act and provide recommendations for amendments to the Act. The report which has just been submitted lists 21 suggested recommendations. These recommendations can of course be accepted by the government and, if it so chooses, implemented in the form of amendments to the Act.

The report recommends basically that The Landlord and Tenant Act be brought out of the fifteenth century into the twentieth century. The Act as it now stands was passed in 1931 and amended very slightly in the years up to the present. The report recommends exciting changes, changes which go beyond the rather mechanistic changes implemented by the Conservative Government of Ontario. Half the recommendations of this Committee are the same as those implemented by the Government of Ontario; half are different.

One of the objectives of the report is equality between landlord and tenant, a condition which was formerly lacking. As the Act stood it was loaded against the tenant, and hopefully amendments to the Act will bring about a condition approaching equality. The government is being asked to incorporate amendments into the Act which will embody modern concepts of right, not medieval land tenure concepts.

There are some very important clauses in the report. Perhaps the most important one recommends the setting up of the office of Rentalsman. This office would in effect be a housing ombudsman. This is a positive idea and I must give the credit for originating the term to the Attorney-General. The basic functions of the office, the new office, will be providing conciliation between landlord and tenant, providing of information and rental review. We are recommending that the province accept responsibility in this field, that the province act to set up this office. This is intended to overcome a weakness which exists in the amended Ontario Act. Under the new Ontario Act the setting up of a body to conciliate disputes is optional; it's contingent upon a municipality deciding to set up the office. The report does not specifically recommend that the office be given effective power, but it does not preclude the government from giving this office effective power.

There are a number of other important clauses which I'll very briefly outline. One is the simplification of court process. The objective is to provide speedy, simple, effective and cheap settlement of disputes. Another clause would abolish distress. This is a very important clause because terrible abuses have occurred in the past because of this power of distress, because this power of distress has been misused. The Act provides -- pardon me -- the report recommends that the Act provide protection from retaliatory eviction. The Ontario Act, I might point out, provides for a penalty up to \$1,000 for a landlord who is convicted of evicting a tenant in retaliation for the tenant's insisting upon his legal rights. We are recommending that a simple standard lease form be embodied in the Act. We are recommending that the right to tenure be embodied in the Act.

Now these suggested amendments will not eliminate abuses; abuses always occur in any human society regardless of whether the government is Conservative or NDP. However, it will provide a short-term protection for the rights of tenants and the rights of landlords. The obvious long-term solution to the problem in this field is a vast program of public housing and the government is already committed to such a program, but in the meanwhile a short-term solution is necessary and it's hoped that the government will bring in amendments which will provide this.

MR. SPEAKER: Are you ready for the question?

MR. GREEN: Mr. Speaker, I think that the debate should stand adjourned in the name of the Honourable Member for River Heights.

MR. SPEAKER: That is the question.

MR. GREEN: Oh, I'm sorry.

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

#### INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of the honourable members to the gallery where we have with us 12 students of the 6th Company Girl Guides. They are under the direction of their Leader, Mrs. Toshack. This company is located in the constituency of the Honourable Member for St. Vital. We also have 60 students of Grade 11 standing of the Miller Collegiate. These students are under the direction of Mr. Klipperstein and Mr. Sawatzky. This school is located in the constituency of the Honourable Member for Rhineland. And we have 45 students of the MacGregor 4H Club. These students are under the direction of their leaders, Mrs. Dankesreiter, Mrs. Drader, Mrs. Tarr, Mrs. Graham and Mrs. Gibbs. This school is located -- or rather this Club is located in the constituency of the Honourable Member for Portage la Prairie.

On behalf of all the Honourable Members of the Legislative Assembly, I welcome you here today.

#### REPORTS BY STANDING COMMITTEES (Cont'd)

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for Osborne. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, when the Minister spoke yesterday on this particular motion one could not help but detect the sense of urgency with which he seemed to want to get the report through the House, and of course this morning when we picked up the morning paper the urgency was quite evident. The Chairman of the Manitoba Development Fund had submitted his resignation and the letter of resignation had been in the hands of the Premier for some time prior to yesterday.

Now when the committee met, when the committee met prior to the opening of this session there was a suggestion on the part of the Member for River Heights that the Chairman of the Manitoba Development Fund and the Board of Directors should be requested to make a presentation before that committee as requested in the TED Report. We reasoned that to get a proper analysis of the workings of the Manitoba Development Fund and to acquaint members of the committee with the type of work they were engaged in, it would be proper to have the Chairman and the Board before that committee. That suggestion was turned down by the government. They obviously had no intention of permitting the Chairman of the Manitoba Development Fund appearing before the committee.

Now if that presentation had of been accepted, Sir, members of the committee would have had an opportunity to assess the functions of the Manitoba Development Fund. We would have had an opportunity of meeting with the Board and to reviewing some of the policies and the practices that they had been engaged in in the years that this Board has been in operation. And we would have also, Sir, had an opportunity to have in our hands a copy of a report which is contained in the Manitoba Development Fund Report year ending March 31st, 1969, a letter from the London Economist Intelligence Unit, which is contained in the center portion of that report.

I want to put on the record the contents of that letter so that there is no doubt about how this well-established independent unit review the activities of the Manitoba Development Fund. It stated on December 10th, 1969, addressed to the Board of Directors of Manitoba Development Fund, Winnipeg. "Gentlemen: As requested, I have reviewed and examined the loan applications received by the Manitoba Development Fund for the period April 1st, 1968 to March 31st, 1969, as well as the procedures followed by the Manitoba Development Fund in extending credit during this period. This review has not been exhaustive, but I have had the benefit of discussions with M. D. F. officials and access to loan files and other documents. The general conclusion emerging from this examination is that the Fund is a well organized and administered organization which has proved to be an effective instrument for stimulating and for warding economic development in the province.

"More specifically, it can be stated that, in the period under review, it is my opinion that:

" (1) The loans made by the Fund were approved by the Board of Directors and were in accordance with the purposes set out in the Manitoba Development Fund Act.

(MR. JORGENSON cont'd)

" (2) Proper investigations were made as to (a) the feasibility of the projects for which financial assistance was sought; and (b) the compatibility and reliability of the potential borrower before the commitments were entered into.

" (3) The Fund established that in the time it approved a loan there was sufficient reason for a prudent lender to expect repayment under the terms of the loan and that loans were properly secured against borrowers' assets.

" (4) The terms set out for individual loans seemed appropriate to the risk in costs incurred and exceeded the rate of interest at which the government could borrow on the security of its own long-term debentures as estimated by the Provincial Treasurer at the time the loan agreement was made.

" (5) Procedures adopted by the Fund for the supervision of loans, including the periodic reports on the condition of securities taken for loans, appear to be adequate, professional, and to conform to normal business practices.

" (6) And finally, it would seem that the portfolio of loans developed by the Fund provides a reasonable diversity in the terms of industry and geography in relation to the total sums loaned. Yours faithfully, M. J. West, Deputy Managing Director."

This, Sir, is a report by, as I said earlier, an independent examining unit and pretty clearly states out their views with regard to the activities of the Manitoba Development Fund, and one can only conclude that the activities of the Board and of the Chairman of that Board were in accordance with the practices and the purposes and the intent of the Act. Well, what has happened? Mr. Speaker, the Chairman has now resigned according to the report in the newspapers this morning. I need not tell members of this House the role that Mr. Grose has played in the activities and development of this province. Without question, one of the top civil servants in this province or any other part of the country, winner of an Industrial Development award last year, a man who has devoted his energies to furthering the interests of this province. Now it would be interesting to know what the reasons are for his resignation. It would seem to me that the House is deserving of some explanation as to why this purging of civil servants.

Now the Premier, in a statement outside the House, indicated that the Chairman was unhappy with the auditing procedures and reluctant to accept the change of pace of the MDF operations. We have no way of knowing whether or not that this is a correct assessment of the . . .

HON. ED. SCHREYER (Premier)(Rossmere): Mr. Speaker, on a point of order, the honourable member is I understand quoting me. Is he in fact quoting me and what is the source?

MR. JORGENSON: What I simply said was that the newspaper account indicated that the First Minister indicated that Mr. Grose was unhappy with the auditing procedures and reluctant to accept the changes in MDF operations. I am not quoting any particular phrase; I'm just saying that this is -- and here is the report, if my honourable friend wants me to read it into the record: "Mr. Schreyer said the Chairman of the MDF was reluctant to accept the change of pace in operations of the Manitoba Development Fund and was specifically unhappy with the government ordered audit."

MR. SCHREYER: Mr. Speaker, on a point of order . . .

MR. SPEAKER: . . . point of order?

MR. SCHREYER: Yes. The honourable member is attempting to quote me and I'm saying that that is inaccurate. Now if he's going to quote, under the rules of parliamentary procedure he has to be prepared to take responsibility for that which he is quoting.

MR. JORGENSON: Well, Mr. Speaker, the First Minister asked me what I was quoting from. I'm quoting from the Winnipeg Tribune of this morning and . . .

MR. SPEAKER: Order please. I believe the Honourable the First Minister has indicated that that is an inaccurate report.

MR. JORGENSON: Well, Mr. Speaker, I am simply putting on the record a statement that was contained in this morning's press, and the First Minister is going to have ample opportunity to explain his position. I invite him to do that as soon as I sit down, and he'll have plenty of opportunity to state his position on this matter.

Now the report is contained and the suggestion is made that the First Minister gave the reasons for Mr. Grose's resignation as contained in the newspaper article that I just quoted. I think the House is entitled to a full explanation of what has transpired and we're going to invite

(MR. JORGENSON cont'd) . . . . . the First Minister to give that explanation to the House. What it all goes to show you, Mr. Speaker, is what I originally started out to say, that had the request of the Member for River Heights been acceded to at the first meeting, in fact the only meeting of the committee outside of the one that was called to draft the report, had that request been acceded to we would have had an opportunity to question the Director of the Fund, Mr. Grose. That opportunity now is not going to be made available to us and I think that the report, on the basis of the events that have transpired and the suspicions that have been created, I would suggest we do not accept that report.

MR. SCHREYER: Mr. Speaker, I believe that I am regarded by many people as one who is given to soft-spoken words but I expect that my performance this afternoon will be somewhat at variance from that regard, because if I've ever heard anything nonsensical and bordering on the stupid, it's the remarks that my honourable friend has come forward with in the last few minutes.

Let me take some of the points which obviously my honourable friend regarded as his key points of argument. He suggested that we were somehow greatly at fault as a government for not having given members of the opposition as opportunity to have the members of the Manitoba Development Fund, that is the Board of Directors and the General Chairman, appear before the committee and give evidence and give us their views and ideas. I want to say to my honourable friend that his colleagues, when they formed the government, for 10 years never saw fit to call the directors of the Manitoba Development Fund so that members of the opposition could question them and solicit information. Ten years! We're in office eight months and they would fault us for not having seen fit in eight months to do what they wouldn't do in 10 years.

Similarly, with respect -- they are putting great emphasis and importance on the Economic Development Advisory Board, and I believe that it was a good move on our part to have established such a board, but it really surprises me to see my honourable friends of the Conservative Party put such great emphasis on it when again, in 10 years, they never saw fit to establish such an entity.

I was not here for the period 1965 to 1969 but I understand that colleagues in the New Democratic Party who were members of this Assembly, and members of the Liberal Party who were in the Opposition, on repeated occasions in this Assembly tried to get basic information relative to the operations of the Manitoba Development Fund, and in particular with respect to the loan transactions made with the four companies involved at The Pas. And the basic information was never given; it was always shrouded in secrecy. I suggest that that more than any other single reason is responsible for so much of the rumourmongering that has been going on for the past several months and years.

Then I heard someone opposite say that we were purging the Civil Service. Mr. Speaker, if anything borders on lunacy that statement does, because I daresay that never before in the history of Canadian politics have so few changes been made in the Civil Service structure as was the case when this party took over government in this province. Never! How many civil servants have been asked to leave? How many civil servants have in fact left? What percentage? Less than one percent; in absolute terms, less than five; for all I know perhaps only two, only two have seen fit to resign -- and I might add that we did not ask for their resignations. Let that much be clear. But there was in both cases certain problems which, if they did not see fit to live with, we didn't either, and I shall set about to explain that in just a few minutes.

Purging the Civil Service, Mr. Speaker, when two civil servants out of how many? My colleague would know. How many in this province? Two civil servants have left to my knowledge of their own volition. My honourable colleague the Minister of Transport says, "Ask about 1958." May I remind my honourable friend that in 1959 when there was a change in government then, when Duff Roblin became Premier, that the same gentleman whose resignation was announced today, resigned at that time; the same gentleman and no one got up in this House and suggested that there was a purge afoot. And he was not in the Civil Service employ for a period of two years or more and then he came back. I want to make it clear to my honourable friends that it was not I, it was not this government which requested any resignation. In fact I can say I was able to work together with the honourable gentleman in question and I would have been quite prepared to continue to do so despite the fact there was some difference in outlook. In many respects I am satisfied we could have worked together well but there was one point upon which there was obviously not a meeting of minds, no consensus or agreement possible, and so rather than take a leave of absence so that the critical period of a month or two could be passed

(MR. SCHREYER cont'd) . . . . by, he decided to resign and that is his prerogative. And I repeat, this was the path he chose to follow back in 1959 so it is hardly ominous. -- (Interjection) --

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): You weren't around then. You don't know anything about it Buster.

MR. SCHREYER: Mr. Speaker, I should like at this time to provide further clarification and remove certain misunderstandings which have arisen in recent weeks respecting financial involvement in the forestry complex at The Pas, Manitoba. Recent statements have been made in the Legislature and have appeared in the media, wherein references to the extent of provincial and private financial participation have not been consistent.

MR. WALTER WEIR (Leader of the Opposition)(Minnedosa): Mr. Speaker, on a point of order, might I enquire what this has to do with the resolution that is before us?

MR. SCHREYER: I suggest to you, Sir, on the point of order, that the Honourable Member for Morris, when speaking to the motion having to do with the Standing Committee on Economic Development, that he raised the question of the resignation of Mr. Rex Grose and the operation of the Manitoba Development Fund and I intend to do likewise, to indicate, since he raised the matter, just why it is that the honourable gentleman resigned and just what it is that we are studying and investigating at the moment with respect to the Development Fund and certain financial transactions.

So I repeat, Mr. Speaker, that recent statements made in this Legislature have appeared in the media - and also in the media, I should say, wherein references to the extent of provincial and private financial participation have not been consistent one with the other. Consequently, 10 days ago I asked the Manitoba Development Fund, which my honourable friend just mentioned, for a statement of reconciliation of the various figures used when describing the total costs involved in the The Pas Forest Complex. This statement of reconciliation I have received from the Chairman of the Manitoba Development Fund and it is the basis upon which I wish to provide this clarification.

Rather than permit any confusion in these respects to continue and in order to put the investment figures in perspective for once and for all, and in order to proceed with maximum public disclosure of information - which I suggest is still the best principle upon which democratic government should operate - the following facts should be made clear, and I enumerate:

(a) The total amount which the province has committed by contract through the Fund to advance to the four companies in the project is 86 percent of the project's capital costs but not exceeding \$92.4 million.

(b) The said amount of \$92.4 million is to be divided as follows: To Churchill Forest Industry a contractual commitment to lend 40.7 million; to M. P. Industrial Mills a commitment to lend up to \$32.0 million; to River Sawmills a commitment to lend 9.6 million; to James Bertram and Sons, 9.8 million.

Now the estimated value or capital costs of plant and equipment of the completed project, which will be security for the advances to be made by the government through the Fund, is as follows - and I'm referring to capital costs: In the case of CFI the cost of construction and plant and equipment acquisition is 38.3 million dollars plus 5,900,000 for logging roads, etc. This can be deduced as capital costs. 2. M. P. Industrial Mills - capital costs of buildings, plant and equipment, 34 million; River Sawmills - capital costs of plant and equipment, 12 million; James Bertram - capital costs of plant and equipment, 10.5 million. To this -- the total, if my honourable friend can calculate, I don't have the total here but it comes to 95 and five - approximately \$100 million, \$101 million in capital costs of plant and equipment, of which under the financial agreements 86 percent or 92.4 million is to be lent by the government through the Fund, whichever is the lesser - 86 percent or 92.4. The total amount of federal grants to the company is, according to my information, approximately 15 million.

I've indicated to the House already that the firms concerned have undertaken to invest at least one-third of the capital requirements of the project, and I emphasize the word "requirements". It was my hope and anticipation that according to the initial understanding that this would reduce provincial input from 86 percent to 66 percent of capital cost requirements. The companies involved take the position that expenses other than the project's capital costs will result in compliance with their undertaking. They have indicated that capital requirements for operating - I repeat - they have indicated that capital requirements for operating and other diverse purposes are some \$40 million in addition to the 100 million of capital costs. That



(MR. SCHREYER cont'd) . . . . . brings the total capital requirements to 142 million according to their own estimates.

However, insofar as the Province is concerned, it would now appear that the original private equity position on the construction of plant has not been improved and that the private capital input in that respect is no more than what was originally agreed to. I wish to emphasize that provincial advances of loan capital will be made only on the basis of actual project valuations. That is to say on construction and equipment acquisition costs. Additional precautions have been taken to ensure that this will be done. I refer to the assignment of an accountant and of a pulp mill engineering firm to perform an additional inspection of construction and auditing of financial records. For these purposes an accountant, Mr. Alistair Stewart, and pulp mill engineers, Messrs. Stothert and Jopp have been retained. In addition, the invoices and financial documentations relative to this project will as of tomorrow, April 1st, come under the scrutiny of the Provincial Auditor, Mr. McFee.

The foregoing course of action did not meet with the full concurrence of the Chairman and General Manager, Mr. Rex Grose. Accordingly for this reason, and for the reason of wishing simply a change in work, he has submitted his resignation effective today. I wish to state emphatically I held and still hold Mr. Grose to be a person of integrity and I can say that I have complete trust in him, but there was no meeting of minds with respect to procedures we were taking and following with respect to inspection and audit, and also some difference obviously of interpretation as to the meaning of the term capital costs of a project. Accordingly, the resignation was accepted. I should say too, as an aside, that approximately thirty days ago I was advised of his wish to resign and I persuaded Mr. Grose to stay on. I felt that once we had this full matter of the forest complex properly checked and doublechecked that the critical period would be behind us and I saw no reason why we could not work together well with respect to future economic development matters. However, such was not to be.

I go on, Mr. Speaker, to say that I am convinced that this additional auditing of invoices and additional engineering inspection of plant and equipment will result in our being more certain that the amount of public money being loaned will not exceed 86 percent of the actual capital costs of plant and equipment involved in this entire project.

References to capital requirements apart from capital cost of plant and equipment are not relevant in the sense that these additional capital requirements which are estimated, which go beyond the cost of plant and equipment, are not relevant because they are not included in the loan agreements; they are not tangibles against which the loan capital being advanced by the Fund is secured. The loan capital is not being secured against these so-called other capital requirements that are a part and go beyond the capital cost figures themselves.

So, Mr. Speaker, to summarize, when we are talking about the total capital costs of plant and equipment we are talking about an amount of approximately 90 to 100 or 101 million dollars. The precise amount is being determined now, is in the course of being determined now and in the next few days. The agreements provide for the Fund to lend 86 percent or \$92 million of the 100 or 101, whichever is the less. Federal grants are for approximately \$15 million. That is the full account, Mr. Speaker, of the capital costs. To this the companies add a figure of 40 to 50 million dollars which they claim is required in aggregate for operating and diverse purposes. It is a separate issue on which I feel that I cannot and should not make further comment at this time.

Let me say in conclusion that I regard this statement as putting the matter in perspective and removing the shroud of unnecessary secrecy which has caused much of the concern voiced in past months, for that matter for the last three years. I regard this statement as answering a number of questions. Should important questions relative to financing remain unanswered, it would be in order in my opinion to consider the establishment of a formal commission of enquiry and I continue to regard this, Sir, as being unnecessary at this time.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I am precluded from entering the debate but I would like to ask the First Minister two questions. Did Mr. Grose in his resignation state his reasons for resigning?

MR. SCHREYER: Yes, he indicated that he was not -- two reasons which I gave, one being that he wanted a change in pace, a change in venue, a change in work. In any case, this is what he told me thirty days ago. The second reason he gave was that he felt that the procedure adopted for additional auditing and inspection and the personnel appointed were simply not acceptable.

MR. SPIVAK: Mr. Speaker, I wonder in view of that statement whether the First Minister, without going through the normal procedures, would be prepared to table his resignation in the House so that we can see this.

MR. SCHREYER: Let the honourable member state precisely what his question is. What is it exactly he wishes to know?

MR. SPIVAK: Mr. Speaker, I wonder whether the First Minister - I am aware of the procedures in the House, but because of the enormous concern and the statement he has just made, whether he would consider and would table in the House Mr. Grose's resignation, his letter of resignation.

MR. SCHREYER: Yes, I have no objection to that, Mr. Speaker, if in fact that is the procedure. As I said, I believe in -- (Interjection) -- Mr. Speaker, I have indicated what the two principal reasons were. If my honourable friend has reason to doubt them, let him say so.

MR. SPIVAK: Mr. Speaker, I have no reason to doubt them, but I have asked the First Minister, rather than applying for normal Address for Papers, in view of the concern and the publicity attached to this particular situation whether he would table in the House Mr. Grose's resignation, his letter of resignation, Mr. Speaker.

MR. SCHREYER: I have no objection to that course of action. I just want it clearly understood by my honourable friend when he asked me what the principal reasons were I told him.

MR. SPIVAK: Mr. Speaker, for the record, because many statements have been made and because we do not want any confusion in it, I think it is important that the letter of resignation be tabled.

MR. SCHREYER: Mr. Speaker, as I said, I have no objection and that can be done, but I also want it understood by my honourable friend that there were two reasons. I don't know if both were included in the letter.

MR. SPIVAK: Mr. Speaker, just on a point of order. -- (Interjection) -- Yes, Mr. Speaker, on a point of order. The First Minister has indicated the reasons for Mr. Grose's resignation and, Mr. Speaker, I have asked for that letter to be tabled.

MR. GREEN: Mr. Speaker, I hesitate to interrupt my honourable friend but there can be no possible point of order arising on the answer that the Premier has given to the question that was raised, and I rather suspect that my honourable friend may be trying to use the point of order to try and make a statement and therefore I would urge that there can be no possible point of order to the answer to a question that was made. We are not engaged in an orderly question now. The member has spoken, the Premier has spoken, and I suggest that debate be resumed.

MR. SPIVAK: Mr. Speaker, my statements were not made in debate. My statements were in the form of question and again I ask the Premier the following question.

MR. SPEAKER: I believe the honourable member is asking a question if I understand him correctly.

MR. SPIVAK: Yes. I would like the Premier to at least clarify that the statements that he made about why Mr. Grose resigned were either contained or not contained in his letter of resignation.

MR. SCHREYER: Mr. Speaker, as I said, there were two principal reasons given me verbally thirty days ago. They were repeated now and I believe that they are stated both in the letter. I would think my honourable friend would understand that a letter would not be able to contain or comprehend all that which takes place in a half hour conversation, but it comes down principally to two reasons which I have given my honourable friend.

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

MR. GILDAS MOLGAT (Ste. Rose): I would like to ask a question, if I may, of the First Minister. He listed four different loans. Were those all made at the same time and could he give us the dates at which they were approved?

MR. SCHREYER: Yes, I believe I can do that, Mr. Speaker. The financial agreements were signed on the following dates: November 1966, September 1968, November 1968, and then two in 1969 and I will give the exact dates, May 29, 1969 and July 10, 1969.

MR. PAULLEY: I wonder, Mr. Speaker, might I ask the First Minister a question. Who was the government at that time?

MR. SPEAKER: The Honourable Member for Lakeside -- I'm sorry, I believe the Honourable Member for Ste. Rose has the floor.

MR. MOLGAT: It's a question that I have, Mr. Speaker. If the honourable member is going to speak, I would like to get this first. These agreements were signed by the Manitoba Development Fund and the companies?

MR. SCHREYER: Yes.

MR. MOLGAT: Were government ministers aware that these agreements were being signed?

MR. SCHREYER: Mr. Speaker, I am sure that my honourable friend the member of Ste. Rose knows that a good deal of debate and speculation has taken part on that very question, but having been in government for a few months I defy any honourable gentleman opposite to say that they were unaware of the financial agreements, not advised by the Manitoba Development Fund.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): A further question. Are all the monies being advanced through the Development Fund or is there any money being advanced outside the . . .

MR. SCHREYER: All of the loan capital that is being advanced to these companies in the amounts that we have been talking about are being advanced by the Manitoba Development Fund. I should add that there is also some federal money involved here and I understand it to be approximately 15 million. It may be one or 1.5 million either way.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I wonder if the First Minister would accept a further question. Would he clarify for my comprehension the sequence involving the verbal indication of resignation and the letter itself. I take it the letter was not received by him thirty days ago at the time of the verbal indication.

MR. SCHREYER: Well, Mr. Speaker, I dare say we are going beyond what can be rightfully expected here, but I don't mind answering my honourable friend. A letter of resignation was received thirty days ago along with the verbal discussion, and I had a number of discussions with Mr. Grose. Subsequently he agreed to reconsider and in fact did reconsider, and then it was subsequently de novo submitted again.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Well, Mr. Chairman, I wish to participate in the debate with respect that the report of the Standing Committee on Economical Development be received. Mr. Chairman, in view of what has happened in the last day and few days, not only should this report not be received, Mr. Speaker, if any action is to be taken it would be the instant and immediate resignation on the part of the Minister of Industry and Commerce. Mr. Chairman, we have seen the First Minister rise in his place this afternoon and indicate to this House that he felt compelled to make a very forceful statement, and of course we had before us a beautiful exercise in diversion again. I suppose it is an exercise in diversion that we will have to come to live with and expect on this side of the House, particularly the past of the past administration, because whenever there is a question that is of some embarrassment to the government or of some concern to the government, they will continue to seek back those areas that they think they can make some political yards with on the outside and keep referring to it. Not only were we back to the agreements of a few years ago with CFI but we were back to the days that the Roblin administration took over from the D. L. Campbell administration and ten years from that time.

So it concerns me, Mr. Speaker, that we are continually seeing this tactic employed by none other than the First Minister, a First Minister, Mr. Speaker, who has demonstrated his masterful art at diverting a whole lot of people, like diverting the investment dealers in New York as to what his radical people are doing or diverting the radical people in his Party to what he is telling the investment dealers in New York, diverting the farmers, diverting the urban people. Mr. Speaker, it leads me to think -- you know I have been involved in a few diversions, the Portage Diversion and perhaps the greatest diversion that will still be built, the high-level diversion, but I am just about ready to accept a master at the art of diverting public attention from what is the issue. And what is the issue raised in these few days? ~~Mr. Speaker, two highly competent senior civil servants is too big a price to pay for one waffling, miscast, academic, incompetent Minister.~~ And I suggest, Mr. Speaker, that that is the question, not what you have tried to divert our attention to, not what you read into Hansard a great deal of figures, facts . . .

HON. AL. MACKLING, Q. C. (Attorney-General)(St. James): Would the honourable member yield to a question?

MR. ENNS: When I have finished, Mr. Speaker, my speeches aren't too long. But the simple fact of the matter is that we've come to accept the fact of incompetence of our present Minister of Industry and Commerce in this House as somewhat of a source of amusement in this House, but, Mr. Speaker, it's getting far and beyond a point of amusement in the House or of watching a debate going on between my colleague the member from River Heights and the Minister of Industry and Commerce and his continual displaying of his incompetence in carrying out that portfolio. But what has happened is really beyond this now. We are facing the reality of losing two of the best and competent people that we had in that department with no indication from that government, from that Minister as to what his alternative approaches are going to be. We keep hearing the statement that there is a degree of incompatibility between the former Deputy Minister or a degree of incompatibility with the Chairman of the Manitoba Development Fund. Well that's fine, I can accept that, Mr. Speaker, this is understandable, we have a new government. But in the absence, the total absence of any alternative suggestions, alternative programs, anything concrete for us to examine, I think that we would be reneging our responsibilities on this side if we didn't become greatly exercised and greatly concerned about this.

Mr. Chairman, this may be a debate that is twelve months premature, but I can't help but have a tremendous concern for the often expressed fears by the members of the government themselves, by members, thinking people throughout the community of not only Manitoba but Canada, that we may indeed be entering into a serious recessionary stage in the economical development of our country. And what do we have, Mr. Speaker, when we lose those key individuals, those forces that have done so much towards development in this province with a shrug of the shoulder, with a diversion here in the House, and we're expected to accept this with the same or similar shrug of the shoulder?

I would point out to the members that in the case of Mr. Grose, who has served in highly responsible positions not only with the past administration but with the administration of the former Liberal Government, he resigned that position not at the time of the change of government as the First Minister would have you believe but at the time of the Liberal administration. He then re-entered his employ with the Conservative administration. But that's here nor there. The fact is that this public servant who has given 22, 23-odd years of service to the Province of Manitoba has been acknowledged throughout the land, width and breadth of this country, as being a foremost leader in this type of development, in this type of work, and we have a situation developing where the First Minister has to divert, has to divert our attention from the seriousness of his leaving; he has to defend his incompetent Minister of Industry and Commerce . . .

MR. SCHREYER: Mr. Speaker, the reference to the Minister of Industry and Commerce is entirely uncalled for. If there is any charges to be levelled you level them at me because it was I who made the decision to accept the resignation.

MR. ENNS: Mr. Speaker, I would suggest that the interjection on the part of the First Minister is one that is most apropos. I think that if he would resume the portfolio of Industry and Commerce and that if he would relegate the present Minister of Industry and Commerce to perhaps pursuing - as I understand he's pursuing it at any rate - his academic work at the Brandon University, that that is perhaps the better place where he . . .

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, on a point of order. On a point of order, I would like to know the honourable member's source of information on the last statement. He knows it's false.

MR. ENNS: Well, Mr. Speaker, I'm always prepared to withdraw any false statement that I may inadvertently make. My information is that he is still on staff at the University of Brandon.

MR. PAULLEY: You shouldn't make false statements.

MR. ENNS: If that's not the case, Mr. Speaker, then I certainly withdraw it. But I hasten to add that that's where he should be, that's where he should be, although I have some concern about the University of Brandon. But, Mr. Speaker, he obviously should not be in the portfolio that he now has charge and jurisdiction of. And, Mr. Speaker, I close by simply saying that never mind tabling this report, I think the resignation of the Minister is called for and is called for immediately.

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

MR. GREEN: Mr. Speaker, I think that we shouldn't be too harsh on the former Minister of Mines and Natural Resources. He certainly has sat in the House for three years during which people called for his scalp as a Minister, asked that his salary be reduced to 98 cents

(MR. GREEN cont'd) . . . . and was the creator or was responsible - and I don't want to be too critical - but was responsible for one of the most important issues that the people of the Province of Manitoba faced and upon which the government may or may not have fallen. That was one of the issues. Therefore, when the Minister gets up and calls for the resignation of the - the former Minister - one must understand that things must have been building up inside of him for three years and that here is an opportunity to pay back some of the supposed abuse that he thought he was taking and which by the way I think was much more deserved than -- as a matter of fact was deserved, to be more explicit rather, than what we have had to sit and listen to this afternoon.

I want to take his remarks because he accused the First Minister of having diverted the debate away from what it had started out with. I sat here in the House, as did all of the members, and I heard the Member for Morris get up and say one of the top civil servants in Manitoba has resigned and that the First Minister should explain and we demand an explanation. The First Minister got up and he explained and the member says "diversion." The Member for Morris says "explain"; the First Minister explains and the Member for Morris says "diversion" -- the Member for Lakeside says "diversion". I just don't see how this follows from the course of events that we have seen this afternoon.

But I really am not standing up for the purpose of making that particular explanation because that was explained for everybody to see. Everybody saw the Member for Morris get up, he got up, everybody heard what he said - and I don't attribute political motives to what he said, I think if he thinks this is an important thing and it's important that the public of Manitoba have the issue raised and that it's important that the First Minister explains, I think that that's exactly what should happen. But after it happens and it's not to the Member for Lakeside's liking, what is his response? Twofold, Mr. Speaker. One, diversion because it's a direct answer to a direct question and that to him means diversion; and secondly, to use the opportunity to heap abuse on the present Minister of Industry and Commerce. And what, Mr. Speaker, is the basic reason for the abuse? Yes, two civil servants -- two civil servants who indicate, whom it is indicated don't really see eye to eye with government policy have resigned. And, Mr. Speaker . . .

MR. SPIVAK: Mr. Speaker, on a point of order. On a point of order, Mr. Speaker, those statements made by the Minister of Mines and Natural Resources have not been made by the two civil servants. They have been alleged by members of the government side and there is a great difference, Mr. Speaker, between the allegations on the government side and the statement by the Deputy Ministers.

MR. SPEAKER: I'll accept the honourable member's statement as a correction.

MR. GREEN: Mr. Speaker, I'm going to get to my honourable friend so he needn't be impatient and we'll discuss his situation. The fact is that that is one attack. The one attack is to say that we have changed the subject from what the Honourable Member for Morris raised the subject to be and asked for explicit explanation. The second is an attack on the Minister of Industry and Commerce and we've heard this kind of attack before. What is the attack? That he's too educated. He has some knowledge; he has read books, more than the Honourable Member perhaps for Lakeside; he is more fitted, he is more fitted to be discussing economic affairs by virtue of his training, by virtue of experience and by virtue of the recognition that has been given him in this respect not by this government but by other responsible communities in the organization. That's his principal criticism other than the fact that two civil servants have resigned.

Well let's compare, because after all the real key to competence is in comparison. There is no absolute competence; people are either more competent or less competent as compared with other people who have done the same work. And, Mr. Speaker, we have a prime example. We have the former Minister of Industry and Commerce who sits in the House and, Mr. Speaker, let's really examine the irony of this because he opened this debate and he claimed that the report of the committee should not be received, and essentially his criticism was that neither the Committee nor the Minister have presented an economic development plan for the people of the Province of Manitoba. That's essentially his criticism brought down to its bare essentials - and I'm not quoting him and I don't want him to jump to his feet. But listen to that, Mr. Speaker. This is the Tory Party whose chief criticism against the existing New Democratic Party is that they have not formulated an economic development plan.

Now, Mr. Speaker, that's the same party that not many years ago would have said that the reason the people should not vote for the New Democratic Party is that if they ever get

(MR. GREEN cont'd) . . . . . elected they're going to formulate an economic development plan. That's what that party has been saying over the years. Now they are asking what type of plan are you looking for? Are you looking for a five-year plan? Are you looking for a three-year plan? Are you looking for a four-year plan? But, Mr. Speaker, in spite of the fact that it's so ironic that that is the criticism we are getting, in spite of the fact that that's ironic, I say that that's a criticism that really we have to meet, that it is incumbent - and the Minister of Industry and Commerce said that it was incumbent upon us - to present to this House an economic development plan and that we intend to do it. But what I object to, Mr. Speaker, is that the former Minister has indicated that his party did it.

Now let's look at the record of the former Minister, Mr. Speaker. We have been in office not quite ten months -- (Interjection) -- not quite nine months. It was seven months or thereabouts after being elected as the Member for River Heights, it was only after seven months that he had to sit in this Chamber and meet criticism as a Minister of Industry and Commerce -- no it wasn't seven, we met in June, we sat in December and then we sat again in January so it was less than that. This Minister of Industry and Commerce was in this Chamber a month after the House opened and he was here and, Mr. Speaker, he assumed the responsibilities of a Minister, not this particular portfolio, he's just had this portfolio for not more than two months. But he had it, Mr. Speaker, for four or five months before he sat in this House and then, Mr. Speaker, as I recollect it, as I recollect it and he can correct me if I'm wrong, he did not even get on to his feet to make a speech until, I would say at the earliest, the end of January and possibly not until the middle of February. And when he spoke, Mr. Speaker, what was his contribution to the House? Was it a comprehensive economic development plan? No. I recollect the phrase. His contribution to the House was "I've been all through Manitoba and nowhere is heard a discouraging word." Mr. Speaker, that was his economic development plan.

But, Mr. Speaker, let's be patient, because I like to be patient and I think that people should be given a little time, and I think that if the Minister whom we are using as a comparison, because he appears to be the ideal of the Member for Lakeside and is a part of their government, that he didn't sit on his chair, that he worked and in three years, three years it took, it wasn't until the winter of 1969 that he -- well it may have been conceived the first year but the labour pains and the - what is it? - the delivery, the delivery of TEDDY boy was in the winter of 1969. That's how long it took him to produce what he calls an economic development plan and, Mr. Speaker, that is a gross misnomer, and if he had an education such as the existing Minister has and if the Member for Lakeside understood he would know that this is not an economic development plan and no economist would call it an economic development plan.

But even if it was, Mr. Speaker, which it wasn't, but even if it was, that government never adopted the TED Report. Mr. Speaker, it is most deceiving for the Member for River Heights, who has done this and I'll give other examples, it is most deceiving for the Member of River Heights to state that TED constituted an economic development plan for the people of the Province of Manitoba. That government didn't believe in TED and I can prove it to you. Mr. Speaker, TED called for - and this is an issue that we're going to hear more about and which I admit that there is differences of opinion in this House and within this Party - but TED called for the amalgamation of Greater Winnipeg. But, Mr. Speaker, everybody in the Conservative Party when they had to vote on that question stood up and voted "nay". And this was what he calls a development plan. So that party never adopted that program.

And that's not all it called for. If I had the report here I could go through chapter and verse and show that not only have they not adopted it, not only have they not adopted it, Mr. Chairman, but on specific areas they are completely adverse to what it says. The Targets for Economic Development called for, Mr. Speaker, a shifting of taxation away from buildings towards real property. Mr. Speaker, does the Minister know what that means? I suggest to you that the present Minister who is an economist knows what that means. First of all, does the Minister know what it means -- and he likes to ask this question: what are you going to do about the 50,000 jobs that we're going to open up - the former Minister - and what are you going to do about this? Do you know what it means to shift taxes from buildings to real property? Mr. Speaker, if that party adopted that particular measure and really went all the way with it, I would more likely be a member of that party than I am of this party because that is a more socialistic measure than anything that has ever been advocated by this party. Does

(MR. GREEN cont'd) . . . . . your party agree with it? Do you know what it means to the assessments surrounding Greater Winnipeg? Would you vote for it? Would you have implemented that as a development plan? Nonsense! They don't know what it means and they never passed it and they never advocated it, and this is the criticism that is levelled against this government that we haven't adopted a development plan.

Mr. Speaker, the Member for River Heights is always under the illusion that his thoughts are the thoughts of his party and they're not. Mr. Speaker, was the Member for River Heights, was he speaking for his party when he said, as quoted in Morris, Manitoba -- how many members of his party would support him? From what I read in the paper in Morris, Manitoba, he said to a meeting at that constituency that we must now accept the fact -- and I'm paraphrasing -- that the American involvement in the war in Vietnam was a mistake. Who would support him on that position? Would the Member for Fort Garry support him? Would the Member for Sturgeon Creek support him? Would the Member for -- Mr. McKellar -- Souris-Lansdowne, would he support that statement? They wouldn't support that statement and they wouldn't support Targets for Economic Development. If it was a plan, if it was a plan in the mind of the former Minister, it certainly wasn't the plan that was adopted by the government of the Province of Manitoba of that day. They had no development plan and they spent three years in the conception of no development plan and now he criticizes the now Minister who has sat as Minister -- well, just as long as I have which is not three months -- and he says you should resign; you should resign because you're too well educated and you should resign because in the three months that you've been Minister you haven't been able to do what we didn't do in ten years. That's what they say.

Did the members of this House -- and I watched their faces in August and September and October when the Minister was jumping up on Orders of the Day and asking questions every day -- and he said, when are you going to implement Denticare? And he implied -- he didn't say it -- he implied that there would be a plan for the treatment of a person's dental needs similar to what we have now with doctors. I looked at the faces of the members of his party and they shrunk back in horror. Would that party vote to have a dental program whereby we taxed everybody and paid the cost of dentists? Would they do it? Would they introduce a resolution, and if the Member for River Heights introduced a resolution, how many of the others would support it?

Mr. Speaker, that's exactly the same status as developed with his Targets for Economic Development Plan. First of all, I say to you it was three years in the making; second, it wasn't a development plan; thirdly, if it was a development plan, the Conservative Party never adopted it. And, Mr. Speaker, now the former Minister says that the report of a committee should not be received because it doesn't contain a program for the economic development of the Province of Manitoba. Mr. Speaker, can anybody give credibility to that type of motion? Can anybody give credibility to anything else the honourable member says because he would make that type of motion? I suggest to you that that's the kind of reactions that are coming across from the people of the Province of Manitoba and I have to remind him -- the member says, "I will go to Chicago." Well, he had his chance to go to Chicago. The public has now said that we want a different type of program and I suggest that if the honourable member will be patient the new Minister, who unfortunately happens to be educated, unfortunately happens to be trained for the position which the First Minister has seen to appoint to him to, will be giving the kind of economic development plan. And then, Mr. Speaker, I ask the members of this House, is the member going to be satisfied? He'll criticize us for preparing a development plan. He won't like it. But, Mr. Speaker, that won't stop us from doing it and neither will his comments here that he's made with regard to this today.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, there's been wide latitude allowed in this debate and I wonder . . .

MR. GREEN: Mr. Speaker, the honourable member has spoken . . .

MR. SPIVAK: Mr. Speaker, I wonder if I can at least make my request and then the Honourable House Leader and the members on the other side certainly can voice their opinions. My request is a very simple one: I would like leave to be able to enter the debate again.

MEMBERS: No. No.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would just like to make a few remarks in connection with the report that is before us. Actually . . .

MR. SCHREYER: Mr. Speaker, on a point of order, I'm sorry to interrupt my honourable friend and I hope he'll forgive me. I would like the record to show that if the honourable member was suggesting that he be given leave to speak a second time in debate on the same motion, that it is without precedent in 100 years of parliamentary procedure. Let that be clear.

MR. SPIVAK: Mr. Speaker, on a point of order. If I'm correct, the House is master of its own rules and has the right to amend it and therefore . . .

MR. LAURENT L. DESJARDINS (St. Boniface): Sit down.

MR. SPIVAK: Well, I wonder if our hatchet man from St. Boniface can just keep quiet for a moment. I'm well aware that the Speech from the Throne said we are going to break tradition and old dogmas and I would suggest that this may be one occasion on which the House could exercise its prerogative.

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

MR. FROESE: Mr. Speaker, I hope I can say my few words that I have in peace.

The report before us deals with the economic development that this committee was charged with and to oversee and bring in recommendations. Then too, I note before the recommendations are made that the request is that the committee be reconstituted and following that, there are several points named as to what the committee should do and along what lines we should proceed. It seems to me that the debate this afternoon has principally centred around the second item of this report which deals with the disclosure of the Manitoba Development Fund matters and particularly also the Advisory Board as to submission of their report that is to be made if this report will be accepted. In addition, the committee request a review of economic progress for the past 10 years and that a review be made. The third matter that is brought into the report is the advisability of considering the possibility of establishing a provincial bank. Mr. Speaker, this is of great interest to me personally and I feel that the report as such should be endorsed because I think the recommendations contained in the report are worthwhile receiving and considering. There are two other matters that are brought in, such as the incentive program should be considered for those areas that are not under the program, those areas in Manitoba that were unable to receive any grants under the former ADA program, and then the matter of Hydro.

But coming back to the matter of the provincial bank, I feel that this should receive some discussion. We know that whenever development is to take place, this requires capital. We cannot have economic progress, industrial progress without capital, and I'm sure that the recommendations in the TED Report - I made this quite evident at the time that report was received - I forget the date but the amount of capital that that report calls for runs well into the billions and therefore I think it is of great interest that we give consideration to this aspect of this report before us very much.

The Member for Lakeside brought in the matter of a possible recession or a further recession than what we have. This can very well be and I think it is therefore more urgent than ever before that we do find development in such areas so that the people that might be put out of work in certain areas can acquire different jobs so that they need not be unemployed.

Then, too, I think as far as looking into a provincial bank, I think the high interest rates alone justify this investigation because any new business that is being set up today has to contend with the interest on the capital that is involved, and immediately that business has to throw out a surplus or a profit of at least 10 percent just to take care of that interest besides allowing for depreciation, taxes and so on, so that you have to have a going concern from the word "go", from the very first instance in order to stay above water.

And next, the availability of capital. We find that too often we have to go to other countries for capital of such a nature. We find that when the province goes out to borrow funds they go to United States, to Europe and to different parts of the world to secure the necessary funds that they require, and therefore I think this is another reason why we should think in terms of establishing a provincial bank here in Manitoba.

Then, too, the matter of inflation. I think if there ever is an inflationary aspect or matter that contributes to inflation, it's the high interest rates today, because at every level from the time that the article is manufactured to the time that it is sold, at every stage interest costs are added on and a very large factor in the inflation that we have today is the high cost of interest.

Then, too, when we - and I think all members are aware of this - when larger interests require capital either for operating costs or for capital purposes and they go to the banks,



(MR. FROESE cont'd.) . . . . . certainly these larger applications are sent down east for approval and if the eastern interests would not like to see an industry or economic development come forward in Manitoba, all they need do is turn it down and you haven't got it. I think this thing could be remedied to a great extent by having a provincial bank that would be Manitoba-oriented, that would have people from Manitoba sit on its board, and certainly in this way give greater consideration to the requests made by Manitoba people.

Then, too, I think we all have evidence that whenever and wherever a bank is started, has gone into operation, that it has been a profitable concern. The B.C. bank was only in operation for three months and already they show a net profit of some 240,000. I have yet to hear of banks going broke because they are unable to go broke in this day and age with the federal legislation that we have in existence today. They cannot go broke because they are the source of credit; they create the credit for themselves so how can they go broke? So, Mr. Speaker, I would really endorse this decision contained in this report that an investigation be made establishing a provincial bank for Manitoba.

There is one aspect that I would like to see changed and that is the federal restrictions that they've placed on the provinces as to the amount that they can invest in such a bank as a province. I feel that this was a sad mistake and that a greater contribution and greater portion of investment should have been allowed the provinces to be made in a provincial bank, because then the revenues accruing would go back to the provincial coffers and this would offset any large amount of taxes that we have to pay to our provincial government. If that were the case, then too I think a lot of our debt could be reconverted toward this provincial bank and we could save ourselves very substantial moneys because at the present day and the last few years our interest, just for the provincial debt alone, not including the Crown agencies, amounts to something like 15 to 16 million here in Manitoba and a large portion of this money could be saved in this way.

I don't feel that the matter that was just brought in, a side issue, that of department heads resigning should be part and parcel of a motion to receive the report. I think that if such a matter should be an issue, we should have a separate resolution dealing with the matter and also this could quite easily be considered at the time when we discuss the estimates of that particular department where the Minister's salary comes into play.

So I personally do not consider this a motion of confidence or of non-confidence as far as the Minister is concerned. I think we're dealing with a separate report here and I certainly endorse its recommendations.

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

MR. SHERMAN: Mr. Speaker, if no one else wishes to speak at this time, I'd like to move, seconded by the Honourable Member for Roblin, that debate be adjourned.

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

MR. SPEAKER: The proposed motion of the Honourable Member for Kildonan. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'm prepared to accept the report of this particular Special Committee on Rules of the House, Sir. I would just like to say that I think that the first few weeks of this current session have pointed up the number of additional aspects in terms of administration of the Chamber and rules within the Chamber that need reform, that need scrutiny and study. There have been two or three examples of archaic regulations in the orders of the Chamber that I think come readily to most members' minds as a consequence of some of the debates and some of the difficulties we've got into in the last few days and weeks since this session got under way, and it's on that note that I endorse the report of the Special Committee in its final paragraph or two in which it recommends a continuing program of examination of the Rules of the House, and it was because of the shortcomings of some of the rules as they exist that I asked earlier, Sir, that debate on the motion be adjourned while I familiarized myself a little more fully with the report. But in the spirit of the work of the members of the committee who I think have moved the entire Legislature some distance forward in reform of the rules, and in particular in the spirit of the last paragraph or two of the report which calls for a continuing upgrading and reappraisal of our methods of procedure, I'm prepared now, Sir, to accept the report.

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

MR. FROESE: Mr. Speaker, I beg to move, seconded by the House Leader of the Liberal Party, that debate be adjourned.

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

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

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. I rise to speak on the acceptance of the report of the Committee of Municipal Affairs. I'd like to say that it was stood in my name twice while I was absent, but had I been here my remarks would be just as brief as they are now. I would like to say that this committee, as far as I am concerned, worked very hard. The dates are listed at the time the committee met and I can say for one that we went through a very long, detailed document which is The Municipal Act of the Province of Manitoba and all members, as stated before, did work very hard at it. There is no reason for us to say that the report is not accurate as it has been presented to us for its acceptance by this House and for that reason I would move that the report be received.

MR. SPEAKER: Are you ready for the question. The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Chairman, I'd just like to add a few words and certainly agree with accepting the report. I think at this time, especially after the words the Honourable Member for Sturgeon Creek just mentioned, I think that all of us on this committee would like to pay some tribute to especially two gentlemen in the names of Mr. Charlie Chappell and Mr. J. Rutherford, and I know there are others, for some of the terrific work. I think these people must have worked at it for the last five or six years. I don't know how long, and most of the credit, I'm sure, goes to these people although I must say that I enjoyed working with the committee. I think this was one committee that was doing some work and they applied themselves and I think some of the results will show it. I am certainly sorry that we couldn't have the Assessment Branch with it at this time but I'm sure that this will come in the near future.

I think this is all I wish to add at this time because time and again it was shown so plainly that some of the back work done by especially these two people - and I know there was hard work done by many others - I couldn't resist but try to let us all know their work we've really enjoyed.

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

MR. FROESE: Mr. Speaker, I too would just like to add a few words. Not having been a member of the committee that is making the report, however, I sat in or was a member of the previous committee that worked on this same Act for some time and I know of the work that is involved and I certainly would not want to take the time of the House at this point to go into any of the details. Opportunity will be given when the bill is considered in total to bring forward amendments to certain matters that we might feel strongly on so that this can be considered at that time. But I reserve that matter, that there might be amendments proposed either in Committee of the Whole or in Law Amendments or whatever committee will be dealing with it. I am not fully aware of all the changes that have taken place between the time that the previous committee sat and this last committee sat and just what actions have been taken as a result.

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

MR. SPEAKER: Notices of Motion; Introduction of Bills; Orders of the Day.

#### ORAL QUESTION PERIOD

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

MR. WEIR: Mr. Speaker, in the absence of the Minister of Industry and Commerce and the absence of the First Minister, may I direct a question to maybe the Minister of Finance. Is the government pressuring the Manitoba Development Fund to make an early agreement, an early deal of some \$40 million size with Versatile Manufacturing Company?

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. John's): The word was: is the government pressuring the Development Fund? Was that it? No, Sir.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: A supplementary question. Is the government negotiating an agreement to finance or to lend sums of money to Versatile Manufacturing?

MR. CHERNIACK: Mr. Speaker, I should say that the government has been approached

(MR. CHERNIACK cont'd.) . . . . by Versatile in connection with certain problems and the government has involved, or has had discussions with the Manitoba Development Fund which I believe is now continuing discussions with Versatile.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I would like to ask a question of the Honourable Minister of Labour. In the News Service issue which arrived today I read the statement that the unemployment figures for the year ending October 31st have dropped to an average of three percent. I wonder if the Minister could tell us whether he has a figure for the remainder of the year after October 31st until the end of 1969?

MR. PAULLEY: The only answer I can give to my honourable friend, Mr. Speaker, is to refer her to Hansard and my remarks regarding the unemployment situation in Manitoba which was under consideration during debate on the estimates of the Department of Labour.

MRS. TRUEMAN: Mr. Speaker, may I ask a supplementary question. Can the Minister of Labour tell us what is the basis for arriving at this figure? Are they spot checks or what?

MR. PAULLEY: The formula as used by the Dominion Bureau of Statistics.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question was a supplementary to the Minister of Finance. I would ask him if he can confirm that the sum of money that's the subject of -- or the sum of financial aid that's the subject of discussion between the government and the Manitoba Development Fund and Versatile Manufacturing is in the neighbourhood of \$40 million?

MR. CHERNIACK: Mr. Speaker, surely the honourable member should know that this is not a proper question at this stage. I can say that there are certain projections that Versatile have talked about for quite some time about expansion and other matters that are matters that concern them and that these are being discussed between the M.D.F. and Versatile.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, in the absence of the First Minister and the Minister of Industry and Commerce, to the Minister of Finance may I ask: an article in the Tribune today refers to a report by H. A. Simons (International) Limited on the C.F.I. project and it gives details in connection with it and they are pretty substantial details. I wonder if the government has this report in their possession and whether they'd be prepared, in view of all the notoriety and publicity, to table this in the House tomorrow.

MR. CHERNIACK: Mr. Speaker, I glanced at that article that is in the hands -- or I assume it's the one in Harry Mardon's column, is it? It seems to me that he says there that the information he received in this regard was from his secret pipeline in Vancouver, and we don't have a secret pipeline into Vancouver. Furthermore, I might point out that as far as I know the Simons Company works for Churchill Forest Industries and would not be reporting to this government.

MR. SPIVAK: Mr. Speaker, I take it then that the government does not have in their hands such a report. Now the question specifically asked to the Minister: does the government have such a report in their possession now?

MR. CHERNIACK: Mr. Speaker, the words "such a report" is not sufficient description to me. I will answer the question only by saying that we or one of us will read the column and decide whether or not we know just what is referred to.

MR. SPIVAK: Well, Mr. Speaker, a subsequent question. In the event that you do have such a report, would it be tabled in the House? Would he undertake to table it in the House?

MR. SPEAKER: . . . sure that the honourable member is aware of that.

The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, I wonder if I could have leave of the House to make a short statement?

MR. SPEAKER: Does the honourable member have leave? (Agreed).

#### STATEMENTS

MR. DESJARDINS: Well, if you want to give leave that's a chance you have to take.

Mr. Speaker, then if I have leave I'd like to say that first of all I don't profess to be the official spokesman for the French Manitobans although I can assure you that many agree with me in the statement, the short statement that I wish to make at this time.

Most of the French Manitobans, Mr. Speaker, deplore the recent case of civil disobedience and acts of vandalism that we had in the City of St. Boniface over the weekend. This act,

(MR. DESJARDINS cont'd.) . . . . Mr. Speaker, certainly, as far as we're concerned, will not help sell bilingualism if this is the aim, nor will it in any way help promote or build the Manitoba mosaic that is so dear to us. We disassociate ourselves, Mr. Speaker, completely with this group, be it of French or any other racial origin, if in fact such a group does exist and I have my doubts. Personally, I'd rather choose to believe that these people are extremists, obstructionists who in fact do not wish to see harmony between the different people of Manitoba. They have no case and are trying to discredit the French Manitobans. In fact I think that they are trying to create a backlash against these people, these very people that they say they want to help.

Therefore, Mr. Speaker, I ask, the great majority of French Manitobans, ask the people of Manitoba not to be judged by the actions of a few dishonest and cowardly people. Thank you.

ORAL QUESTION PERIOD (cont'd.)

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, on March 30th the Honourable Member for Churchill asked the question as to the amount of funds presently held in trust for the Local Government District of Churchill. The total amount at the present time being held is \$105,000.00. The funds, I should point out, that besides being used for working capital there are commitments against this fund for construction of residence for the resident administrator and temporary advances to local residents for the purpose of financing sewer and water connections within Churchill.

The Honourable Member for Churchill also asked the question if the Local Government District of Churchill would be investing any money in the sewer and water system this year. I should point out that this matter is presently under negotiations with the Federal Government concerning 1970 and future programs for Churchill are still under way. It's not therefore possible to say at this time just what government will make such an investment.

On March 20th the Honourable Member for Portage la Prairie asked a question as to the delinquency of taxes in rural municipalities in the Province of Manitoba at the present time, and I have figures which indicate the percentage of collections to the 1969 levy - that includes current and arrears - 98.76 compared to the percentage of collections to 1968 levy of 99.81. This is a comparison between the two figures. There are several noticeable facts there, that insofar as tax collections are concerned it does appear that the villages and towns are in a little bit more difficult position than the urban area and surprisingly the rural municipalities in this regard. Also, the study indicates that the municipalities that have not increased the penalty re arrears of taxes, that their delinquency pattern is higher than those that have taken advantage of the recent legislation.

Also on the same day the Honourable Member for La Verendrye asked a question as to the marketability at the present time of debenture sales. Now I had indicated the market had improved which is quite true. The market has improved recently but the number of debenture sales has also increased by way of demand and the amount total now outstanding is \$9,281,568 which is slightly more than the figures which were given last year that the honourable member had referred to. The market has improved but also the demand has improved, and there's been a substantial increase for example in the amount required by the City of Brandon since last year when the question was raised by the honourable member.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, do I have leave to make an announcement of public interest?

MR. JORGENSON: Mr. Speaker, I rise on a point of order. I think this is getting completely out of hand.

MR. CHERNIACK: Just say no, that's all.

MR. JORGENSON: No.

MR. SPEAKER: I take it the honourable member does not have leave. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, before the Orders of the Day, I had a question I wanted to direct to the Minister of Youth and Education which I would have normally held over until his estimates, but in light of the fact that the program has been mounted at the university to provide 500 summer jobs and they're attempting to get three way cost-sharing on it with the federal, province and the university, can he give any indication at this point as

(MR. CRAIK con t'd.) . . . . . to whether the province is supporting this summer works program?

HON. SAUL A. MILLER (Minister of Youth and Education) (Seven Oaks): I'm not sure I heard the full question. I believe the member asked in the light of -- or stated that in the light of 500 summer jobs, is that right? The university program? I'm not aware of any program of that scope or size, Mr. Speaker.

MR. CRAIK: Mr. Speaker, a subsequent question. Has the Minister had any correspondence with the university or staff members at the university with regards to this program?

MR. MILLER: Yes, I received a letter from a professor at the university mentioning that the university was considering, or he was considering this type of program. I believe it was referred to the University Grants Commission who took it up as part of their over-all study of their grants to the university.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. I have a very persistent constituent in my constituency who has caught a fisher by accident and I understand it is not in his possession at this time. I wonder if this gentleman might be allowed to get this animal back and perhaps celebrate this by stuffing it and making it one of his Centennial projects?

MR. GREEN: In answer, Mr. Speaker, to my honourable friend, I thought that the gentleman concerned was a constituent of the Member for Burrows but I notice that he has several advocates, and in order to maintain the conservation laws which this Legislature has passed and which it's my duty to administer, there can just be nothing done for the gentleman.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to the Honourable the Minister of Mines and Natural Resources. Without expressing an opinion, Mr. Speaker, and before I pose my question, I point out to the Minister that permission was granted for an oil company to drill a hole, an oil well, or to drill for oil in the Whitewater Lake last December. My question is to the Minister: what precautions were taken or what guarantees if any were given by this oil company that pollution would not occur in that wildlife sanctuary and recreational area?

MR. GREEN: Mr. Speaker, if the honourable member is asking me whether permission was granted, the answer is yes, permission was granted by his administration. The terms under which they proceeded -- is the honourable member shaking his head? I tell the honourable member without equivocation that the lease under which this oil drilling was done was granted by the previous administration. This government granted no permission other than the permission that -- they never asked us for permission. They had a lease; they proceeded to drill. We acted upon it immediately and I expect to be able to make an announcement in a very short time which would undo some similar situation which were created by the administration of which the honourable member who asked the question was a Minister of the Crown.

MR. WATT: Mr. Speaker, on a point of privilege, if I could answer my honourable friend. There is a difference between granting a lease and a permit to drill. I asked the Minister if . . .

MR. SPEAKER: May I remind honourable members that replies which tend to provoke debate do not fall within the rules of the House, so if the honourable member has a supplementary question I would entertain that but it is not the intention to entertain questions which would be a prolongation of the same issue arising out of statements that an honourable member may disagree with.

MR. WATT: Thank you, Mr. Speaker. I rephrase my question then to the Minister of Mines and Natural Resources. Were any guarantees given to the government that pollution would not occur through the operation of drilling for oil in the Whitewater Lake area?

MR. GREEN: Mr. Speaker, the only provisions which were binding as between the government and the oil company that were drilling were contained in a lease which was entered into between the previous administration and the company that was drilling. Because great interest was shown and because I had been alerted to the fact that the drilling was taking place, for which I wish to again reiterate to the honourable member they did not require my permission, but once we found out it was happening and interested persons got in touch with me, we immediately got in touch with the company and got them to give us such assurances as they unilaterally would, and to my mind they were as satisfactory as could be gotten because all of

(MR. GREEN cont'd.) . . . . the cards were in their hands; they gave us assurances that no pollution would occur and in fact none did, but you know, that may be by chance and may not. My understanding is that there is no danger but nevertheless the assurances that were obtained were obtained by myself as Minister from the company on the basis that they would do everything that they could so that there would be no spillage.

MR. WATT: Mr. Speaker, a supplementary question. Is it the intention of the government then to proceed to issue permits for oil companies to drill irregardless of the possibility of pollution in those lakes?

MR. GREEN: Mr. Speaker, may I suggest to you that the government has issued such permits. The honourable member asked me a question. The previous government issued such leases which granted such permission. If my honourable friend wishes me to read the provisions of the lease, which specify that if drilling takes place during certain months - and they are the winter months, I believe it's December, January and February although I'm not certain of that - that they needn't ask permission of the Minister. Now such leases were granted. It's my hope that we will be able to undo some of what has been done. I'm going to be in a position to be making an announcement on it in due course and I can assure the honourable member that we are going to take every precaution to make sure that there is no danger of pollution in the future in this connection.

MR. WATT: A supplementary question, Mr. Speaker. I believe I have asked two - just two questions, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. Boniface. I believe the honourable member's exhausted his right to speak.

MR. WATT: Is the honourable member aware that when we were on that side of the House that we -- (Interjections) --

MR. SPEAKER: Order please.

MR. WATT: I'm asking him a question, if he's aware when we were on that side of the House . . .

MR. SPEAKER: Order please. I believe the Honourable Member for Arthur is asking a second question, and not a supplementary. The Honourable Member for Arthur.

MR. WATT: I'll pose my question again to the Honourable Minister. Is he aware that when we were the government on that side of the House, that we refused permission to drill in the Oak Lake area and within the lake proper itself, on leased land?

MR. GREEN: . . . just not correct and the provisions of the lease speak for themselves.

MR. SPEAKER: The Honourable Member for St. Boniface. I'm sorry. For Radisson.

MR. SHAFRANSKY: Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the Honourable Minister of Cultural Affairs. Is he aware or could he give me an answer that the Youth Bowling Congress is holding a Canadian Youth Five-Pin Bowling Championship at the St. Vital Bowladrome on March 28th to April 2nd, and is the province participating in this in any way?

MR. JORGENSON: Mr. Speaker, is this the type of question that's going to be allowed on the Orders of the Day?

HON. PHILIP PETURSSON (Minister of Cultural Affairs (Wellington): I'll take that question as notice, Mr. Speaker.

MR. SHAFRANSKY: A supplementary question, Mr. Speaker. Also, is he aware that the bowling meet was held in Winnipeg out of turn in recognition of Manitoba's Centennial Year?

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

MR. JACK HARDY (St. Vital): Mr. Speaker, in a slight departure here, in answer to the question of the Honourable Member for Radisson, may I suggest that in fact the province is participating as is the City of St. Vital.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, while the Honourable Minister has taken this as notice, I wonder if he could give us the full names and the middle names of all the players who will participate.

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

MR. GORDON E. JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, I'd like to ask a question of my friend the Minister of Labour. I understand that he

(MR. G. JOHNSTON cont'd.) . . . . . has jurisdiction over this building. Is that correct?

MR. PAULLEY: Mr. Speaker, the Minister of Labour has not.

MR. G. JOHNSTON: Well, then, to the Minister of Government Services I'll address this question. I understand that there are portraits of two former Premiers ready to be put up. They are in storage somewhere in the building, and my question is: when are these portraits going to be hung?

MR. PAULLEY: Mr. Speaker, may I assure my honourable friend I have no intention of hanging any of the former Premiers of the Province of Manitoba. I want to tell my honourable friend that I was looking, as early as yesterday, for appropriate spaces so that the portraits will be placed on the walls prior to the opening of festivities, normal festivities, this year.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to address a question to the Honourable the Minister of Mines and Natural Resources. Does the government contemplate any changes in legislation in connection with large companies, or companies who have acquired very substantial or large amounts of minerals up north and who probably have been sitting on it for 20 years or so and not doing anything about it? Is there going to be any changes in legislation made in that respect?

MR. GREEN: Mr. Speaker, we're looking at it.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I'd like to direct a question to the Minister of Labour. Is the Minister in a position to elaborate further on the announcement this morning about the increase in the minimum wage?

MR. PAULLEY: I'm not aware of any announcement being made this morning in respect of minimum wage, Mr. Speaker. I do hope that a statement will be made either later this week or, as I promised earlier, a statement respecting minimum wages during the present session of the Legislature.

MR. WEIR: . . . Mr. Speaker, if I might? Would the Minister confirm the statement that was made by the Premier this morning that the minimum wage would be increased to \$1.50 in the near future and that my friend the Minister of Labour might have the opportunity of telling the House by what stages it would go up, that he told the public today.

MR. PAULLEY: I'm not aware of any statement made over the radio, Mr. Speaker. I was too busy looking after the affairs of Manitoba to spend my time listening to the radio.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): My question is also for the Minister of Labour. Has the report of the Minimum Wage Board been received?

MR. PAULLEY: Yes, Mr. Speaker. I may say to my honourable friend, there were two reports: a majority report and a minority report, and in due course the House will be made aware of the contents of the reports.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I'd like to direct my question to the Minister of Mines and Natural Resources. Have there been any convictions recently dealing with people using snowmobiles chasing wild game?

MR. GREEN: Were there any convictions? Well, Mr. Speaker, I'll have to take that question as notice. I'll look at it but I don't know - I'm not aware at the moment.

ORDERS OF THE DAY - MOTIONS FOR PAPERS

**MR. SPEAKER:** Orders of the Day. The adjourned debate on the proposed motion of the Honourable Member for Pembina. The Honourable House Leader of the Liberal Party.

**MR. G. JOHNSTON:** Mr. Speaker, I share the interest of the Member for Pembina when he asked the question of the government. I presume he would like to know how active the government has been in regard to the question of the unsold grain and so he's asking for copies of correspondence between Manitoba and Canada since July 15th. But Mr. Speaker, I think that the problem existed before July 15th and, while I share his interest in the activities of the new government, I am also interested in knowing what the previous government had done in that regard so I would like to make an amendment to the motion. I would move, seconded by the Honourable Member for Ste. Rose, that the motion be amended by deleting the date "July 15, 1969" in line 3 thereof and substituting the date "January 1, 1968".

**MR. SPEAKER** presented the motion.

**MR. GREEN:** Mr. Speaker, the Minister of Agriculture has indicated to me that he would be prepared to comply with the Address insofar as the old date is concerned; I see no objection to complying with regard to the new dates, but the Minister of Finance reminds me that there may be difficulty in locating material. Subject to that not being the case, there is no problem in us fulfilling the request, subject to the usual approval from the Federal Government.

**MR. SPEAKER** put the question on the amendment and after a voice vote declared the amendment carried.

**MR. SPEAKER** put the question on the motion as amended and after a voice vote declared the motion carried.

**MR. SPEAKER:** Address for papers. The Honourable Member for Churchill.

**MR. GORDON W. BEARD (Churchill):** Thank you, Mr. Speaker. I asked this to stand so that I could speak to it, particularly in respect to obtaining some information on this very important change, as far as I am concerned; and also because, of course, it places a Crown corporation in the position of being in the retail beer and wine business and competing with those people who the government collect taxes from to run the Province of Manitoba.

Surely, I'd say, Mr. Speaker, when Manitoba Hydro was incorporated there was no intention of it becoming involved in the dispensing of alcoholic beverages. I was always led to believe that its purpose was to produce power for the Province of Manitoba at the lowest possible cost. It was, in other words, a non-taxable corporation. I wonder now if it's come to a point where Manitoba Hydro has to use the power of fire water to manufacture electricity, as I can't see any connection between the operation of the beer and wine beverage room and the production of power. — (Interjection) — Yes, but you must remember they're competing against people who have to pay taxes, and the Crown corporation does not pay taxes.

I said it's a change of policy in Manitoba that concerns me a great deal. While nationalizing of Canadian industry is in fact distasteful to most people today, I do find that there are many who would change this concept to a theory of a series of Crown corporations, and this really is a means to an end and it was not acceptable as the nationalizing of industry and I don't think it should be acceptable under the second proposal of a Crown corporation. And while I support our Crown corporations of Manitoba Hydro and Manitoba Telephones on the original basis that they were intended to deal with their particular industry, I do feel that they should not be used as a testing ground for purposes by either government or the corporation itself. Once again, I'm more interested in the principle, Mr. Speaker, than I am in the company that first held the liquor licence in the Hydro camp. In fact, Mr. Speaker, I really don't know the owner of the original licence. I believe I did meet him once in The Pas a few years ago but, quite honestly, I would never know him if I met him on the street today and I haven't been in touch with him, he hasn't been speaking to me, and so really it isn't under the pressure of this individual or the company that I bring this to your attention today.

I do, however, understand that this man did hold a licence in the Gillam camp as well as the beer and wine licence in the town itself, and to get the beer and wine licence in the camp itself it was a condition, as the Minister pointed out the other day, that he had to build a hotel accommodation with dining room facilities and beverage room facilities in the community of Gillam, and he undertook this. The figure, I am told, the figure that was estimated by Hydro and its subcontractors as far as the population within the camp area, did not come within an average, Mr. Speaker - of 35 percent of what Hydro had projected. In other words, it fell



(MR. BEARD cont'd.)... 65 percent short, and it never did come any closer than 40 percent even at the height of the time in which they operated the camp, so if these figures are correct, then I submit that a review of rental structure should have been made.

I understand negotiations took place for this new rental structure over a period of some six months, from July until the end of December, and then the company withdrew from the area within the campsite. But it is rather interesting, however, that the new policies that have been accepted by Hydro itself are in fact in many cases those that were proposed by the private operator, and it's rather peculiar to me that this would have taken place, but I state this again: I am not here to make a submission on the part of the private operator because I don't know him; he hasn't asked me to make one; and I think that it's the principle that lies further behind this that I'm more interested in than certainly the operator and the company itself.

The Liquor Control Board must have indicated to Hydro that it would be prepared to accept a Crown corporation as the new holder of the liquor licence, as never to my knowledge, or to the knowledge of others, did they advertise for a new licensee to replace the one that handed in his licence, but rather Hydro called for tenders to operate the licensed premises either as an owner-operator or as a manager, and we must take into consideration that this included the furniture and everything else that went on within the building. Hydro did own the building. The condition within the camp has now taken on in all respects a company-owned type of store deal, where the same person, tender, feeds the men, he sells them the commissary goods, and now he is going to manage the beer and wine beverage room. So he is in effect controlling them on a 24-hour-a-day basis. There is no competition allowed within the camp structure and the men are encouraged to stay there rather than go to Gillam with this built-in structure, and these are one of the principles, I think, that we have to look into when we are considering development such as in Gillam in respect to all other areas in the north. In all cases the licensee is responsible to Hydro, and in fact Hydro have control over the men and women twenty-four hours a day. This, in the minds of many, puts too much power in the hands of one man and one group of policy makers. The camp should be part of a community while they are located in that area and, Mr. Speaker, this can be extended on to many of the other areas that we will be considering in the near future.

The ordinary development in northern Manitoba communities requires the full co-operation of the Federal Government and the Provincial Government and private enterprise. Northern Manitoba will require the confidence and the financial backing of private enterprise along with the investments of both Provincial and Federal governments. And without the full participation and co-operation of all these three groups, we certainly can't see where we will get the greatest return from the resources that we contemplate and talk about. So it is that I would say that we have to keep going back to the principle of: what are we going to do to continue on with the development of the north and, in fact, the co-ordination of these large groups of people and the operation of the town such as The Pas, Gillam, etc. where we have these people so closely related?

A great deal of thought should be given to see to it that the town and community of Gillam is a part and parcel of the camp. I think that there should be more democratic form of government to see to it that the people themselves have some form of control over what takes place. In the Gillam area, Hydro has done a great deal to improve conditions but always, always, Mr. Speaker, under the strong thumb of Hydro. Hydro's authoritative voice asserts itself in many ways and does not allow local democratic government. Neither Crown corporation nor private industry should have control over a community on a 24-hour-a-day basis. Basic freedoms of people during these working hours should be that they are being looked after and that there is a freedom to enjoy a competitive business atmosphere just the same as a competitive labour atmosphere.

Hydro states that they want to make Gillam a better place to live; they want to assure the labourer that he will get the best price; and they want to see to it that the labourer will stay in Gillam as long as possible. These are some of the reasons that Hydro give, and I am sympathetic to that side of it but not so much that I lose sight of the fact that they in turn must be prepared to pay the wages necessary to cover the cost of living, the normal cost of living, in the north, and the normal cost of doing business in the north, because you still have to have that investment that private enterprise is ready to invest, in fact, in the north, and it is only through these development areas that private enterprise can follow through, and you are in fact using private enterprise to develop the north. We always hear the other side of the story, such

(MR. BEARD cont'd.)... as CFI, where private enterprise is using government money, but on the other hand I think that every incentive must be given to see to it that government use the private enterprise money, and I think that this is well a case where we could be well taken where Crown corporations could in fact have gone to private enterprise and allowed them to operate a beverage room in the campsite, and allowed them to invest in it rather than go ahead and do the investment themselves.

Hydro are now in the position of running the largest beverage room in the Province of Manitoba. They've got a beer and wine license. I don't know why. In fact, I am sure that -- I wonder, rather, I should say, I wonder whether the regulations under which they are incorporated allow them to get into the beer and wine business. Are they allowed to become a licensee?

Again it bothers me, how close are we as the government of Manitoba getting to the point where, are they considering operating a winery? Are we considering the operation of a brewery? Are we -- where are we going from here? This philosophy could be carried through; the reasons could be carried through; and certainly I would be against this because I do feel that government was elected to look after the people and people services, and they have a hard enough time doing that, and I think that the easiest way is for them to continue on allowing private industry to operate and glean whatever profits are necessary off that. They're running a franchise they can sell to private industry and assure themselves of the money that's necessary, but until the government in Canada can prove to the people that they can operate their own business, I don't see that they should be getting into the business of operating in competition to private industry - not even when they say they can do it for nothing, or for less; not even when they say they can do it and not show a profit. This is not the foundation on which the western world was developed and I do feel that since the Manitoba Hydro is a non-profit operation that this is where they should stay. As a matter of fact, it has been pointed out to us that there were rumours around The Pas that the Churchill Forest Industry would have such a complex in the next while, and The Pas people would, I am sure, be very very unhappy if they found that here was going to be a large camp outside of The Pas area and they're responsible for a multi-million development within The Pas itself and the business is being conducted outside of The Pas. And this could come about.

I think this government must draw a line. They can't be experts in everything, and they must remember this and they must be brought back. Certainly somebody has, and I am varying a little, Mr. Speaker, but somebody has messed up the agricultural industry and every government in Canada is quick to blame it on somebody else, but they are almost unanimous in saying that it's government's fault, and if they are going to mess up the agricultural industry, or if they have, that's one thing, but I don't want them coming up north and messing up the northern industries because that's the only thing that we have to rely on today.

I believe that governments have the responsibility in Manitoba to look after about one million people. If they do this job efficiently and provide the necessary government services that are demanded, it will prove to be a full-time job. Politicians are not elected to look after businesses within the province, or if they were, I doubt whether many of us would be elected, but the people send us here with the confidence that we will look after them and that business look after the business sector. If government keep their fingers out of northern industry and protect the interests of the northern people, they will play a more meaningful purpose. Granted, government must provide modern services and the industry must stand prepared to face up to the fact that they are going to have to be taxed, and that is necessary, not only to look after the services in the north, but provide a return for all people of Manitoba, and I think unless industry goes into the north with that in mind, then they are not providing the proper service. They don't belong there.

I believe the Hydro complex is a wonderful thing, Mr. Speaker. It is doing a lot for northern Manitoba and I would not want to say anything today that would discourage them from continuing on the development of the whole of the Nelson hydro project and certainly the Burntwood system. -- (Interjection) -- Well, you are asking a leading question, Mr. Minister, because if you turn to the Manitoba Telephone System, we operate a pretty good operation in Manitoba, non-profit, but the Bell Telephone System operates in Ontario and they provide a profit plus a competitive price for electricity to Manitoba -- their telephone service. -- (Interjection) -- Never. I'm happy.

I believe that we have to be careful about considering types of liquor licences given to

(MR. BEARD cont'd.) . . . those outside of industry itself, and I couldn't sit down without bringing up the problem that they have in Churchill with the licenses given to clubs there, Mr. Speaker, where they are outside of industry, the non-profit type of operation. They sell for a lot less because they are subsidized, and I fear that Hydro could subsidize their operation in Gillam just as it has been done in Churchill, and once you start to subsidize the industry it goes on continuously because in Churchill we have had a withdrawal of the people there, both from the camp and the company and the Fort, and yet, Mr. Speaker, nothing has been done to take a look at that club licence out at Fort Churchill and say, "Now, there's not room for the services that we used to have at Churchill." They have a Legion operation in full operation, they have two downtown, also two in town in the hotel, and they can provide the necessary accommodation, and it is unfortunate that we have two communities living so close together where one is subsidized by government unfairly, as I am told a couple of years ago within the last two years the Federal Government has put in almost \$450,000 in the renovation and the restructure for beverage rooms at Churchill, and certainly this would not be competitive; it would allow them to compete if they had to pay for that the same as private enterprise does downtown. So you have groups of people that are living in a subsidized area and those that are living outside of a subsidized area. You have it in Churchill, you have it in Gillam, and if you don't watch, then it will destroy the whole principle of northern development, and I think even my MLA will agree that when the labour camps are so closely knit in to a town or community that it should become assured that it will become a part of the community if we are going to get along.

MR. SCHREYER: If the honourable member is permitting a question, I just wanted to ask him, he referred to the club license, that is the facility there you indicated was being subsidized by the Federal Government. Is that club licence part of the military Mess facilities?

MR. BEARD: No. The one licence when the military moved out, moved out with them, then the Province had to have a new licence to take place — they asked for a new licence. There are pros and cons on it but the real hard point is that they can sell for less. Their operation is just not one in which private enterprise can compete in any way. I think the Municipal Affairs Minister and myself will be up there sampling all the areas, I suppose, Wednesday or Thursday on. Maybe we can bring back better reports to the First Minister.

MR. SPEAKER: The Honourable Member from Rhineland.

MR. FROESE: Mr. Speaker, I think the matter before us is of considerable interest. At least, after hearing the Member for Churchill, I have taken interest in certain things that I wasn't aware of before. I am just wondering if a Crown corporation such as Hydro is able to operate such a business out there as part of their over-all business and this could well run at a large deficit — who knows? In this way Hydro could be subsidizing this portion of the business that he is speaking of. I would like to know whether this is the case or not, and maybe when the Hydro officials appear before the Utilities Committee, this could well be a matter or subject for discussion — or is this not referring to the same Hydro people that I'm referring to? Then, too, the licence that was issued, was it a club licence held by Hydro for their employees? Is that what we are speaking of, or is this a general. . .

MR. PAWLEY: What about B.C. Hydro?

MR. FROESE: Then, too, I'm just wondering whether we've set a precedent here or not. Have things of a similar nature happened before? Is this a first in Manitoba or have we had previous situations of this kind? And whether there are other cases than the ones referred to in this resolution or this Address for Papers and the next one following? The matter of tax exemption was brought in because Crown corporations are not subject to tax as private businesses. Then too, were there no other applications, were there no other takers when Hydro received this licence and this offer, or this licence, to go into this type of business? Then, too, I think the matter of retail outlets, surely enough as far as I know, then past reports, past years' reports, that wherever you had vendors of this type or caterers who provide this service, they were able to show substantial profits and maybe this is an area or an avenue where the government might intend to expand. If that is so, I would like to hear from the Minister concerned whether that is the case. At any rate, I think it was a very worthwhile address that the previous member gave us and I certainly look forward to hearing some reply from the Minister. There is a question handed to me here. Maybe I should just — "In whose name is the licence issued? Is it in the name of Cass-Beggs or not, or is it Manitoba Hydro?"

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, we are now dealing with a subject which has received a

(MR. CHERNIACK cont'd.).... great deal of thought and consideration by a number of the members for quite some period of time, and I think that we should all feel reassured by knowing, as I believe I do know, that the general manager of Manitoba Hydro reads Hansard and will have the benefit of the discussions that have taken place and will certainly be able to learn. Mr. Fallis has indicated in the report that I made yesterday on this, that he saw the question in Hansard and he gave me the information which I was able to give to the House, which obviously was accepted as very important. The Honourable Member for Rhineland looks with amazement but I must remind him, in case he didn't know it, that he wasn't here yesterday.

MR. FROESE: That is the very point. I wasn't here and I didn't know what you were talking of, so....

MR. CHARNIACK: I'm sorry, of course, that he wasn't there but he is also a reader of Hansard and I'm sure he will find the comments there.

I don't want to expand further on this very important subject. When I read this letter yesterday I came to the conclusion that the operator, who had a certain agreement, a contractual arrangement with Manitoba Hydro, in accordance with the terms of his contract had certain rights to terminate the contract under certain conditions and exercise those rights. I would assume as a result that there was no outlet available for the men working in the camp, and I would assume again that it was felt advisable that they have the opportunity, and the report was that Manitoba Hydro applied for the licence and then asked for tenders for operators and have an operator now.

The honourable member speaks of policy. I want first to assure him that, as Minister reporting for Hydro to the government, I am absolutely certain that there was no direction from the Manitoba Government to Hydro that it should go into the beer business or should not, but it may well be that that's something that we should look into, because the honourable member does indicate that there might be certain value in a Crown corporation expanding its scope of operation, and certainly that should be something to be considered. I just want to tell him that, blameless or not, we did not have any say or any discussions of any type about this decision, so if it is indeed a departure in policy it is that of Manitoba Hydro. I hope that the Honourable Member for Rhineland would accept my request that he obtain the similar information that is being requested in this motion from Alberta and British Columbia. Certainly it would be of interest to know how they operate there and I would look forward to his informing us about it.

I do want the honourable member to know that several of us made note of his suggestion about the campsite itself being viewed from the standpoint of the possibility of making it in some way self-governing, or related to Gillam. I suppose there are many problems attached to it but I take more seriously that suggestion of his than I do some of the others, which I agree are serious, but this I think is one that does invite a real review and I know, as he does, that the Minister of Municipal Affairs was listening to what he had to say and I would hope that that would be a matter that would receive serious consideration by government. I've already indicated yesterday that we are prepared to accept this Address for Papers.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Chairman, would the Minister permit a question? Despite the information that the Minister gave us yesterday, it still seems to be a real mystery to me, and I'm wondering with the contractual arrangements that were made with the gentleman that the member has referred to in the letter he gave us yesterday, is there no stipulation where the number of employees in the camp, if they reduce to a certain number, that the agreement is not void, is null and void? I'm just wondering about that. I just can't help but be concerned.

MR. CHERNIACK: Mr. Speaker, I have never seen the agreement. It's not in the possession of government; it is obviously an agreement entered into between Manitoba Hydro, a Crown corporation, and the individual. I'm not familiar with the terms of the agreement. Whatever the terms were, the information that I received from Hydro was that, in accordance with the terms of the agreement, the operator had the right to terminate the agreement, and he did do so. Now I assume that if there was any stipulation regarding number of personnel in the camp or anything like that, that it was in accordance with that agreement that he exercised his legal right to do what he did.

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

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: I move, seconded by the Honourable Member for St. Boniface, that an

(MR. BEARD cont'd.).... humble address be voted to His Honour the Lieutenant-Governor praying for copies of all tenders called by the Manitoba Government, the Manitoba Hydro-Electric Board, the Manitoba Liquor Control Commission, or by anyone acting on their behalf relative to the supply of catering services and the supply of alcoholic beverages in the Gillam area since the beginning of the Kettle Rapids Hydro project and copies of all the bids received in reply to these tenders.

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

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Member for Morris. The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, I would like to move, seconded by the Honourable Member for Churchill, that the motion be amended by substituting the figures 1969 with the figures 1966 in the second line.

MR. JORGENSEN: Mr. Speaker, before you put the motion, I rise on a point of order. My point of order is simply that, according to the practices of parliamentary procedure, that the motion that I moved on March 20th is not subject to amendment. I do this, and to substantiate my point of order I would like to read from Page 23 of our Rules, Orders and Forms of Proceeding in the Legislative Assembly of Manitoba. On subsection (4) of Rule 26 it says: "Where a question is of such a nature that, in the opinion of the Minister of the Crown who is to reply thereto, the reply should be in the form of a Return, and the Minister states that he has no objection to laying such a Return upon the Table of the House, his statement shall be deemed an Order of the House to that effect and shall be entered in the Votes and Proceedings as such."

According to the rule, Mr. Speaker, that ends the question, and I submit that according to that rule, the motion for an Order for Return is not subject to amendment. I would like also to read from the Rules of the House of Commons which are relevant to this particular rule. This is Rule No. 39 subsection (3) of the Rules of the House of Commons. It says: "If, in the opinion of Mr. Speaker, a question on the Order Paper put to a Minister of the Crown is of such a nature as to require a lengthy reply, he may, upon a request of the government, direct the same to stand as a Notice of Motion and to be transferred to its proper place as such on the Order Paper, the Clerk of the House being authorized to amend the same as to matters of form." And subsection (4) reads thus: "If a question is of such a nature that, in the opinion of the Minister who is to furnish the reply, such reply should be in the form of a Return, and the Minister states that he has no objection to laying such a Return upon the Table of the House, his statement shall, unless otherwise ordered by the House, be deemed an Order of the House to that effect, and the same shall be entered in Votes and Proceedings as such."

Now, Mr. Speaker, when I raised this point on March 20th when this was raised, the House Leader indicated, or said - and this is found on Page 149 of Hansard, March 20th - "The precedence in this House is that Orders for Return have been amended." That they have been amended. "I can't give my honourable friend chapter and verse at this point, but I'm quite certain that they have been amended." And he's quite right - they have been amended. But I still submit, Sir, that the practice that has been followed is not in order. I checked back in past Votes and Proceedings of this Legislative Chamber for the past number of years and I found two such occasions when Orders for Return have been amended. The first one was on December 14th, 1966, when the present Minister of Labour moved a motion and it was amended by, guess who? The Member for St. Boniface. And again on the 8th of February in 1968, when the Member for Gladstone at that time moved an Order for Return, it was amended by the present Minister of Finance. But on both those occasions, I submit, Sir, there was no objection taken, no objection taken to that amendment. But on this particular occasion there is an objection.

A MEMBER: What is the objection?

MR. JORGENSEN: Well, my objection is a matter of principle. My objection is a matter of principle, Sir, and that matter of principle is a very simple one and it pertains to the rights of the members of this House, the right to elicit information from the government. If it's going to be the right of honourable members opposite to move amendments to Orders for Return, then I submit, Sir, that they can get people on the back benches to move amendments till kingdom come and we could never get any information. That is the principle that is involved, Sir, and that's what's going to happen in this case. It took me six months, six months to get a simple reply to a question concerning executive assistants. If it takes six months to get a reply to eleven executive assistants, I'll never live long enough to get the reply that the honourable

(MR. JORGENSON cont'd.)... member is asking for. — (Interjection) — And this can happen; this, Sir, can happen to every Order for Return that is submitted to this House. They can have the amendment amended and they can deny members of this House of Commons any information. I submit also, Sir, that the particular question that's before the House stems from an incomplete acceptance of the practice that is followed in the House of Commons. In the House of Commons, when a person in the opposition wishes to have a question placed on the Order Paper, he does so without moving that question in the House of Commons. He simply submits it to the Clerk and it appears in the Votes and Proceedings. If that practice was followed, as I believe it should be in this House and indeed I've made suggestions to that effect in the Rules Committee, then you would not have this problem. But I submit, Sir, that until some changes are made in that regard that it's an infringement upon the rights of the members of this House to seek information if the government can get their backbenchers to move amendments to every Order for Return that we submit to this House, thereby delaying and denying information to members of this House. And it's on this particular point, Sir, that I rest my case. It's a matter of principle insofar as getting information in the House, and secondly, it's contrary to the rules of this House.

MR. GREEN: Mr. Speaker, I'm very pleased to hear the honourable member speak to the Order and I am going to try and separate the relevancies from the irrelevancies. First of all, the honourable member says that the government could refuse information by amending. Of course they could refuse information without amending. They could just refuse the Order. Now that would be a criticism of the government which my honourable friend could then take to the people and show that the government refuses to give information, and if I were him I would do it and I would be strongly critical of the government for doing it. But it's not a point of order. And the fact that this could be used as a delay in providing information is, I submit, not a question of order; it's a political question, and quite a proper one for my honourable friend to make whatever use of that he likes, and if a government behaved that way then I would expect him to, and I would think that a government should deserve to be treated that way, if that's what he says is happening. But it's not a point of order - it's a question of politics.

The second question is: What does our rule say? And I'm so pleased to hear the honourable member argue in words almost identical to words used by myself when I sat in the opposition benches, when I said that there should be no debate on an Order for Return if the government accepts the Order, that a member is seeking information, that he puts a question to the government and if the government says that they are going to provide the information it should not be debatable, that that closes the question. Mr. Speaker, I argued that forcefully; I argued it perhaps not as logically as the honourable member argued it today, but I assure you I attempted to give it such logic as my capacities permitted, but I couldn't get it through the skulls of the front benchers of the Conservative Party. And I can show you the debate, I can show you the debate that took place in the House; I can show you chapter and verse from Hansard what I said and I was responded to by the then House Leader, the then Attorney-General, that this is a debatable motion and if you wish to debate it, it's treated the same way of every other motion, and of course if it's a debatable motion and it's treated the same way as every other motion, then it can also be amended.

And I submit, Mr. Speaker, that that exhausts the question of orders, that this House - and I say unwisely and I say contrary to good counselling which I tried to offer at that time - decided that an Order for Return is a substantive motion which is subject to debate whether the government is prepared or not prepared to give the information, that the House in its wisdom made that decision. I happened to be against it. I would like to see that rule changed right away. I would like to see it be the case that if a motion was put for an Order for Return and the government accepts the Order, that that's the end of it and then they provide the information.

But that doesn't happen to be our rule, Mr. Speaker, in spite of the fact that I argued that that should be our rule, and therefore with due respect to the references from the House of Commons, with due respect to the interpretation that my learned friend, my honourable friend places on Rule 46 (4), I would submit that both by the case of precedents and beyond that, by decisions that were made out of argument in the House, this is a debatable motion; it is a substantive motion and it is treated in the same way as any other motion and can be amended, and that's all that's sought to be done. And let me say that on the question of principle, that if we can get through with this debate and have the amendment put in, we'll try to have the information as quickly as we can; and if we don't, then I submit that my honourable friend has a genuine

(MR. GREEN cont'd.).... political question which he can charge the government with but it doesn't amount to a point of order.

MR. JORGENSEN: Mr. Speaker, I'm glad to see that the Honourable Minister agrees with me on the rule itself, and I neglected to point out that according to the Rule....

MR. SPEAKER: Order please.

MR. JORGENSEN: I'm not out of order, Sir. Honourable friends should learn something about the rules. There's no limitation on the number of times that a person can rise on a point of order, and it's on a point of order that I'm rising.

MR. CHERNIACK: The Speaker is standing and we're supposed to be seated.

MR. SPEAKER: My question to the honourable member was is he rising on a point of order or....

MR. JORGENSEN: We're still on the point of order, Sir. I'm sure that the House Leader spoke on the same point of order that I raised and I'm replying to the House Leader at this point, with or without the permission of honourable gentlemen opposite because I'm sure, Mr. Speaker, that your knowledge of the rules will permit me to reply to what the House Leader has said. All I'm attempting to say, Sir, is that I neglected to point out when I arose initially that the decision as to whether or not an Order for Return can be transferred for debate rests either with the Minister, if he refuses to accept the motion, and normally there are good reasons why a Minister wants to refuse to accept a motion and good reasons why he may want to explain why he wants to refuse a motion. In that case he transfers it for debate. That's perfectly legitimate and this is the way it should be. Conversely, if a motion is refused me, I want to debate it then. Then I can ask to have it transferred for debate, but I submit, Sir, that it is not up to anybody else to transfer it for debate or to amend it, and that is the point that I make and I'm sure that the House Leader agrees with me, and if that's the case, then I think right now is a good time to establish a proper precedent, notwithstanding what has happened in the past.

MR. GREEN: Mr. Speaker, I agree that that should be the rule but with great respect, and unfortunately, that is not the rule.

MR. CRAIK: Mr. Speaker, surely there is one more important aspect of this in that we're not talking about matters of policy when we're eliciting information from the government which is basically the public servant. We're asking for specific detailed information. It has been common procedure to amend private member's resolutions in the Legislature but this is quite a different matter. In that case you are talking about a political matter which is a matter of policy, but certainly there is no matter of policy and there should be anything but a limited area of political decision to be made on an Order for Return.

MR. DESJARDINS: Mr. Speaker, on the same point of order. The Honourable Member for Morris is talking about establishing a certain system or something and he was here about 15 minutes - no, he's been speaking for more than 15 minutes - about half an hour ago and he himself voted in favour of an amendment brought in by the House Leader of the Liberal Party on the same principle. — (Interjection) — But you voted for it. You want to establish something. You voted for it. — (Interjection) — I think I have the floor and I don't know what they did in Ottawa but I think in the meantime I suggest you sit down.

Now, Mr. Speaker, if he wants to establish something, if we're going to have rules, is he going to stand up and say, well it wasn't my motion? Is he a special individual with different rights? He voted for it, so I don't know — if he wanted to establish — he had a chance just a few minutes ago.

MR. JORGENSEN: .... point of order. The Honourable Member for Pembina submitted a motion. I have no way of knowing whether or not that motion or the amendment that was submitted to that motion was acceptable. I assumed it was acceptable to him, and is it up to me to tell him that he shouldn't accept an amendment to his motion? I believe myself that it was out of order but I think it was up to him to determine whether or not it was acceptable. I'm submitting, Sir, that my particular motion, I don't want anybody to amend it. I want that information at the earliest possible opportunity, and I submit, Sir, that the amendment submitted by the Honourable Member for St. Boniface is going to delay the providing of that information interminably and I'll probably never get the information.

MR. DESJARDINS: Mr. Speaker, on the same point of order, this is not quite fair. The House Leader just finished saying that he's going to get the information as soon as possible. There's something new that's been added here about my motion. I don't know if he wants to

(MR. DESJARDINS cont'd.)... take his little motion and go and play outside with it. I thought when a motion was brought in that it was the property of the House here. We're going to decide which way we're going to vote, and if I'm not satisfied with his motion there's no reason in the world why I can't amend it. I don't want his motion. I don't care if he likes it or not, if it's going to be accepted by the Minister, if I request this, and I think that is a valid point to get this information, and the honourable member has mentioned himself that this was done in the past, that it was amended. He showed us an example of this this afternoon and all of a sudden he's standing up mad as a wet — don't touch my little motion! Well, this is kind of ridiculous, Mr. Speaker. — (Interjection) — Go and play with your own little motion somewhere else.

MR. FROESE: On this same point of order, if I recall correctly when it was debated some years ago or whatever the case was at the time, I think I spoke on it myself and I took the position that as long as the Minister agreed to provide the information then there was no harm done in amending it. It was only if the information that the person was seeking would not be forthcoming, then I would certainly take the attitude too that that it should not be amended. I think this was the point under discussion at that time.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I fear for the rules of the House and I wonder if before it gets too far and we have no rules at all, that you take this matter under advisement.

MR. SPEAKER: I've been listening with great interest to all the advice offered me by honourable members and I will take this matter under advisement and give my ruling when this matter next appears on the Order Paper.

We have one more Order for Return in the name of the Honourable Member for Roblin. — (Interjection) — Call it 5:30? I'll call it 5:30 then and I'm leaving the Chair to return at 8:00 o'clock tonight.