

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Tuesday, June 16, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions, Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills. The Honourable Attorney-General.

INTRODUCTION OF BILLS

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet)(in the absence of Mr. Mackling) introduced Bill No. 139, an Act to Amend The Landlord and Tenant Act. (Recommended by His Honour the Lieutenant-Governor).

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of honourable members to the gallery where we have with us 32 Grade Six students of the Niverville Elementary School. These students are under the direction of Mr. Arendt. This school is located in the constituency of the Honourable Member for La Verendrye. Twenty Grade Six students of the Lavalee School under the direction of Mr. Penner. This school is located in the constituency of the Honourable Member for Riel. Sixty Grade Eight students of the Beliveau Junior High School. These students are under the direction of Mr. Pitcairn and Miss Overgaard. This school is located in the constituency of the Honourable Member for Radisson.

On behalf of the honourable members of the Legislative Assembly, I welcome you here this afternoon.

MR. SPEAKER: Orders of the Day. Adjourned debate on the proposed motion . . . The Honourable House Leader.

HON. SIDNEY GREEN, Q. C. (Minister of Mines and Natural Resources)(Inkster): Mr. Speaker, I believe that there is general agreement on all sides of the House that following the question period we would move back into the Law Amendments Committee. I would take it that we would merely leave the Chair to return at 8:00 o'clock and that the House now move to Law Amendments Committee.

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

ORAL QUESTION PERIOD

MR. GORDON E. JOHNSTON (Portage la Prairie): Before the Orders, Mr. Speaker, I'd like to ask a question of the Minister of Mines and Natural Resources. Has the Minister of Mines and Natural Resources been approached by people associated with the fish processing industry regarding a meeting with him - a meeting with the Minister to discuss their problems?

MR. GREEN: Mr. Speaker, from time to time several individuals from fish processing plants have indicated that they would like to meet with me and they have been referred to the departmental officials who are dealing with the question of their assets. I am not aware at this moment of a general request by the people concerned to meet with me.

MR. G. JOHNSTON: Mr. Speaker, a question on the same matter. Is it correct that a Commission has been set up under Mr. Foss Chalmers to negotiate the purchasing of any equipment or plant that is being declared redundant?

MR. GREEN: No, Mr. Speaker, that is not correct.

MR. G. JOHNSTON: Is it correct, Mr. Speaker, that Mr. Foss Chalmers is heading some sort of a Commission to negotiate with the owners of fish plants?

MR. GREEN: Yes, Mr. Speaker. I indicated in the House previously that as many people engaged in fish processing as we knew of, were communicated with by myself, advising them that if they wished to sell their assets to the government we would be prepared to negotiate a price for them, but we would not declare any of the processing plants redundant.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Then what steps are being taken to compensate those in the fish processing industry whose plants and equipment are under-employed or not being used?

MR. GREEN: Mr. Speaker, the only procedure that has been taken is the one that I have referred to.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, my question is to the Honourable Minister of Mines and Natural Resources. Is he aware of the fact that the Fish Marketing Board, as a result of a decision that is just now made, is now refusing to allow export by some of the Manitoba fish processing companies?

MR. GREEN: No, Mr. Speaker, I'm not aware of it.

MR. SPIVAK: I wonder if the Honourable Minister of Mines and Resources would undertake to see if this is correct, because if this is correct it would mean that the fish processing companies are, in fact, redundant.

MR. GREEN: Mr. Speaker, I certainly will not mind looking into the question as indicated by my honourable friend, but I wish to make it clear to him that I will not accept that as an obligation for me in my ministerial capacity to declare anybody redundant.

MR. SPIVAK: Mr. Speaker, if the companies, as a result of the operation of the Fish Marketing Board -- my question is to the Honourable Minister of Mines and Natural Resources. If as a result of the operation of the Fish Marketing Board the companies are no longer able to do business is that not a redundancy?

MR. GREEN: Mr. Speaker, I wouldn't make that assumption.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, my question either to the Minister of Health or the Minister of Mines and Natural Resources relates to the crisis on the Athabasca River with regard to the oil spill. There has been considerable criticism in Alberta regarding a lack of action policy . . .

MR. SPEAKER: Has the honourable member a question?

MR. CRAIK: . . . for such an occasion. I'm wondering if the appropriate Minister has taken into consideration forming an action committee in the event of this happening in Manitoba?

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, I must say this is being investigated by members of my staff on the Clean Environment Commission right now.

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

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, I'd like to ask a question of the First Minister. Has he received requests from a number of the fish companies in Manitoba for a meeting with him?

HON. ED. SCHREYER (Premier)(Rossmere): I received a communication from them, Mr. Speaker. It's more in the nature of a request for information than a request for a meeting, although I can't swear to it that they are not requesting a meeting. However, as I recall off-hand the contents of the telegram, it was simply requesting certain information, indication of intent from the government.

MR. MOLGAT: Mr. Speaker, a supplementary question. I believe the request was for a meeting. Is the First Minister prepared to meet with them?

MR. SCHREYER: Mr. Speaker, I certainly am prepared to meet with them if that should be the case; I'll check the communication once again. At that time I can advise them that there is really no possibility of a plant being redundant until such time, if and when, the Freshwater Fish Marketing Board establishes a processing plant. Until such time, it is impossible in every sense of the word for any existing plant to be declared redundant.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, my question is for the Minister of Agriculture. Due to the fact that applications for interim assistance on the LIFT program have to be completed by June 20, I wonder has he asked for an extension of this date?

MR. USKIW: I don't think that an extension is really necessary, Mr. Speaker.

MR. HENDERSON: To complete your application, you must have it filed by the 20th and you have to put down your seeded acres. If your seeded acres aren't done . . .

MR. SPEAKER: Has the honourable member a question? Orders of the Day. The Honourable Member for The Pas.

MR. RON McBRYDE (The Pas): Before the Orders of the Day, I'd like to ask another question of the Minister of Agriculture. In regards to his proposed legislation, I wonder if the Minister could inform the House whether or not the Insurance Agents Association of Manitoba has now stated they oppose a non-compulsory, non-monopolistic competitive government insurance program?

MR. USKIW: Is my honourable friend asking me whether or not it's my opinion that the Insurance Agents Association of Manitoba is taking an opposite position to Bill 82 as compared to Bill 56? My answer to that is that is correct. They have been inconsistent to that extent.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: My question is to the First Minister and relates to a supplementary to the Honourable Member for Ste. Rose. Is the First Minister suggesting that the only way a redundancy will occur insofar as the fish processing companies are concerned in Manitoba, is if the Fish Marketing Board goes into the fish processing business? Is he suggesting that's the only way in which a redundancy could occur?

MR. SCHREYER: I'm suggesting, Mr. Speaker, that last year when the Freshwater Fish Marketing Board called for tenders from the various fish processing plants, and so-called fish processing plants, that they were all given an opportunity to bid competitively on a unit price for which they would be prepared to process products for the Board. The fact that some of them chose not even to bother bidding is an indication to me that they were -- they had the opportunity to process products, if they chose not to, it's hardly incumbent on the Crown, either federal or provincial, to regard them as redundant. They obviously put themselves in the position of redundancy.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. Is he aware of the fact that the representatives of the Fish Marketing Board who appeared before the Committee of the Legislature last year, hid from that committee the information we now know, that they were intending to in fact develop their own fish processing plant?

MR. SCHREYER: Mr. Speaker, I can hardly answer for the decision taken by the Freshwater Fish Marketing Board, which as the Honourable Member for River Heights knows is a rather curious hybrid creature, being partly federal and interprovincial - a Crown agency that is partly federal and interprovincial in nature.

MR. SPIVAK: A supplementary question. Are you suggesting that the government did not have knowledge that the Fish Marketing Board were intending to go ahead with the fish processing plant at the time the committee hearings were held last year?

MR. SCHREYER: Mr. Speaker, certainly I, as Premier, I cannot indicate precisely, although I suppose I can find in my files, at what point in time I became aware of the intention of the Freshwater Fish Marketing Board to construct a processing facility of its own. Certainly I discovered that some time during the course of mid-1969; whether it was in August or September, October, I am unable to say at this point in time.

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

MR. G. JOHNSTON: Mr. Speaker, I'd like a clarification of one of the earlier remarks of the Premier. Is my understanding correct that the Fish Marketing Board have to either recommend or say to the government that they consider certain plants redundant before the Minister can take action with respect to compensation?

MR. SCHREYER: Mr. Speaker, no, that is not a correct assumption. On the other hand, there was nothing in any of my answers that should have led my honourable friend to make such an assumption. I said merely that I know for a fact that last year, last summer sometime, the Freshwater Fish Marketing Board called for tenders from the various fish processing firms and some of them did not see fit to even bid on any contract to process products for the Board, therefore that to me was an indication that if any plant was becoming redundant it was by their own choosing.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, is the First Minister not aware that many of the fish processing companies appeared before the committee and asked that they be allowed to process for the Fish Marketing Board, that in fact they were not able to because of the discretion that was exercised by the Board in allocating who would and who would not process for them?

MR. SCHREYER: Well, Mr. Speaker, that may be so. On the other hand, I insist that the information I received last year was to the effect that some fish processing plants did not see fit to even bid on contracts being let or called by the Freshwater Fish Marketing Board. If my honourable friend wants to challenge that point, I'm sure that I can obtain verification for that.

MR. SPIVAK: Mr. Speaker, my question is for the Honourable Minister of Mines and Natural Resources. I wonder whether he can indicate to the House why the former director representing Manitoba for the Fish Marketing Board was fired by the government?

MR. GREEN: Mr. Speaker, there was one director whose role on the Commission was questioned and I can't recall the exact reasons. I don't remember the formalities of whether he was or was not really appointed, there was some doubt about that particular situation; but in any event the government saw fit to appoint Mr. Art Wood as its representative on the Fish Marketing Board and did so.

Mr. Speaker, in further elaboration of previous questions asked to me and expanded upon to the First Minister, I would like the members of the House to know that despite the fact that companies were not declared redundant, the government has offered to go ahead and deal with them and purchase their assets on the same formula as would apply if they were declared redundant. A declaration of redundancy merely means that the government is suggesting that it will purchase the company's assets at its market value, without any allowance for such things as goodwill or business operations or things of that nature. Despite the fact that no redundancies have been declared, we have offered to proceed with all of the companies on this basis, so nobody is hurt by not being declared redundant.

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

MR. MOLGAT: Mr. Speaker, I note the Minister said "market value", but what is the market value for a facility that is no longer usable because there's no product available?

MR. GREEN: If there is no market value then a declaration of redundancy would not change the situation.

MR. MOLGAT: Mr. Speaker, a supplementary question. On the question of market value though is that not market value at the time, that by government action the companies were no longer able to continue in business as a result of government decision?

MR. GREEN: No, Mr. Speaker, that's not my understanding at all. It's the value of the assets.

MR. SPIVAK: In order to try and establish the market value, I would take what the Minister of Mines and Natural Resources is saying is that market value -- (Interjection) -- Yes, I want to understand his interpretation of market value. His interpretation of market value is the value after in fact they've been put out of business by government operation, which will be the same value of the insurance agents and their businesses once the government enters into . . .

MR. SPEAKER: Order please.

MR. GREEN: Mr. Speaker, the value that we are paying is the value that we could obtain for it if we sold it on the market. We are intending to put the people in the position of being paid for their assets; which, Mr. Speaker, was the provision which is contained in the legislation drafted and presented to the House, I believe, by the previous administration.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is for the Minister of Industry and Commerce. I wonder whether he can inform the House whether it's his intention to appear on behalf of the government in support of Transair's right for a route from Winnipeg to Toronto?

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, I thought that I had made this clear in answer to I believe the same question, or a very similar question last week, and that is that it is our position, the Manitoba Government's position, that inasmuch as Transair is the regional carrier of Manitoba, of this area, that it's in our interests and the interests of the provincial economy to support that particular air line; and I'm pleased to report to the House that I have received a letter this morning from the President of Transair appreciating our approach in this matter.

MR. SPIVAK: A supplementary question, Mr. Speaker.

MR. SCHREYER: Mr. Speaker, I rise on what I believe to be a point of privilege. During the question period earlier, the Honourable Member for River Heights in the course of his question suggested that we had "fired" some person who had been previously the Manitoba appointed director to the Freshwater Fish Marketing Board. The inference is entirely incorrect, there was no firing by the government. The person in question had not been properly appointed in the first place. I'm not aware of the technical nature but the fact remains that the instrument by which the previous administration attempted to appoint this person was faulty and the person was never appointed properly in the first place. And I might add, Mr. Speaker, that can be documented easily.

In the second place, Mr. Speaker, we were advised as a government by the Board and the officers of the Freshwater Fish Marketing Corporation that the same person in question, .

(MR. SCHREYER cont'd) . . . . although not in any personal sense under question, nevertheless, did appear to have some possible conflict of interest in that he was engaged in the kind of business endeavour that had some relationship to the operations of the Freshwater Fish Marketing Board. For those two reasons, Sir, we decided it would be more prudent to make the correction by way of appointing properly in the first place a second person.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is now to the First Minister based on the statement that he's made. Is it not a fact that the Director whose appointment was terminated, whether it was legally appointed or not, is it not a fact that . . .

MR. SPEAKER: Order, please. The Honourable First Minister rose on a point of privilege . . .

MR. SPIVAK: Well, I have a question for the Honourable First Minister . . .

MR. SPEAKER: . . . and I do not believe that the honourable member may pursue further discussion of a point of privilege raised by the Honourable First Minister.

MR. SPIVAK: Well I'm not going to pursue further discussion, Mr. Speaker, my intention is to ask the First Minister a question. Is it not a fact that the former director for Manitoba of the Fish Marketing Board made assurances or represented before the committee of the Legislature that the Fish Marketing Board would not go into the fish processing business but would in fact use the present fish processing plants to their maximum ability in order to ensure that they would be utilized. Was that representation not made?

MR. SCHREYER: Mr. Speaker, that may well be. I can have that particular assertion of the Honourable Member for River Heights checked out and clarified. Whether true or not that does not detract from the point that I was making just a moment ago, and that is that there was question as to the acceptability of the instrument by which this person was presumably appointed in the first place, and also there were suggestions, persistent ones we were advised, as to possible conflict of interest. Now that has nothing to do with the essence of the honourable member's question which I shall take under advisement.

MR. SPIVAK: Mr. Speaker, I wonder if the Honourable First Minister would take one other matter under advisement and then this will settle it. Would he establish whether the former director was not one who objected to the fact that the Fish Marketing Board did not disclose full details and full information before the committee hearing of the Legislature in the last session?

MR. SCHREYER: Mr. Speaker, I can take that under advisement as well.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I'd like to direct a question to the Honourable First Minister in relation to the Transair route to Toronto, and ask him whether in the view of this government it is acceptable procedure for the Federal Government through the Transport Commission to apparently renege on an earlier undertaking?

MR. SCHREYER: Mr. Speaker, if that question is in order, which I doubt -- if it is I would expect that the Minister of Industry may wish to take it as notice.

MR. SPEAKER: . . . is aware that he has asked an argumentative question. Orders of the day.

MR. SHERMAN: Mr. Speaker, I reshape the question and direct it then to the Minister of Industry and Commerce, Sir, and ask him whether the government is forwarding strenuous objection to the Federal Government for what apparently seems to be a repudiation of an earlier commitment?

MR. EVANS: I'm sorry, I didn't hear the earlier part of your previous question. Are you referring to the air transport question?

MR. SHERMAN: Well, Mr. Speaker, through you to the Minister, Sir, I'm referring to the Transair route to Toronto and the current controversy now revived by the Canadian Transport Commission.

MR. EVANS: Well, Mr. Speaker, I believe it was laid down in the decision, the initial decision of the Canadian Transportation Commission, that the rights to this particular route provided to Transair by the C. T. C. would be reviewed in a period of one year. Now certain people have taken objection to the granting of these rights and I've stated again and again, and I don't know how I can make myself understood to my honourable friends on the other side, we will do everything we possibly can to ensure that Transair retains its rights into Toronto, because it's in the interests of the Manitoba economy; and I have been in close contact with

(MR. EVANS cont'd) . . . Transair officials and they know that they have our 100 percent support in this matter.

MR. SHERMAN: A further supplementary. May I assure the Minister that he makes the point clear to me, but it is my understanding -- may I ask am I correct in my understanding that this review was to come after a year, not during the year but after a year?

MR. EVANS: Yes, that's right.

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

MR. G. JOHNSTON: Mr. Speaker, I have a question for the Minister of Health and Social Services. It is with respect to the proposed Juvenile Reception Centre at Fort Osborne Barracks. There have been two announcements in the past six or seven months about construction. Could the Minister advise us as to when construction on this facility will commence?

MR. TOUPIN: Mr. Speaker, they'll be well on their way in 1970.

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

MR. G. JOHNSTON: I have another question for the same Minister, Mr. Speaker. Is the Minister aware that from time to time juveniles are being detained at Headingley in cells and barracks with adult prisoners?

MR. TOUPIN: Very few, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a question to the Minister of Youth and Education. Could he advise the House of the new grant structure to the public school system for special education?

HON. SAUL A. MILLER (Minister of Youth and Education)(Seven Oaks): Mr. Speaker, that was covered in my estimates. I can't remember the details offhand but I can get information for the member if he wants it. It has been made public through the bulletin and has gone out to all school divisions.

MR. CRAIK: I believe, Mr. Speaker, on the point, I think at the time of your estimates you indicated a revision and you were going to distribute -- (Interjection) -- Yes, I'm asking whether or not he did inform us at the estimates, I believe he was going to distribute the new schedule when it was released.

MR. MILLER: Have been distributed to the various school divisions, if that's what the member means.

MR. CRAIK: Distributed to the House . . . ?

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT: Mr. Speaker, I direct a question to the Honourable the Minister of Agriculture. I'm sorry I came in late and I didn't get the first part of the question directed to him by the Member for Pembina, but I believe the question was - is he considering making representation to Ottawa in regard to the date set June 20th whereby applications must be made to the Federal Government in order to participate in whatever benefits that Operation LIFT might provide?

MR. USKIW: My honourable friend is not exactly correct. The reason for the deadline is to facilitate the time necessary to make up and mail out the cheques necessary if one wants an interim payment in July, but it doesn't preclude the possibility, or in fact the probability that if one applies one will get his payment later on in the year.

MR. WATT: A supplementary question, Mr. Speaker. May I say it was the supplementary interim payment that we were referring to, I believe. A further question: I wonder if the Minister is considering making representation to Ottawa in regard to payment for land seeded to grass accompanied by an earth crop whereby the earth crop must be removed by the 15th of July, which becomes an impossibility now because of our late seeding?

MR. USKIW: I think this question was answered some time ago, Mr. Speaker.

MR. WATT: I don't recall the question was answered. I wonder if the Minister could repeat the answer?

MR. USKIW: The Honourable Member can look up Hansard, Mr. Speaker.

MR. WATT: He doesn't know.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, my understanding is that no formal motion is required, that you merely announce that you are leaving the Chair to return at 8:00 o'clock, and that the understanding of the House is that we will now move to Law Amendments Committee.

MR. SPEAKER: I am now leaving the Chair to return at 8:00 o'clock tonight.