

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, May 6, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery, where we have 60 students, Grades 4 to 6 standing, of the Guy Hill School. These students are under the direction of Mr. McLaren, Mrs. Grieves and Miss Obedniak. This school is located in the constituency of the Honourable Member for The Pas, the Minister of Northern Affairs.

We also have 34 students, Grade 8 standing, of the Glenboro School. These students are under the direction of Mr. Anderson and Mr. Shackel. This school is located in the constituency of the Honourable Member for Souris-Killarney.

We have 22 students of Grade 6 standing of the Camperville School, under the direction of Mr. Woodley and Mrs. Thompson. This school is located in the constituency of the Honourable Member for Roblin.

And we have 31 students, Grades 4 to 9 standing, of the Pikwitonei School. These students are under the direction of Mr. Turner and Mr. Knudson. This school is located in the constituency of the Honourable Member for Thompson. On behalf of all the honourable members, I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the First Minister. It relates to a document that has now been published indicating that one of the considerations the Federal Government has had with respect to the consensus dealing with wage rates was a 12 percent pay increase as a maximum, or \$2,400, whatever was the lesser, I believe. I wonder if the First Minister's in a position to indicate whether that working paper or those particulars were in fact discussed by the Federal Government with him or have been communicated to him, as part of the guidelines for restraint in the country.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, the answer to my honourable friend is that at the conference in Ottawa at mid-April there was no specific reference to specific numbers in terms of the attempts to achieve a national consensus or guidelines for restraint. I could go further and say that in fact it was studiously or deliberately avoided, but on the other hand I do not want to leave the impression that there was any great pressure at that point in time to get specific numbers just there and then. I indicated that it would be reasonable, however, to expect that by mid-May there would be some numbers forthcoming.

MR. SPIVAK: For the First Minister. I wonder if he can indicate whether, in the discussions with the Federal Government, a basic plan for winding down the rise of inflation was proposed, with staging as to goals or objectives to be reached over the next few years.

MR. SCHREYER: That is quite correct, Mr. Speaker. The intent was to attempt to stage a winding down of the rate of inflation by approximately two percentage points per annum.

MR. SPIVAK: I wonder if the First Minister can indicate whether a goal of three percent rise, or three percent inflation rate, was set for the end of 1978, whether that was one goal that was discussed or not.

MR. SCHREYER: No, that was not discussed in that context, Mr. Speaker, and if my honourable friend wishes to know my view of it, I personally don't regard a three percent goal as being realistic, and I don't think it has been achieved in any single year in the past decade, perhaps with one exception.

MR. SPIVAK: Well I wonder, then, if the First Minister can indicate whether he believes that a 12 percent pay raise, or a \$2,400 ceiling, is realistic or not.

## ORAL QUESTIONS

MR. SPEAKER: Order please. The question's asking for an opinion. The Honourable Member for Assiniboia. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, the First Minister, in answer to the question of the three percent inflation, indicated a position which was part of the working paper that has been published, and having now indicated, I think it's appropriate that a question be put to him, Mr. Speaker.

MR. SPEAKER: Order please. I do believe that probably this area could be better discussed under some area of the Estimates than in the question period. It's not very essential at the moment. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I have a question for the First Minister. Can the First Minister indicate to the House if he or the government had any communication with the Federal Government, or was there a request from the Provincial Government asking for some Vietnamese refugees to come to Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm sorry. I'm not sure if it's the acoustics or my own hearing. There were three or four critical words I did not hear at all.

MR. PATRICK: My question was, Mr. Speaker, has the government forwarded any request to the Federal Government asking for some of the Vietnamese refugees to settle in Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Yes, Mr. Speaker. The reference is to Vietnamese refugees. I cannot say personally whether any of my colleagues have received any such request from the Government of Canada. I suspect it would probably be the Minister of Health and Social Development. I have not received, to the best of my recollection, any communication from any federal Minister. I will check, however.

MR. PATRICK: A further supplementary. I would appreciate if the Minister would check, if there's any refugees coming to Manitoba, is there any action taken to prepare for these people for job employment and for training?

MR. SCHREYER: Mr. Speaker, all I can offer to my honourable friend in the interval, while we check further, is that there is some precedent for Manitoba being able to take action to shoulder a proportionate share of the national task or burden or obligation. I think, for example, of the handling of the problems with respect to a certain number of people from Uganda who were accommodated in Canada, which Manitoba offered to carry out a proportionate obligation, and also with respect to a much smaller number of Tibetans, some of whom are living in Winnipeg to this day, and I believe quite happily.

MR. PATRICK: One more supplementary, Mr. Speaker. If there was no request from the Federal Government, was there a request by the Provincial Government that indicated to the Federal Government that they would accept some refugees in Manitoba?

MR. SCHREYER: Well, Mr. Speaker, I believe that this was current, perhaps more current two, three weeks ago. I believe that the Minister of Health may be in a position to respond or take it as notice.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, at the time that we had the request to look into the adoption situation, if you remember I reported to the House that I added another paragraph telling the Minister that we would be only too pleased to discuss anything else that we could do to help these people, and I haven't received anything since then.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, my question's to the Honourable Minister of Tourism and Recreation. I wonder if he would inform the House if he is considering a ban on automobiles equipped with catalytic converters, or the entrance of such vehicles to the provincial parks, in view of the fire hazard posed by vehicles equipped with this type of converter.

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

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): No, Mr. Speaker.

MR. BLAKE: A supplementary, Mr. Speaker. I wonder, if such a ban is imposed by the federal parks, if the Minister would consider a similar ban in provincial parks.

## ORAL QUESTIONS

MR. SPEAKER: The question is hypothetical - "if".

MR. TOUPIN: Not to my knowledge, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the First Minister. I believe the First Minister indicated to the House that on March 31st there would be an interprovincial Sky West service between the provinces of Saskatchewan and Alberta, and can the Minister indicate what is the delay, or has this plan been scrapped completely and there will be no service? Because I understand the Minister did indicate it would start March 31st.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: No, Mr. Speaker, the plan has not been abandoned. I believe that there are some discussions still ongoing with respect to the articles or charter of incorporation of Sky West Limited and the selection of the carrier to actually carry out the operations.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture, and ask him if he received any requests in regard to the disposal of dead animals found on farms throughout the province.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): I would presume, Mr. Speaker, that the honourable member is suggesting any recent requests, because that item has been under consideration for about seven years.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Minister of Education, Colleges and Universities Affairs. I'd like to ask him whether any revision or reappraisal of the University of Manitoba's 1974-75 budget is contemplated by the government and the Universities Grants Commission.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Speaker, as I had indicated to the House on Friday during the debates on the budget, the Universities Grants Commission is awaiting the receipt of the budget from the University of Manitoba and, pending that, we are in no position to revise or reappraise anything.

MR. SHERMAN: Well, Mr. Speaker, a supplementary. Might I ask the Minister whether the Universities Grants Commission is awaiting the 1974-75 budget or the 1975-76 budget?

MR. HANUSCHAK: 1975-76, and also, Mr. Speaker, there will be a need for the audited report of the 1974-75 fiscal year operation.

MR. SHERMAN: A further supplementary, Mr. Speaker. Then is the Minister advising the House that the 1974-75 position of the university may be reappraised as yet by the government and the Grants Commission?

MR. HANUSCHAK: Mr. Speaker, as I indicated in the House on Friday, that matter the Grants Commission will deal with when it is in a position to deal with it. Not having the audited report of 1974-75, it's in no position to advise the government on what course of action it will take or what it would wish the government to do.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, on Thursday last, the Honourable the Member for Fort Garry had asked whether I could confirm the report that the government had made an offer to the Government Employees Association, which was higher in percentage terms, I think he put it, to those in the higher income bracket than those in the lower income bracket. Without going into any detail, I can however quite clearly confirm the opposite. That is to say that, in percentage terms, the offer, the initial offer, was higher in percentage terms, significantly higher at the lower income level than at the higher.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Speaker, I had a question for the Minister of Mines and Resources and since he's not here today possibly I could pose it to the Minister of Agriculture. It's related to the question I asked him a few moments ago. I'm wondering if the farmers can contemplate any problem in regards to the environment as a result of the many rendering plants going out of business because they are not able to dispose of dead animals.

MR. SPEAKER: The Honourable Minister of Agriculture.

## ORAL QUESTIONS

MR. USKIW: Well, Mr. Speaker, I haven't had any indication from the community at large that there was a problem. We know that we have had some problem for some number of years and we have attempted to evolve some sort of a policy, but which at this point I'm not in a position to indicate to the members opposite, other than we are looking at ways and means by regulation as to how we might be able to further control the problems of the environment.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question to the Honourable the Minister of Tourism, Recreation and Cultural Affairs. I wonder if the Honourable Minister can reply to my question which I raised the other day regarding the sale of Olympic tickets for people in Manitoba who want to attend the Olympics. There seems to be some problems along the line and I wonder if the Honourable Minister could advise the House.

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: Mr. Speaker, I took that question as notice last week, I believe. I still didn't get the information required. I'll check into that possibility this afternoon and try to inform the honourable member tomorrow.

ORDERS OF THE DAY - ADDRESS FOR PAPERS

MR. SPEAKER: Orders of the Day; Address for Papers. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I beg to move, seconded by the Honourable Member for Rock Lake, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Province of Manitoba and/or Manitoba Hydro, and Canadian Electric Company relative to the converter equipment tenders for Manitoba Hydro and the possibility of locating a Canadian General Electric manufacturing plant at Brandon, Manitoba.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I would merely like to indicate that we accept the Address for Papers subject to the proviso that we would want the concurrence of the other party to the correspondence, and also subject to the proviso that any passages of our correspondence that relate to engineering technical data, which I believe would be minor in any case, would not be included in the tabled documents.

QUESTION put, MOTION carried.

ORDERS FOR RETURN

MR. SPEAKER: Orders for Return. The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I beg to move, seconded by the Member for Portage la Prairie, that an Order of the House do issue for a Return showing

1. How many adoptive families requesting children under the age of two years were registered February 1, 1975, indicating the data by agency.
2. How many adoptive families have additionally been registered to April 15th, 1975, indicating date by agency.

MR. SPEAKER: Order please. Order please. The noise is too loud. I can't hear. The Honourable Member for Fort Rouge.

MR. AXWORTHY: 3. How many children in total have been placed through the registry.

4. How many children have been registered by each agency and how many of these cases have been placed.

5. How many individuals comprise the staff of, the registry, what are their qualifications and experience.

6. What were the expenses of establishing the registry, and what are the expenses of operating and maintaining the registry.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, we'd be pleased to accept this order and give all the information that we have available.

MR. SPEAKER: Does the House Leader wish me to carry on?

GOVERNMENT BILLS

MR. USKIW: Mr. Speaker, would you call Bills 15 and 34.

MR. SPEAKER: Very well. Bill No. 15. The Honourable Member for Fort Rouge.

BILL NO. 15 - THE SUMMARY CONVICTIONS ACT

MR. AXWORTHY: Mr. Speaker, looking at this bill, we listened, as we always do, with great care to the words of the Attorney-General in introducing the bill and took as some degree of merit his concerns about improving the efficiency and effectiveness of operation of the police forces, and responded I think with some openness to the suggestion that this particular Act would aid and assist in the delivering and operation of the summary of convictions. At the same time, Mr. Speaker, we also couldn't help but be impressed, if you like, by the words of caution that were expressed by the Member from Birtle-Russell, who did suggest that there may be some difficulties involved in this which could overlap into a degree of control or kind of intimidation or suppression by police forces if it was used in the wrong way. And taking those two points into account, we sat down and looked at this bill very carefully to see if we could determine exactly which side of the case, to our eyes, made the most sense. And I think that the position that we would very simply like to take is that we basically agree with the intent of the bill, and therefore would be prepared to pass upon it, but would like to wait upon the appearance and expression of opinion by expert witnesses at Law Amendments Committee when this bill is discussed, to ensure that the concerns raised by the Member for Birtle-Russell in fact can be appeased and dealt with. So our basic position is that we would be in support, with that reservation; that we would hope that the concerns raised - which we think are legitimate ones - by the member, will be answered fully, and that we will be able to judge them upon that testimony.

MR. SPEAKER: The Honourable Attorney-General shall be closing debate. The Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I, too, have listened with interest to the comments by the Honourable Member for Birtle-Russell, and I think it would be opportune at this time to deal with some of the specific areas of quite legitimate concern expressed by the honourable member. First, I would like to emphasize that insofar as this bill is concerned it deals with extending what is already the existing provisions in regard to common offence notices in the Highway Traffic Act. The Highway Traffic Act at the present time would provide for approximately 90 percent of all common offence notices that would be issued under the provisions of the bill before us, so that in fact 90 percent of the issuing of offences is already being done in Manitoba under the Highway Traffic Act. The other two main Acts that would be affected mainly by the passage of this legislation would be the Liquor Control Act and the Wildlife Act, so that between those two Acts and possibly a few other incidental Acts of a very minor nature relating to common offence notices, another 10 percent would be added to the 90 percent that I mentioned earlier.

I say this in order to emphasize that in the experience of the police, certainly in the experience of the department, there has been no public outcry in regard to the manner of issuing common offence notices under the Highway Traffic Act during the past, I believe seven years that this provision has existed there. So I can only safely assume, I believe, Mr. Speaker, if there has been no public outcry, if there has been no concern expressed of certainly any significance in regard to the Highway Traffic Act which would account for 90 percent of the common offence notices that would be issued under this bill, then I doubt very much that we would have any outcry as a result of adding the balance of the Acts to the provisions of this method of issuing common offence notices - the remaining 10 percent.

Reference was made also to mobile offences, and that although this might be reasonable, common offence notices to be issued under the Highway Traffic Act - because motorists are extremely mobile, therefore serve them with a notice right at the time - that the same rationalization would not apply in other instances.

I think, Mr. Speaker, that the two most common areas where the present bill before us would extend this area of service of notices, would in fact be areas where there would be an extremely mobile type of situation. For instance, the most common would be open liquor in a vehicle - certainly a very mobile type of situation, the serving of a notice insofar as a motor vehicle in process of movement. This is certainly a very mobile type of situation.

## BILL 15

(MR. PAWLEY cont'd)

In addition, Mr. Speaker, the wildlife provisions that this would extend to would also, I think, in the main deal with people that are quite some distance - hunters - quite some distance from their homes, and therefore the same type of rationale that certainly is extended insofar as offences under the Highway Traffic Act, and the need for issuing of notices such as this would, I think, on the same basis be extended to offences under the Wildlife Act, mainly dealing with hunters some distance from their homes.

I find it very difficult to comment in regard to the remark that was made that possibly if these notices are made available to police officers, that prosecutions might be commenced in a moment of anger or stress, whereas some time to pause and to consider might in fact give the police officer reason to reassess his basis for issuing a summons.

I would only like to say this, that I think it's very arguable whether or not the police officer might, in fact, act any differently, in most instances any more irresponsibly - if that is the word that was suggested - after a few hours, or at the time of the incident itself. I think that is a very arguable area. I would allow it for the honourable member, that there would certainly be areas of legitimate concern, that possibly offence notices issued at the time might, in fact, be better issued at some later point; but on the other hand, I would think that there would be a number of instances where maybe it would be better that the offence notice be issued at the time of the incident rather than later, and that possibly the passage of time would affect more adversely the proper handling of the matter which warrants the issuance of a common offence notice.

Lastly, the honourable member expressed considerable concern about the use of abbreviations, and very properly and soundly expressed to the House his concern that the use of abbreviations might in fact confuse the public as to exactly what they were being charged with, and I must say that this argument did weigh considerably on my own thinking, as the honourable member advanced it. But I did obtain, and I will have available for members, the Common Offence Notice that's used now under the Highway Traffic Act, and I observed the abbreviations that were in use under the present Common Offence Notice at the present time in Manitoba. And I would like to just list for honourable members the abbreviations that are in use at the present time under the present Common Offence Notice under the Highway Traffic Act.

Those abbreviations are: Speeding. Improper turns. Unsafe passing. Disobey traffic control device. Follow too close. Drive carelessly. Faulty equipment. Unlawfully possession liquor. Well, I'm sorry, I'm leading to other abbreviations that I could see being added by the passage of this Act. The ones I've mentioned first here deal with the Highway Traffic Act and I think that all those abbreviations should clearly indicate to a member of the public being charged, what the nature of the charge is against him or her.

The extension of abbreviations under our present legislation would be of this nature: Unlawful possession of liquor. Unlawful consumption of liquor. And I would think, Mr. Speaker, that there would be little doubt here on the part of members of the public as to their understanding of these abbreviations. Where the member must write a brief description, however, of the offences, I suspect that there might very well be problems. All that I can say is that experience of the past seven years with the existing common offence notice under the Highway Traffic Act indicated that there has, in fact, been very little concern apparently expressed by members of the public, and I certainly would be interested when we reach committee stage, if there is evidence submitted to us by members of the public or otherwise that in fact there has been problems in the past by the use of these abbreviations. If there has, then I think certainly our first principle of concern, as the Honourable Member for Birtle-Russell pointed out, has to be to ensure that the public clearly are advised of the nature of the offence which they are charged with, and we would want to protect that in a scrupulous manner. It's also certainly our intention to repeal the present provisions in the Highways Traffic Act relating to traffic offence notices when these amendments take effect.

As to the section dealing with parking offences, this is the procedure that has been followed for the past seven years in Manitoba without complaint.

So I mention those points, Mr. Speaker, to the House at this time, and prior to discussion in committee, and I look forward very much to further evidence that could be submitted in committee, either by members or by the public itself.

QUESTION put, MOTION carried.

MR. SPEAKER: Bill No. 16. The Honourable Member for Riel.  
 MR. USKIW: Mr. Speaker, I wanted to hold that particular item.  
 MR. SPEAKER: You wish to have No. 34 only?  
 MR. USKIW: Yes.

BILL NO. 34 - THE REAL ESTATE BROKERS ACT

MR. SPEAKER: Bill No. 34. The Honourable Minister of Consumer and Internal Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne) presented Bill No. 34 an Act to amend the Real Estate Brokers Act, for second reading.

MOTION presented.

MR. TURNBULL: Mr. Speaker, the amendment to the Real Estate Brokers Act contained in Bill No. 34 is to introduce a measure of consumer protection in real estate transactions. The substance of the amendments is contained in four sections, and I would like to outline the general provisions of these sections to the House.

The most important of the four changes is a complete overhaul of the disclosure section of the Real Estate Brokers Act. At present, and in the future too, Mr. Speaker, it is and will be the duty of a broker to endeavour to sell property for the best price that he can get. If he purchases that property himself, however, it is to his interest to buy it as cheaply as possible. In such a case, Mr. Speaker, a broker's duty and his interest are in conflict.

The section that I am amending here in Bill 34 deals with conflict of interest that arises when a broker or salesman, who has been employed to sell a property, ends up buying it himself. The most obvious case is where a house is listed for sale with a broker and that broker buys it. But there are various, rather more complex possibilities. It may be bought by one of the broker's salesmen, or by the wife of the broker or of the salesman, or by a company of which one of them is a part owner. And where a house is listed on a co-operative or a multiple listing service, then of course, Mr. Speaker, not only the listing broker but all the brokers who are members of that service, and their salesmen, are being indirectly employed to sell the house.

The present section has proved to be inadequate, largely because of the lack of clarity in its wording. For instance, it is not clear how it applies to a co-operative listing, or indeed whether it applies to it at all. There are basically two points to be covered. The first is to require that the identity of the purchaser be fully disclosed. When the broker himself buys the house, this is usually fairly obvious, but it is not obvious if the house is bought by a company owned by the broker or by one of his salesmen who is not known to the vendor. The section provides that if proper disclosure is not made, the vendor may rescind - that is, cancel the sale. The provision for cancellation is not in the present act, The Real Estate Brokers Act.

The second point that has to be covered is the question of the commission. The commission is a reward for finding a buyer, and it hardly involves much effort, Mr. Speaker, for a broker to find himself, nor does it involve much effort for a broker to find one of his salesmen or sales people. The section provides that in such a case no commission is payable even where there is a proper disclosure. At present, Mr. Speaker, if the broker complies with the law and discloses his interest, he gets no commission, but if he breaks the law - this is in accordance with the present act - if he breaks the law and keeps his interest secret, he gets the commission. The present situation, Mr. Speaker, is simply ridiculous.

In a co-operative listing, the position is little different. The commission is normally split between the broker who has the listing - that is the listing broker - and the one who finds the purchaser - that is the selling broker. Although a selling broker who buys himself should not be able to claim a share of the commission, there is not reason why the listing broker should lose his share. The section, therefore, provides that the vendor will have to pay only the listing broker's share.

This section on disclosure also deals with the converse case, where a broker is selling a house owned by himself, or by one of his salesmen, or by someone else who is associated with him. In this case, too, there must be full disclosure, and if there is not, the purchaser may rescind.

## BILL 34

(MR. TURNBULL cont'd)

There is, however, an exception in the case of new houses. Most builders sell their own houses either directly or through an associated company. This is generally well-known and purchasers are, as a rule, well aware that the salesman they are dealing with is employed by the builder, so that there is nothing to gain by making the salesman repeat this information.

Finally, the disclosure section requires that any broker or salesman buying any property must disclose that he is in the real estate business. This requirement has nothing to do with conflict of interest, it is just that most people seem to think they are entitled to know whether they are dealing with a professional or another amateur. A similar rule has been in force for some years in British Columbia.

The second most important change in Bill No. 34 relates to the authorized officials of a brokerage company or a partnership. When an individual is registered as a broker, his registration covers him personally. That's the situation today. The registration of a corporation, however, would not necessarily cover any particular individual. Each company may therefore name up to three persons, three persons, who are covered by the company's registration. They are known as authorized officials. A similar rule applies to partnerships. Everyone else who works for the company or partnership is registered as a salesman. This limit of three on the number of authorized officials is proving to be inconvenient, particularly in the case of firms with branch offices. There should be an authorized official in charge of each branch, but it is impossible to insist on this when the number of officials is limited by law.

This bill will remove the limit and will require that there be an authorized official in charge of each branch. In addition, all authorized officials will have to pass appropriate examination, not just the salesman's examination. In future, therefore, there should be more persons in the industry qualified as brokers rather than as salesmen, and every salesman should be under the effective supervision of a qualified broker. That provision, too, Mr. Speaker, should introduce some further measures of consumer protection by requiring more highly qualified people to operate in branch offices of real estate firms.

Thirdly, Mr. Speaker, the bill will authorize the Public Utilities Board to require all candidates for registration as brokers or salesmen to take a course of instruction. They have for many years been required to pass an examination, but so long as they can pass it, there is at present no other control over the instructions they receive. By prescribing an appropriate course of instruction, the board will be able to upgrade the standard of professional education.

The final change, Mr. Speaker, is of interest really only to the industry. At present, all registrations of brokers and salesmen run from the 1st of April to 31st of March of each operating year. This concentrates all the work of the board staff in renewing registration into two or three weeks. It is intended to switch to a system of individual registration years, which will spread this work more evenly over the year.

Mr. Speaker, these are the explanations of the amendments proposed in Bill 34 to the Real Estate Brokers Act. As I have mentioned, I do think that consumer interests will be protected somewhat more than they now are, particularly by the section of the bill which relates to disclosure of interest of brokers.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I move, seconded by the Honourable Member from Gladstone, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, before the acting House Leader moves us into Supply, I would like just for information purposes to indicate to honourable gentlemen opposite that it is proposed to bring Capital Supply for consideration by the House either Thursday or Monday - let us say between Thursday and Monday, so that perhaps they would pass this on to their appropriate colleagues so that it wouldn't come as any surprise to them.

MR. SPEAKER: The Honourable Minister of Agriculture.

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

MOTION presented and carried, and the House resolved itself into Committee of Supply, with the Honourable Member for Logan in the Chair.



COMMITTEE OF SUPPLY - INDUSTRY AND COMMERCE

MR. CHAIRMAN: I refer honourable members to their Estimate Books, Page 31, Resolution 66 (f)(1). And before we start, I've had an enquiry how many hours we've spent in Estimates so far. We've spent 81 hours and 35 minutes starting now. 66(f)(1) - pass? The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Chairman. Yesterday we at some length discussed the oil situation that faces not only us Canadians, but generally the world, and I think we noted that several things are happening. Removed from a relatively cheap oil supply source to a relatively competitive one as far as the world market is concerned, several observations were made with regard to the Manitoba Energy Council and several other things that could possibly be done to firm up the situation as far as Manitoba is concerned with this need for energy.

But I think when we talk about economic planning, Mr. Chairman, I think there's one thing that we, as Canadians of course in Manitoba, should be vitally concerned with, and that is one of remaining competitive in the world market. We hear a lot today about the heavy labour - orientated industries such as the garment industry having difficulty in trying to make ends meet, not only in Manitoba but in the garment capital of Canada like Montreal, and the main problem that these people are facing of course is that labour in places such as Hong Kong and some of the far eastern places, they're paying their labourers \$4.00 a day, and we are competing with that type of goods.

And I would like to ask the Minister at this time, to what extent or what he feels is the future of Canadian industry in light of the escalating costs that we're facing, and I know it's of vital concern both to the labourer employed in the related industries that are being hit hard by imported commodities, and also by industry, who are concerned of course in the selling of that commodity. The other thing, I think, that concerns everybody is to what extent can we keep on adding tariffs to our different products that we purchase from people abroad? To what extent can we increase these tariffs and still have a certain amount of credibility and keep a certain standard of living with regard to selling our own commodity abroad.

MR. CHAIRMAN: Resolution 66 (f)(1) - passed. (2) . . . The Honourable Member for La Verendrye.

MR. BANMAN: Could the Minister advise the House, out of Other Expenditures, I've noticed it's risen quite drastically over the last little while, and two years ago the travel expenses were about \$12,000. I wonder if he could tell me out of this \$249,000 what the travelling expenses will be this year.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, I don't have that particular item. I gather the question is: how much of Item (f)(2), the \$249,000, how much of it is travel? I would say it would be a very minor portion, but I'll get you the exact estimate. It'll be - I don't know, I'm just guessing, somewhere in the order of, I don't know, 10, 15 thousand, but that's a guess. I'll get you the right figure.

MR. BANMAN: In the last Public Accounts, Mr. Chairman, we noticed that out of that Economic Planning and Policy Research, we noted that the largest expenditure was Travelling, and the one right next to it was Printing Costs, and I'm wondering what the big increase is with regards to Other Expenditures.

MR. EVANS: You're wondering why the large increase in travel. This would be the year ending . . .

MR. BANMAN: Why the large increase on any particular item. Is there any particular item that we're spending more money on now?

MR. EVANS: Well, Mr. Chairman, I'll have to get a breakdown. I wonder if we could take it as notice and we'll give you the breakdown as soon as we get the information, if that's all right with the Chairman; otherwise he'll have to wait a minute.

Well, this is a breakdown, Mr. Chairman - I've been handed a note - this is a breakdown of the \$249,000. It doesn't give you comparison with last year but it'll give you an indication of the expenditures estimated for the forthcoming year.

Professional fees and consultants will be \$116,000 - that's what is being provided for. This includes a large percentage - a large percentage will be legal fees. As I indicated the other day, we have made many interventions before the National Energy Board. It's a quasi judicial board, and it does require a considerable amount of legal preparation, so we find

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(MR. EVANS cont'd) . . . . ourselves spending a considerable amount of money in that area.

Printing and Stationery, \$4,500. Postage, Telephones, \$2,500. Travel Expenses, \$15,000 - this is mainly to travel to the various National Energy Board hearings which are held not only in Ottawa, but sometimes in other parts of the country, and of course it's to enable the staff to travel to the various economic and industrial development conferences that are held, both within the western region and federally-provincially, and so on. The rural regions' working group expenditure of \$100,000 - this has been a transfer from the Regional Development Branch. This is the research on regional development. It was transferred out of the Regional Development Branch, and that's an estimated \$100,000, so that accounts for an increase of \$100,000. And there's Miscellaneous, I believe comes to about \$11,000. I think that's supposed to add up to \$249,000.

MR. BANMAN: Mr. Chairman, the \$100,000 taken out of the . . . Do I understand it's a transfer from the Regional Development section?

MR. EVANS: This is what I am advised. It's a transfer of \$100,000 from the Regional Development Branch, and I believe therefore that that amount of money, required for people helping with our research in regional development, has been taken out of the Regional Development Branch and put into this general Economic Research and Planning Branch.

MR. CHAIRMAN: (f)(2) - passed. (f) - passed. That completes 66 with the exception of the Minister's Salary, which we'll come back to at the end.

Resolution 67. Programs and Productivity Group.((a) was read and passed) (b)(1) - passed. (2) . . . The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could inform the House, out of these \$564,000 how much of that was grants?

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

MR. EVANS: In that particular figure, there are no grants as such. No outright grant provisions as such.

MR. BANMAN: Could the Minister then inform the House, out of that figure how much would be professional services, professional fees? And I wonder if the Minister could inform us when we could deal in his estimates with the incentive grants and the Research Council, where we would properly deal with that.

MR. EVANS: Well, Mr. Chairman, the Research Council is under the next item (c), Science and Technology, and there are other miscellaneous small grants that we make in the area of Design and Marketing, so that's an area. Also, we have small grants under the Trade and Industry Group that are available. Perhaps the best way to answer the question - you were wondering how much is for professional services and fees. I'm not sure whether you mean outside of the government service or inside the government service, but I can advise you that in the . . . Perhaps I could break down in this way: \$150,000 of this amount is for management services. This includes a small business office, our management consulting work, direct management assistance, our Master Business Administration Student Assistance Program and support for the federal CASE program, and feasibility studies for new ventures. That's \$150,000. \$105,000 has been made available for productivity improvement. This includes our community management development program, follow-up work on the regional productivity audits, and assistance to companies for implementation. This would be using staff. \$130,000 for manpower services. This includes manpower data, collection and analysis, and also manpower management development.

Now there's another item, a new item, put in this year, \$150,000 for Canada-Manitoba manpower industrial training projects. And then lastly, \$29,000 for general expenses. And of all those items, you can pick out various allotments for outside professional consultants, and we would estimate this would be around \$50,000, \$50,000 to \$75,000. Our policy is to utilize in-house staff capacity as much as possible if it's an ongoing program. If it's not an ongoing program, we utilize the services of outside consultants.

MR. BANMAN: Would I understand the Minister correctly, then, when he says that about \$50,000 would be going to outside consultants and outside professional people? And the program such as the manpower program that he described - is that being administered by the people of that particular department? I wonder if you could just elaborate how that money is being spent.

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MR. EVANS: Yes, the \$50,000 to \$75,000 is mainly for contract staff where we make a contract with a professional, an economist, a management or productivity specialist or what have you, and utilize that individual's services for a period of time. It varies. It will vary depending on the degree of problems that arise in different companies where we want to bring in a particular specialist. For example, I mentioned direct management assistance. You may have a problem company, a company that has a very special problem, a very serious problem, and we might feel that we may wish to hire a consultant who specializes in that particular product, never mind an industry group, not a generalist, but one who has some very specialized technical knowledge, so therefore we would use some of this 50 to 75 thousand dollars to pay that individual. We prefer to use individuals rather than to hire consulting companies as such. This way I think you sometimes get more value for your dollar.

MR. BANMAN: Would some of this money have been spent, then, on one of the programs that the department carried out with regard to doing efficiency audits with regard to bookkeeping or whatever, that was required, or that a small business required, as far as hiring consultants and that type of thing?

MR. EVANS: Well, we're talking about this coming year, and we do have in this category now the Community Management Development program, which I believe is what the honourable member is referring to, where we provide assistance to businesses in various towns and cities in the province, and where we do sit down with the individual businessman, using these professionals, and assist him. As you say, it may be a system with actual bookkeeping problems, how to keep a more efficient set of books, how to improve his accounting systems. So that is included under the general area of productivity improvement, specifically in this Community Management Development program.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Chairman. I wonder . . . I believe it would be under this section where I would ask the Minister if he could advise if his department is promoting co-operative purchasing, because I noticed in the one brochure of small business - How to Run a Small Business - that it states here, "Buying your Materials." And I would think it would come under productivity and management. It states: "Can you join a co-operative purchasing system?" I'm wondering if the Minister could elaborate on that statement. If I was running a small business and came to his department and said, "How do I buy under a co-operative purchasing system?" would he please advise what kind of answer I'd get?

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

MR. EVANS: I can give you one example. A couple of years ago we financed a productivity audit of the Manitoba furniture industry, which included the major furniture manufacturers in the province. As the honourable member may be aware, or may not be aware, we usually set up a steering committee with the co-operation of the industry, and it in turn selects a consultant from a group of consultants that may make proposals. In this particular case, the consultants that we utilized after doing an intensive study recommended that one of the ways we could improve the competitiveness of the Manitoba furniture industry vis-a-vis the industry that existed outside of Manitoba, was for that industry to co-operate in purchasing, in bulk purchasing of some of the basic materials that were utilized by many of the firms. So this is what we're talking about, co-operative arrangements among the firms involved in order to get an input of materials at a better price. It doesn't refer to a formal co-operative as such, if that's what the honourable member was thinking of. There was a recommendation along this line in another productivity audit as well.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Chairman. I wonder if the Minister could advise, is he aware of any other areas where there is co-operative purchasing going on through arrangements through his particular department, and in what industries are they going on, and what type of businesses.

MR. EVANS: Well, the point, Mr. Chairman, is that the consultant's report to the industry recommended that they follow that course of action; in the two cases that I can think of, this furniture industry case and also the productivity audit in the WestMan region, recommended that firms there consider co-operative arrangements on purchasing, and I'm not aware to what degree they're actually carrying this out. But in some instances I think it's

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(MR. EVANS cont'd) . . . . a sound proposal. That, of course, assumes that the companies can agree among themselves to co-operate in purchasing raw materials.

MR. MINAKER: Thank you, Mr. Chairman. I wonder if the Minister could advise - has the Manitoba Export Corporation ever been used as the vehicle to go out and do the purchasing and then distribute to the small businesses any particular item?

MR. EVANS: Mr. Chairman, I'm not aware that this has ever occurred.

MR. CHAIRMAN: Resolution (b) - passed. (c)(1) - The Honourable Leader of the Opposition.

MR. SPIVAK: I'm sorry. Are we on (c)(1) Science and Technology?

MR. CHAIRMAN: Right.

MR. SPIVAK: I'm sorry. Then I'll leave that for the moment.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could . . . In this case, I notice that - we're on Salaries right now, but if he could tell us, out of the incentive grants which are found in the back of the Annual Report of the Manitoba Department of Industry and Commerce, how many of those grants went out to either MDC companies or affiliated government agencies or companies that have loans in the MDC? I notice here that a company like A.E. McKenzie Seed, out of the total of \$145,000 got something in excess of \$11,000, which means that they got almost 10 percent of the incentive grants. You have an MDC company such as Alpha-metrics, which got a total of \$3,000. The Health Sciences Centre got \$3,000. Venture Tours got \$1,500. Flyer Industries got \$1,000. I see somewhat of a problem here, Mr. Chairman. If we have one of these government agencies feeding companies that are presently owned by the government - and we've seen in the last little while large sums of money go into A.E. McKenzie Seed, and here we have incentive grants being offered to that company from the Department of Industry and Commerce totalling almost 10 percent of the incentive grants given out by that government agency - I sort of question the real value and the real intent of these incentive grants if that is the particular case, because it seems to me that we're transferring from one government agency to another to make some of them possibly look a little better than they should. And I'd like the Minister to just explain, or try and answer how many of these companies that did receive incentive grants are affiliated in any way with the MDC or with the government itself.

MR. EVANS: Mr. Chairman, I would have to take that question as notice. We'd have to go over the list and check to find out which ones have received . . . You said not only equity but also companies which had received a loan from MDC, and so we would have to check the list appropriately and then give you the answer. I can't give it to you immediately.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Chairman, I'm not too sure if the subject matter I want to bring forward at this time comes under Science and Technology. I was looking for a column that really listed bad advice and mismanagement, but I can't seem to find it here, so I thought maybe it might be under Science and Technology.

Sir, a few years ago the Department of Industry and Commerce went out, along with the Department of Agriculture, and also the Clean Environment got a little kick in here too, and they thought it would be a good idea in Manitoba to develop an industry that would remove dead livestock from the farm areas, clean up the environment, turn it into a viable business venture, and in fact everybody would be happy, everything would come up peaches and cream. Sir, I don't think that has really occurred.

MR. EVANS: Mr. Chairman, on a point of order, and I appreciate hearing the member's comments, but I'm wondering, if he is going to talk about the food industries, that there is an item on Food Industries. We're on Science and Technology which is the Manitoba Research Council and its activities, the Science and Technology Branch. If you're talking about the food industries, there is an item under Trade and Industry Group.

MR. GRAHAM: Well, Mr. Chairman, I'm glad to see that the Minister has now realized that it's in the food industry that we get most of the mismanagement and poor advice.

MR. WARNER H. JORGENSON (Morris): Mr. Chairman, I wonder if the Minister is correct in suggesting that this particular subject that the member is raising comes under Food Industries, because it would seem to me that animals that are going to be removed would hardly be - or animals that have died and be removed for environmental purposes are hardly

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(MR. JORGENSEN cont'd) . . . . going to be used for food. If that is happening then perhaps we have some more questions to ask of the Minister.

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

MR. EVANS: I would agree with the honourable member, but I thought the honourable member was going to start talking about rendering factories, rendering plants in the province where these animals could be taken to. But on the other hand if he's talking about technological developments and the application of scientific techniques to industry, well, this is the items you'd bring it up under. Perhaps this is what he was going to talk about, I don't know.

MR. JORGENSEN: Well, Mr. Chairman, I'll gladly wait and maybe it'll come under Design and Marketing.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Thanks, Mr. Chairman. I was wanting to enquire about a specific industry, or a plant. Under what section would I do that? This would be a small loans agreement.

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

MR. EVANS: Mr. Chairman, the department does not lend money to enterprises. This is through the Manitoba Development Corporation which is under the Minister of Mines and Resources. MDC operations are under the Minister of Mines and Resources.

MR. FERGUSON: . . . business, Mr. Minister.

MR. EVANS: Well, if it's in the general area of assistance to small business, that was under Item 2(b) Management, Productivity and Manpower. I itemized for the Honourable Member for La Verendrye the various activities under that vote, and I indicated a small business centre was in there was well.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Chairman. I have a few questions for the Honourable Minister relating to the Manitoba Research Council and they cover several subjects, so I think maybe if I might just ask pertaining to the one area and then have an answer from the Minister. Particularly, I'm looking at the year end annual report for '74, and under the Manitoba Research Council a subject, "Vegetable Products Development Program", and there's a grant of \$46,000 from the Manitoba Government to MRC, and I'm wondering if the Minister could advise . . . in the comment it says that "the program has the following purpose to provide technical assistance to Manitoba companies that are at present involved in processing vegetables." And I'm wondering if he can advise what companies have benefitted by this particular grant and information from the Manitoba Research Council.

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

MR. EVANS: Mr. Chairman, my information is that this included a grant - not a grant, but a payment of moneys to assist in the hiring of technical staff at the Morden Food Research Station, the Agriculture Research Station, which works specifically on some developmental problems for Morden Fine Foods Limited in the improvement and the extension of the variety of food products that could be made at the plant at Morden.

I also understand some assistance has been made available also in the Pembina Valley area with regard to other types of food products.

MR. MINAKER: So then, Mr. Chairman, if I understand the Honourable Minister correctly, the \$46,000 is a grant to provide technical assistance to the Morden Fine Foods. Is this correct?

MR. EVANS: This was not a grant to Morden Fine Foods. It was an expenditure of money to retain the technical personnel who would work, using the facilities made available, free of charge, by the Federal Government's Agriculture Research Station. That research work, this practical food processing research work was to be made available essentially for Morden Fine Foods. I believe that technical assistance was made available to other areas in the Pembina Valley area.

The item likely refers to a grant to the MRC for a two-year contract to hire a food technologist - one food technologist and one technical assistant for a period of two years.

MR. MINAKER: Well, Mr. Chairman, I can't quite interpret this statement then, because what it says in your year-end report is that "a grant of \$46,000 from the Manitoba Government to MRC is being used to carry out a two-year program using physical facilities available to MRC by the Research Station at Morden, staffed by a food technologist and

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(MR. MINAKER cont'd) . . . . technician." Now, here's what I can't understand. It says: "The program has the following purposes such as, to provide technical assistance to Manitoba companies" - it's plural - "that are at present involved in processing vegetables." I ask the Minister: is the only people utilizing these services, or have it available to them, Morden Foods, which is wholly owned by MDC, or can people like Carnation Foods also get this information, that we would presume that when the statement is "Manitoba companies" that it's available not only to the government-owned plant, but also to other companies that are involved in the business.

MR. EVANS: Yes, it's available to all companies in Manitoba.

MR. MINAKER: Yes. Has the Honourable Minister had any requests from other companies in that particular field for assistance from this program?

MR. EVANS: Well, you know, they wouldn't necessarily come to my office. But I'm advised by my staff here that there have been requests from other companies, a number of other requests.

MR. MINAKER: Mr. Chairman, have these companies received the information that they've requested and the assistance under this program?

MR. EVANS: The Lord above tells me, yes, yes, most seriously - more seriously, Mr. Chairman, the answer is yes.

MR. MINAKER: Thank you, Mr. Chairman. Further on in the same section of the annual report there is a subject, "Canadian Food Products Development Centre" and if we interpret it correctly there is a commitment on the part of the Manitoba Research Council to initial funding of 400,000 per year for a five-year program. I'm wondering if possibly the Minister could expand on this particular project because if we understand what is said here in print, it looks like a commitment of \$2 million, and we would like to know where this program will be carried out, its location, and what industry or companies might benefit by this program?

MR. EVANS: Well, Mr. Chairman, this Food Product Centre is still in the formation stages. You may recall that at the Western Economic Opportunities Conference the Federal Minister, the Honourable Alastair Gillespie made reference to the fact that the Federal Government was prepared to work with the Manitoba Government through our Department of Industry and Commerce in the establishment of a Canadian Food Products Development Centre, and this was subsequently consummated. Agreement was made and the commitment is for 200,000 per year from each level of government for a total of 400,000 per year for a five-year period. So that's how you get the \$2 million. Manitoba's portion is 50 percent of that, or \$1 million to be spent over a five-year period.

There were a couple of pilot projects undertaken during the past year: One relates to the investigation of pickling of cucumbers, and the other relates to a program of manufacturing dill oil. I can give the honourable members a lot more detail if they're interested, but the point being that this information is being made available to various groups in the province that are interested in this type of activity. For example, there is a specific group that is interested in going ahead with a pickling operation in the province. We used to have one years ago and it was phased out by a large Canadian corporation. However, we think there's some opportunity, and that is a specific example.

The point I want to make, however, is that the work of that centre is available and is essentially for all Canadian companies, because it is financed by the Federal Government. So there is a possibility that we could develop some expertise in food technology that, you know, is not here at the present time. I'm not suggesting we don't have a head start in food technology in this area, but this centre could be the basis of an expansion of food technology in this area.

I think I should also - I'd be very remiss in saying that there's a considerable benefit in these two types of products to the farming sector, to the agriculture sector of course. You know, there is a great spin-off and in some ways perhaps there's as much benefit, perhaps more benefit, on the growing side as there is on the manufacturing side. I think your colleague, the Member from Pembina would agree that growers in that area, in the Morden area, farmers in that area do benefit from the existence of that processing facility at Morden. So the benefit to the province isn't simply the manufacturing, but it's also the related agriculture growing activity which could not take place, or which would not take place if the processing facility wasn't in place.

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MR. MINAKER: Yes, Mr. Chairman. I wonder if the Honourable Minister would advise us where this centre is going to be located. I did not - at least I didn't believe I heard him say where it was to be located.

Further, is there any capital commitment? I would be led to believe that the 200,000 per year for the next five years would be your operating costs. I'm wondering, is there going to be any capital expenditure on the part of the province for this centre and also where it's located in Manitoba.

MR. EVANS: Well, as I said, we are still in the formative stages. The work has essentially been done in the Winnipeg area. There is no capital commitment as yet.

MR. MINAKER: Yes, thank you Mr. Chairman. Another subject under Manitoba Research Council is the title, "Optimization of Whey Management in Manitoba." There's a \$17,000 grant, dealing with the drying techniques for whey concentration and stabilization of the product. I wonder if the Minister could advise the House if the experiment was successful, and what the recommendations were from that particular study that was carried on at the University of Manitoba. There is a particular interest involved in this, as the Honourable Minister realizes, because of the situation that presently exists with a question mark on whether there's a whey plant to be established at Selkirk, Manitoba, and also the indication from the government's side that drying whey is not an economical type of venture on a small scale or individual plant basis. So, we're quite interested in knowing what the results of that particular study were, and whether they would be available publicly to members of the House.

MR. EVANS: Well, Mr. Chairman, the actual project which the honourable member is referring to is the responsibility of the Minister of Agriculture who is responsible for the Milk Control Board of Manitoba. This expenditure, this activity was a technical study, it was a technical study. I understand that the study is not complete, and it, I'm sure, is of some use to those people on the milk board or the people, rather, who are concerned with the possibility of setting up a whey plant. This was a supported type of study. It was a technical study that was carried out and it's, as I am advised, it's not completed as yet, so I can't tell you what the conclusions are. But I believe it's not a study that's related to location necessarily, or to the general economics of the matter.

MR. MINAKER: Surely, Mr. Chairman, I didn't hear the Honourable Minister correctly. I would hope that his department isn't operating in isolation with another department on particular research projects that have interrelation, because if I understood the Minister correctly, Mr. Chairman, what he has said, that this particular grant and study has no economic bearing on the whey plant that is being considered at the present time. So my question is, what was the grant for then if there wasn't some kind of a communication between his department and the Department of Agriculture? I would think that that should be corrected immediately because I even as a layman, would believe that if it's feasible to dry whey and you have research work being done on this, that surely the report would become valuable to any other department of the government that would be considering spending 7 to 9 million dollars on a plant; and if there was a solution other than what is presently being suggested by the government, then I think it would be the responsibility of this Minister to make sure that the Honourable Minister of Agriculture got this report so that they could compare this, and I would hope that in future his department, when they're dealing with research grants, would make sure that the type of research that's being done is made available to those departments that could utilize the benefits of it, otherwise as far as I could see you're giving money away for no good really other than just to get some research work done and put away on a shelf somewhere.

MR. EVANS: Well, Mr. Chairman, I'm afraid the honourable member misunderstood me, or perhaps he didn't hear my statement, but there's no suggestion that this is done in isolation. The fact is that it is fully supportive of the type of enterprise that the Honourable the Minister of Agriculture is concerned with. But I would emphasize again that this was with regard to the technical aspects of the whey drying process, the industrial processing in technical terms; we have made information that has become available on an interim basis to the department. So therefore there is close co-operation. It is not being done in isolation whatsoever.

MR. MINAKER: Thank you, Mr. Chairman. I wonder if the Honourable Minister could advise if his department, whether it would be the Research Council, or if his department has assisted in the selection of hardware to dry whey? Have they assisted the Department of

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(MR. MINAKER cont'd) . . . Agriculture in the pursuit of getting estimates for drying whey or processing whey, and if so, could he elaborate on that, and if in fact, has there been any purchase to date of such equipment?

MR. EVANS: Yes. Well, I am advised, Mr. Chairman, that the department has assisted the people who are responsible for this in the Department of Agriculture. They have assisted them in, that is, in providing advice and information. I can't answer the questions about expenditure. This is a matter that should be dealt with under the Department of Agriculture.

MR. MINAKER: I wonder, Mr. Chairman, if the Honourable Minister could advise us where the particular moneys to cover this assistance are located in his estimates, and how much is it covered - or how much cost is there to cover this particular assistance?

MR. EVANS: Yes, the appropriate item would be under the Trade and Industry Group, Vote 68, Section (b) Food Industries. There were no moneys paid out as such for this in the way of a grant or what have you, the assistance that is provided by the industrial consultants in the department that are specializing in food products.

MR. MINAKER: I wonder if the Minister could advise the estimated man-hours that are involved in the assistance to the particular project; also I wonder if he'd advise if a recommendation has been made to purchase certain types of drying equipment. Has his department made this recommendation, and has the purchase actually taken place?

MR. EVANS: Well, on his first two questions, I'll take them as notice. I'll have to find out. With regard to the last, I don't know what the answer is but I would suggest again that that matter of the actual purchase of equipment is a question that would properly be asked of the Minister of Agriculture who is responsible in this case.

MR. MINAKER: Mr. Chairman, I think it would be in order to ask the Honourable Minister if his department has made a recommendation to the department with regard to the type of equipment to purchase. I think that would be in order.

MR. EVANS: Yes, Mr. Chairman, I have taken this earlier section as notice, and I'll try to supply the answer.

MR. MINAKER: Thank you, Mr. Chairman. The next item under Manitoba Research Council is the subject, Development of a Mechanical Continuous Processing of Wild Rice, I noticed there is a grant of \$40,650 made to investigate some mechanical means of picking wild rice, if I understand it correctly. I'm wondering if the Minister could elaborate on this particular subject. Also, how this might affect our native people who do make considerable living out of picking wild rice by hand under the present scheme, and I just want to know whether there'd be a tie-in with the native people on this project, or was it in isolation?

MR. EVANS: Well, Mr. Chairman, I've been asked some detailed questions here, and I'd like to give the honourable member an accurate detailed answer, and I will do so, therefore I take that as notice also, and will supply it at an appropriate time, certainly if not before getting off this item we can always do it under the Minister's salary.

MR. MINAKER: Yes, Mr. Chairman. The next question related to - we have a varied, I might add, research going on in our province as we're happy to see, and I even see we're now involved in encouraging sheep to reproduce, and I'm wondering under the subject, Enhanced Productivity in Sheep Breeding, I'm wondering how much this particular grant was for, and if the Minister has any information on the type of results that were forthcoming because it indicates here, "Initial results are encouraging" which could almost mean anything, that it means maybe you're getting many black sheep or a few, and so forth, and we're just wondering if maybe the Minister might elaborate on just how much was the grant for this particular project and what the results were.

MR. EVANS: Yes. As I understand, Mr. Chairman, if my memory serves me correctly there wasn't one grant made, there have been several grants made over some years. I will endeavour to get at least a summary of the results of that particular project and make it available to the honourable member.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Mr. Chairman, further to the Manitoba Research Council, I notice there's several other companies that have government affiliation such as Alphametrics which received a \$25,000 grant, and I would ask the Minister at this time, the Vortex Design in Steinbach received a grant, and I wonder if he could inform the House as to how much that grant was.

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



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MR. EVANS: This is Vortex Design in Steinbach - I'm advised that the grant was not proceeded with, therefore they received no funds.

MR. BANMAN: Out of the few questions we've asked here, Mr. Chairman, I think there's a concern on this side of the House that we would like to know how much of the time and energy devoted by the Industry and Commerce, whether it be through the personnel in the department and through the grant structure, how much of that time, and how much of the grants, indeed, go to a government or a government affiliated service such as Manitoba Development Corporation? I note that when we start looking at a thing like Crocus Foods, which the Member from St. James was just talking about, you can look at the annual report of the Industry and Commerce and you notice such things that the department has, and I read from the department: "It further contributed in a substantial way to rural employment." And then the second item under that particular thing says, "A Whey Milk Powder Facility in Selkirk." It also defines a directorship in Crocus Foods in Selkirk, and here we have a \$17,000 grant which went to the production of - or to the examination of drying techniques of whey, and we realize that in Manitoba right now, and things being the way they are with regard to the Crocus Food Plant, there is really nobody in the province that would take advantage of this technical information, because the private industry in Manitoba is being discouraged from even entering into installing whey producing facilities, and we've been all through that during the last several weeks.

So I think there's a question here that possibly the Minister could try and get his department to get for us, and I would like to know the criteria for the different types of grants such as the incentive grants. I would like to know if all government agencies are qualified for these incentive grants. I think we should have a rough idea of how much time his department is spending on inter-governmental affairs, as far as looking after and trying to keep some of the floundering industries in a state of --(Interjection)-- flux, yes, that's about it. I think that sufficient questions have been asked with regard - and we've just mentioned a couple here, and we've just scratched the surface I think - Morden Fine Foods, the 47,000 and I think if you go down the list here you can notice there's quite a few agencies that are involved with the government, and I would ask the Minister to try and get us some information along that line.

MR. EVANS: Well, Mr. Chairman, the honourable member asks a very general question, how many of our resources, how much of our total resource capability is dedicated to assisting MDC owned operations? And that's a very difficult thing to precisely measure. It's one thing to indicate the grants that were made to companies that either had a loan or had some equity from MDC, but it's another thing to precisely calculate the amount of resources dedicated. We don't say, "Here are a group of consultants that are made available to MDC finance companies." That is not the way we operate. We operate on a sector basis; we operate on a regional basis, and so on. Our focus should surely be to provide the best possible technical and economic assistance, advice, that we can to all Manitoba industry, because I remind the honourable member the man who works for Morden Fine Foods, and the people who operate Morden Fine Foods are entitled to the services of this department as much as a private company. I would remind honourable members that there are many private companies that flounder too. This is the name of the game. This is the name of the game of free enterprise. It's the fact of the matter that companies rise and companies fall, companies rise and companies fall. The only point, of course, is that the honourable members are not as aware of business failures in the private sector, and we do our very best to help all industries, and surely the honourable member is not suggesting for one single moment that we refuse to help Morden Fine Foods Limited if, for some reason, we can be of some assistance. Surely you're not suggesting that. But that seems to be implied in your remarks. Surely you're not suggesting that the department not help McKenzie Seeds Limited. I think that that company, providing as it does hundreds of jobs for the people in Brandon, I think it's as deserving of attention as any of these companies listed here that have no MDC involvement whatsoever.

On the specific question that was asked earlier as to which of these companies that had received payments under the department's Incentive Grants Program, which of these companies had either a loan or an equity payment from MDC, I can indicate at this time just running down the list: Warner International, but I believe this loan has now been paid off; Alphametrics Limited is another that has received MDC support; Lambskin Specialties Limited had received MDCs support, but that is now paid off; I mean by paid off - I'm just going to check here - yes, as I thought, the MDC loan, the note I have here, it says "paid off" meaning that the MDC loan

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(MR. EVANS cont'd) . . . that had been received was paid off by this particular company, Lambskin Specialties Limited. Federal Pioneer Limited, this was a lease arrangement; H. Singer Furniture Limited, but that's another loan of the MDC that's been fully paid off - you see there are some very successful loans. Flyer Industries Limited; Benco Component Industries Limited were recipient of a loan, I believe; North American Laboratories and - well, A. E. McKenzie Limited; Jara Steel Industries, a venture of Manitoba Tours, that's the Lord Selkirk boat; and Verne Labs Limited; and then Manitoba Forest Resources, that was formerly known as the CFI complex at The Pas.

MR. BANMAN: Mr. Chairman, I think, when we talk about things like industrial development in this province, and things which we see are going on right now, such as the Minister has just admitted, that they were quite comprehensively involved in the possible establishment of a food plant in Selkirk, namely, Crocus Foods, and when we realize that that food plant is going to seriously jeopardize the industry in rural Manitoba, the small co-operatives, and there's no question about it, I question very seriously what kind of industrial development the Minister is trying to undertake. The Minister has just named off several companies here that received the incentive grants, and I notice that - and I haven't had a chance to add it up, but I would say a good third, if not more of these companies did receive MDC funding. So I'm wondering if MDC funded companies have an advantage as far as the criteria for these incentive grants are concerned over companies who do not receive any government assistance at all.

MR. EVANS: No, Mr. Chairman, that is not the criteria. With regard to the whey plant I would advise the honourable member again that I, or this department, is not responsible for that particular project. That is not in the estimates of this department, and it is not an activity or an enterprise that has been put in place by this particular Minister.

MR. BANMAN: But as the Minister of Industry and Commerce, and concerned about rural development, and about the stay-option program, has the Minister not done any studies, or is the Minister not aware of what can happen to rural Manitoba if this government should go into a multi-million dollar plant? They've gone ahead and they've helped the Crocus Food people to draw up a DREE grant, and it's mentioned here in the annual report. They said that they've, in a substantial way, helped the people over there apply for a DREE grant, and now he says that it's not his department, it's the Minister of Agriculture. And yet it's Industry and Commerce, because the people in my area and the people in rural Manitoba are concerned that they retain the businesses that are there presently. And you can't have it both ways. You can't centralize all these businesses and let all these people go out of work in the rural areas, and the Minister knows very well that there's only a certain amount of milk in Manitoba. But you can't go ahead and close your eyes on the one hand and say, "The Minister of Agriculture, that's his baby, I have nothing to do with it." The thing that we're after right now - and I think we might as well put it on the line here - what will be the effect? Has the Minister's department, out of all the professional fees that he's paid and everything, has the Minister's department made a study to see what the effect will be on New Bothwell, on Grunthal, on Arborg, on Brandon, on all the different plants?

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

MR. EVANS: Mr. Chairman, I repeat that as a service department we're prepared to help companies that are in the private and in the public sector. Of the grants that have been made, the number of grants that have been made, I gather, just as a rough, quick calculation, 85 percent of the grants were to the private sector, rather not to the private sector, 85 percent were to companies that had no involvement with the MDC. Many of those companies that I have referred to as being financed to some degree by the MDC are privately-owned companies that obtained a loan, and I dare say a lot of them had obtained loans long ago, maybe 10, 15 years ago, for all I know. I don't know. But don't infer that all of those companies that are referred to are owned by the MDC, because they are not. In fact there's only two or three or four of them. The bulk of them have had loans from the MDC. Well I don't know what the honourable members are saying but, you know, one day you're saying the MDC should be more active in lending money to enterprises to help them . . . You haven't said that? Well, that's not what I heard. At any rate, Mr. Chairman, I don't want to debate the whey plant but I want to remind the honourable members that the origination of the idea of a whey and milk powder plant came about because of a pollution problem which we were apprised of by the Environmental Management people, a very serious pollution problem that was occurring all over this province. And

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(MR. EVANS cont'd) . . . there is a cost involved in disposing - in fact, there's going to be an increasing cost of disposing of the whey, and the idea then is surely very admirable that we would assist, virtually assist these companies by taking their waste products away from them at no charge, thereby helping to resolve a pollution problem, helping to resolve a cost to those particular companies, and making something valuable from that waste product.

At any rate, while I'm on the subject, I had been asked specifically about the machinery for the plant, and my information is that the machinery has not been ordered. But again, this item is an item, as I said, which is under the jurisdiction of the Minister of Agriculture.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I think we're engaged on a very very important debate here in regard to the Minister of Industry and Commerce's department. I would like to know first, before we pursue any further, whether the people he had doing the survey or investigation as to the feasibility on the research of whey in this province, did he send any of his people to Swift Current, Saskatchewan, where there is a cheese-processing plant, that have equipment in that plant that are processing and dry-processing whey, and did he do any investigating on that?

MR. EVANS: Well, Mr. Chairman, as I said, we did do this technical study - it wasn't a feasibility study per se. When I think of a feasibility study, I think of an economic study - you know, the costs, the revenues, the costs, etc., and the ability to have a profitable or viable operation. I will have to check to see whether the people that had done this technical research on whey-drying methods and methodology, whether they did go to Swift Current or not. I really don't know. But I'll try to find out for the honourable member.

MR. EINARSON: Well, Mr. Chairman, for the information of the Minister of Industry and Commerce, I can tell him that people who are employed in the First Minister's department here in Manitoba own the cheese plant in Swift Current. They have equipment in that plant whereby they are dry-processing the whey, and they are selling it out to the farmers in the community as a feed for hogs. And I'm given to understand - and I could be corrected if I'm wrong on this, Mr. Chairman - but I understand that that plant in Swift Current was also interested in getting into the hog business to utilize the by-products they were producing from that plant. And I would suggest to the Minister of Industry and Commerce . . . and I'm wondering if he sent anybody over to Europe to investigate this whole matter. We're getting the kind of answers from him as we were getting from the Minister of Agriculture. A snow job, if you want to put it very mildly. But I want to say, Mr. Chairman, that in the report of the Manitoba Department of Industry and Commerce, it states under Food and Beverages, which are an important item in his department, and I'm going to quote here from the report, Mr. Chairman: "To further contribute in a substantial way to rural employment, the Branch focused attention on the following opportunities which have a significant employment potential."

Now, Mr. Chairman, I think this is a very important item, this clause here, because it refers to: "2. A whey milk powder plant" in Selkirk. When the Minister was doing this research, and he talks about an importance of the employment that it's going to create in a community, namely, in this case, Selkirk, did he also concern himself . . . ?

MR. CHAIRMAN: Order. The Honourable Minister of Industry and Commerce.

MR. EVANS: The honourable member is now discussing the whole area of food processing food industries, and there is an item on the budget for that. We got into this because we are discussing Manitoba Research Council and they did do a technical study on whey-drying methods. And if you want to confine your remarks to that, I would think it would be in order, but if you want to get into the whole area of food-processing economics and the development of food processing throughout Manitoba, that would be more appropriately discussed under the item of Food Industries, under the Trade and Industry Group.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Chairman, I think the Minister is starting to become very technical here. Science and Technology, I think, is relative to the research that he's been doing in regard to this whey product, and I think it does have relative significance to this particular area - when we're talking about the employment that it is going to benefit mainly in the Town of Selkirk from this research that is being done. Because I think that if the research says to him that it's not feasible to put this plant in Selkirk --(Interjections)-- Well, Mr. Chairman, the Minister says it's not a feasibility study. I realize it's a research study to decide whether or not it's

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(MR. EINARSON cont'd) . . . practical and economical to produce a by-product from the whey, and the Minister himself indicated that we have a concern here and the reason we are doing this is because of the Clean Environment Commission. He made those comments himself just a few moments ago, that he was doing this because of the Clean Environment Commission indicating to the Minister of Agriculture that there was a problem in these various cheese-processing plants throughout the province. And I say to the Minister of Industry and Commerce that many of these plants have overcome this problem, and I tried to tell the Minister of Agriculture that. These plants, having overcome the environmental problem, are fully aware and know what it is and how to go about producing a by-product from whey, made an application to the Minister of Agriculture to put in the equipment, and the Minister of Agriculture turned them down. And so I'm wondering why this Minister of Industry and Commerce - I think he's part of the same government - did the Minister of Industry and Commerce not have any consultation with the Minister of Agriculture when he embarked on the research study that was made of this particular product?

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

MR. EVANS: I'm sorry, I didn't hear the last . . . I believe there was a question asked at the very end and I didn't hear that, I'm sorry.

MR. EINARSON: Yes. I was saying, Mr. Chairman, in view of the research that the Minister of Industry and Commerce is doing on this product, did he not have any consultation with the Minister of Agriculture before embarking upon such a program, spending all the money that my colleague from St. James has mentioned this afternoon, my colleague from La Verendrye, I'm wondering: did the two ministers not get together to discuss this matter? Because I think they have a relationship as to the importance of this particular industry, because it not only applies to Industry and Commerce, but also he's been made plenty aware of the importance that it applies to the industry in agriculture, namely the dairy producers of this province, and the processors.

MR. EVANS: Yes, Mr. Speaker, there was consultation and discussion by means of a Cabinet sub-committee.

MR. EINARSON: Mr. Chairman, I don't understand, then, if the research that has been done - and in talking about the research, the Minister as he draws up and you read his report, he relates the benefits from it - I'm wondering how you put the two together here, when you talk about the research being done on this particular matter and other foods have been mentioned and directed to the Minister's attention and the relative importance that that research has, with the results that may be incurred and the effect that they may have on the respective areas. In this case, we have Selkirk versus all the areas of Manitoba where they are in the business of processing this product, and I'm wondering if the Minister, if that's his complete responsibility, namely the research part of it, is the Minister of Agriculture taking full responsibility for all the other consequences that may materialize, and the losses that may be incurred by all these plants that are in the business of processing now? I fail to understand why the Minister is engaging upon spending this kind of money doing research when the private plants that are now in operation can give him the answers if he's gone out to see them. This is what I don't understand, Mr. Chairman.

MR. EVANS: Well, Mr. Chairman, I take responsibility, along with the Minister of Agriculture, as a member of a government that makes a decision or other, and there's no mistake about that. But I simply repeat that if you're talking about the Manitoba Research Council, the activities under it, as I said, the study related not to economic location but to various ways and means of processing of this by-product - or actually this pollution product, because that's what it has been. And it's been a serious problem in many communities. So I just repeat that this particular branch, the Manitoba Research Council which we're now discussing, is engaged in the technical aspects. I'm informed that the project that specifically we're referring to, the project was related to the stabilization of whey so it could be stored for processing or for transportation, either in a diluted or in a partially concentrated form. Apparently there are successful methods for preserving the whey. These have been developed, we're advised, and they're available for use for a plant that has to be of a size that could be considered economic. As I've said - well, I said this previously. The project was strictly a scientific project but the information was made available to the Department of Agriculture. I believe we've run out of time, so I'll . . .

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MR. CHAIRMAN: Order please. The hour being 4:30, I'm interrupting the proceedings in accordance with our Rule 19(2) for Private Members' Hour, and shall return to the Chair at 8:00 P. M. this evening.

. . . . continued on next page

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. Private Members' Hour Tuesday. The first item, Private Bills. Bill No. 23, the Honourable Member for Fort Rouge.

PRIVATE BILL NO. 23 - ST. ANDREWS-RIVER HEIGHTS FOUNDATION

MR. AXWORTHY (Fort Rouge) presented Bill No. 23, an Act to incorporate the St. Andrews-River Heights Foundation, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I take some pleasure in having the opportunity to introduce this bill, which was an Act to establish a foundation for the purposes of supporting the work of St. Andrews-River Heights Church. I would like to take the opportunity in presenting this bill to just comment, if I may, on the interesting possibilities and developments that many churches in this city are entering into as conditions change and the kinds of demands of the community change, that throughout Winnipeg there has been, I believe, a very important and very essentially beneficial contribution being made by churches in the capacity of entering into a number of very important social activities, housing projects, medical and health concerns, and that the organization - in this case the United Church, organizations such as the United Church Urban Council - have become in many cases the sponsors and catalysts for some of the most interesting work in social and urban problems.

I think that one of the reasons why this is true and one of the reasons why this has happened, is that the churches are blessed with a degree of independence and flexibility, which in large part can be gained as the result of their degree of financial independence, and that while they rely upon the contribution and support of private individuals, I believe, Mr. Speaker, that this is in many cases becoming a lost art in our community. We have commented many times in this House that there is an increasing tendency for the assumption to be that government will solve all problems in all ways for all people, and that this is simply not so, and we realize the dangers of such things. And I think therefore it is essential that this House recognize the kind of work that can be undertaken by religious organizations as well as other kinds of private voluntary groups of people who come together out of some sense of purpose to serve their community and serve other people. So that the purpose behind this foundation is to allow the St. Andrews-River Heights Church, which is one of the more notable and outstanding churches in our community, to pursue its own work in its own way.

The bill itself is being brought into this House particularly, Mr. Speaker, because of the requirement for it to be able to maintain its funds in perpetuity, and this is one reason why it's not being introduced under the Companies Act, which would normally be the case, that if things wind down, whatever funds are donated to this particular foundation would then revert back to the Winnipeg Presbytery of the United Church, which I believe explains why in fact it is being introduced in this House, because it doesn't quite fit the requirements of the Companies Act in that one respect only, that if there are funds, that they would then be maintained in perpetuity for the use of the church rather than being wound down under the orders of the Companies Act.

I'd also like to indicate, Mr. Speaker, that the Honourable Member from St. Johns had expressed some concern to me earlier about the title of the bill, suggesting that within the title of the bill the word "church" be included so as not to provide any misleading advertising, which he is, I know, obviously concerned about. I think that the sponsors of this bill are certainly agreeable to that and I would suggest that, if this is a concern, that it could be well taken care of in the committee stage of the bill.

So, Mr. Speaker, I would recommend this bill to the acceptance of the House so that the kind of action and contribution being made by one of the more outstanding churches in our community may be maintained, and that it can draw into its work to the use of a foundation, private moneys for that purpose. And I would only like to offer, by way of argument or by way of evidence, that there is in the City of Winnipeg, at least to my knowledge, two other foundations of a similar kind. I believe Grace United Church has a similar foundation. I believe Westminster has. And I can only testify that I know that the work of those two particular institutions has been assisted by the existence of the foundation that can act as a place for donations of private members, so I would think that this is the kind of bill that will go some small part towards furthering the ability to maintain the activity of churches in our community and to even provide greater assistance in their future kind of activity.

## BILL 23

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

MR. SAUL CHERNIACK, Q. C. (St. Johns): Mr. Speaker, I have discussed this bill with the Honourable Member for Fort Rouge, as he indicated. A couple of matters that I was wondering about; one was not the title of the bill, but rather the title of the foundation itself. The title of the bill is not consequential. But I did suggest that there should not be confusion in the minds of people who are donating or contributing, or recipients of the benefits of the foundation, that they should know clearly that it is the St. Andrews-River Heights United Church Foundation, and my suggestion was the name of the foundation as in the bill set out, not the title. I don't know whether the Member for Fort Rouge sees that that is of any importance, I mean that there's any objection to that, but that is what I would propose and I believe would be acceptable.

Secondly, Mr. Speaker, I think you know that for the last number of years we've been trying to divert bills that are private bills that need not come before the Legislature if they could get their incorporation through the Companies Act, in order to save the Legislature the time for what is often a technical and a nominal purpose. I am informed, as was the Member for Fort Rouge, that the reason that this could not be under the Companies Act is that the Companies Act cannot authorize, that a company incorporated under the Companies Act shall not be bound by the rule against perpetuities and accumulations, which means that we in the Legislature are now charged with the responsibility somehow of setting aside the rule against perpetuities and accumulations in connection with a particular corporation. It makes me wonder, Mr. Speaker, how many of us really know what the rule against perpetuities and accumulations is and why it exists at all, and why therefore should we be bound to consider it and therefore say, all right, in this case it is advisable so to do.

I have already suggested to the Minister for Consumer Affairs, and possibly the Private Bills Committee could consider this, whether the Companies Act itself should not be amended so as to enable the incorporation, through the Companies Act, of a charitable, educational or religious foundation, which would have the power through the Companies Act to have the rule against perpetuities set aside. I imagine he'll be reviewing that with officials of the - or I think I also suggested, I did suggest that the Law Reform Commission have a look at it and see, firstly, should the rule apply at any time for religious, educational, charitable purposes, and if at no time need it apply, then possibly it should just be an amendment to the Companies Act so that we don't have to consider these bills from time to time.

Having said that, it might be of some interest for the Private Bills Committee to explore the ramifications of setting aside that rule. Frankly, I see no objection whatsoever, in a case such as this, so to do. But possibly we in the Legislature ought to have an attitude in that regard. I'm happy that there are organizations that are gearing themselves up to do more "good works," if I can put that phrase in quotations. I don't really know why the church needs a foundation to carry on, why it couldn't carry on just as a church, but I suppose it has its reasons. And again, it may be that the rule against perpetuities applies to churches as well, and frankly I don't know. But it is a matter, it seems to me if we're going to be passing on legislation, we should know why it's brought to us rather than to another avenue, and then if there's a special reason we should consider that as being a reason that we have to pass on.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I just intend to take a couple of minutes, but I wanted to address myself to the bill before us and the subject matter of same, and to indicate to the mover of the legislation that it's the kind of legislation that I'm sure members of my Party can enthusiastically support.

We are very pleased to see the kind of principle embodied in this legislation being given voice and being applied actively in the community this way. We have felt for many many years now that there has been too substantial a drift in our community to dependency on government, dependency on welfare programs, dependency on assistance programs funded and supported out of the public treasury, to too great an extent. We have felt, traditionally and historically, in the Progressive Conservative Party, that the most noble and the most uplifting kind of help and support that one member of the community can give another comes through individual and private activity of this kind wherever it is feasible and practical, and it certainly is the kind of institution that I think commends itself to all those who believe in the private and individual spirit of brotherhood and of initiative.

## BILL 23

(MR. SHERMAN cont'd)

For that reason, notwithstanding some of the technical questions raised, such as that just introduced by the Honourable Member for St. Johns, I think I can say that those of us in this caucus, in this area of the Chamber, are certainly in accord with the principles incorporated in this legislation. We would like to align ourselves with the objective. We feel that, particularly in the urban centre of Greater Winnipeg, there is tremendous opportunity for individual assistance, individual initiative programs in the area of good works, waiting for persons such as those who would be participating in this particular foundation to undertake. For that reason and the earlier one mentioned having to do with the particular philosophy that we bring to this whole question, Mr. Speaker, I would like to commend the mover of the bill for the legislation and its objective, and I would hope that it will find speedy passage through this Chamber.

QUESTION put, MOTION carried.

BILL NO. 25 - INVESTORS GROUP

MR. SPEAKER: Bill No. 25. The Honourable Member for St. Johns.

MR. CHERNIACK presented Bill No. 25, an Act to amend an Act to Incorporate the Investors Group, for second reading.

MOTION presented.

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

MR. CHERNIACK: Mr. Speaker, I'm going to have some difficulty here because what is being proposed here may read very clearly in English but it's certainly not very understandable to me, and I assume to others. It is the proposal of the Investors Group to be given the authority, through this bill, to increase the authorized capital by \$1 million from \$41 million to \$42 million, by the creation of an additional 10 million of the common and 10 million of the common Class A non-voting shares, each of a par value of five cents per share.

Now honourable members may recall that I mentioned, in dealing with the previous bill, that it is desirable in my mind that bills should be steered through other avenues if possible, and not have to come to this Legislature and take up its time. This company proposes, through the bill, that for the purpose of securing future increases in capital or reclassifications of shares, it be permitted to proceed by way of application for Supplementary Letters Patent through the Registrar of Companies rather than amendments to the Special Act of Incorporation passed by the Legislature. So that if this bill passes, then for changes in the capital structure of Investors Group it would not be necessary to come back to this Legislature, but rather it could be done through Supplementary Letters Patent through the Registrar of Companies. The only provision would be - and that again is in the bill - that such an application for variation must be supported by at least two-thirds of the votes cast at a meeting of shareholders of the class of shares affected by the application, and which is called for that purpose, so that there's that precaution.

Mr. Speaker, the bill was presented for first reading and has then been held up until now to enable Investors Group to have its annual and special meeting at which the by-law authorizing the presentation of this bill is passed by the shareholders. This was passed on the 28th day of April, 1975, at a meeting, as is certified by the secretary of the company, and therefore it is now brought for second reading having been approved by the records of the majority of shareholders.

I will read an explanation that appears in the notice of the meeting. I can tell you in advance, Mr. Speaker, that it is a very complicated one which I really don't fully comprehend myself. I will read it into the record and I will inform honourable members that the secretary of the company and the solicitor for the company will have to be, and will be, present at Private Bills Committee in order to elaborate and explain any questions that are asked. Of course, if questions are asked during the debate on second reading, I'll try to make a note of them. I'll try to get answers to give at the conclusion of second reading, but that would be second-hand answers that I would be bringing from the solicitor or secretary of the company, and I would rather think that a thorough discussion, if considered advisable by any member, would be best conducted directly with representatives of the company at committee stage, assuming that it passes second reading.

I want to read this explanation, which is rather short, and I don't vouch for it being



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(MR. CHERNIACK cont'd) . . . . easily understood: "By having two classes of common stock and two classes of common stock Class A, the Board of Directors in each case could, in its discretion, declare dividends to be paid out of 'tax paid undistributed surplus' as defined in the Income Tax Act, to the holders of one class, and ordinary dividends to the holders of the other class. Common and common Class A shareholders would, under such an arrangement, have the option of retaining their existing shares, or, if a shareholder deemed it to be in his interest, of converting his existing shares to shares of a similar class, providing for the payment of tax paid dividends rather than ordinary dividends."

As I read this, Mr. Speaker, the purpose is to give certain options to the company and/or to its shareholders, to take advantage of whatever tax laws are passed by the Federal Government to benefit holders of shares in companies, and since I consider, as a person who's been involved in taxation, that it is fair game to legally attempt to work one's affairs in such a way as to comply with the tax law and still take advantage of the best of options given to them, that that would be what they propose to do. I do not necessarily favour the philosophy behind the kind of tax law that gives that kind of option, but as a courtesy to Investors Group, and considering the present tax laws and the nature of corporate structures, I am presenting this bill suggesting that it should pass second reading, be referred to committee, and then further discussion can of course take place at the committee level in order to satisfy members. May I say, however, that before agreeing to sponsor the bill, I did make enquiries from people, mainly in government, who would be concerned with making sure that the public is protected, that shareholders are protected, and I was given an affirmative opinion. Therefore, without hesitation, I commend the bill to the House.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, we certainly thank the Member for St. Johns for his explanation of the legislation, and particularly for his note of assurance on which he ended his comments a moment ago, because when he suggests to us that it is complicated legislation in the import and purport contained in it, he is certainly not exaggerating the fact, if anything he is doubtless understating it. And to have his assurance as he gave it to us, and to the House, in the concluding words of his statement of a few moments ago, is indeed helpful and reassuring considering the fact that he held the portfolio of the Minister of Finance of this province for many years, it is a reassurance that I think can be accepted and accommodated comfortably on this side of the House.

We have amongst ourselves confessed to some confusion and to some puzzlement with respect to the purport of the legislation before us, and I am glad that the Minister has read into the record the brief explanation that he gave us. I'm sure that all members will want to check Hansard and read and re-read that explanation in order to try to bring some understanding to the particular bill where we ourselves are concerned. It was difficult to understand the explanation in the short time the Minister had at his disposal, to offer it to us - the former Minister had to offer it to us, but at least it's on the record and we can now address ourselves to it in Hansard, Mr. Speaker, and do our best to comprehend the implications involved.

Further, the fact that an opportunity will be available through Private Bills Committee for members to examine the legislation even more fully, and to ask the questions that are as a consequence going to arise in many members' minds, provides an additional safeguard where this legislation is concerned.

The former minister has indicated that representatives of the company will be on hand at committee stage to help lead us through the legislation step by step once again, or twice, or thrice again if necessary, and to explain all the effects of the legislation. That, I'm sure, will be welcomed by those of us on this side interested in financial affairs and interested in the private financial community in this province. We will look forward to the appearance of the bill at Private Bills Committee in order to achieve a total understanding at that time. I confess, and I think my colleagues would agree with me, that we don't enjoy such a total understanding at this moment. However, we will take the Minister's word at its value. We will accept his reassurance, and we will participate in passing the bill at this point, through this particular stage, and welcome the opportunity to examine it again in committee.

MR. SPEAKER: Pleasure of the House to adopt the Motion? The Honourable Member for St. Johns.

MR. CHERNIACK: I can't help but wish to close debate on the basis that I don't really

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(MR. CHERNIACK cont'd) . . . . want the Member for Fort Garry, or anybody else really, to accept my reassurance of this bill. Just as a matter of principle, you know, I recall that not always have I had that kind of a response from others that have agreed to accept my word.

I made the statement to indicate my own efforts to assure myself, not in order to convince others that they should take my word for it. By all means I think each member should study this bill, or the reasons given, listen to the people who come to discuss it and justify it, and make their own decision rather than to accept my reassurance.

QUESTION put and MOTION carried.

BILL NO. 32 - AN ACT FOR THE RELIEF OF SUSAN THIESSEN

MR. SPEAKER: Bill No. 32, the Honourable Member for Fort Rouge.

MR. AXWORTHY (Fort Rouge) presented Bill No. 32, an Act for the Relief of Susan Thiessen, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, in introducing this bill I'd like to preface my remarks by saying that one of the things I think that members of this House should always take some recognition of when we spend our many hours of debate hearing the mighty issues of the day, of inflation and economic upheaval, and government over-spending, and all the rest, is that as many laws pass this House, and there's a multitude and myriad numbers of legislative acts that pile up in the Statute Books, that there are many individuals who oftentimes become confused, and in making cases perplexed by the legal system and the legislative system of our province, that in many cases it simply presents to them a very confusing and oftentimes a kind of complex that they are not able to cope with for a variety of reasons. So I think it is always of some use, Mr. Speaker, for us to at times look at the specific problems faced by specific individuals in this society who find themselves caught in those kinds of circumstances and to realize that part of our legislative responsibilities is as much to serve the individual in the specific case as it is to provide general laws for the general betterment of the province.

Mr. Speaker, I believe that this particular bill is of that nature. The woman in question, Mrs. Thiessen was in a traffic accident in June of 1971 in which she sustained injuries which, at this stage, have still provided some degree of impairment and handicap, and that for reasons that, I guess, can only be explained by not knowing her full rights, no action was undertaken in the courts to secure some return or compensation for those injuries. It was only with the intervention, really, of a relative, after the Statute of Limitations Act came into effect, that Mrs. Thiessen was aware of her rights and her, in fact the necessity in many cases, of taking some action to secure a return of compensation.

Unfortunately, by that time the Statute of Limitations had come into effect and therefore the requirement for her to pursue her interest in this Chamber was called upon. I would like to point out, Mr. Speaker, and make it very clear, that what we are simply passing here is not any kind of direction at all to the courts as to how they should proceed. We are simply, in a sense, waiving the requirements of the Statute of Limitations Act so that the Court of Queen's Bench itself would then be able to examine whether in fact the case should be heard. We're not in any way deciding on the merits of the case, or even in fact directing the court that it must be heard. We are simply, in this particular bill, Bill 32, enabling or allowing Mrs. Thiessen to pursue her claim to the Court of Queen's Bench, at which time they will then be able to judge in judicial fashion upon whether the case should be pursued to its own conclusion. So that we are simply lowering the gate somewhat in allowing this particular issue to pass into the judicial system, and then it would then be certainly the responsibility and the right of that court to, with proper hearing, to determine whether they in fact, would want to hear the case ultimately. So that we in no way are providing any judgment or any direction whatsoever. And I would want to underline that particular point, Mr. Speaker, to ensure if there was any concern on the parts of members that we were, in fact, somehow affecting the judicial process, that is no such case. We are simply saying, that in this case one person was caught in unfortunate circumstances, didn't know what her rights were, and she is simply now making some effort to see if her rights can be pursued through the courts.

So I would recommend to the House, Mr. Speaker, this bill, because I think it does indicate that we should take moments of pause from time to time to look at the kinds of

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(MR. AXWORTHY cont'd) . . . . problems that people caught in the web of the many unknown and oftentimes complicated systems of legislation and statutes, and that show that we do have a willingness and an interest of providing a flexibility to the law, and certainly a certain compassion for those who have found themselves caught in unfortunate circumstances and therefore need some redress by this Legislature.

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

MR. CHERNIACK: I wonder if the honourable member would permit a question. Has he satisfied himself that the proposed defendants have knowledge of this bill and would therefore have an opportunity to appear before the committee, should it pass; and secondly, that they are not adversely affected, let's say, by insurance company having closed up shop or something like that, by the delay. Is he aware of that?

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, it is my understanding that those defendants are aware of this. In fact, it's my understanding that one of the co-defendants is now married to Mrs. Thiessen, and therefore I'm sure by some form of communication, would know about the impending court case, or the impending action by Mrs. Thiessen, and therefore, I would suggest that the information is therefore, readily available.

Now, I wouldn't want the honourable member to pursue that line any further because I have no interest in the fact, and would not want to make any kind of comment upon what the legal questions that might be involved. I'm simply saying in this case we're allowing the Court of Queen's Bench to decide upon whether in fact the case should be heard, and that that is their right to do; we are simply waiving the Statute of Limitations requirements so the Court of Queen's Bench can therefore, then through hearing assess whether they in fact want to hear the case. So, it really is their right to determine whether they are also prepared to extend the time limits. Mr. Speaker, it is my understanding that the court itself would then be, through its own procedures, be able to ascertain those kinds of requirements much more skillfully and much more accurately than we can in this House.

MR. SPEAKER: Order please. The Honourable Member is debating the issue again. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. When the Member for St. Johns stood up, I thought he was going to speak, and in fact I was hoping that he might speak, because a bill of this nature, I think, requires some legal minds to give opinions. Sir, I have not had any legal training, but having been in this Chamber for a few years, I have on more than one occasion seen bills of this nature come before the Legislature.

Most of them, sir, are all asking for a waiver on the Statute of Limitations, and while we don't see too many of these bills, sir, it does probably pose a question to the layman who is not too familiar with law, whether or not the Statute of Limitations that we presently now have is indeed a fair statute.

We find in the legal profession, that in some areas in Manitoba there is a definite shortage of professional advice in this field, and it may be through a shortage of trained personnel in certain areas that the Statutes of Limitation problems arise. It may also be because of the fact that we have the Legal Aid Society now bringing out almost a whole new field which is open to the average person on the street, where before he never did anything because he said he couldn't afford a lawyer. This may be some of the things that are occurring.

But I, in my own mind, would like to ask some of our learned friends who do have the training in the legal profession what their opinion is on whether or not the present Statute of Limitations is sufficiently broad to ensure beyond all reasonable doubt that the safeguards that are intended in legislation are indeed available to people for their protection. And I would hope that probably the Member for St. Johns could give us his opinion on this aspect, and I'm sorry to see that the Attorney-General is not at his seat to give us his advice on matters of this nature. Because, sir, while everyone of us here wants to make sure that the rights of the individuals are protected, and from time to time we have to see these Private Members' Bills brought into the Chamber, I think that we have to realize that we have a greater responsibility and that is to ensure that the legislation we have in effect at the present time will cover most cases and limit this type of bill to a minimum.

I just raise these issues at this time hoping that perhaps we could get the opinions of some members on their views, on whether or not the Statute of Limitations that presently exist in the province, is sufficient to cover most cases.

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MR. SPEAKER: The Honourable Member from Pembina.

MR. HENDERSON: Well, Mr. Speaker, --(Interjection)--

MR. SPEAKER: Order please. The Honourable Member for Pembina. The Honourable Member for Ste. Rose.

MR. A. R. (PETE) ADAM (Ste. Rose): He mentioned that he wanted a legal opinion from this side, I'm wondering why he would not ask the Leader of the Opposition, he's also a lawyer, I believe. I'd like to hear his opinion on it as well.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Well, Mr. Speaker, many people who are familiar with the law and different parts of the Insurance Act have no trouble getting things done in time, but there are many rural people who are not familiar with this, and never become familiar with it until they're in trouble. And when they are in trouble they're frustrated and they're happy even to get well, and they don't think of rights that there is under the law today where they can take action against somebody. Would you gentlemen here in front, if you don't mind, have your meeting somewhere else?

Thank you gentlemen, very much. Well it's very difficult to speak on the same bill when there's such a racket as that going on. I had to draw attention to it and I'm sure that the rest of the House weren't as aware of it as I was, but it was very . . .

MR. MINAKER: I was, George.

MR. HENDERSON: Anyway, there's many people that aren't familiar with their rights, and time passes very quickly when you're either sick or when you're real busy. And I can easily see that the time slipped by and then probably this person thought there was nothing they could do until they got talking with somebody that said, "Well, there might be a chance to do something for you." Now I always feel, where wrong has been done, that we should try to do the right thing even if it is a little bit difficult. So I would say that in this particular case I would like to see this case come before the committee where the lady could have representation and where people could question and where the decision could be made there. At least we could be fair to her and give her a hearing, and let the courts decide on what they do from there. And I'd be in favour of this bill going to committee and I would hope that the rest of the members in the House would be too.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I beg to move, seconded by the Honourable Member for Churchill, the debate be adjourned.

MOTION presented and carried.

BILL NO. 12 - THE FINANCIAL ADMINISTRATION ACT

MR. SPEAKER: Bill No. 12 proposed by the Honourable Member for Morris. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, the fundamental aspect of the legislation before us is that it spells out, in my view, the meaning and the purpose of the legislative system, the meaning and the purpose of parliamentary democracy. And that's really what we're talking about here, sir, in Bill 12, an Act to amend The Financial Administration Act.

I've been dismayed, and have given expression to that dismay from time to time in this House, over the fact that some of our young people are not fully conversant with, and certainly are not fully enthusiastic about the democratic institutions and procedures for which many of our ancestors and forebears fought so hard and so long, and in which those of us in this Chamber, I believe, strongly believe and for which we stand. I felt that there has been a failure, a vacuum in the educational system, with respect to instruction and education in parliamentary democracy, in the meanings of our institutions, in the meanings of what happens in a Chamber like this, what it's all about, the degree to which people from all sectors of the community are honestly and fairly represented in their points of view by the system, by the adversary system of opposition and government, and by the representation that comes from all corners of the province or the country, as the case may be. I have long advocated an expansion of the system of instruction in political science in our schools that would remedy that short-coming and give our young people a more enthusiastic appreciation of what takes place here. And I think, sir, that that kind of thing, a feeling for and an understanding and appreciation of parliamentary democracy, is embodied very very vividly in this legislation that's before us,

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(MR. SHERMAN cont'd) . . . . because this legislation strikes at the mechanics of the system and the degree to which they take into account, or fail to take into account, the legitimate rights of all representatives of the people, the legitimate function of an Opposition, and therefore the legitimate mechanics of the House itself.

We, as a party, made a mistake in the past with respect to the statute as it currently stands, and we've acknowledged it and recognized it through the proposed legislation brought into this House by my colleague the Member for Morris, and through the remarks in support of it made by him, the Member for Lakeside and others, who have argued for this new legislation, for this new amendment, for some time now. And there's nothing so terribly wrong with mistakes, Mr. Speaker, unless they're fatal mistakes. I doubt that there's anybody in this Chamber who would argue that there is anything intrinsically wrong in life with mistakes. That's a part of life. That's a part of the learning process, a part of the educative process. If we profit from our mistakes and if we are able to improve conditions as a consequence of what we have learned from those mistakes, then that's a constructive aspect of life. Only if the mistakes are fatal and only if they are irremediable, if they're not responsive to recovery, are they a bad thing by definition.

This mistake that we have made with respect to the statute we're dealing with where this amendment is concerned, is not an irretrievable error. It's a mistake that can be remedied. It has created a problem and a condition which can be corrected. We are saying that there now has been vivid demonstration in this Chamber in the parliamentary process in Manitoba of a kind of abrogation of democracy that can occur by the statute as it presently exists, and therefore we want to correct it. We want to put an amendment in that restores the provision that says when any government of this province wants to bring in a special warrant, wants to go through the bureaucratic process of acquiring additional funds, additional moneys, that procedure should not be possible and should not be permitted when the Legislature is in session.

There's no need for me to go into the arguments that have been raised on this point in past debate. I think everybody in the Chamber understands the situation and understands the history out of which the proposed legislation before us springs. But I am not at all convinced that everybody understands, or at least fully appreciates, the very basic, the very fundamental part and element of democracy that's involved here. I think if the members on the government side can put themselves in the position for a few moments of simply being elected representatives of the people, and not members of a government, they can perhaps bring themselves to a more honest understanding of what is involved. And I think if they look beyond that point to the day perhaps when they may well be members of an opposition rather than members of a government, they can come into a fuller appreciation of what we're talking about here and what is involved here, not for us as an opposition, but for all of us as members of a Legislature; for us and others as potential future governments; for them and others as potential future governments and oppositions.

Sir, the procedure adopted by this government a year ago when it was necessary for them to raise money, when it was necessary for them to acquire interim supply and when they were being frustrated and thwarted in that course by this Opposition with the Legislature in session, the procedure they adopted in going for the special warrants while the House was in session, seems to me to contain seeds of enormous difficulty for the members on the government side of the House in just as great a degree as it does for the members on this side of the House, for the very reason that I've just cited, the reason that they are members of a Legislature first before they are members of a government, and that they may well be in opposition some day themselves. And if they are in opposition some day themselves, I submit, sir, that they will find the kinds of arguments, the kinds of reasoning that we have brought into this Chamber to support the amendment before us, had great validity. Had great validity. A validity that perhaps a government bent on a particular course cannot see, but a validity that a private individual member of a Legislature or a Parliament can see if he or she sincerely looks for it.

Mr. Speaker, I relate this particular condition and situation to the vacuum that I've referred to in our school system where knowledge of our parliamentary institutions is concerned, because I think the two are very closely intertwined. I think for us to inspire among our younger people an enthusiastic feeling and even a love for and a faith in our democratic institutions, in our processes, demands that we ensure here, in chambers like this one, that the highest concepts of parliamentary democracy obtain, and when the institution and what it stands

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(MR. SHERMAN cont'd) . . . . for is being circumvented, when the mechanics laid down in historical sequence and by tradition and by practice are being abrogated, then it makes it very difficult for me and for any of us to commend the institution and the philosophy here to younger people who are looking to these institutions, and trying to make sense out of them and trying to understand them and trying to see what it is about them that should be revered and should be preserved.

So I think the two subjects are very closely related, and I think it's incumbent upon us, all of us, government and opposition, to preserve those traditions when we seek to recommend them to the younger generations coming up. One of those traditions is that the Opposition has the right in this Legislature, and in any parliamentary body of this type, to prevent the government from spending the people's money, to prevent the government from obtaining more of the people's money, until the opposition is satisfied in one way or another that the government has justified its action and that the opposition itself has raised all the questions about that process that deserve attention. By going for the special warrant in the instance involved here in this legislation, the government took away from the opposition in this Legislature the right to enforce its traditional and historical stamp of activity on the legislative process of the day.

The Minister of Mines and Natural Resources, in speaking against this particular bill that's before us right now, raised a number of arguments that I think, sir, can at best only be described as rationalizations of the government's position and rather convoluted attempts to justify what the government did without really offering anything that is acceptable as a basic principle. The Minister, speaking in this debate on April 1st of this year, had this to say on Page 855 of Hansard, and I want to quote him, Mr. Speaker. He said: "In the last analysis, Mr. Speaker, the weakness of the position of the honourable members is that they would believe, as I believe, and the Honourable Member for Morris in particular, that Parliament is supreme. Except for the peculiar nature of Canadian Confederation which says that the judiciary has the right to declare certain legislation ultra vires because it lies within the sphere of the Federal Government as against the Provincial Government, the Parliament of the country can pass whatever laws they wish to pass, and the law that was passed and under which the Special Warrant was enacted, was enacted by Parliament."

Well, sir, that may be so, but surely to say that Parliament is supreme is not to say that it is infallible. What we have said, I think in essence, in all our arguments on subjects of this type in this Legislative Chamber, is that we believe infinitely, we believe totally, in the parliamentary process, in the parliamentary democratic system that we live under in Canada. We start from the fundamental that Parliament is supreme, indeed, but we have never argued that Parliament, which is made up of men and women, that Parliament is infallible and is incapable of making any mistakes. I think there are innumerable examples in Parliaments, immediately past and present, that come to the minds of all of us in this Chamber, where parliaments, and governments through parliament, have made very critical mistakes. We certainly have conceded and acknowledged, as I said a few moments ago, that where this particular legislation is concerned there is a statute on the books that is a mistake, and being capable of making mistakes, hopefully Parliament and Legislatures are capable of going on and recognizing them and identifying them and correcting them.

The remarks of the Minister of Mines and Resources that I've just quoted seem to me to be so much puffery where this particular bill is concerned, because they don't strike at the objective of the bill in any way, shape or form. They simply gild the accepted truism that Parliament is supreme. That doesn't get at the problem that we're facing here in the bill before us. The problem is that Parliament, while being supreme, still makes mistakes and in this case made a mistake; and if Parliament is that supreme, it's supreme enough to be knowledgeable enough to recognize mistakes and do something about it.

Again, sir, in the same debate on Pages 856 and 857 of Hansard, the Minister of Mines and Resources attempted to rationalize the position of government by saying that if we had been so outraged on that day and if we had felt there was such a sense of outrage we could have brought the government down. Well that of course, sir, is utter nonsense. It wasn't a sense of outrage that we needed at that point, it was a half dozen more seats in the House. That's why we couldn't do anything about it.

So, Mr. Speaker, in the final few seconds available to me, I wish to underline the arguments advanced by my colleagues from Morris and Lakeside for this legislation and suggest

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(MR. SHERMAN cont'd) . . . . that the Minister of Mines and Resources has merely obscured what is basically at stake here, and that is a feeling for and a responsiveness to the fundamentals of parliamentary democracy and legislative democracy, the rights of an opposition to put the government on its metal and on its merit to make sure that the people are being properly protected; and as long as this House is sitting the opposition has a duty and a responsibility and a right to do that and the government has no right to circumvent that principle. That is what we stand for in this Legislature and that's why it's before this House, sir.

MR. SPEAKER: The Honourable Member for Radisson.

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

MOTION presented and carried.

MR. SPEAKER: The hour being 5:30, I am now leaving the Chair. The House will reconvene at 8:00 o'clock in Committee of Supply.