

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Monday, March 24, 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 25 students, Grade 9 standing, of the John Gunn Junior High School. These students are under the direction of Mr. Hilderman. This school is located in the constituency of the Honourable Member for Transcona, the Minister of Labour.

We also have 28 students from the University of Wisconsin. These students are under the direction of Mrs. Thomas. They are our guests this afternoon.

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; Orders of the Day. The Honourable House Leader. Does the Honourable Leader of the Opposition wish to revert to Questions?

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Yes. I'm sorry.

MR. SPEAKER: The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SPIVAK: Well, my question is to the Attorney-General in view of the fact that the Minister of Mines and Natural Resources is not present. I wonder if he can indicate whether an RCMP investigation has been ordered into the Frank McIvor Trucking Company Limited, which I believe went into receivership as a result of the application of the Communities Economic Development Fund.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I will have to check out the information to that question.

MR. SPIVAK: I wonder if the Attorney-General can indicate to the House whether he received a report in connection with that company from the receiver, Higgins and Company, and the day on which he received the report.

MR. PAWLEY: Mr. Speaker, I did receive a report from Higgins and Company. That report was referred to my Director of Prosecutions for advice and response. The date of the report I'm not aware of at this point, nor am I sure as to the exact recommendation.

MR. SPIVAK: Well I wonder if he would take the question as notice as to the date he received the report.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Consumer and Corporate Affairs. I wonder if the Minister can indicate to the House if he plans to take any action to deal with the high cost of living in Manitoba, particularly that we have the last twelve months, the cost index in Manitoba was the highest.

MR. SPEAKER: The Honourable Minister of Consumer Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, the action that the government has taken, of course, lies in last year's budget when we introduced the cost of living tax credit plan, which Manitobans will benefit from this year. It lies in the housing program which, by increasing the supply of housing in Manitoba, presumably will reduce the cost of housing, and it lies in the Pharmacare program, which will remove increasing cost of drugs from Manitobans.

Now I gather what the member is asking me for is what, in addition to that, will we do for Manitobans today, and I can say, Mr. Speaker, that the CPI figures that I have seen, although they do indicate that Manitoba's cost of living has risen over the last twelve months, they also indicate that Manitoba is still in a very favourable position compared to the rest of Canada.

MR. PATRICK: A supplementary, Mr. Speaker. What does the Minister intend to do to reduce the high cost of housing, which in the last 12 months experienced the highest cost of living per capita of any other city in Canada?

MR. TURNBULL: Mr. Speaker, I thought I had already alluded to the fact that the Provincial Government of Manitoba does have a housing program, has implemented a housing

## ORAL QUESTIONS

(MR. TURNBULL cont'd) . . . . program in rural Manitoba - that is Manitoba outside of Winnipeg - which, by increasing the supply of housing, I would hope would result in the reduction in the cost of housing. The fact of the matter is, Mr. Speaker, that in the City of Winnipeg, a City Council which I regard to be rather laggard in approving this housing program, has meant that housing starts for families in the City of Winnipeg have not been as high as they might otherwise have been. Consequently, the number of units that would otherwise be in the market are not there and, as a result of that, the workings of supply and demand, the cost of housing is somewhat higher.

I could also point out to my real estate friend, the member, who knows full well that the major cost component of housing lies in land costs, the government has undertaken a land-banking program. We do hope that in time that program will help to detain or hold down the accelerating cost of housing.

MR. PATRICK: A supplementary. In view of the fact that Winnipeg has experienced the largest increase in the cost of housing in Manitoba, can the Minister indicate to the House how many units, how many units has the MHRC provided in the City of Winnipeg last year, during the last 12 months?

MR. TURNBULL: Mr. Speaker, I would say to the honourable member that the Province of Manitoba, through MHRC, has provided as many family housing units to the people of Winnipeg as City Council would allow MHRC to provide.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Speaker, my question then is to the Minister of Consumer Affairs but it may properly be directed to the Minister in charge of housing in this province. The Minister in his explanation gave certain answers. I wonder if he really is serious about suggesting that it's supply and demand, Mr. Speaker, that's responsible for a 19 point, the highest, percentage increase - 19 points - in housing in Canada, almost approximately 9 or 10 points higher than any other city in Canada. Is it only a question of supply and demand or are there other factors responsible for such a percentage increase taking place in Manitoba?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, if I might respond to that. The housing across Canada is inflated in value. The Leader of the Official Opposition asks whether it's solely a matter of supply and demand. I suggest to him that if there was adequate supply to meet the demand, then the escalation would not have taken place, recognizing at the same time the psychology of inflation which we were caught in in 1974 and part of 1973, which is levelling off somewhat, but that psychology of inflation certainly was at work, and if it was at work in Winnipeg I can tell the honourable member, if he goes to Toronto, Montreal or Vancouver, he'd be shocked at what happened to the market there.

MR. SPIVAK: My question is to the Minister of Consumer and Corporate Affairs, and I wonder if he can indicate whether the 17.4 point increase in transportation, which is the highest in Canada, was just simply a question of supply and demand.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, it's always tempting to respond at a level similar to the level at which a question is asked, and I think that the Member for River Heights knows that the cost of gasoline, the cost of fossil fuels, has accelerated dramatically since 1973 in the world, not just in Manitoba, and that if he believes that supply and demand in the world market has not caused an acceleration in the cost of fossil fuels, then I would say that he is mistaken. Supply and demand has been a major factor in the accelerating cost of fuel. It has also been a cost increase that in turn has resulted from the political considerations of the Arab countries, and I thought this was all common knowledge but I provide it to the Member for River Heights again.

MR. SPIVAK: A supplementary, Mr. Speaker. I wonder how the Minister of Consumer Affairs can reconcile his answer with the fact, Mr. Speaker, that Winnipeg is double Ottawa and Montreal with respect to the cost of fuel.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. I have a question for the Minister of Consumer Affairs. In view of the undertaking by the Minister last year to undertake a study of monitoring of gas prices in service stations in the Winnipeg area, can the

## ORAL QUESTIONS

(MR. AXWORTHY cont'd) . . . . Minister tell us if that report is now available to this House, and whether in fact the report shows that there is a lower cost differential by the independent retail stations as opposed to the major oil company stations?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. TURNBULL: Mr. Speaker, there have been press releases related to the monitoring that my department had maintained on the cost of gasoline through the Province of Manitoba. What the bureau was particularly interested in, of course, was to see whether the tax reduction on gasoline was in fact being carried through the retail level to the consumer. And as I recall those reports, Mr. Speaker, the answer has to be affirmative; the tax reduction was carried through to the retail consumer level.

With regard to the second question: whether or not independent lease holders, I gather the Member of Fort Rouge is referring to, sell gasoline at a lower price than other retail outlets in Manitoba, that particular area of competition, or lack of competition in the marketing of gasoline, the bureau presently is investigating. There have been reports and there have been representations made to me about the reduction in competition as the result of fully-owned retail outlets marketing gasoline in the city. By that I mean retail outlets owned completely, wholly, by the gasoline companies, and these retail outlets, I am told, Mr. Speaker, by their operations, by their price cutting, are tending to force out competition. What exactly the price spreads have been on a systematic basis through the province, through the City of Winnipeg, I have not yet got that information, sir.

MR. AXWORTHY: A supplementary, Mr. Speaker. In view of the Minister's answer that there seems to be an indication of a degree of restriction in the competition, does the Minister intend to ask the federal Minister of Consumer Affairs to undertake an investigation into restrictive trade practices under the Combines Act under the oil situation in Winnipeg at the present time?

MR. TURNBULL: Well, Mr. Speaker, the import of my earlier remarks was, in fact, that if restrictive trade practices were deemed to be evident in Winnipeg, then of course my department would call upon the Federal Government to investigate such practice under the Combines Investigation Act. But I must say that we have not, I have not, received definite indication that restrictive trade practices are at the moment being carried out in Winnipeg, although it would appear on the surface that that's the case.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate just when he expects to have a firm indication whether there are restrictive trade practices or not and whether they will be in time to aid the particular plight of the independent lessees at the present moment?

MR. TURNBULL: Well, the derivation of government reports, Mr. Speaker, is always a difficult thing to forecast with great accuracy. Now, I would hope that that information could be obtained very soon, but I wouldn't want to have to give the Member for Fort Rouge a definite date because, as I say, it is not an easy thing to do, to say that because there is a certain pricing practice, that that in fact constitutes a restrictive trade practice. In other areas, the Minister for Fort Rouge should know the Combines Investigation grants have deemed that even similar prices do not necessarily mean restrictive trade practices.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you, Mr. Speaker. My question is for the Minister of Consumer and Corporate Affairs. Where the independent stations are selling gas at a lower price and it's graded No. 2, is it of equal octane quality to the No. 2 gas in the larger companies or other companies?

MR. TURNBULL: Mr. Speaker, that question I would have to take as an Order for Return. I couldn't comment at the moment on what the octane percent was in any gasoline marketed in the Province of Manitoba. I might also point out to him that, although I was quite happy to see the bureau expand its functions into that kind of standard testing, that right now it is a function of the Federal Government and not of the bureau in Manitoba.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to either the Minister of Labour or the Minister of Agriculture, and I'm glad to see the Minister of Agriculture in his . . . The question that I direct, Mr. Speaker, to either one of these gentlemen, is their direct personal involvement in the negotiations that are going on now in Ottawa between

## ORAL QUESTIONS

(MR. WATT cont'd) . . . . labour and the Ottawa Government in regards to the strike and the tie-up of grain movement and the loss of grain sales through the Vancouver ports.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I have indicated to the House on numerous occasions, Mr. Speaker, that the dispute in the grain industry between the operators and the unions is a matter under federal jurisdiction. The Assistant Minister of Labour, Mr. Bill Kelly, thought that an agreement had been arrived at between the parties concerned. The suggested agreement was not acceptable and the ball is back in the courts of the federal administration.

MR. WATT: Mr. Speaker, I direct a question then to the Minister of Agriculture. Does he agree now that the tie-up in Vancouver that's in question, did that come from the Holy Roller from . . . ?

MR. SPEAKER: Order please. Question please.

MR. WATT: I'm directing the same question again now, then, to the Minister of Agriculture. Does he agree now that a tie-up in Vancouver does affect the economy. . . ?

MR. SPEAKER: Order please. Order please. The honourable member is asking the Minister for an opinion. It's out of order. The honourable member rephrase his question.

MR. WATT: I'm not asking for an opinion. . .

MR. SPEAKER: Would the honourable member rephrase his question.

MR. WATT: . . . I'm asking him for a direct answer: Does this tie-up in Vancouver affect the economy of the Province of Manitoba in respect to the grain tie-up in Vancouver ?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I think the answer is quite obvious, that any time you have a disturbance in the area of working relationships, anywhere in our society, it does affect the total society, so I think that goes without a great deal of examination.

MR. WATT: A third question then to the Minister of Agriculture: Has he changed his position now ? His position was in 1969 that we were not affected by the grain movement out of Vancouver.

MR. USKIW: I think my position in 1969 was that I didn't believe the Minister of Agriculture for Manitoba at that time could do much about the tie-up of boats in the Vancouver ports, nor could he do anything about it today other than through the normal channels wherein the jurisdiction lies, namely the Government of Canada. We have had discussions there. The federal Minister has advised us that they are very concerned about it, were dealing with it last week and are continuing to deal with it. So I think that suffices, Mr. Speaker. It is not a matter of whether one is or is not concerned. The question is, what can a province do wherein the jurisdiction lies elsewhere ?

MR. WATT: A supplementary question, I guess it's my last question to the Minister. Then does he now agree that his position has changed - I haven't finished the question, Mr. Speaker. Does he not agree now, does he understand now that whatever happens in Vancouver does affect the economy of the Province of Manitoba, and why in hell have they not got personal representation in Ottawa right now ?

MR. USKIW: Mr. Speaker, I think the only thing I would agree to is that the effectiveness of a Minister from Manitoba going over to take a look at the boats in Vancouver today would be as much as it was in 1969, and that would be zero.

MR. SPEAKER: The Honourable Member for Fort Rouge. Order please. Order please. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I have a question for the Minister responsible for Tourism and Recreation. In view of the announcement by the Regional Director of Parks Canada that the Federal Government intends to submit a proposal to develop a regional park in the CNR East yards and to acquire historic properties, can the Minister tell us whether his department has had any consultation with the Federal Government on this proposal and whether the Provincial Government is involved in any way in such a proposal for the development of a full regional park in that area ?

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

HON. RENÉ TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Well, Mr. Speaker, I don't believe that the federal officials mentioned that this would

## ORAL QUESTIONS

(MR. TOUPIN cont'd) . . . . be a regional park. There have been discussions, you know, that did take place between my officials and some of the federal officials. The Department of Tourism, Recreation and Cultural Affairs, jointly with the Department of Urban Affairs on a provincial basis, will certainly be involved in discussing the proposal with the federal authorities, but I have nothing to relate at this stage.

MR. AXWORTHY: I have a supplementary, Mr. Speaker, to the same Minister. Can the Minister indicate whether the same officials of his department and the Department of Urban Affairs have had discussions with the City of Winnipeg and have made any offers of assistance in the development of an urban park program for the City of Winnipeg, with the City of Winnipeg itself?

MR. TOUPIN: Well, first of all, if we're talking of the contemplated park facility on that given area, not to my knowledge. If we're talking of other parks in the City of Winnipeg, like Assiniboine Park, yes we have.

MR. AXWORTHY: Mr. Speaker, I thank the Minister for that answer. In more specific, can the Minister indicate, aside from Assiniboine Park has the Provincial Government undertaken to offer any assistance for the purchase of riverbank property or the acquisition of land for any other park spaces in the central core or Inner City part of Winnipeg in conjunction with either the federal or city governments?

MR. TOUPIN: Mr. Speaker, in regards to officials of my department, to my knowledge there has not been an offer of assistance to the City of Winnipeg. There could have been discussions between the officials of Unicity and the Minister of Urban Affairs and/or his officials, but I'm not aware of it.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. AXWORTHY: Mr. Speaker, in view of the . . .

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Health and Social Development. Has his department undertaken a policy to try and amalgamate the rural hospital districts into one regional board?

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, this will be discussed during the Estimates.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Minister of Highways and ask him if the government plans to start construction of an overpass or an interchange at the intersection of Roblin Blvd. and the Perimeter during 1975.

HON. PETER BURTNIAC (Minister of Highways) (Dauphin): Well, Mr. Speaker, we do have a policy in the Department of Highways to try and at least construct or begin construction of at least one overpass per year, however barring any unforeseen things; but normally this is our policy, it has been, and we will continue with that policy. Now as to whether or not the area that the honourable member is talking about will be pursued with this present year will depend on the Estimates review.

MR. MOUG: Well, Mr. Speaker, I'd ask the Minister, then, if deaths and continual accidents at one intersection gives a priority over other intersections.

MR. BURTNIAC: Well, Mr. Speaker, of course it does, but I want to tell the honourable member that that particular area is not the only one in the Province of Manitoba that has had certain serious accidents.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'd like to direct a question to the Minister of Urban Affairs. In view of the answer given by the Minister of Tourism concerning discussions that may have occurred, can the Minister tell us whether officials of his department or himself have discussed the possibility of assistance with the City of Winnipeg to acquire riverbank property or any other land for open space park development in the Inner City part of Winnipeg?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Speaker, the honourable member knows, he obviously knows, that officials of the Federal Government through Parks Canada and Historic Sites, their different branches, have been in Manitoba and have expressed an interest in participating in a parks site, an historic site at the confluence of the Red River and the Assiniboine River, and this is not

## ORAL QUESTIONS

(MR. MILLER cont'd) . . . new. Discussions have taken place at the official level, not the political level as yet. They're not ready for that because they are simply exchanging views and finding out what programs are available from the Federal Government, if any, to how meaningful those programs are, whether in fact there's dollars attached to it or there is simply the cost of erecting a plaque to simply commemorate something. This is the kind of hard information that's needed before anyone can estimate what the costs are and what sort of cost-sharing might be received from the Federal Government, at which time then the Provincial Government will determine what its program and policy should be.

MR. AXWORTHY: I have a supplementary to the same Minister, Mr. Speaker. Can the Minister indicate, then, whether the Provincial Government has requested the City of Winnipeg to forestall decisions on the Great West Life-River East Yards proposal awaiting the development of this joint federal-provincial proposal that he is talking about?

MR. MILLER: No, Mr. Speaker, the province has not told the City of Winnipeg whether to forestall or not to forestall, because the proposals, as I understand, on the CN-Great West Life development includes a park area at the confluence of the Red and Assiniboine Rivers.

MR. SPEAKER: The Honourable Member for Thompson.

MR. KEN DILLEN (Thompson): Thank you, Mr. Speaker. Through you to the Attorney-General. A radio station reported today that a Mr. Ron Allison has been charged with threatening the life of the Honourable Member for Inkster, the Minister of Mines. --(Interjection)-- I'll get to that. Is this the same Mr. Allison that signed affidavits for the Leader of the Opposition and which the Leader of the Opposition used to charge vote buying in the Thompson constituency?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I'm informed that the Mr. Allison referred to in the radio reports and which I have since had confirmation of from my own staff, is in fact the same Mr. Allison.

MR. SPEAKER: The Honourable Minister of Co-operative Affairs. Order please.

HON. HARVEY BOSTROM (Minister of Co-operative Development) (Rupert's Land): Mr. Speaker, I have an answer to a question I took as notice from the Honourable Member for St. James. The question was with respect to the land use program for Crown-owned lands mentioned in the 1974 report, whether this program has been completed and whether or not a map is available. For the honourable member's information, the comprehensive land use planning program was set up to allocate Crown lands according to multiple use principles and to reduce present and future conflicts between groups of people and between land uses.

This program has been operating for a year. To date, an interim plan for the east side of Lake Winnipeg has been completed. This plan is now being presented to representatives of the east side communities through the media of the North East Manitoba Development Initiatives Program for their consideration. These discussions may cause modifications to be made before the plan can be finalized. Data gathering and analysis is under way for the Agri-Manitoba Planning Area, that is the southern agricultural part of the province; the North East Planning Area, that is the Island Lake-Molson Lake-Oxford House-Shamattawa area; the Mid-North Planning Area, that is The Pas-Thompson-Gillam-Brochet area; and for the Hudson Bay coastal zone, a band along the coast about 70 miles wide, stretching from Ontario to the Territories. Discussion of the data collected and land use issues will take place within the next year. Finalization of the plan for the east side of Lake Winnipeg is also expected within the next year. Plans for the other parts of the province will be completed in about two years. Maps and reports of an informational nature will be available within the next year when the information and issues are being discussed. Finalized plans will be available shortly after they're completed in about two years.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ANNOUNCEMENT - (HOURS OF SITTING MARCH 27, 1975)

MR. PAULLEY: Mr. Speaker, I wonder if we've had all of the questions directed today. Before presenting a formal motion to the House, may I refer, sir, to a Votes and Proceedings, which are now on our desks, dealing with the Standing Committee on Economic Development Meeting on Thursday, March 27th, at 10:00 o'clock in the morning. I understand that there have been some informal discussions to the effect that possibly rather than having the Standing Committee meet on Thursday morning, in order to meet the convenience of some members that Thursday, being the day before Good Friday, we may meet at 10:00 o'clock in the Assembly with an adjournment at 5:30 in the afternoon. It's my understanding, as I indicate, there have been some preliminary discussions and I'm wondering whether the House Leader of the Conservative Party has a comment on that suggestion at this time, in order that members may know where they stand.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER JORGENSON (Morris): Yes, Mr. Speaker. In discussing this matter with the House Leader, he indicated that his preference would be to go ahead with the committee meeting and the House meet at 2:30 in the afternoon with a slated adjournment for 5:30 the same afternoon.--(Interjection)--Yes, the committee would meet in the morning, whatever committee is scheduled to meet that particular day, and instead of the House meeting in the morning we would meet in committee, and the House would meet at 2:30 in the afternoon and adjourn at 5:30.

MR. PAULLEY: Mr. Speaker, I thank my honourable friend, then, for that information and it would be agreed upon then, may I suggest, we're not going to have an evening session on the day before Good Friday. Is that right?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, I wonder if the Acting House Leader would consider a recommendation from this side with respect to this, that if in fact we are going to be meeting in the Economic Development Committee on Thursday, that the government undertake to furnish us with the financial statements that will be furnished on Thursday of the various companies in which we have equity, so that we have an opportunity of reviewing that prior to the Thursday meeting. And I wonder if you could consider that as a possibility so that it can be submitted to us for our consideration.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I'll consider it as a possibility and have discussions with the Honourable the House Leader on his return from Ottawa.

Therefore, Mr. Speaker, may I --(Interjection)--That was just an aside from my honourable friend the Minister of Health, who is quite concerned with the preservation of the body of the Honourable Minister of Mines, and I don't mean preservation in the normal concept suggested with his occupation.

Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Urban Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider Bill No. 7.

MR. SPEAKER: Before I make the motion, I would like to suggest to the press gallery behind me, I realize they have to work here, but I should like to request of them that they do it quietly, otherwise I'm going to clear the gallery. It is very difficult to hear what is going on on the floor with that noise and din above me.

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

COMMITTEE OF THE WHOLE HOUSE - BILL NO. 7 - INTERIM SUPPLY

MR. CHAIRMAN: Committee of the Whole. We're considering Bill No. 7; we're on Section 7. The Honourable Member for Riel. The honourable member has 25 minutes.

MR. DONALD CRAIK (Riel): I don't have any further comments to make today, Mr. Chairman.

MR. CHAIRMAN: Clause 7 - pass? (The remainder of Bill 7 was read and passed.)

Committee rise. Call in the Speaker. Mr. Speaker, your Committee has considered Bill No. 7, and has directed me to report same without amendment.

IN SESSION

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Vital, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

THIRD READING - BILL NO. 7

BILL No. 7 was read a third time and passed.

MR. SPEAKER: The Minister of Labour.

GOVERNMENT BILLS - BILL NO. 5 - THE VITAL STATISTICS ACT

MR. PAULLEY: Mr. Speaker, I wonder now whether you would call the adjourned debates on second readings starting with Bill No. 5.

MR. SPEAKER: The proposed motion of the Honourable Minister of Health. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. The Minister of Health said that this bill was mainly a housekeeping bill except for the clause in there with the legal definition of death. We have some questions on this, Mr. Speaker, and we hope that we will have this opportunity to ask these questions when the bill is in committee stage.

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

MR. AXWORTHY: Mr. Speaker, I beg to move, seconded by the Member from Assiniboia, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Proposed motion of the Attorney-General. The Honourable Member for Birtle-Russell - he's absent.

BILL NO. 8 - THE CHILD WELFARE ACT

MR. SPEAKER: Proposed motion of the Honourable Minister of Health. The Honourable Member for Rhineland. Bill No. 8.

MR. BROWN: Again, Mr. Speaker, the Minister said that this bill was mainly a housekeeping bill with the proviso in there which would put some unity between the old bill, the Child Welfare Act, and the new Child Welfare Act. Again, Mr. Speaker, we do have quite a few questions on this bill and we hope that we will be able to ask these when the bill is in committee stage.

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

MR. AXWORTHY: Mr. Speaker, if I might, I'd like to spend a moment or two just commenting on the basic principles of this bill, mainly because I think that there are certain pieces of legislation that come before this House which deal with very sensitive and very delicate relationships, and I think there is probably nothing more sensitive and subject to difficult implementation than problems leading to the application of child care and child welfare in the areas of adoption and foster homes and other such matters, because in each of these cases you're dealing with emotions and feelings, oftentimes when people are dealing with the subject of children and parenthood, that it's very difficult to apply legislative standards that can properly determine and guide the action of the state in dealing with it.

I think it requires therefore, in these areas, a particularly delicate kind of approach by the state, that once it decided to intervene into that whole area of relationships between child and family or a child and a parent, it requires and puts an obligation upon all those involved in the implementation and execution of any state intervention to the doing it with a full and complete awareness of the sensitivities involved. And that means, Mr. Speaker, that oftentimes the traditional rules of bureaucracy or administrative management can't apply. And I would suggest, Mr. Speaker, that one of the problems we detect in this particular set of housekeeping amendments is that we're not sure that they really go to the source of the problem, particularly in the field of adoption; that there were certain measures that were introduced in the last bill in the major revisions to the Child Welfare Act last year, and it's, first, our feeling that in many cases those particular changes and reforms were too hastily brought into being, that it really required, I think, a very close consultation with the child agencies that were involved, with parents who were already on the list of applicants for adoption, and it just really required

## BILL 8

(MR. AXWORTHY cont'd) . . . . a kind of a sensitive and perhaps longer process of development before the Act was proclaimed and a new administrative machinery was brought into being. Because, Mr. Speaker, I would suggest that one of the difficulties we're running into now is that, with the introduction of the new Act and the procedures under that Act, particularly the enactment of the Adoption Registry Board, that there has been a distinct change in the more traditional relationships that had been in existence in terms of determining the question of adoption and the question of how one would choose the placement of a child into a family, and the basic intent under the old bill, and as we believed it under the new amendment, was to ensure that there would be a continuance of that proper matching of child to family, one that would be fully done within the understanding of a worker who could properly estimate the family's ability to have an adoption, to match a child to a home where the match-up would be as nearly as possible a proper one, and that there wouldn't be any attempt to try to establish sets of somewhat abstract quotas or definitions of who was to go where without that kind of very intangible and informal process of consultation and meeting and discussion that is required in order to make sure that there is a proper match-up

I think, Mr. Speaker, that such a development has not occurred, that there has been a tendency, since the introduction of the new Act, because, we believe, of it's hasty implementation, to develop certain serious problems in the implementation and execution of the adoption procedures in the province. And as I said at the outset, nothing could be more of an obligation upon government to ensure that that doesn't happen, because if you do, you are trifling with people's emotions and trifling with very sensitive situations.

So, Mr. Speaker, I would like to point out some of the areas where I think action could have been taken on the part of this government to ensure a more careful introduction of the new adoption procedures. In the one case, there is a correction brought about in this bill and that is in the whole question of the responsibility of the courts, and we believe that the proposals put forward in this Act clear up what was a confusing situation in terms of who actually had responsibility in terms of the legal rights to a child, and I think that this Act has certainly cleared that up.

There are, however, Mr. Speaker, still certain problems remaining. One of the curious parts of the bill that we find difficult, which is a principle that I think needs to be examined by this House, and that is the rights of minors; that under the Child Welfare Act and the amendments that are being proposed, it appears that a minor - that is, a child under the age of 16 - now has the right in fact to sign away custody of her child. Now that, to my knowledge, Mr. Speaker, is the only situation in the entire legal statutes of this province where a minor has the right to sign a legal document, such a binding legal document, and to do so, particularly without the consideration of the grandparents who are involved. So we are basically in a situation - if my understanding is right and I would hope the Minister would clarify this - that a minor is able to sign over custody of her child without any consultation and without any involvement of her own parents, even though she may still be a minor in this case.

Now, as I say, that is about the only area, as my understanding, in the whole sort of statutes that we have, where such an occurrence can take place, and I think that one of the considerations that must be raised is whether there in fact is a responsibility, or at least there should be an opportunity given to the grandparents of the child to indicate their wishes in the matter. It could lead to some very practical problems. For example: if there is a child below the age of 16 who has a child out of wedlock and is asked to sign into custody: (1) That is a period of some emotional stress for a young person. (2) It may be that there is a strong emotional attachment to a child when it is first born without any consideration of who was going to look after it in the future, and before you know it, depending on what the child decided to do about her own self, or the minor, rather, decides to do about her own self, she may be forcing obligations upon her own parents, or the grandparents of the child born out of wedlock.

So, there's a number of problems here and I would suggest that we look at the situation in Saskatchewan, where in fact when a situation like this arises where there is a child born out of wedlock to a minor, I believe it is the case where the grandparents are asked by the County Court to appear and indicate their own preferences or their own wishes in the matter. And it would seem to me, Mr. Speaker, that this would be a procedure that could be looked at in the Province of Manitoba in order to ensure that there are not any complications arising out of this problem relating to the provisions of minors.

## BILL 8

(MR. AXWORTHY cont'd)

Secondly, Mr. Speaker, I would say that in the actual procedure of adoption we now have a system where we have set up an Adoption Registry which, according to my reading of the Act, the Act that was passed last year, the Adoption Registry is supposed to simply establish a list of prospective parents, applicants for adoption. It should not have, according to my reading of the Act, any significant determination of placement of the child into a home. And yet there is indication that in fact that is occurring, so that in fact . . . And again I'm simply posing the question for the Minister in terms of the introduction of these amendments, whether in fact we require a clarification of the operation of the Adoption Registry in order that we wouldn't be in a situation where in fact we have a registry operating from a centralized base inside the administrative machinery, without the proper staff of social workers and child consultants, who in fact are making choices about placement as to what child goes into what home. If that in fact is taking place, Mr. Speaker, then it is wrong, and I think it is important for the government, and it should have been really clarified in these amendments, that in fact what is the responsibility of the Adoption Registry? Because if not, if there are not very clear legal stipulations and very clear guidelines as to the operation of such a registry, it could become - and I say, Mr. Speaker, it could become - a very awesome and powerful force in the determination of placement of children. And it could be - and I would only again put that in the subjunctive tense - it could lead to a situation where they were establishing quotas of children for different regions based upon some abstract criteria, which is the only way administrative machinery can operate, without being able to introduce those kind of subjective evaluative kinds of decisions that only occur when there has been a very close and intimate connection and relationship between a child worker and the child.

I think, Mr. Speaker, that that goes on to a suddenly wider case, which I'm sure we will be debating in several instances in this House over this next session, and that is the exact relationship between the machinery of the Department of Health and Social Development and its relationships with private agencies. Because here again we have a situation where there must be a joint enterprise, if you like, and we're fond of talking about joint enterprises in the area of economic development. We in fact have a much longer history of joint enterprises in the field of social services, and it's not a very happy experience of life, Mr. Speaker. There's been a number of cases where the relationship between private agencies in the field of corrections and probation and social services and child care and juvenile delinquency, where those seemingly close partnerships have not been partnerships at all, but in fact have been relationships of a dominant government sort of dictating to an inferior private agency because of the control of the purse strings. And I would think that in this case, Mr. Speaker, again where there is a very essential requirement for very close co-operation and working out of procedures between the child care agencies and the adoption registry and the new child welfare director, that we would really require, I think, some explanation from the Minister. Because this is the point, Mr. Speaker, that in the introduction of this bill we did not receive any real, clear enunciation of exactly how the new system operates.

We haven't really been told what's going on, and there is a great deal of confusion on the part of prospective parents who have applied for adoption. There was major confusion over the question of should parents who have already put applications in, were they going to still maintain their list on the priorities or were they going to be shuffled way down the list? There is no clear declaration as to exactly what that situation should be, and yet it was a very serious problem. And, Mr. Speaker, I can simply say that I have many calls into my own constituency office from parents who had applied during the period of from last summer to the fall, when this Act I think came into effect in late December, and there was no consultation, no public announcement, no indication of really what was going on. And I think that is perhaps the most serious criticism I would make at this point, Mr. Speaker, that I can't tell precisely how the Act is working because no one has told us, no one has really laid out in any clear way what are the guidelines behind this new adoption procedure, who is doing it, why are they doing it, who can apply, who received priorities, and all the other kinds of very important questions. And I would suggest that one of the, actually I think major omissions by both the child care agencies and the Provincial Government, is not to have taken steps to inform parents who are already on the list what exactly their rights were, where they were on the priority list, and what the particular new procedures would be. They simply had a blank, and

## BILL 8

(MR. AXWORTHY cont'd) . . . . and I think that that is a very serious dereliction because, as I again would point out, this is not an area where you trifle with people, it's an area where I think it's a responsibility to maintain a very close and open communication to let them know what's going on.

And so, Mr. Speaker, I think that there are those kinds of questions that we would like to bring to the attention of the Minister, related to the operation of adoption procedures under the Child Welfare Act, and we would simply suggest that because the Registry does not inform people who are on the list, because there hasn't been a clear direction of guidelines, because there have been numerous events or experiences showing that there is confusion, that people are concerned and that the Adoption Registry may be working against the principles of the Act, as we assumed it to be last year, and I think that that kind of vagueness really amounts to serious consternation on the part of prospective parents. And I think it also, Mr. Speaker, really leads to a question of whether the rights of the children in fact are being protected.

I recognize that there was a serious effort under the changes to the Child Welfare Act last year to overcome a situation which appeared to be leading towards a preference or a bias in the availability of children in the Winnipeg area, and there was an attempt to allocate children on a more equitable basis throughout the province. And yet it seems, Mr. Speaker, there is a curious topsy-turvy principle at work, because I suppose in the end result it's not the question of the equity as far as the parents are concerned across the Province of Manitoba, the real issue is the rights of the children and whether in fact the system we have developed is ensuring that those children who are available for adoption are placed in the best homes possible. That is the only criteria that should be used. And to try and start establishing quotas and other kinds of criteria that may sound good on paper but when translated into action lead to inequities and may lead to problems for the child itself, then I think the Act was not working as it was intended.

Well, Mr. Speaker, I have some concerns about this Act, and I take this opportunity while we're discussing the principles of it to request of the Minister that he take this opportunity to present us with a clear description of how the Act is working, how the adoption procedures are implemented, and really what the rights of both the children and the prospective parents are, so that we can see if there is a requirement for any further amendments or any further changes in the system.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Just as a further word to the Minister, I would like to ask him one question. Would he assure the members of the Legislature that those in charge of the Adoption Registry and the various agencies in the province will be brought before the Committee so that members can have direct communication with them to find out whether or not this system is working.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion? The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, I was tempted to rise while my honourable friend from Fort Rouge was speaking because I was going to suggest that you call him back to order. I think my honourable friend is debating a bill or a principle that he accepted last year that I for one did not have a chance to accept. This is a policy, or a principle, that was accepted last year, and I think that much of the discussion that went on, some of the points that he made should have been made - and maybe he did - but should have been made at that time.

I can assure you, I think my honourable friend here is saying that there was no opposition to this bill at all, and of course since then there's been bound to be some criticism, some concern for the people that probably had it a little easier under the other system, the previous system, and that's to be expected. I say, Mr. Speaker, I repeat that most of this bill is housekeeping. I might say that after meeting with the Winnipeg Children's Aid Society and members of my staff, there will be other amendments that will be presented to you in committee. As soon as I have that list I would like to make sure that all the members receive it.

I can say, first of all, that my main concern, and I am positive it is the concern of all the members of the House, will be the welfare of the child, and this is going to be the dominant, the most important thing, the same as it was under the previous Act. Now, to say that this was rushed into implementation is wrong, and I reject that. This bill was passed last year. I think it received all the publicity that it should. The placing agencies were informed. Most

## BILL 8

(MR. DESJARDINS cont'd) : . . . of them - those that wanted to anyway - appeared in committee, and they've been more or less given a year's notice before it was implemented, which was on the last day of January of this year.

Now I say to my honourable friend, that he is absolutely wrong, and I'm surprised to see that he doesn't understand the bill, because the central registry is there for one reason. It's not just to have a list of people; we have that already. We didn't have to bring legislation for that. The intent was, and I think the important thing here, is that everything else being equal, that the people, the person that has put in an application first, will have the first choice. Now I hasten to say to my honourable friend that there's not going to be the machinery of the department that will decide where the child will be placed. The placement agency will do exactly the same work as it is doing now, then when the child is available we will seek those whereby, from the different agencies, if they have anybody that would qualify where they would place this child, and then the first name on the registry, that's where the child will be placed. I think that this is the important thing.

I can assure my honourable friend that we have proper staff to do this, do this well. I would say to my honourable friend that if there is confusion, it is not confusion that is brought in by the government, the department or staff of the department, it is confusion that was brought in by placing agencies, and I hesitate to say this because I think that we've had a good meeting - it was all afternoon on Friday - to see what the concern was. This meeting was with the legal adviser for the department, the staff of the department, senior staff, the people that will administer this central registry, and the Winnipeg Children's Aid Society. And I would say that there might have been a misunderstanding but I was very very pleased with the meeting, and I think that we've had an offer of goodwill and co-operation from all concerned, including the Winnipeg Society. And then they met over the weekend, I understand, to see if there is any other housekeeping bill that should be brought in.

Now I'm not saying that they were pleased with everything, but they're happy with this; there's no doubt; because . . . There is my honourable friend; I kind of felt that maybe he would take part in this debate because he is represented, his constituency is served in this respect by the Winnipeg Association, and the fact is that they have been privileged, in a certain time, in adopting, and the people in his territory have been able to adopt babies a lot faster than the people in the rest of Manitoba. It is not my intention to see the province of Manitoba divided in areas that we will try to equalize and say so many in this area. That's not it at all.

I think that we will have a good committee. My friend from Birtle-Russell has suggested maybe they should be brought in. The door is always open. We don't have to . . . They know that, and they certainly will be able to talk with our staff but, as I say, the main thing is the welfare of the child. The government will not be involved in placing the child. The work will be done as it has always - that is, as it is being done now, or was before January 31st. The only thing is when you will have a recommendation when more than one placement agency will say, "We feel that this child should go in this family," then the Director, the Director of the program will look at his central registry and will say, "Well, all right, the first one that would qualify would be in Thompson," or would be in Winnipeg. And in all fairness, the people involved, those involved, knew about this close to a year ago, and one of the questions that I asked the Winnipeg Association is that they have people that might have been waiting close to a year, but all of them, or most of them, applied after you and the rest of the colleagues here passed this Act last year. While there are still people that might be waiting in other parts, in the rural parts of Manitoba, and so on, that might have been waiting for three years or so.

Now I think there is another point that I would like to cover, is my honourable friend felt that an unmarried mother that was still a minor was asked to give her child for adoption. There is no doubt, I can reassure my honourable friend that we will try as much as possible to talk with the parents, but this is not always possible. And I know this is dangerous but I said, the first word that I said, that the welfare of the child is the most important thing. It might be that this unmarried mother, this young unmarried mother left home, that the parents are not . . . that there are no guardian and nobody available, and the important thing is the child, and I would want to repeat to my honourable friend, I think if he looks at the section that was in before this bill, that we have to wait. I think my honourable friend suggests there should be a period where the mother can really know if she wants to keep this child. Well, that is in the Act. Not in this proposed bill, in the Act; that you have to wait 10 full days

## BILL 8

(MR. DESJARDINS cont'd) . . . . before this is done. My honourable friends say it's not long, but you have some of those people that, you know, these young unmarried mothers that . . . It is a difficult decision for them to make at that time and the child might suffer during this time. The important thing, if there's a choice, I certainly will instruct my staff that the choice will always favour the child.

Now, I think that if there was any misunderstanding, I think, that as I said, it wasn't created by this department, I feel anyway. I'm not saying that the staff was perfect. They might have contributed to this by some of the conditions that they put in that they had to withdraw. I guess on second thought I should admit that, but I think that everything is working well now and, as I say, we had a good meeting where everybody from outside pledged their co-operation, and I would hope that we give this a good try. Now there is no doubt, and I want to make it quite clear here, that the central registry is not just to have a list of people; that those who applied first, providing they meet all the conditions, and that it is recommended that the child, that certain child should be placed in that home, well then, the one that put in the application first will get that child.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I wonder, Mr. Chairman, whether the Honourable the Member for Birtle-Russell can proceed with Bill No. 6 at this stage.

MR. GRAHAM: May I have this matter stand, please, Mr. Speaker? (Stand)

MR. SPEAKER: The Honourable Minister of Labour.

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

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

COMMITTEE OF SUPPLY - ATTORNEY-GENERAL

MR. CHAIRMAN: I refer honourable members to page 9 of their book on Estimates, Resolution 20(a). The Honourable Member for Morris.

MR. JORGENSEN: Mr. Chairman, this will be one of the few occasions that we have had an opportunity to carry on an examination of a department of the Attorney-General that, up until this point, because of the limitations in time, has received very little attention in this House - always the pressure to move on to another department - and we have, I think, somewhat neglected the Liquor Control Commission. I somewhat regret that the Control Commission is not in an item by itself rather than on a general heading, because I think there are a number of questions that one would like to ask and this is the only opportunity that we have to do so.

I think that the Liquor Control Commission, in the past few years, have been engaging in activities, I think, that command a number of questions from this side of the House and indeed from the public in general. One of the criticisms that have been levelled at the Commission is through the last number of years they have - if I may be pardoned for using the expression - liberalized the laws to a considerable extent and, in so doing, to a large extent have created the problem that they now tend to create the impression that they're trying to solve.

The criticism that I level at the Commission in this respect is that they seem to want to throw all the blame now and create the impression that the culprits are the licensees throughout the province. And when one looks at the Commission Report and looks at the number of hotels and restaurants that have been disciplined as a result of the activities of their inspection department, one gets the impression that they're attempting to get a message across; that these people are the only ones that are guilty of violations of the Liquor Control Act. And I find that a little bit incongruous, that only the licensees seem to be guilty of offences, and a good many of those offences are serving liquor to people who are intoxicated. Are we to understand, then, that the list of vendors which are operated by the government, that nobody ever comes into those places and buys liquor when they're intoxicated? I think it's a little bit unfair to zero in on the licensees as being the culprits in this case when, in effect, the department itself, the Liquor Control Commission itself, are guilty as much as the licensee.

Take, for example, the Main Street area where they crack down on a number of hotels,

## SUPPLY - ATTORNEY-GENERAL

(MR. JORGENSEN cont'd) . . . . and I have no brief to hold for the hotels or the licensees, but they crack down on a number of them because, in their opinion, they're contributing to a great deal of alcoholism in that part of the city. And lo and behold, after doing that, they set up their own liquor commission! And one, you know, can't argue that now that they've set up their own controlled outlet that the problem has been solved, because that's far from being the case. As a matter of fact, if one looks at the Act, or the report of the Liquor Control Commission, you'll find on page 27 that the amount of beer, or the amount of spirits that are sold by the vendors is over \$54 million compared to only \$10 million sold by licensees. And in the case of wine, it's \$9 million compared to about \$1 million sold by licensees. The only reversal of that particular trend is in beer, where \$42 million is sold by the licensees as opposed to a little better than \$2 million by the Commission.

But I would like the Minister to tell the House if he's got any evidence that he can submit as to what is the greater cause of alcoholism, whether it's beer or whether it's spirits and wine. And I think that he will find, even without any investigation, that the greatest contributor to alcoholism is in the selling of spirits and wine rather than in beer. So to argue that the hotels or the licensees are the ones that are the culprits in encouraging alcoholism in this country is, I think, making a very weak case indeed, and I think that the Liquor Control Commission should be brought to task in attempting to perpetrate that kind of nonsense across the country, particularly through the kind of advertising that they're doing at the present time.

One other point that I want to make in respect to the question of the suspensions that are listed in the report on Page 11, is just how are those suspensions brought about, because it's my understanding now that the inspectors who go into the hotels, or the licensed premises, go in incognito. They're dressed as ordinary people who are ostensibly customers and they imbibe along with other people, and I wonder, you know, just what criteria is used in determining when a licensee is guilty of an offence. The manner in which the Liquor Control Commission, the inspection division, are handling these offences, leads me to wonder if they are not in violation of the federal Bill of Rights, if not, indeed, in violation of their own Human Rights Commission Act in this province. And I'd like to ask the Minister a few questions.

First of all, why, in almost every case when an offence is brought against a licensee and an allegation is made, is it that the inspector is never there? The charge is just read off, and the hotel owner or the licensee is caught in a very awkward position because he has no opportunity for appeal, he has no opportunity to present a case because if he does try to defend himself, well then, the Liquor Control Commission is going to crack down on him that much harder and he'll suffer as a result of that by an act of vindictiveness on the part of the Commission itself. He has absolutely no way of protecting himself. I'm beginning to wonder if the Liquor Control Commission are not setting themselves up as a law unto themselves. You know, in normal cases, when a person is charged in a court of law, the laws of evidence apply. They don't apply in this case. A person charged on a violation of the Liquor Control Act, is hauled before this kangaroo court and is just told what his sentence is going to be, and absolutely no way of defending himself. And I wonder if the Minister shouldn't have some careful examination of the procedures that are involved in bringing possible violations of the Act to the attention of those who are charged with violations.

I wonder also, what are the training of those people who are ostensibly acting as inspectors? What kind of training do they receive before they are granted licenses as inspectors? What criteria or what sort of things do they look for when they are acting as snoopers for the Department of the Liquor Control Commission?

There seems to be no real effort made to relegate any particular charge to an area of the country. Everybody knows that in a posh establishment in the City of Winnipeg you're going to have a different criteria applied, or a different clientele for that matter, than you would, say, in a mining town in Northern Manitoba. And I note also in this connection there never has been a charge levelled against Leaf Rapids, that happens to be a government-owned premise. Does the Minister try to tell the House, or this place, that there aren't as many violations of the Act in Leaf Rapids as there are in any other place in Northern Manitoba, or rural Manitoba for that matter. I think not. So I want to know what kind of criteria do they apply in determining whether there is a violation of the Act or not? What kind of infractions of the Act do these people look for when they go out and act as snoopers for the Liquor Control Commission? Now there's no identification of the inspector when he goes into a licensed

## SUPPLY - ATTORNEY-GENERAL

(MR. JORGENSON cont'd) . . . . premise, he simply sits down as one of the customers and, presumably, he sits there and drinks there with the rest of them. Who knows, he may get drunk faster than the rest of the people in there, and are his judgments or his decisions based on the state that he is in himself? He may feel very rambunctious at the end of five or six drinks; his decision to prosecute or his decision to lay a charge against a particular licensee, based on his own state of intoxication, he may have a particular grudge.

One other point that should be raised is what control does a licensee have, for example, over the waiters? You know, a licensee can try his darndest to abide by the laws but one slip by a waiter can bring about an infraction that is not an infraction on the part of the licensee himself. Is that taken into consideration when a charge is being laid, or when an infraction is being laid? I think not. I think there is a tendency to lay a pretty general application of the rules in all parts of the country without giving any consideration to the circumstance that exists in any particular area; and they do vary from area to area. They certainly vary from the rural areas to the city, and from the city or the rural areas to Northern Manitoba. You've got a different group of people, and in many cases these places are not used as . . . Well let me put it another way. In many cases a licensed premise, particularly in Northern Manitoba, is used as a sort of a club where people gather, and sure there's bound to be a bit of revelry going on. Is that used against a licensee? What kind of criteria, I ask again, does the Minister, or does the department use, in laying charges or allegations against a particular licensee?

Now, you know, we've always been told that one of the reasons why the governments are so much more efficient than private industry is that the government doesn't have to do any advertising, but I find that since my honourable friends came into power and one of their appointees is taking over the control of the Liquor Control Commission, there has been more advertising going on on the radio and in newspapers and on television than we've ever seen before. And what are they attempting to do? They're attempting to create the impression that the culprit in alcoholism is the licensee rather than the liquor vendors themselves, and you and I know, Mr. Chairman, that that is not the case. If the careful examination of the total effect of the selling of liquor or beer, whether it be on licensed premises or the control outlets, we know that as a result of the percentages that I've put on the record just a few minutes ago, one would have to be drawn to the conclusion that the greater culprit is the government-owned liquor stores themselves rather than the licensed premises. And yet it's the licensed premises that are being held up as a scapegoat in order to justify the existence of the Liquor Control Commission itself.

Now one other point that I wanted to make was in connection with licenses granted to beer gardens and if there is anything that has annoyed me, it's the decision on the part of the Liquor Control Commission to try to create the impression that they're making sure that everybody can get the brand of beer that he wants at a beer garden. Everybody knows that the intent of what the commissioner said he wanted to do and what he's actually doing, is exactly the opposite. He said that it was his responsibility to insure that everybody that went to one of these premises was going to be able to get whatever he wanted in the way of preference for a particular brand of beer. But the percentages that he laid down where no brewery can have more than 35 percent of a particular brand, does exactly the reverse. In some instances the quantity of beer that is asked for by the customers of one particular brand - and I'm speaking for my own particular area - amounts to about five to one, five for one brand compared to one for all the other brands combined. And yet this silly regulation of the Liquor Control Commission denies those people who are at the premises and the beer gardens, denies them the right to have the particular brand that they want. Now it may be completely reversed in another area but the fact is that this silly regulation, bureaucratic nonsense, has denied the people who go to these places the brand of beer that they want to drink. And who the hell is the Chairman of the Liquor Control Commission that he should be telling people in any part of this province what brand they should prefer? But that is in effect what he's doing. And it's the greatest piece of bureaucratic nonsense that I have ever seen, and I wish it would stop.

I have no objection to the Chairman of the Liquor Control Commission saying that every beer garden should have on hand sufficient quantities of any particular brand so that if that brand is asked for it is available, and then it's going to be up to the brewery to provide it. But what's this nonsense about telling them that only a certain percentage, that each brewery's got

## SUPPLY - ATTORNEY-GENERAL

(MR. JORGENSEN cont'd) . . . . to have a certain percentage at every beer garden, whether they want it or not. Is that an influence of Uncle Ben? I wonder. Because it seems to me that since the government has some interests in this particular brewery, they have decreed that his beer will be sold at a beer garden whether anybody wants to drink it or not. I'll tell you, Mr. Chairman, that in most cases, people will walk out rather than buy that junk. And I don't speak for myself because I don't happen to drink his stuff but I hear enough comments from people in the area in which I come from, and the expression of dissatisfaction over the way that - and disgust - over the way that this question is being handled that I think the Minister should take a firm hand and tell the Chairman of the Liquor Control Commission that he is not a law unto himself, and that he's got to respect the wishes of the people in those communities as well. And I have no question about the fact that control is necessary but that kind of nonsense is something that we can do well without. I hope that the Minister when he responds can give us some indication that this sort of thing is going to be stopped.

Now I wonder if the Minister has taken into consideration some of the representations that are made before him, and I know there have been many, and will attempt to correct some of the abuses that are being carried on right now by the Liquor Control Commission: first of all, in the manner in which they are laying charges against licensed premises or licensees; the high-handed way in which they handle those allegations without an opportunity for those people to defend themselves at all, and without even going to the trouble of having to substantiate those claims, particularly in view of the fact that the inspector is, in most cases, not even at the hearings. How is it possible for anybody to cross-examine that inspector to find out whether or not such an offence took place, and under what circumstances those alleged offences took place. Because, you know, I suppose that if you wanted to you could go into a hotel or a licensed premise any hour of the day that those premises are open, and if you really wanted to you could look for an infraction somewhere along the line. Because the way the laws are written up that kind of infraction is very easy to come by, either inadvertently or otherwise.

But that's not the point and that's not the manner in which I think the Act was intended to be administered. It was intended to be administered as a sort of control in such a way that there weren't any violent infractions or violations of the Act, and yet giving the licensees an opportunity to exercise a little bit of discretion, taking into consideration the particular situations that exist in his own area and his own premise.

I hope that a more sensible application of the Act as it presently exists can be achieved without the kind of gestapo techniques that are being used now by the Chairman of the Liquor Control Commission in order to enforce the provisions of the Act, and create the impression simply because he's got over 50 violations here listed in this book - he's trying to create the impression that everybody else but the liquor outlets, the government-owned outlets, are creating infractions of the law. If one were to go into the liquor outlets themselves, the government-owned outlets, and see the number of people who come in there intoxicated buying liquor, that would constitute an infraction of that Act as well; but you never see one of them being charged for doing that. I think that the Minister has an obligation to the people of this province to insure that the Act is not being used as a means of creating a scapegoat for the amount of alcoholism that is now taking place in this province, created largely by the liberalization of the Act in the first place.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise at this time, dealing with the Minister's salary, to deal with a couple of matters that I think have been left over from a few days ago when we were in the process of trying to determine and understand how the Minister proceeded with his responsibilities as Chief Law Officer of the Crown.

I rise at this time to deal with really two matters that came about as a result of the debate that took place and one really from the statements that were made by the Minister of Mines and Natural Resources, and I realize he's not present at this time, but I feel I would like to deal with it now simply because I think the Estimates of the Minister may be finished shortly, and I think it's pertinent to deal with it.

I also feel, Mr. Chairman, and I accept the remarks of the Attorney-General who indicated that it would be wrong for members in this Legislature to discuss the substantive part of what may be a criminal case to be undertaken by the Crown as a result of the RCMP recommendations, and I recognize the problem area in dealing with it in the public arena in the Legislature.

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd)

So therefore what I would like to do, if I may, is in the main deal with the matters that have been discussed in this House on prior occasions and to a large extent quote directly from the statements in Hansard and before the various committees, to be able to make the point that I think has to be made on the two matters that I think have to be discussed.

One has to deal with the general problem as to the knowledge that the government had with respect to the matters that were brought forward, and whether or not the Attorney-General, in particular, and the government have dragged their feet with respect to the whole issues, or to the whole series of issues on Northern matters.

Now, if I may, dealing with the first item that I'd like to deal with, I'd like to go back if I may to a statement made on Bill No. 7, last year by the Honourable Minister of Mines and Natural Resources, and this is on Page 1443 in which he said, talking about the directors of the Communities Economic Development Fund. He stated that "the directors, include Mr. McIvor, they include Mr. Sterikoff, that I know of, they include Wilf Hudson of Thompson, they included Ben Thompson until apparently he left the Fund because he was going to be or was applying for funds from the Fund." Now that was a statement of the Minister of Mines and Natural Resources on Page 1443 of last year.

Now in the committee of last year, May 31, 1974, in questions that were asked in the committee of Mr. Parasiuk who was the Chairman of the Communities Economic Development Fund, a series of questions were asked and answered, and I'd like to be able to read them, Mr. Chairman. Questions asked by myself: "I would ask Mr. Parasiuk, did Mr. Ben Thompson control Schmidt Cartage?" That was on Page 248. "Are you aware of cheques signed by Schmidt Cartage with Ben Thompson's name?" Mr. Parasiuk: "I'm aware that Mr. Thompson was a signing officer of that company. Mr. Spivak: "In your opinion, did he not own Schmidt Cartage?" Mr. Parasiuk: "No." Mr. Spivak: "Or control it?" Mr. Parasiuk: "He was involved in the operation now, and the exact extent to which he is involved, I am presently, that we have appointed a Receiver who is presently going through that particular receivership in greater detail. I have not received any reports from the Receiver, and I am not in a position to indicate the degree of control. I do know that Mr. Thompson was involved especially at the latter part of the firm's life in that operation."

I'd like to repeat what Mr. Parasiuk said: "I have not received any report from the Receiver, and I'm not in a position to indicate the degree of control."

Mr. Chairman, I'd like to, if I may, refer to a memo forwarded from Wilson D. Parasiuk, Chairman of the Communities Economic Development Fund, to the Honourable Howard Pawley, Attorney-General, dated April 30, 1974. I may say that the hearing that took place in the committee was on May 31, 1974, or a month later. In it it says, "Documents presented by CKY to the Premier. I attach material relating to the above documents as they apply to the Fund. You may wish to confirm that in regard to the Schmidt Cartage and R & M Construction loans, a Receiver has been appointed in both cases, and a preliminary report, a copy attached, has been received on Schmidt Cartage and is now being considered by the Fund." So Mr. Parasiuk on April 30th had forwarded to the Attorney-General a Receiver's report, which I may state, Mr. Chairman, is the only report that I know of that has been completed in connection with this, by the Receiver. Mr. Parasiuk in answering the question said, "I have not received any report from the Receiver, and I am not in a position to indicate the degrees of control."

The next statement is a statement of Mr. Jones on the same day and the same page of Hansard. Mr. Jones said as follows: "Mr. Chairman, on September 25th, 1973, I wrote a letter to Lamirande, the obligant to whom the fund made the loan. At the end of September Mr. Lamirande, the only word I can use is, disappeared from Thompson. In September was the last contact the fund had with Lamirande and the difficulties that arose were at that time between September and November." Mr. Chairman, I would like to contrast that remark with the, or that statement with the statement that Mr. Jones made on Page 256 of the Standing Committee on Economic Development, when he said as follows: "Lamirande being a man who had never been in business at all before, and keeping the Fund informed. And I think it's fairly relevant to state that the Fund's loan, repayment of the Fund's loan began in July 1973 and was consistently up to date until January 1974." So Mr. Jones at one point in the committee said the loan in connection with Schmidt Cartage was up to date as of January 1974, but

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd) . . . prior to that he had already stated that the difficulties that arose were at the time between September and November. So the difficulties that he is talking about are not the difficulties relating to the payment of the loan, because the loan was paid up until January 1974, and he indicated there were no problems with respect to that.

Now further on Page 256 of that committee, Mr. Jones made the following statement: "The loan was made to Willard Lamirande, guaranteed by John Schmidt Cartage Limited. In support of the guarantee of the company we took the usual debenture with a first charge over the fixed assets of the company."

MR. CHAIRMAN: The Attorney-General.

MR. PAWLEY: Just on a point of order, and I do hesitate to do this but it seems to me that the Leader of the Opposition is dealing with the substance of the investigations insofar as ownership, actual ownership, whether certain individuals owned the company or not. I would hope that he would attempt to restrict his remarks to the handling of this matter by the department because, as I indicated the other day, we, I think, have to be extremely careful as to how this entire matter is dealt with in this House. And we seem to be entering into the field of ownership, fictional or otherwise, etc., etc.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: I am very much aware of what the Attorney-General has said, and I am only quoting from Hansard, and I want that to be understood. I'm quoting what was said in the Hansards of this Legislature with respect to ownership. Now, I do not know what course of action the Attorney-General will take but I'm leading to a point which will deal with the statement of the Minister of Mines and Natural Resources, made in this House on Tuesday evening of last week when the Attorney-General's Estimates were dealt with, in which the Minister of Mines and Natural Resources made, what I consider for the first time, a reference to something that had not been made public before in dealing with what took place in the sequence that occurred with respect to this matter, and I then want to table a document for the perusal of the Attorney-General and for the members of this Legislature, to indicate that the Minister of Mines and Natural Resources in making that statement had to be seized of some knowledge of the transactions that took place.

So, the question at this point, and I will go back to the whole question of how the Attorney-General perceives his responsibility, and how the government perceives their responsibility, and as to whether the government has been dragging their feet; and why have they been dragging their feet, and who are they afraid will be embarrassed if the matter is proceeded with? Mr. Chairman, it goes back to the whole question of how a government can investigate itself. You see, Mr. Chairman, the position of the government has taken right from the very beginning is that when allegations were made, all we had to do was answer them. Whether our answers were correct or not, doesn't make any difference. All we have to do is answer them. Having produced our answers, that's all that's required. Then we sit down, and it's up to you. If you can disprove our answers, then we'll then have to give you other answers. And then you disprove them, then we'll give you other answers. And then at that point, maybe, you can cause something to happen.

This will go back, Mr. Speaker, even . . . this will at least lead on to further into the examination and discussion that the Attorney-General and myself had. I am very much aware, and I want the Attorney-General to understand, I'm very much aware that I do not want to get myself involved in a substantive part of what could possibly become a criminal action, nor do I in any way want to jeopardize that, but I am basically only quoting Hansard. I'm not quoting any other statement. Surely no question could be raised in this House that I have no right to quote Hansard with respect to what was represented by officials of the Government and by Ministers of the Crown. Mr. Jones said the loan was made to Willard Lamirande, guaranteed by the John Schmidt Cartage Limited. In support of the guarantee of the company we took the usual debenture in a first charge over the fixed assets of the company. Now, Mr. Chairman, if that was true, then the Receiver's report which indicated that a number of the vehicles were mortgaged after that to the Royal Bank, etc., would have to occur with the permission, obviously, of the Government who took the first debenture as a first charge; or, if in fact they were mortgaged after the government did take a first charge, then there are some consequences that flow from that. And anyone reading the Receiver's report in which there are allegations made that these matters had taken place, would, I think, deem it fairly important

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd) . . . . to confirm and to check whether these matters were so.

Now, dealing with, on Page 225 (P) of the Economic Development Committee, in a series of questions asked by myself of Mr. Parasiuk, the following: Well what happens with Schmidt Cartage leads to a number of other questions. It's your impression that Mr. Thompson did not own Schmidt Cartage. Did Mr. Thompson influence the board's decision in loaning to Schmidt Cartage? Was he present when the board made the decision? Mr. Parasiuk: "No, he was not in the meeting." Was he a director of the company, a director of the Fund? "He was a director of the Fund at the time." Did he discuss the loan with the officials of the Fund? Mr. Parasiuk: "He had been involved in some of the discussions with the officials of the Fund because when the original application came in, it did come in from both Ben Thompson and William (?) Lamirande. We considered the loan with Thompson not being there; we then investigated -- legal counsel was not present for that part of the meeting, I think, or he might have not advised us right at the moment that there was a conflict with our legislation. We asked Mr. Thompson to withdraw from any participation in the loan, and the board reconsidered the loan application from one, William (?) Lamirande. We got the advice from the legal counsel as to whether Willard Lamirande, being the brother-in-law, or I think the step-brother of Mr. Thompson, constituted a conflict of interest. The advice from the legal counsel was that it did not. We then proceeded on the basis to grant the loan to Mr. Lamirande knowing that Mr. Thompson would be involved, as I said before, on the training aspect, and he might be involved in the company as an employee. The advice we got from the legal counsel was that this was not a conflict of interest according to legislation."

MR. CHAIRMAN: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Chairman, I believe this matter that the Honourable the Leader of the Opposition is discussing can best be brought up before the Rules Committee, pardon me, the Committee on Economic Development. I do not see the relevance under the Minister's salary. I wish that you would uphold the rules. The House Leader, who the Honourable Leader of the Opposition is referring to, is not here today, and I wish that he would bring this matter up either under a grievance - I do not see the relevance under this particular item.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Chairman, let me now refer to the Honourable Minister of Mines and Natural Resources in a debate on this matter under the Ministerial Salary. When the Honourable Minister of Mines and Natural Resources stood up and talked, and I'm only going to quote what he said in this debate. And he said this on Tuesday night. From this Hansard, dated March 18th, 1975, Page 424. I'm now going to deal with what he said. He said: "Mr. Chairman on a point of order. The loan was neither given to Bill Lamirande nor was it given to Ben Thompson. It was given to an incorporated company named Schmidt Cartage. It was done with the legal advice of the Fund. The loan was made, Mr. Speaker, without my knowledge until the question was asked in the House. I've already advised the House that. The honourable member doesn't like those answers. All I can do is give them on the basis of what I knew and on the basis of what I did. If he doesn't accept them that is fine."

Those were the statements, Mr. Speaker, of the Honourable Minister of Mines and Natural Resources, rising during the debate, or between the Attorney-General and myself.

He went on further, on Page 430, Mr. Speaker, I am now quoting from the Minister of Mines and Natural Resources, from Hansard, Page 430, March 18th, 1975. "Schmidt Cartage was a cartage company in Thompson, Manitoba, that the CDEF loaned money to a group, that the original application was, as I indicated, Ben Thompson and Mr. Lamirande; the Fund deal with the application . . ."

MR. SHAFRANSKY: Mr. Chairman, on a point of order. I believe there is a rule against repetition. This item has been brought up time and time again. I believe that the Leader of the Opposition can bring this matter up when those people, the Chairman of the Communities Economic Development Fund will be there and can answer, not in this House where there's no one who can answer directly.

MR. SPIVAK: Well, Mr. Chairman, on the point of order . . .

MR. CHAIRMAN: The Honourable Leader of the Opposition on a point of order.

MR. SPIVAK: . . . if the repetition is reading the Hansard of a week ago, and reading from two separate pages, in which the Honourable Minister of Mines and Natural Resources

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd) . . . . made certain statements, then if we're not allowed to do that in debate, I don't know what we're allowed to do.

I must say, Mr. Chairman, I'm not responsible for the absence of the Minister of Mines and Natural Resources; nor can I be held responsible for that. I want to deal with this matter and this is a very minor part of what I really want to deal with. --(Interjection)-- Yes, if the Honourable Member for Radisson will allow me I will continue, because I want to make one point and file one document for the perusal and the consideration of the Attorney-General. The Minister stated, and I would repeat again, "Schmidt Cartage was a cartage company in Thompson, Manitoba, that the CDEF loaned money to a group, that the original application was, as I indicated, Ben Thompson and Mr. Lamirande; the Fund dealt with the application, thought they could proceed with it, were advised that Ben Thompson could not be one of the applicants because he was a member of the board of directors, and then dealt with the application as if it had been the application of Lamirande to be incorporated, and proceeded to proceed with the loan on exactly the same basis as it would have been if it was Ben Thompson."

Now I must say, Mr. Speaker, that the Minister of Mines and Natural Resources on Thursday night at the conclusion of the session, stood up and said that his impression of this, or his statement was incorrect, that in effect they dealt with it as a separate application. And I'm paraphrasing it rather than quoting it because the Honourable Member for Radisson will probably object to my quoting it.

But what intrigued me in all of this, Mr. Chairman, was that there was never in all of the Hansards that I'm aware of any reference at any time that the loan that was made in connection with Schmidt Cartage was made on the basis of a company to be incorporated. What had always been discussed, and always understood, was a loan in which share transactions had taken place. And the first occasion on which there had been a public declaration that it was to be a company incorporated was by the Minister of Mines and Natural Resources.

That leads me, Mr. Chairman to file for the edification of the Attorney-General a document that was the document submitted to the Communities Economic Development Board as the first submission for consideration by them with respect to the loan for Schmidt Cartage. It is a document dated May 8th, 1973, signed by Mr. Hanly, I understand, as Development Officer, and then Mr. Jones as General Manager. It's a loan made out in the name of Ben Thompson and Willard Thompson and . . . it has to be incorporated. Now it may be, Mr. Chairman, that Willard Thompson is a mistake, it may have been meant to be Willard Lamirande. As far as I know Willard Thompson does not exist. The Attorney-General may be in a better position to deal with it.

But, my purpose in filing this, Mr. Chairman, is to indicate that the first application, which was not dealt with, was on the basis of a company to be incorporated, and the Minister of Mines and Natural Resources referred to it as a company to be incorporated. And so far as I know for public record, that's the first time that's been mentioned because the actual transaction was a share transaction. And the question that I put and I pose, is who was seized with what information? The Government has taken the position that they knew nothing of the details with respect to this loan. The Minister has taken the position that the only question ever asked of him was whether a director of the Fund could receive the loan. The Premier in his statement in answer replied, that the Cabinet did not deal with this but the Minister brought to the attention of the Chairman of the Fund, that under Section 17(3) of the Communities Economic Development Fund that that particular clause meant that a director could not receive the loan. Now that is my understanding of it. And the first reference that I know publicly to have been an incorporated application, was by the Minister. I think that's fairly significant because up until that time there had been no reference by anyone that that's the way in which the matter was to be dealt with. I suggest, Mr. Chairman, that that's what the committee, or the Directors of the Communities Economic Development Fund were in fact going to be dealing with on that first application.

So I suggest, Mr. Chairman, that there is more information that has been made available to the Government, and that they have not been candid with us, and that there is a reason, Mr. Chairman, why the Government has been slow and dragging their feet in this whole matter with respect to R & M, to J.M.K., and to Schmidt Cartage.

Now we go then, Mr. Chairman, to the Honourable Attorney-General and to his explanation as to why the RCMP were asked to investigate this matter, and as well,

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd) . . . . Mr. Chairman, to certain statements that were made by the First Minister in a press conference last week. Just to refer to the press conference of the Premier, the Premier stated: "Mr. Schreyer," and I'm quoting from the newspaper report but I believe this is an accurate summary of what he said, he said, "Mr. Montgomery advised last September that there was far from sufficient reasons to proceed with criminal prosecutions. But Mr. Montgomery was made to look silly when certain documents not provided to him were presented to the RCMP."

Well, Mr. Chairman, I want to refer to Page 429 of this Hansard when the Attorney-General in answer to the question whether Mr. Montgomery had the Receiver's report, stated, and I quote: "My information is that Mr. Montgomery himself was not aware of the existence of the report. He was not the only one that was dealing with this matter in the department."

So the First Minister has suggested that Mr. Montgomery advised in September that there was far from sufficient reason to proceed with criminal prosecutions. But Mr. Montgomery was made to look silly - and I would say, Mr. Chairman, that the Premier was made to look silly by this statement, because Mr. Montgomery did not have the Receiver's report. And that Receiver's report I suggest allowed a prima facie case to be made, warranting the investigation by the RCMP. And this goes back to the whole question, Mr. Chairman, of when and how this information that was allegedly coming from the RCMP came about to the hands of the Attorney-General's officials or himself, to order the investigation.

Now I want to go back if I may, Mr. Chairman, to a statement made by the Attorney-General last year in April of 1974. And I believe he recited at that time the position of his department. The question was put by the Honourable Member for Riel and it stated: "Mr. Speaker I direct a question to the Attorney-General. Can the Minister confirm that he has not asked the RCMP to participate in any of the aspects of the investigation in the Northern co-ops?" I realize I'm dealing with the Northern co-ops but I think the principle that the Attorney-General applied at that time is one that would apply in the other matters. The Attorney-General replied: "Mr. Speaker, if the honourable members will refer back to an earlier statement that was made in respect to the investigation, he will be able to satisfy himself as to the respect to the implementation of the investigation. And the RCMP will be brought into the matter if there is good cause and reason that they ought to be. At the present time the department is co-ordinating the investigation dealing with it on their own level as they would deal with any other complaints that are made of the department with respect to criminal behavior, and this matter will be handled in the same way as it would be handled for any other citizen in Manitoba."

Now Tuesday of last week the Attorney-General stated, and I quote, "The eventual launching of an investigation insofar as the two companies that the Leader of the Opposition has made reference to came about as a result of recommendations by a member of my staff that an investigation should be launched. Certain information was given to the RCMP which earlier had not been made available to my staff of to this House." And he says again, Mr. Speaker, "There was material and information that was supplied to the RCMP that had not been available to our department." And again he says, "The . . . reason was the forwarding of certain material that had not prior to the time been made available to my staff. The information that had not been made available to my staff was first made available by certain individuals to the RCMP rather than to my staff." And, Mr. Chairman, I can go on and on and on. That's the constant refrain, that's the constant refrain of the Attorney-General.

But I want to now quote from the Attorney-General's press statement given October 16th, of last year. Now let's go through the sequence of what took place. On September 30th Mr. Montgomery wrote CKY saying that there was no need for a criminal investigation, September 30th, 1974. That was received by CKY on October 2nd. On October 3rd there was a meeting held between the officials of CKY, Inspector Docker, and I believe another official from the RCMP Fraud Squad, along with Mr. Dangerfield and Mr. Montgomery. And at that meeting on October 3rd both Mr. Dangerfield and Mr. Montgomery stated that they had never seen a Receiver's report in their life. On October 4th the investigation was ordered, and October 16th - this is the statement of the Attorney-General - "This statement is given in response to allegations by CKY Radio and CKY TV that charged cover-up, dishonesty, fraud and deceit on the part of the staff of the Attorney-General's Department and myself. I wish

## SUPPLY - ATTORNEY-GENERAL

(MR. SPIVAK cont'd) . . . to present a chronological sequence of the events that occurred." And I'm quoting part of this; I want to get to the substantive part. "In order to insure a thorough and independent evaluation of the entire matter I then referred the documents to the Deputy Attorney-General for review by senior legal advisors. At this time the documentation included the preliminary reports of the court appointed Receiver." Now I am indicating that both Mr. Dangerfield and Mr. Montgomery had not received that report.

Now dealing with the reasons, Mr. Chairman, the reasons for this investigation, this is what the Attorney-General says: "It was at this time that CKY strongly voiced their objection with the opinion of Mr. Montgomery and his staff and accused them of suppressing documents and evidence. In order to ensure the propriety of their decision and in an attempt to avoid controversy on the entire matter, the Director of Prosecutions requested the Fraud Section of the RCMP to review the investigation conducted by this department and report back."

On October 16th the Attorney-General stated, "In order to ensure the propriety of their decision, and in an attempt to avoid controversy on the entire matter the Director of Prosecutions requested the Fraud Section of the RCMP to review the investigation conducted by this department and report back." Yet the Attorney-General keep referring, and he referred at least a dozen times, to the fact that new evidence was brought forward that caused the investigation. And I suggest . . .

MR. PAWLEY: On a point of privilege.

MR. CHAIRMAN: Point of privilege has been raised by the Honourable the Attorney-General.

MR. PAWLEY: . . . I would think that the Leader of the Opposition would want to be fair. I indicated Tuesday night the very basis of the substance of the press release that we were concerned about the propriety, the allegations that the propriety of the department were being challenged, that certain actions on the part of the department were being referred to as having been improper, and that was very clearly indicated by myself last Tuesday as one of the reasons for the launching of the RCMP investigation.

Also, while I'm on my feet, I would like to indicate that I repeat that it was also fresh information that was presented. Now the only area, and this does not take away from the substance of the remarks last Tuesday but in speaking to this at greater length I wanted to indicate that that fresh information was made available to two member of my staff.

MR. SPIVAK: I want to acknowledge the fact that the Attorney-General did say that there were two reasons for it. But I want to quote his exact words, "The major reason however was the fact that certain material, certain information was given to the RCMP which had not really been made available to my staff, which the RCMP advised my staff that they had information in respect of to." I'm quoting the exact words. "The major reasons however was the fact that certain material, certain information." Well, Mr. Chairman, I don't accept that as the major reason. I say in justice to the Honourable Attorney-General the major reason that the investigation took place was the Receiver's report, which was denied by Mr. Parasiuk, a month after it had been received in the Committee on Economic Development had been published. And that Receiver's report warranted an investigation in the fact that two of his main law officers, one who is the Director of Criminal Prosecutions, had never received that, were responsible for the investigation to take place. And if that assumption of mine is correct then the question has to be asked: Why did the Government not want the investigation in the first place? And I come back to the whole chronology of what has taken place with the statements that have been issued, and with the very way in which the Government has answered the various questions that have been asked about the whole range of programs in the north and the questions of wrongdoing. And I suggest, Mr. Chairman, it was for one reason: because the Government did not want disclosure of the information that they knew existed with respect to this matter and a number of other matters, and they were prepared, Mr. Chairman, to continue to drag their feet. Mr. Chairman, I suggest even at this present time they are still dragging their feet.

MR. CHAIRMAN: Order, please. In accordance with the Rule 19(2) of our House Rules I'm interrupting the proceedings of the Committee for Private Members' Hour, and I shall return to the Chair at 8:00 p. m.

MR. PAWLEY: Could I just ask if the Honourable Leader of the Opposition has completed his remarks, whether I . . .

MR. SPIVAK: We'll be going back and forth. I'll be here tonight.

MR. CHAIRMAN: Mr. Speaker, in accordance with Rule 19(2) I'm interrupting the proceedings of the Committee for Private Members' Hour, and shall return to the Chair at 8:00 p. m.

IN SESSION - PRIVATE MEMBERS' HOUR

MR. SPEAKER: We are on Resolution 7. The Honourable for La Verendrye.

RESOLUTION NO. 7 - PROBLEM OF BEER BOTTLES

MR. BANMAN: Moved by myself, seconded by the Honourable Member for Brandon West, WHEREAS the littering of beer bottles is becoming an ever increasing problem, both in rural Manitoba as well as the urban centers;

AND WHEREAS these bottles are causing a serious environmental problem, and also pose a safety hazard to the public;

AND WHEREAS the present 2 cent deposit on beer bottles is not providing the incentive for the collection, retention and turning in of same.

THEREFORE BE IT RESOLVED that the government consider the advisability of raising the deposit on beer bottles to not less than 5 cents per bottle.

MOTION presented.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker. In introducing this resolution, Mr. Speaker, I would first of all like to say that I have had many of my constituents come and see me with regard to this particular matter, not only the farming community but people living in the urban settlements in my area. The problem seems to be becoming a very real one in that most people feel that the present deposit on the bottles is not sufficient for, as mentioned in the resolution, the collection and retention of same.

We deal, Mr. Speaker, with a clause in the Liquor Control Act which says that the Liquor Control Commission does have the power to provide for the collection and return to licensees, or to the Commission, of empty bottles and to prescribe the price to be allowed for empty bottles.

Mr. Speaker, when checking through previous debates I noticed that in 1970 the Honourable Member from Brandon West did introduce a Private Members' Bill 102, which was debated at length at that time. It was more encompassing than the present one before us; it dealt with basically the returning of all kinds of containers, whether they be metal, non-deposit, or larger bottles also involved in the littering and the environmental problem. At that time it was referred to the Standing Committee on Municipal Affairs, and it seems that after that motion to move it to the Municipal Affairs Committee, it seemed to have died.

Mr. Speaker, I introduce the resolution for several reasons: No. 1. The conservation of our natural resources with regard to lakes, rivers and streams. Secondly, the reduction of litter on our highways, which causes not only a safety problem to motorists travelling on the highway, but also provides a hazard to the farmers operating their equipment either in ditches or on fields, which in turn could also have adverse effects on cattle who do eat bottles or glass which are in hay bales.

The other thing I think is very important is also a reduction of the volume of solid wastes, as far as it concerns the municipalities in their dumping grounds.

Also, as mentioned before, in the area of tourism in the eastern part of my riding, which covers part of the Whiteshell we have a lovely resort area; the Whiteshell area I think is one of the finest in Canada and I would hate to see that because of the abuses of people with the littering of different cans and different beer bottles, that we would lose that beautiful natural resource that we have there right now.

Mr. Speaker, when doing some research on this particular topic I noticed that we are now one of the only provinces in Canada that do have a 2 cent a bottle deposit on beer bottles. I notice that Ontario just moved in that direction several days ago, or several weeks ago. Quebec also have announced the intention. I think that possibly the government should take into consideration the direction that Ontario has taken, basically also implemented a deposit charge on cans. I think that the Minister of Mines or the Minister, the Honourable Attorney-General in charge of the Manitoba Liquor Control Commission, could possibly issue a statement such as the Minister for Environment did in Ontario, and he warned, not only the beer manufacturer but also the soft drink industry that they should use the refillable containers instead of using as many of the non-deposit and metal containers. He issued a fairly strong warning that they better clean up their act and start using more deposit bottles or face certain container legislation.

So I think for the sake of uniformity, Mr. Speaker, I think its very important that we do

## RESOLUTION 7

(MR. BANMAN cont'd) . . . adopt at least a 5 cent - I suggested 5 cents, some of my colleagues like the Member from Pembina suggested it should be 8 cents. I think a 5 cent deposit is uniform across western Canada right now, and I think that it's time that we adopted the same approach.

In Alberta, Mr. Speaker, of course, they have a much more comprehensive system and they've really grasped the bull by the horns there, if you want to call it that, and they've put in a Beverage Container Act, and this is a very very comprehensive Act. They not only collect disposable containers they also collect things that are sold in the Liquor Control Commission stores, such as wine bottles, beer bottles, and they are charging a deposit fee on the same.

They also note that by introducing this type of legislation - they have taken and done a study and noted that about 90 percent of all these containers that there is a deposit charge attached, or charged when the person initially buys the particular item, that 90 percent of this is later returned, which I think is fairly significant that that again would clean up our roadsides and would maintain and preserve our present lakes, streams and rivers.

Mr. Speaker, as I mentioned before at present we do not have a deposit charge on our cans, and I think that this is one direction that the Government should have a real close look at. The reason I didn't include it in the resolution is that when we seem to include too much the Honourable Member from Radisson he seems to get up and amend it way out of proportion, and then we don't get the point across that we're trying to make. But the main thrust of this resolution is to ask the Government, because the other jurisdictions have and for our own environmental protection, to increase the deposit of beer bottles to 5 cents, thereby alleviating much of the problem that we presently have. .

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, this is a resolution that certainly the spirit and intent of it is of such a nature that one finds it very difficult to argue against the substance of it.

One of the primary reasons for the launching of the anti-litter campaign by my colleague the Minister of Mines and Natural Resources and Environmental Management has been to attempt to clear up much of our side roads and ditches and other public areas from the constant manifestation of empty beer bottles which have been thrown away. I'm sure that I can speak for each and every member in this House that we would like certainly to minimize as much as possible the cluttering of areas that are of scenic importance to us, from this constant throw away of bottles, etc.

I do think that it's important however that I attempt this afternoon to outline some problems, as I see it, in the resolution submitted by the Honourable Member for La Verendrye. I would like to commence my remarks by saying that at the present time I see no difficulty in examining the advisability, but I do say that I have certain difficulties and I would like to itemize those difficulties to members in accepting the resolve portion.

The intent of this resolution probably has developed recently more than anything because of certain moves that have taken place in Saskatchewan in which the beer-bottle deposit of 60 cents a dozen was implemented. This has certainly created problems on the Saskatchewan-Manitoba border insofar as the differential in the funds.

I'm not - and I know that the Manitoba Brewery Association has requested, in fact, the content of the resolution submitted by the Member for La Verendrye - but I am not satisfied, Mr. Speaker, that implementation of a refund as enumerated by the honourable member is in fact going to in any significant way change the numbers of bottles that are thrown away. Up until the time of the implementation of the Saskatchewan legislation, Manitoba Brewery Association officials had boasted that the high rate of return on beer bottles is in the neighbourhood of 96 to 97 percent. Up until just recently, they have persistently indicated that the problem is not one of major importance, and have, as I say, used figures to this extent to substantiate their claims that it is not of major significance.

Secondly, I would point out that I think we can all take notice from, well, not personal experience, Mr. Speaker, but from observation round about us, that in probably a majority of the cases in which beer bottles are thrown away, that they are thrown away not in times of great sobriety on the part of the individual throwing away the bottle, but are generally thrown away when that individual is in a festive mood, in a mood in which he wishes to celebrate, in a mood in which he is, let's say, some way along the road to intoxication. And certainly we cannot say, Mr. Speaker, that . . . The majority, I would say, of our beer bottles that are thrown away in Manitoba, are heaved from travelling vehicles or in other circumstances or

## RESOLUTION 7

(MR. PAWLEY cont'd) . . . situations, that it is done under the usual, normal type of circumstance. I would submit, and I would think that I would be very cautious in this statement, that probably 75 percent of the bottles that are heaved away are heaved away when that person throwing the bottle away is in such a mood that probably the least thing that he has on his mind is whether the refund, if he holds on to that bottle is going to be five cents rather than two cents. I suggest that. I may be wrong and honourable members in this Chamber may be able to illustrate to me the falsity of the position that I'm taking, but I have that lurking impression, Mr. Speaker.

Thirdly, we have a situation, I think, in Manitoba where, up until a year ago, much of the problem in respect to throwaway bottles related to throwaway wine bottles. The reports that I would receive from time to time, Mr. Speaker, is that in the alleys that run behind many of our hotels, central Winnipeg, for instance, and other urban centres throughout Manitoba, that you would find many throwaway wine bottles that would be cluttering up streets and back lanes, and I want to report to this Chamber that the advice that I have received is that since the implementation of our policy relating to the delisting of certain very cheap, high-alcoholized wines, there has been a decrease insofar as the numbers of wine bottles thrown away are concerned. Certainly that has been an area of probably more concern on the part of society in general up until a year ago, the numbers of wine bottles thrown away, particularly in areas not too far distant from our hotels.

Mr. Speaker, there's another particular problem that we have to face, and we usually face this in some of our Northern communities, particularly where the Reserve is dry and the hotel is located in proximity to the dry Reserve. And we often find - and the Member for Morris was referring to beer gardens - we often find the development of spontaneous beer gardens in some of our communities in Northern areas, where a beer garden will spring up very suddenly in order to accommodate a particular problem which is created by the laws, with all respect, that have been developed in respect to our Reserves. So it is true that, if there is a particular problem, you will find it emphasized in many of our Northern communities in the vicinity of hotels in which the drinking takes place because the treaty Indian is unable to return his beer to the Reserve. And I'm certainly not taking issue with the option vote insofar as Reserves are concerned, because the advice that I am receiving, Mr. Speaker, in connection with those Reserves that have voted themselves dry in Northern Manitoba, that it generally has resulted in a decrease in the abuses accruing from alcohol in our Northern communities. But it has created a litter problem, and certainly that is an area that we would want to examine.

So, Mr. Speaker, I say that I cannot, with all due respect to the Member from La Verendrye, react with enthusiasm to this resolution. I do not think that, in general, the raising of the refund from two cents to five cents per bottle is going to have any significant effect insofar as the throwaway bottle situation is concerned in Manitoba; that I think that more than the increase in the refund, it is important that education play an important role. And this is a long-term proposal in respect to litter in general; that our citizens realize that to litter, to throw away, to discard, is waste, is certainly in this period when we find that so much of our resources are being consumed in a reckless and an abusive way, that citizenry in general should attempt to not throw away. It's an educational problem.

And secondly, I think, Mr. Speaker, that the type of programs that have been developed by my colleague the Minister of Mines and Natural Resources, dealing with the encouragement to local areas such as municipalities to develop anti-litter programs that relate not only to throwaway beer bottles but throwaway pop bottles, other throwaway materials, have been of much more benefit in minimizing the litter problem in Manitoba than surely could develop from the raising of refunds.

So at this moment, Mr. Speaker, without having the opportunity, unfortunately, to have consulted with my colleagues in caucus, so, subject to that, I would think that we would not be unhappy about examining this resolution to ascertain whether or not there would be any significant improvement insofar as litter is concerned, beer bottles, by increasing the refund. I think we would be inclined to wish to examine it, but I say that with, I think, the desire to imprint upon the minds of those present that this is not going to be the Messiah, the overnight sort of situation, when all that is black will become white in this area.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Thank you, Mr. Speaker. You know, it comes of great interest to

## RESOLUTION 7

(MR. HENDERSON cont'd) . . . me at this time to see the Minister, who is leaving the Chamber just now, who was so fearless in introducing such a resolution that was going to do away with other insurance companies, being afraid to tackle a little problem like this because he says it's going to create so many problems. He wasn't fearless at all when he was introducing the resolution that was going to do away with all the insurance people and that caused debate in the House and caused trouble in the country for years, and yet he says to bring in this resolution it's going to cause an awful lot of problems. He even relates to the problems that there'd be between the borders - that we have between the borders.

Now, you know, anybody that's been in the rural area . . .

MR. SPEAKER: Order please. The honourable member state his matter of privilege.

MR. PAWLEY: On a point of privilege, I just think that the honourable member would not want to be inaccurate. There was no reference on my part to this resolution creating a problem along the border; I indicated there was presently a problem along the border.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Thank you, I wonder what is the problem along the border? Is it that they're not getting picked up on our side and that they're getting picked up on theirs because they're worth more money? That would be a small problem. I wonder what you consider is the problem along the border, because the way that I'd see the problem is that they'd be getting picked upon in Saskatchewan a lot more likely than in Manitoba. If the Minister was to have lived in a rural area where you have the roads and the road allowances, and to realize the number of bottles that appear in the road allowances which are such a hazard to people who try to keep the road allowances cut, and the amount of tractor tires that are damaged, and the inconvenience they are, he wouldn't be talking like this at all. And I can't see why --

A MEMBER: He wasn't opposing it, though.

MR. HENDERSON: No, he wasn't opposing it, but he was hitting at lots of reasons why he couldn't do anything. And, you know, a Minister that could bring in this here Autopac and the trouble it could cause is afraid of the problem that this would cause. I know we've discussed this resolution before, and the people . . . They brought in about all the cans and all the throwaway bottles, but we're talking about . . . Can't we approach the subject at least in part way? Here it's just mentioning on beer bottles, and we know that the people that buy beer they're buying it, but if they feel the cost is excessive they can save those bottles and bring them back. And for the other ones who he says have a few drinks and don't care and who throw them out, well they throw them out, but there would be a lot of children and maybe I've even seen adults - I've done it myself in my time - who have picked them up in a ditch and have sold them at the hotel myself. So why wouldn't children, if they could get, we'll say five cents, I'd be happy to see it go to 10 cents, I'd be happy to see it go to 10 cents, and there's no doubt there'd be a lot more bottles picked up - maybe not all of them.

And then because we're having trouble with beer bottles, he mentioned wine bottles and other bottles, but at least we could get the beer bottles picked up and maybe some of the others too. --(Interjection)-- Sure, you can talk about paying more government men, and I've seen the government men go along the road picking up litter out of the ditch and I think the education program's good but, you know, some of the education that's really necessary is just to pay the people who pick them up a little bit more money for them. That's just that simple, because it would have them picking them up.

I remember when we discussed this when we had hearings before, and I think it was the people from the glass companies that were saying that it would just cost 11 cents to make a bottle. Well I don't know whether that was referring to the beer bottle or the coke bottle, but the figure in my mind is 11 cents. Well, if these are going to be thrown away --(Interjection)-- Well, I'd be happy to see it introduced on coke bottles too, as far as that goes. If it's going to be 11 cents that's going to be thrown away and wasted, that's no good, and it's not even good for the people, the breweries, because they told us at that time that a bottle should be able to be recycled and kept in use for seven different times. Well if a bottle is just going to be used once and it's going to end up by being in the ditch and either worked into the ground or broken, it's 11 cents lost, and it's nothing but waste. So I don't see why we can't take a start and do something about this. I'm sure that all through the rural areas, any of the rural members would be bound to support that, and I can't see why even the city members from that side couldn't support it. Let's get down to business and not be saying,

## RESOLUTION 7

(MR. HENDERSON cont'd) . . . well, it's going to cause trouble, we'll educate the people --(Interjection)-- You won't have any trouble with them either. I feel sure of that, because they've got a lot of sense over here and a lot more brains. But to say that you can't just make a start and you can't raise that from two cents - which was a long time ago - to five, I'd be happy to see it go to ten, but I don't feel like amending the resolution. But to not make a start on it so as to get these here ditches cleaned up, is just nonsense.

I don't care to say anything more about it at this time except that I think we should be doing it, we should be increasing the price, and I'm sure the breweries wouldn't mind, and anybody that minds is buying the beer, all they need to do is save the bottles and turn them in. And it will make a lot of the kids happy, too, because they'd be mighty happy to make a few extra cents picking them up.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Speaker. I would also like to speak in support of this resolution. It seems to me that the rural areas possibly have more problems as far as beer bottles in the ditches and so on, and the road allowances are concerned, than what other areas have. We see many of these beer bottles, especially after a Saturday night, laying around, and later on when you mow your ditches, then you run over these with a tractor and so on, and cut up your tractor tires. I know of one instance last year where the fellow cut up his tractor tire, it cost him over \$300 for that tire and he had to wait three weeks before he could get a tire of that size. Now that fellow certainly doesn't think it very funn, the way the Member from Radisson does, to have beer bottles lying around and take absolutely no responsibility in doing anything as far as collecting these bottles is concerned, --(Interjection)--

MR. SPEAKER: I wish the Honourable Member for Radisson would take his own advice and be law-abiding in this Chamber.

MR. BROWN: Thank you, Mr. Speaker. But cutting up tires is not the only thing. When you run over these bottles with your baler, and so on, invariably they will end up in the bale of hay, and in many instances when cows get sick and so on, and in some instances they die, glass deposits have been found in their stomachs. They eat the hay and consequently get some of this glass in their stomach; and again, this is no laughing matter.

Now the Attorney-General thought that this resolution was not of major significance, and I would say that the rural areas in Manitoba certainly don't agree with him. This is one of the very important issues; it's something that is mentioned to us very often, and we're asked why can't we do something about this problem. And I would wholeheartedly agree with the Member from Pembina when he says that we should be receiving 10 cents a bottle for collecting them. I think it's quite evident that people now are picking up pop bottles and leaving the beer bottles, because you get more from a pop bottle than you do collecting a beer bottle. In our area, for instance, you will see on a Sunday morning, you will see some of the mentally retarded walking along the road allowances with sacks on their back, picking up bottles. At the present time, they're going to leave the beer bottles because they know that they get more money for the pop bottles.

So I certainly am in support of this resolution and I hope that members opposite are going to find it in their hearts to support this resolution also. Thank you.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Well, Mr. Speaker, I would like to make a few comments on this resolution, having listened to the First Minister. I didn't intend to, but when I heard the comments from the Attorney-General I was rather disappointed, to say the least. Insofar as this resolution's concerned, it is dealing primarily with beer bottles that have become a nuisance as being litter objects throughout our highways in the rural areas of the Province of Manitoba, and I think I heard the Minister correctly when he stated that it's a matter of becoming an educational problem so that our young people and others will learn to respect the roadways, the back alleys behind hotels in the cities and so on. But I'm afraid Mr. Speaker, that the Honourable Minister doesn't understand the human element aspect of when we talk about problems such as this. Now it's so in the cities, and he was talking about finding wine bottles behind hotels and what have you. That may be so. So therefore in the City of Winnipeg, say, or other cities in this province, then that becomes a problem, but in rural areas and out on the highways, where we like to think we take pride in driving down a highway and seeing our

## RESOLUTION 7

(MR. EINARSON cont'd) . . . ditches, and so on, nicely cut, well kept, and we do have receptacles for our litter, obstacles or objects that we can dispose of for the use of those, but it's not always used. It's a fact that people do have a tendency to toss a beer bottle out the window of a car when they're travelling down the road at night, say, and in many many cases you see a whole case with probably most of the beer bottles in that case.

I'm not going to repeat, but just to concur with the comments made by my colleague from La Verendrye and my colleagues from Rhineland and Pembina, that we are trying to impress upon the members on the government side of the problems that are related to this situation in the rural areas, and I would have hoped that the Minister would have seen fit to give a better understanding and some consideration to the proposal that we on this side, and particularly my colleague from La Verendrye, are proposing in this resolution. I feel it's a very worthwhile one and a very timely one, because this is a matter that's been discussed over a number of years, and I want to support him because I have constituents on many occasions that ask me, "When are we going to do something about increasing the amount of money?" and particularly I think it's our young people that go out and when they can make themselves a dollar doing different things, I think this is a good way of doing it, if that's the way people are going to practice throwing out beer bottles the way it's being done throughout the province.

So, Mr. Speaker, I fail to understand the expressions come from the government side when they say that they don't feel that it's a very important matter. It's really not costing you money; it's something that can be done through the controls of our liquor situations in this province. I don't think that there will be objections to the breweries if an additional amount of money was paid out to, particularly, I think, and it would go in most cases to young people who find a way of earning themselves a dollar or two, if the price was increased from two cents to five cents a beer bottle. I know with the pop bottles you don't see - at least not in my part of the country - you don't see the number of pop bottles out in the ditches or along the roadsides like you do beer bottles.

A MEMBER: . . . cans.

MR. EINARSON: Cans to some extent. The Honourable Minister of Autopac asks about cans. You do see cans to some extent, but I would suggest, Mr. Speaker, to honourable gentlemen opposite, that beer bottles are the receptacles that you see far more of than you do of either cans or pop bottles. And as I said before, the reason you don't see the pop bottles out is because the price they receive for them is more in line with what the price of the bottle is.

Furthermore, to add to this, Mr. Speaker, when you consider the price that one pays for a bottle of beer, which I think is somewhere in the neighbourhood of 85 cents a bottle, goes as high as \$1.25 a bottle, I think that on that basis alone, Mr. Speaker, with inflation as it is, I feel that going from two cents to five cents that we pay for an empty beer bottle is not out of line.

So with those few comments, Mr. Speaker, I want to join with my colleagues in supporting this resolution in hope that we're going to find somebody on the government side has something different to say than what we heard from the Attorney-General.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I'm really surprised to hear the Honourable Member from Rock Lake come up with a statement that the members on this side are not worried or don't care about the problems of litter, because it is this government that established the committee that did have representation from the various groups in the society. We had committee hearings in Brandon, in Dauphin, various parts of the province, particularly on this problem of litter, beer bottles, cans, and all form of litter that is a problem along our highways. As a matter of fact, Mr. Speaker, because of those committees I feel that, without actually introducing legislation, there were a lot of things that happened. You find that today there's a lot of companies that have established and have themselves put on a higher - I'd say a premium for returning bottles, and this has sort of revolutionized the whole problem of litter caused by pop bottles.

You find that without legislation supermarkets, who for a period of time were just moving into having only disposable bottles, they would not take any returns, without legislation they're now accepting bottles because of the fact that there's been a change, there's no more non-returnable bottles on the market. So this happened without legislation. But to say that the

## RESOLUTION 7

(MR. SHAFRANSKY cont'd) . . . members on this side are not concerned, is absolutely a falsehood and I can't understand why the Member for Rock Lake would get up to say that the Minister, the Attorney-General, was speaking in opposition. I believe that he was enlarging on the whole problem. He stated that there are bottles, wine bottles and, I suppose, whiskey bottles, that all of these things . . . I know the resolution deals - it's a motherhood resolution - deals primarily with beer bottles, but I think there's other problems than just beer bottles. There are the other bottles, wine bottles, whiskey bottles, that I think should be taken into the same consideration. I feel that it is a great waste and I can't understand why there has not been an established practice of having these bottles returned, and they can be re-usable. I can't see any damage ever done to them and I think that besides including the beer bottles, which I support, I believe that there should be an increase possibly in order to remove the problem of pollution or litter along the highways, and I would support the argument that we should increase it from the present two cents to possibly five cents on the empties.

Mr. Speaker, I would go further than that, and I have stated, you know, that hotels right now are vendors who are faced with having to take in the empties and they give what is presently, I think they give 20 cents on each - no, hotels pay 20 cents, and if you take it directly to a brewery they give you 30 cents on each dozen, so there is a difference of 10 cents and I suppose for the handling and so on that they have to take that extra 10 cents on each dozen. My argument is that I can't see why the Liquor Commissions which sell beer are not obliged . . . You know, sometimes I bring in my empties and I feel that since they're selling it they should also provide that service of taking in empties. Now I know that this is an argument that members on this side might feel that I should not bring up, but I'm mentioning that I feel that because the hotels are obliged to do it, I feel that the Liquor Commission outlets should also be obliged to take in emptied. And that means all the outlets, whether it be drug stores or wherever they be. Since this is the practice that is required by the hotels, I would include all outlets that sell liquor to the public, that they should be obliged to give the returns on empties.

A MEMBER: Drug stores don't sell beer.

MR. SHAFRANSKY: Drug stores don't sell beer, true, but I say the liquor outlets which do sell beer. I feel that this is something that, you know, has been the practice for many years, that the liquor outlets which sell beer do not take in empties, and I'd like to see some changes along the line. You know, since we have the vendors are required, I don't know whether it's by law or simply by practice, I would include that the liquor outlets which sell beer should also be required to take in empties - have that provision. I know it's going to not meet with favour possibly from the Chairman of the Liquor Commission, but this has been my argument because I've had that annoyance of coming in and saying, well, they say no, there is no provision. If they provide the outlet to sell it, then they should have the provision to take in the empties.

Mr. Speaker, with just those few comments I would support the resolution and hope that we can come up with something that is going to be useful.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker, I just rise to join this chorus of unison on what the Member for Radisson has called a "motherhood resolution." I'm not sure I can fully agree with his description of a resolution dealing with beer bottles as a motherhood resolution because I may find myself in some trouble with some mothers in my riding. I suppose he knows the mothers in his riding better than I do know mine, but I assume that there . . . That's right. I gather that the mothers in the Member for Lakeside's riding use a nipple on the top of their beer bottles. In any event, Mr. Speaker, I think with the exception of that one quirk, there has been a general expression of support for the resolution and I think that that is a good sign in this House, that the awareness and consciousness of members of this House about problems in the environment is becoming more severe.

I would like, however, to introduce an argument to perhaps provide even a further extension of that awareness, which goes back to some of the discussions we've been having over the past three or four days concerning problems of finance with municipalities, and I would like to point out that one of the major increases in expenditure of the City of Winnipeg over the past five or six years has been in the whole area of solid waste disposal. It has gone up 150 percent, and it is estimated by an engineer, the Chief Engineer of the City of Winnipeg, who did a study about 1972, that daily there is . . . In the month of June there was about

## RESOLUTION 7

(MR. AXWORTHY cont'd) . . . 12 to 13 thousand tons of solid waste disposal in the City of Winnipeg. In fact, daily, every Winnipegger has about five or six pounds of solid waste disposal that he contributes to the general debris and garbage that we're gradually building around our city.

I want to simply point out, Mr. Speaker, that the problem that the Member from La Verendrye has pointed to goes much further than the simple refunding of beer bottles. I think he has pointed in the direction of what this House should look at in a more extensive and expanded way, and that is the general problem of solid waste and sewage disposal in the province, because to begin with, it provides one of the major burdens on municipal finance and will continue to grow as we allow or tolerate the continuance of a society which thinks that throw-away, disposable, kleenex-style society is the way that we should proceed; that everything we own is something to throw away; whether it's the furniture or clothes or cars or beer bottles, everything is disposable. And I think Vance Packard has written an interesting book on the disposable society where everything is disposable.

But what we find out is that many of the things that we are in fact packaging our goods and services in, simply lay as a dead weight in the natural environment. Nothing is more severe in this area than the whole problem of tin cans and aluminum cans that are used for both consumption of beer and soft drinks. I think that one of the major problems that we face is while there can be a refundable program for beer bottles, it will still not affect a large area of the proliferation of solid waste disposal which is in the area of the use of cans and non-refundable areas. Because I think that the cost factor - and I think the Member from Pembina was quite right here - the cost factor related to what will increase the rate of return is constantly accelerating, and while the study that was done in 1969 showed that a bare minimum you needed a 5-cent return to in any way influence or effect an increase in the rate of return, that has now escalated, so that by 1975 the cost may be close to 7 or 8 cents. In other words, it's an economic formula that's at work here, and we're going to constantly be looking at the question of how much can we constantly increase the refundable deposit in order to get some useful or effective rate of return of refundable bottles.

So the question I'd like to raise, Mr. Speaker, is one which I think the Ontario Legislature itself had to deal with last year and came to no resolution, is to what degree shall we move towards the actual banning of tin cans and non-refundable bottles, or at least imposing a form of taxation on them, so that in fact that there is a penalty imposed both for the manufacturer and the consumer of that particular kind of product. And I suppose, Mr. Speaker, I have to admit, as I suppose other members may be forced to admit, that they are one of the sort of transgressors in this area, that when it is entirely convenient and the cost the same to buy your soda pop or your beer or whatever in cans or refundable, I suppose most consumers don't think about it, but if in fact you begin to increase and put a penalty, or a user tax on that particular product, then you begin to think twice, and in this day when we are becoming more conscious of costs, I would hope it may be a more effective deterrent to the proliferation of solid waste refuse and garbage than the simple refundable deposit idea.

So I would like to raise the consideration, while it's not part of the resolution put forward by the Member from La Verendrye, I think he has opened the area for discussion, and as members on this side of the House have constantly tried to bring to the attention of various members of Her Majesty's Government that their attention and interest in problems related to municipal finance and municipal services leaves a lot to be desired, this is another area that just simply demonstrates the fact that garbage is increasing, costs are increasing, and the only reaction has been the anti-litter educational campaign. And while I'm all in favour of education, unlike the Leader of the Opposition who seems to want to get rid of it from time to time, the fact is that --(Interjection)-- Oh you wait, I'm going to wait until he's in the House before we get on that one. The fact of the matter is that it is not a particularly effective way of coping with this very much added burden of all municipalities. Both city and rural municipalities are having to face that particular problem.

So I would think it would certainly be an area of investigation that we should get into in this House, and that is: do we begin applying a stronger deterrent to be used of non-returnable containers, such as aluminum and tin cans or glasses? And that is really in the area of either imposing a user tax or providing an outright ban, which is now being considered in the Province of Ontario. Because I think, Mr. Speaker, if we allow the problem to continue without some

## RESOLUTION 7

(MR. AXWORTHY cont'd) . . . more direct action, then we are going to find ourselves living up to a certain prophecy that was, I think, written on the walls of Pompeii, that man is the only human animal that sort of despoils his own nest and then decides to live in it. I think that that is one of the particularly human traits that we are vulnerable to, and we must begin taking some action in this province.

I think Mr. Speaker, it's also important to point out that while it sounds onerous, and I know some of the members to my right find themselves to be getting somewhat catatonic when the word "controls" or "regulation" is mentioned, that it is a very legitimate and necessary exercise of government and could also have a positive return, because one of the interesting and I think advanced forms of technologies which are now beginning to appear in our society, is ways and means of re-using solid wastes, of using them for landfill, of using them to burn energy, of using them to turn in, in fact, to other containers. And I think there's been a great deal of fascinating research. In fact, there is some interesting research - again, I know the Leader of the Opposition doesn't believe in research - but there has been some very useful research that has been applied to the ways in which you can advance productivity and advance the ability of people to meet new problems and new changes, and that one of these areas is in the use of solid wastes. And I would think, again, another aspect of the particular principle that the Member for La Verendrye was producing, was in the area of looking at not only how you provide for deposit for refundable bottles, but also how can we begin to investigate and research - and I underline that word - ways of making better use of our solid waste for the productive use of our municipalities in terms of actually returning it back into a useful product. And this is something where the Province of Manitoba is absolutely and completely in the rear guard backwater of many other jurisdictions in North America. I would have wished that the Member from La Verendrye would have added that particular thrust to his remarks, because I think it would have been an equally useful examination by this House to see how we could not only provide some deterrent, but also provide some positive inducement to the problem of waste and sewage disposal.

So, Mr. Speaker, with those remarks, I would suggest that what we should consider in this resolution, while we are all in agreement with the spirit of adding a deposit from two to five cents, that we should also begin to see it simply as a first step in what should be a much wider examination and debate about the problem of solid waste and how it impinges upon, not only our natural environment, it increasingly provides a burden unto our municipalities and will provide one of the major problem areas of local government to face in the years to come.

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

MR. A. R. ADAM (Ste. Rose): Thank you very much, Mr. Speaker. I rise to speak on this resolution because I'm also very concerned with our environment and pollution in our country and our province, but I particularly want to take exception to the comments made by my honourable friend from Rock Lake when he mentioned that members on this side of the House were not interested in this particular resolution, and we didn't care. I would like to point out to him, sir, that if he will look back in the debates from last year on the Department of Mines and Resources, he will find that I brought this matter up in speaking on the Department of Mines and Resources. In fact, I had done a lot of research in it. I had asked the Minister to bring in some information on just how serious the problem was, and the Minister did at a later date reply to my questions and gave me some data on it. At that time he did mention that according to the industry, the brewery industry, that 95 percent of the beer bottles were in fact being returned. However, the 5 percent is a very significant amount of bottles when you start counting them, one two, three, four, and so on. It may not sound very much when you just say 5 percent, but when you start adding them up it comes to certainly thousands upon thousands, perhaps hundreds of thousands of bottles that are left along the wayside. So, for the Honourable Member from Rock Lake to suggest that we are not concerned about that on this side, I hope that he is now corrected. I hope he stands corrected and that we are concerned.

I would like to suggest, however, that I am concerned about what is happening in the northern part of our province, particularly where they have fly-in areas, where people fly in perhaps from the States or from Canada or Manitoba, to go fishing or for other purposes, and they may, if there's an organized area - well certainly the operator there will see that the bottles are picked up or left behind, are disposed of in a proper manner, but where there are no such facilities and people fly in to lakes, uninhabited lakes for fishing and that, and they

## RESOLUTION 7

(MR. ADAM cont'd) . . . bring in all their supplies, their cans and their beer and their bottles and whatever else they bring along, I'm quite sure that they leave these all behind after they have been emptied. So I would think that our Minister of Tourism and Recreation would probably be concerned in this area and I'm quite sure that Northern Manitoba has a lot of litter and bottles laying all over the place. There may be the odd little wolf or something may be walking around with a can or something in them. Cans are opened, bean cans and kind of food, and that's all left up in the North to clutter up our environment.

I'm not sure whether the increase in the price of the beer bottle will, in fact, achieve the results that the Honourable Member for La Verendrye intends, because, so far as I know, the price of the pop bottles are now five cents and they are still being littered all over the place, so they're laying all over the highways as well. --(Interjection)-- It appears to me that the Member for Rock Lake disagrees with me.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, on a point of order. I don't know whether the Honourable Member for Ste. Rose understands the difference between yes and no in the way a person nods from his seat, but I want to indicate to the honourable member that we don't have the litter problem with pop bottles like we do with beer bottles.

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

MR. ADAM: Mr. Speaker, I was suggesting that there were pop bottles laying - on that point of privilege - that the bottles . . . There's still pop bottles laying all over the highways and municipal roads, and I was suggesting that there were still five-cent bottles laying around and the member was shaking his head on my comment, so I assumed that he was suggesting that I was incorrect. Well I want him to know that I am also living in a rural area and I do cut hay along the roads the same as a lot of other ranchers, and I have the same problem as suggested by the Member for Pembina, that it is a problem when you're driving, cutting hay, and the first thing you know you hear a bottle cracking through the knife as you're . . . And it's compulsory in our municipality that the land owner keeps the roadside clean along his fenceline. It's compulsory or else it is charged against the property, and the municipality hires somebody else to come in and do it.

However, Mr. Speaker, I understand that at the present time there's an anticipation that the cost of these containers may go up, and I understand that there's a considerable amount of hoarding going on insofar as bottles are concerned. So people are stocking up. What's going on here now? Are we going to . . . ?

MR. BANMAN: Mr. Syms says no.

MR. ADAM: People are starting . . . I wonder if the Member for La Verendrye advised all his hotel friends if he has any to stock up in that. --(Interjections)-- Well, I'm saying that there's hoarding going on. There is hoarding. I'm not interested in Mr. Syms' comments. I said I hear that there is hoarding going on. That's my understanding. I'm just wondering if the Honourable Member for La Verendrye brought this resolution in to help his hotel friends, if he has any.

Well, Mr. Speaker, the Honourable Member for Pembina got up and says, "I go down the road and pick up bottles too, at one time," and the Honourable Member for - what's the other member? not La Verendrye, Rhineland says . . . I was surprised that he would say that mentally retarded people go up the road picking up bottles. I don't know whether he was referring to the Member for Pembina or not. I didn't think it was in good taste.

Mr. Speaker, in Chicago the city says that it costs them 30 cents a bottle or a container to clean up. So it is certainly worthwhile looking at and I certainly don't oppose the resolution, although I am not sure that this achieves the result that he would like to see.

MR. SPEAKER: Order please. The hour being 5:30, I'm now leaving the Chair. The Honourable Member for Radisson.

COMMITTEE CHANGES

MR. SHA FRANSKY: Before you leave the Chair I'd like to make two changes on the Committees. Substitute Bostrom for Schreyer on Public Accounts; Adam for Bostrom on Economic Development Committee.

MR. SPEAKER: Agreed? (Agreed) I'm now leaving the Chair and the House will reconvene in Committee of Supply at 8:00 p.m.