

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, January 19, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

MR. OSCAR F. BJORNSON (Lac Du Bonnet): Mr. Speaker, I beg to present the petition of Harold George Gniewotta and others, praying for the passing of an Act to incorporate the Lutheran Campus Foundation of Manitoba.

MR. SPEAKER: Reading and Receiving Petitions
Presenting Reports by Standing and Special Committees
Notices of Motion
Introduction of Bills
Committee of the Whole House

The Honourable Provincial Treasurer.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): Mr. Speaker, with the agreement of the House I would like to have this order stand.

MR. SPEAKER: Orders of the Day.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, perhaps before the Orders of the Day it would be appropriate to call attention to the fact that this is the first time in which this House has been sitting in the year 1967 which is the centennial year, the great celebration of our national anniversary, and perhaps it would be appropriate to make reference to this fact at the present moment. I think that the House may be proud indeed of the way in which the citizens of this province, and I'm sure the citizens of the nation as a whole, are responding to the idea of the centennial and all that it means for the development of our nation and of our country. I was interested to learn from the Centennial Corporation in Manitoba that, by their estimate, about 95 percent of the people of our province will in one way or another be associated directly in the celebration of this centennial. I'm not just sure how they prepared this statistic or how it was arrived at, but it certainly strikes the right note with me as being indicative of the attitude with which we approach this year of celebration.

The House might like to know that in the various projects that have been undertaken we may number some six libraries, some seven museums, some sixty-seven recreational buildings or curling rinks or skating rinks, and some ninety-one parks projects of various sizes, to which we can add of course the Pan American Games which gives every sign of being an enormous success - I hope I prove to be an accurate prophet - together with the other major projects that are taking place. But I think we would all here wish to place our emphasis not so much on these physical projects, fine and desirable as they are, but in that renewal of the spirit of Canadianism which is the basic thing for which we seek, and I hope that prominent in that spiritual renewal will be a determined expression of thanksgiving that I feel Canadians ought to express. When you look at this country from abroad it is not hard to realize that we are among the favoured of the earth, and we have so much to be thankful for that Providence has placed us in this pleasant land and given us so many things which mankind throughout the world lacks. I think it must lead us to contemplate not only how we can properly respond to the opportunities of life in this country but what our obligation and responsibility ought to be toward the rest of mankind and I hope that in this centennial celebration when we think of ourselves we will also think of the world in which we belong and our responsibility as a nation state in that world.

In this House perhaps we have something we can do. I have a little centennial project of my own that I would like to share with members of the House. I feel that we can express here, regardless of the debates we may indulge in or the issues that divide us from time to time, we can express here the basic unity to which we all subscribe and which includes members on every side in this Legislature. I also hope that as well we may be able, as I think we have done to a considerable degree in the past, but we may be able perhaps even more, to conduct ourselves in this House in the highest traditions of the parliamentary and the democratic spirit, because one of the things today that is on notice is the parliamentary institution. It's always on notice. It always has to justify itself as a method of conducting the affairs of a great nation or of a great province and that means of course that we are on notice. So I hope that one of the centennial projects that we might all subscribe to with complete unanimity is to so conduct ourselves in this House as to live up to the highest traditions of the parliamentary system, whose heirs and representatives we are. The thought that occurs to me is the line

(MR. ROBLIN cont'd), . . . from the prophet, "Come let us reason together". Perhaps that is an over-optimistic epitome of the parliamentary system, but I trust that it shall not be too far from our sight and from our thoughts as our proceedings go ahead.

So, Mr. Speaker, I hope it would not be considered out of the way for me to make perhaps a few completely unnecessary and uncalled for remarks in the sense that I know that I say nothing that members here do not themselves feel and subscribe to, but I thought it might be appropriate on this first meeting in 1967 - our big year - that some small witness should be brought to the occasion and to the hour.

Mr. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, undoubtedly in the course of the next year every member of this House will have the opportunity to make many centennial speeches and I do not intend to take up this time to proceed with that. I do want to commend the First Minister on bringing this to our attention. I realize we have a busy session coming ahead of us with a lot of work to deal with, but I think it is important for all of us in this House, and all Canadians, to reflect on what this centennial does mean to us. It seemed to me that a couple of years ago when we were talking about the centennial and the first processes were beginning that there didn't really appear to be a great deal of enthusiasm in certain areas and amongst certain people, and I suppose this may be characteristic of Canadians, but as it's going along, I sense a change in the mood of our people and a real awareness of what this centennial means and how important it is to us, and I think that this will be an important milestone in developing Canadian unity, in developing understanding between Canadians. This after all is a very important portion of nation building, so I'm sure that all of us will want to contribute in whatever way we can in this process.

I think that we here in Manitoba are particularly pleased that at the very outset of our centennial year there was a very marked event in our province in that in our own national hockey team in the first major tournament in this very city won that tournament against formidable opposition and did a credit to Winnipeg, to Manitoba and to all of Canada. I think maybe this tournament was an example of the type of enthusiasm that can be generated, because when it was first talked about there wasn't that much enthusiasm for it, and yet when it happened, you couldn't get a seat in that arena and the people of this province came in behind this and it marked a rebirth for hockey in my opinion here in our province. So these are the sort of things that can be of tremendous benefit to all of us and I am sure that all the members will want to participate fully.

Whether or not the fond hopes of the First Minister which appear to be of total unanimity in this House will be pursued or not, Mr. Speaker, I have certain doubts, but if there are different points of view I think that they are really for the purpose of better government and better legislation, and while the debate here may be a little tough at times, it remains here and does not carry into the halls of the Chamber or elsewhere.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): May I too, Mr. Speaker, join in the remarks celebrating the first sitting of this House in this our 100th anniversary. I was quite intrigued with the remarks of the Honourable the First Minister when he touched on the spirit of ecumenicalism inside of this Chamber. Ecumenicalism of course is the term which we hear a lot of these days. It's really I think the first time that I have heard it referred to in the political sense and I think really it is about time for our country that maybe we should consider whether or not there should not be a little more welding of the minds - or melding of the minds of politicians in the advance of this great country, the land of our birth, for I think that in this year of our centennial that we can make a tremendous contribution not only to the people of Canada itself and to those who have come to us from other lands, but also beyond our boundaries into the whole world.

It is unfortunate that we, who are celebrating 100 years of Confederation, should see around us areas of strife, trial and tribulation. We find peoples all over the globe who do not have the benefit of the wealth that we have here in Canada, and while we of the New Democratic Party quite frequently point out that we do not feel that the wealth in our country is distributed equitably, we find it less equitable in our fellow humans throughout the globe. We are, as has been referred to on many occasions, the breadbasket of the world, and what better contribution could we make here in Canada in this year of our centenary as to aiding still further in the feeding of the hungry peoples of the world, so that Canada itself becomes more truly representative of the big brother in the community of nations in this world.

So I join in the remarks of the First Minister and the Leader of the Official Opposition in this our opening session in 1967. I cannot pledge to the First Minister or even to the

(MR. PAULLEY cont'd) Leader of the Opposition full co-operation, because basically I agree with neither of them insofar as their philosophies are concerned, but I do say, Mr. Speaker, that apart from the differences of opinion we may have insofar as philosophy is concerned, I think both the members on that side of the House and the members to my right and the lone Social Creditor to my left are pretty good people and we will strive to do our utmost in our deliberations here in Manitoba to enhance the well-being of our province, and in enhancing the well-being of our province, certainly it would flow over into the greater orbit of our nation and I trust, God being willing, that this province and this nation will fulfil its full responsibility in this its centennial year to all of the peoples of the globe.

MR. JACOB FROESE (Rhineland): Mr. Speaker, whatever comments I will have to make at this point will be very brief and impromptu, but I feel since we are discussing the centennial year here, that I do hope that it will be a fruitful one as far as this Legislature is concerned, that we will have a successful session and that it will be a fruitful one. I only hope that in another hundred years, that when the Legislature meets at that time that we will have a province free from debt. I had hoped that this could be one that we could celebrate being free of debt and it would be my desire that at least we would make this our motto, that we would go on a pay-as-you-go basis from here on and quit making mounting debts and that the people of this province would be more free as we continue.

I certainly go along with some of the remarks made, at least whatever I can do to help along, I am all for it. I was rather puzzled when the First Minister spoke. I thought he was leading up to something and then he sat down. So I wish to join the others speakers here this afternoon in hoping that the new year that is before us, the centennial year, will be a most blessed one.

MR. ROBLIN: I'm almost tempted to say that if the Honourable Member for Rhineland is extending a hand to me, I might be disposed to grasp it, who knows? But what I rise now to do, Mr. Speaker, is to propose three resolutions of condolence to the House in respect of former members who have died in recent days. This, as members now are aware, is one of our customs, that at an early stage in our proceedings we should remember the names of former members of the Legislature who have passed away.

The first name that I have to propose today is that of the late Leslie Hill McDorman who was a member representing the City of Brandon in this Legislature from October 5, 1945 until November 10, 1949. Very few members of this House had the opportunity of sitting in the Legislature when Mr. McDorman was here. That certainly is my case and therefore he is not a gentleman that I know as well as some of the others whom I will refer to in a few minutes. Suffice it to say that he was a bluenose from Nova Scotia, came here about the turn of the century as a young man, lived a very long life of some 87 years in western Manitoba, and during that career served his community as an alderman and as a mayor and as a member of this Legislative Assembly, and I am sure that in the course of that long life he made an honourable contribution to his community and to his province as certainly is evidenced by the confidence that his fellow citizens displayed in him in supporting his election to the offices which I have named.

I therefore move, and I am associated in this motion with the Honourable Member for Brandon, that this House convey to the family of the late Leslie Hill McDorman, who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. SPEAKER presented the motion.

MR. R. O. LISSAMAN (Brandon): Mr. Speaker, it is with a grave sense of honour that I second this motion of condolence and appreciation of the services of Mr. Leslie McDorman. He was of a previous generation than my own. I recall my father having many business dealings with Mr. McDorman and speaking in a warm appreciative manner of Mr. McDorman. As the First Minister said, he was alderman and mayor of Brandon. I was not a close friend, I was an acquaintance of Mr. McDorman, and I found him to be a very warm human type of person who I know enjoyed among his contemporaries a very wide circle of people who enjoyed his companionship and his cheerful humanity. He was mayor for a short period in the 1940's and was engaged in the creamery and dairy business. He was partner at that time I believe with the late Ed Fotheringham of Brandon, another contemporary of the previous generation, and not only was he interested in the creamery and dairy business in Brandon but I believe he

(MR. LISSAMAN cont'd) was interested in creamery and dairy businesses elsewhere than in Brandon. He was well respected, and as I have said before, extremely well liked among his many circle of friends. It is with a sense of regret that we have to see the passing of men of this type, and I wish to second this motion of condolence to his family.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, it was my pleasure and privilege to be a colleague of the former honourable member for Brandon, Les McDorman, during the years that he sat in this Chamber, but my acquaintance with him was not limited to that experience because I had known him in his official and personal capacities for many years before that. As the one time Minister of Agriculture in this province I had much to do with agricultural organizations, and as the Honourable Member for Brandon has mentioned, Les McDorman was active and very successful in the creamery business in this province.

I think it would be difficult, and I am sure that the Honourable Member for Brandon would bear me out in this, that it would be difficult to find in the history of Brandon and area two more popular men than Les McDorman and his partner in the creamery business, Ed Fotheringham. They were of the type that this province has been fortunate to have in many cases, men of ability and character who came here while they were young and contributed greatly to the business and community life of the province.

Mr. McDorman didn't stay long as a member of this House but he accomplished that one thing that I'm always interested in as a politician - he left voluntarily - and when anyone does that I think it's worthy of comment. The most of us wait around until a different fate overtakes us, and Les decided after being here for a fairly short space, in fact he sat only in one House, but he decided that he would not again contest the seat. Brandon, in my experience, has always been represented by a very capable and talented member. I started in here with Dr. Edmison and I believe the next in line was George Dinsdale, the next would be Les McDorman or Dwight Johnson, one or the other, and I believe it was in 1945 that Les McDorman came in. I think the present member of Brandon has probably stayed longer than any of those others, but Les was a man who was very popular in the House. Maybe one reason was that he didn't speak very often. He seemed to be able to carry his political convictions and express them in such a way that he always remained good friends with the people in opposing parties. I suppose I should mention in passing, having said so many good things about him, I should round it out by saying that politically he was on the side of the angels and that he could carry his political convictions and express them well when he spoke without getting into the controversies that some of us seem prone to do.

So as an old personal friend and colleague of Les McDorman, I am glad to join in the tributes that have been paid, not only to his service in this House but in the community and as a pioneer businessman of the Province of Manitoba, and I certainly join also in the condolences that are extended to the relatives.

MR. PAULLEY: Mr. Speaker, it is customary when we deal with condolences in this House that representatives of all parties express their appreciation for the services rendered to the province and to the community by men of good will irrespective of political affiliation. May I at this time, Mr. Speaker, join with the others in this House and express the appreciation of the New Democratic Party of Manitoba to the services that were rendered to the province and to his community by Mr. McDorman and extend to the family the condolences of the group I represent.

MR. ROBLIN: Mr. Speaker, the next gentleman to which I wish to make reference is the late Joseph Van Belleghem. Everybody knew him as Joe of course - or was it Joe Van - and I think that kind of affectionate nickname illustrates the impression that he made on all that were acquainted with him -- Joe Van, a mighty good fellow. He was born in this province and throughout his life held a leading position in the particular circle with which he was by birth associated, namely the Belgian community in the Province of Manitoba. He had been Belgian Consul and also had taken a leading part in so many of the special community activities of the Canadians of Belgian extraction within this province of ours. He was also proud to be associated with the Knights of Columbus.

Joseph Van Belleghem was by profession a hotel man and was known as a leader in that industry, but I think we remember him best for public services as an alderman for many years - I think eighteen years on and off in the City of St. Boniface - as a mayor of that city for some six years and as a member of this Legislature for one term of four or five years. I think that a great many in this House knew Joseph Van Belleghem well and I am sure that all will agree with me that the impression that he made on me is the impression that he made on

(MR. ROBLIN, cont'd) all as a warm friendly personality, concerned about the community, anxious to be helpful and co-operative in all he did, and it is with much regret that we mourn of his passing and move this resolution of condolence to his family.

I am glad to say that the Honourable Member for St. Boniface joins me in seconding this resolution, that this House convey to the family of the late Joseph Gustave Van Belleghem, who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. SPEAKER presented the motion.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, I wish to thank the First Minister for allowing me to be associated with this motion of condolence. Of course I never had the pleasure of sitting in this House with Mr. Van Belleghem as he also represented the constituency of St. Boniface which I now have the honour of representing. Nevertheless, I have known Joe for many years. I could say that I always knew him. He was a good friend of my father who always supported him. Many years ago when I was still a school boy in St. Boniface, Mr. Van Belleghem was already an institution in this city. In 1950, when I was elected to the City Council, then I had the pleasure of sitting with him. I might say that he often helped me with his advice and his encouragement. I do not intend to enumerate the posts, the numerous posts that he held or the work that he did. This was done and I am sure that all the members here are very familiar with this part of his life. But I would like to remember him as a kind considerate and helpful person, one who truly represented the cosmopolitan character of St. Boniface, one that would be at home in the kind of speeches that we heard when we were talking about the centennial a while ago, because this is what he believed in.

He was one who was accepted by all the groups, who always wanted to consider one of them. Of course as the first Minister said, he was a leader of the Flemish Community and their number one representative, but I am sure that the French-speaking Canadians of Manitoba, especially St. Boniface, would not wish me to leave it at that because they also considered him a French Canadian. They thought of him as a French Canadian, he was so close to them. They elected him to the many posts that he held and they always included him in all the functions. Whenever they had any celebration or anything, Joe Van was always there and they spoke to him only in French because he was as fluent as they were.

The English speaking community, or the English speaking group of St. Boniface also were impressed by his keen business sense and his integrity, and they also accorded him their full support. They felt that he was the ideal liaison between the different groups that existed in the city and in the province. While he was in council he represented a ward that had a high percentage of Ukrainian and Polish people. Joe spoke Flemish, English and French with equal ease. He was the best example of a true Canadian, a proof that our country can be great. He never asked anyone what their racial origin was or where they worshipped. He believed in the freedom of each individual and respected everyone's belief. The country will miss this man of courage, this true Canadian. His death was a blow not only to his family but to all of us Manitobans.

MR. SAUL CHERNIACK, Q.C. (St. John's): Mr. Speaker, I appreciate having been given the opportunity to speak on behalf of the members of our party on this motion. I think that all who knew Joe Van Belleghem recognized that his greatest asset was his interest in people and in the society around him. Aside from his charm, his interest in what was going on about him continued long after his elected position made it necessary or incumbent for him to do so. I think that it is important that we recognize, as we did in his lifetime, that he had no mere parochial interest in what went on about him but was able to discourse with any of us on any of the subjects which were of interest to human beings of the locale in greater Winnipeg, in Manitoba and indeed in all of the world. People of that kind will be missed very greatly, Mr. Speaker.

MR. FROESE: Mr. Speaker, I wish to associate myself with both the motion that is before us as well as the previous one. Not having known Mr. Van Belleghem as well as the other members of the House that have spoken, nevertheless I have followed his career and I think it is worthy and essential of us here to recognize leaders in the community that have given such valuable service, and I would certainly, as already mentioned, associate myself with the condolences that are to be sent to the families.

MR. MOLGAT: Mr. Speaker, my colleague the member for St. Boniface has already spoken on behalf of our group and I simply want to rise and express my personal regrets in this occasion. I have known Joe Van for many years although I did not have the pleasure of sitting here with him, but had long associations with his family and with many of his friends. I regret his passing not only as an outstanding Manitoban but also as a close personal friend.

MR. ROBLIN: Thirdly, Mr. Speaker, I make reference to the name of the late Honourable Errick F. Willis, formerly Lieutenant-Governor of the Province of Manitoba. I speak of Errick Willis from long intimate and personal association, not only in the political battles but as a friend, and it comes all the more as a shock to me as I am sure it does to other members of the House to learn of his death when to all intents and purposes he was a man in good health and robust outlook.

But his record is surely a remarkable one in this province. He was a born politician, I think one must say. It is perfectly true that he had more than one calling. He was most interested in agriculture and operated a farm for many years in the southwestern part of our province. He was learned in the law and practised for some time in the City of Winnipeg before he went into politics on a full-time basis, but I think politics was always his goal and his aim. Certainly he devoted the great measure of his life to it, and in politics he had indeed a remarkable career. First of all sitting in the Federal Parliament, then sitting in this House in a large number of capacities - Leader of the Opposition; holder of many portfolios, among which one can recall Labour - oddly enough one never associated that with him but he was the Minister of Labour for two years; Agriculture and certainly Public Works, where in the latter two portfolios I think he made an outstanding record. He sat side by side with me and I sat side by side with him on both sides of this House in varying capacities and I found him always to be loyal and generous and effective in the contribution that he made to political life in all its stages in this province.

Perhaps it is interesting to know that he was the first native born Lieutenant-Governor in the Province of Manitoba, and although his career leading up to that appointment was distinguished indeed and of which any man could be proud, it seems to me that he made his greatest contribution in an office which normally is considered to be perhaps more of a formal one than some others that he held. But his conception of that office as a means of giving focus and character to our activities in this province, as a means of bringing together all the different communities in this province, the doors of Government House were opened to so many different groups as indeed they should be, and his record in making use of the office of Lieutenant-Governor to create the right spirit and the right atmosphere in this province is an example of the best and highest motives in fulfilling that distinguished public post.

Of course it wasn't all as serious as that with Errick, you know, because as a curler he used to provide a lot of fun for all of us. His record in leading Manitoba curlers abroad to Scotland and to other international tournaments was one which I knew was very close to his heart. As an Irishman - I wouldn't dare call him a professional Irishman, but anyone that brings in a Shamrock for every member on March 17th as he used to do can certainly be classified as Irish, and he had that Irish sense of humour and that Irish twinkle in his eye that always stood him in good stead wherever he went and whatever he did.

One of the last posts that he filled was that of Honorary Chairman of the Manitoba Centennial Corporation and I am very pleased to say that I have been informed that the Peace Garden south of Boissevain, his home town, is to be named the Errick W. Willis Memorial Centennial Pavillion, and when one thinks of his close association and enthusiasm for the Peace Garden over the years, of his pride in his own part of the Province of Manitoba, I think that he would be pleased that his fellows had thought it wise and fitting to remember him in this particular way, and I am sure the House will agree with me that this is an entirely suitable thing to have done and that we rejoice in it.

But as a human being with whom I had a close personal association for many years, it is in that light that I remember Errick Willis as we move this motion of condolence today and say that I never hope to have a more loyal or generous or chivalrous friend. I move, seconded by the present member for Turtle Mountain, the following resolution: That this House convey to the family of the late Honourable Errick French Willis, LL.D., Q.C., who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. SPEAKER presented the motion.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, having the grave duty of being associated as the seconder of this message of condolence to Mrs. Willis and her family, I feel that I can speak for the community in which he was held in such high esteem, having politically been successful to represent the constituency of Turtle Mountain on so many numerous occasions. In reminiscing, some of his highlights and my personal experience with him goes back many years. I followed him through the same schools in the town of Boissevain, and he was born on a farm just a short distance out of the town, and now after going through our earlier educational fields, I associated with him many many times, having travelled with him to many bonspiels, curled with him, and travelling with him through various fraternal organizations of which we both belonged to the same group, and about the only thing I can say, Mr. Speaker, that we didn't agree on was politics. But I feel that personally I have lost a very deep associate and friend; the community feel that they have lost a very esteemed gentleman from that part of the province of Manitoba.

Being born on this farm — as the First Minister mentioned, the Peace Garden Building that is being erected now and will carry his name is a few miles only from the farm that he was born on, and I'm sure this will meet with great pleasure to have his name commemorated through a garden that he took a very deep interest in. As a matter of fact, last year when he finished his very noble position as Lieutenant-Governor, we persuaded — and I say we, I was a party too — persuaded him to become chairman of the Board of Directors of the International Peace Garden and he was looking forward to the work that he could do in this particular effort, and so it is fitting that the committee and the corporation of the centennial group have seen fit to use his name.

One of the things that I am reminded of, having talked so many times about it with him, is the fact that he followed a very illustrious father, who sat in this House for quite a lengthy period of time and at one time was the leader of the Conservative Party of Manitoba, and Errick followed his footsteps quite well. The political faith, the political training he grew up with — and I am safe in saying that he did a remarkable job for the Province of Manitoba — that he will be missed and that Manitoba will be poorer because he is not associated and living with us.

One of the curling feats mentioned by the Honourable the First Minister that was a proud event in his life was the fact that he, along with three other members of the Federal House of Commons, entered a rink representing Canada in the first Olympics of which they had curling as a sporting event and this rink that he was in won this for Canada. This was one of his highlights of sporting events and one that he dearly loved to talk about.

So, Mr. Speaker, I feel that our remarks while not too much of a condolence to Mrs. Willis and her family, I'm sure that the expressions will make her burden somewhat easier to bear.

MR. PAULLEY: Mr. Speaker, I sometimes wonder what one can say when expressing appreciations for services rendered to our fair province by one such as our late friend. We have a motion that is presented to this House on the passing of former members and that motion is a uniform one applying to each and every former member of the Assembly, but there are differences in men; there are differences in the type of service that they render to their community; and I think our late friend Errick Willis is one of those individuals that we may be permitted to make a little different eulogy in respect of, for I think that Errick Willis rendered service to our community far and beyond that which is normally expected of any human individual. Not only did he render it insofar as the political life of the province was concerned, he well and truly represented Her Majesty as Lieutenant-Governor of our Province and I think brought to that high office a new understanding of the affiliation between Crown and commoner. He and his life's mate distinguished themselves while serving on Kennedy Street, not only serving in Government House itself but in the travels that were undertaken by the then Lieutenant-Governor throughout the length and breadth of our fair province, into our Indian and Metis settlements where he was welcomed with open arms and respected by all.

I'll never forget, Mr. Speaker, as a comparatively new member of this House, when the political party of which he was Leader at that time held a convention and chose a new leader, the present First Minister of this House, and I can picture in my mind's eye as I stand here now and see the Honourable Member for Turtle Mountain rise in his place, and announce to the then Speaker, Mr. Speaker Bachynsky, that the Conservative Party of Manitoba had a new leader and the second utterance that he made was, "and I pledge my

(MR. PAULLEY cont'd)loyalty to my new leader." No bitterness - disappointment, possibly yes - but loyalty to his party and to his new leader.

I had the opportunity of working with Errick in fraternal organizations and once was really honoured, Mr. Speaker, in having the honour of representing him in proposing a toast to our great nation because he was at that particular time at Saskatoon in his capacity as the honorary president of the Canadian Curling Association. Then just recently in the City of Brandon the Anglican Church had a conference called "Prairieopolis" and Errick Willis, who not only found time to devote himself to politics, and to his family, rendered great service to the church of his choice and at this conference gave of his wisdom and his outstanding capabilities in leading discussion groups.

One can go on indefinitely and point out what type of a man this was, Mr. Speaker, and it need not be from me. Needless to say, we all respected and honoured our late friend. I regret his passing just at the time when it seemed that he was going to make even greater contributions in the social, political and church life of our province, and I extend to Mrs. Willis and to the family, not only the sincere condolences of the party I represent but those of my own, my personal condolences, because I feel that I really lost a true friend when Errick passed away so recently.

MR. FROESE: Mr. Speaker, I did not have the honour as some of the other members have expressed of serving in this House when the late Mr. Willis was also serving as a member. However, I did have the opportunity to serve while he was filling the position of Lieutenant-Governor of this province, and personally I feel that he served in this position with grace and dignity and filled the position very well indeed. Mr. Willis was a very well respected man and a very liked man, and wherever I went - and we had gone out on occasions together with him - you could see in the people that he met and the way they approached him and greeted him, that he was beloved by all. I personally considered him a friend indeed. Normally when we speak of the departed, we do not mention other people, but in this case I think I should make one comment, and that is that Mr. Willis would not have been able to serve as well if he hadn't had the good wife that he had. I therefore would extend sincere sympathy to Mrs. Willis and the family on their severe loss.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I rise not only in my capacity as a member of the New Democratic Party, whose leader has already spoken, but also as a member of the Icelandic community which had an opportunity of knowing the late Errick F. Willis particularly well. I happened to hold the office of President of the Icelandic League which a little better than two years ago welcomed the Prime Minister of Iceland to Manitoba and the Honourable Mr. Willis then, as Lieutenant-Governor of the Province, took the opportunity of entertaining the Prime Minister of Iceland and his wife, Biarni Benediktsson, in Government House, which was greatly appreciated by the Icelandic people. I am not letting out any secrets, I don't believe, but I know that Mr. Willis would have been particularly pleased this coming summer, if he had lived, to be able to welcome the President of Iceland to Manitoba. He plans on being here to take part in the celebration at Gimli, the annual celebration, whether in official or unofficial capacity I don't know, but he will be here. The Prime Minister of Iceland - I had occasion to visit with him a year and a half ago on a trip to Iceland - recalled the very pleasant experience of having come to Manitoba and having been so graciously received by the Honourable Mr. Willis.

I didn't know him on a first name basis but we recognized one another when we met and it was always a pleasant experience, the latest of which was at a meeting of the Manitoba Centennial Committee at a breakfast meeting at the Marlborough Hotel just a few days before he had the unfortunate and tragic accident which was the cause of his death.

The Icelandic community of which there are, I should point out, five members sitting in this House, was very appreciative of Mr. Willis' work and the relationship with him and the approach that he made to them, to the members of the community, to their activities and various ventures. He was always very friendly - a thing which was appreciated by the Icelandic people.

He is now, as he already was, a part of Manitoba history. His name will not be forgotten. It is inscribed in the hearts of all those who knew him and had known him over the years. It is a privilege for me to endorse what others have said and to join in the words of sympathy to be extended to Mrs. Willis and her family.

MR. MOLGAT: Mr. Speaker, I wonder again if I may be permitted a few personal words although my colleague the Member for Turtle Mountain has eloquently seconded this

(MR. MOLGAT cont'd) motion. The death of Errick Willis certainly came as a shock to all Manitobans. I think it was a particular shock for many of the members in this House who only a week before had had breakfast with him at a Centennial Meeting called by the Centennial Commissioner to acquaint the members with what was happening in the province in this regard. There at a very early breakfast came Errick Willis, assuring us with his usual good humour that it was the first time he had really seen the sun that early in the day, and interesting all who sat with him there with the knowledge of Manitoba, the feeling for the people of this province.

So while I don't want to extend the comments at this time, Mr. Speaker, I want to express my personal regrets, my condolences to that most charming lady, Mrs. Willis, a lady who was I am sure a great help to her husband, a lady who graced the Government House in a most outstanding manner, and to assure her that the passing of her husband is a loss to members on all sides of this House regardless of what their political affiliation may be.

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MR. EVANS: Mr. Speaker, before you proceed with the Orders, may I lay on the table of the House a report of the Treasury Board on the statement of Public Accounts for the Province of Manitoba for the fiscal year ending the 31st of March, 1966, the Public Accounts themselves for that year, and the Annual Report of the Department of Mines and Natural Resources for the period ending March 31, 1966.

HON. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, before the Orders of the Day, I would like to lay on the table of the House the Annual Report of the Manitoba Development Fund for the year ending 1965-66. Copies will be delivered shortly to the members.

MR. DESJARDINS: Mr. Speaker, before the Orders of the Day, I do not intend to move a motion to adjourn the House for public importance, but I wonder if I could have leave of the House to make a very short statement about the terrible fire that we had in St. Boniface yesterday.

MR. SPEAKER: Does the honourable member have leave of the House?

MR. DESJARDINS: Mr. Speaker, I say a terrible fire - all fires are terrible - but I say terrible because this fire started so fast. We had an explosion and in a split second the place was covered with flames. Now I don't know if the members realize how fortunate we were that there wasn't any loss of lives. If it hadn't been for the excellent work of course the firemen of St. Boniface did, and also if it hadn't been for the luck, the question of wind and so on, and if it had been a little later there's no doubt that we would have had many loss of life. Just next door, just a few feet away from this building - this building is covered with ice now - there is the residence of the practical nurses of St. Boniface Hospital, probably a hundred girls or so.

Now my main concern for making this - the reason for making this statement now is that I think that whoever the Minister in charge, that we should immediately take the precaution that this doesn't happen again. I think that we were very fortunate in having this notification, I might say, and there is no doubt that we must take better precautions. I guess that these precautions were thought enough at one time but there's no doubt that if this could be caused, then the people installing the gas must be governed by stricter regulations. This fire was caused by an explosion and the explosion was caused by the women who tried to park between the two buildings, rammed into this pipe - this exposed gas pipe - and as I say immediately there was an explosion and the flames so fast that the person in the - and this was in the middle of the afternoon - the person in the cafe ran outside of course with the explosion and wasn't even given permission to go back in to get the money in the cash register.

As I say, we're very fortunate that there weren't any loss of life. I am sure that the government will look into this immediately, and I would say that we should re-examine -- we probably all felt at the time that the precautions were adequate but I think it is clear now that this is not adequate. If this could happen yesterday, it could happen again tomorrow or today and I think that we cannot be too careful.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): reply if I may to the Honourable Member for St. Boniface regarding the tragic incident yesterday. I would like honourable members to know that there is a regulation that there should have been a barrier around that particular service. Investigation is continuing. I have been informed though that there was no such barrier around that particular entry of service and I will report further to the House on completion of the investigation.

MR. ELMAN GUTTORMSON (St. George): Who is responsible for these inspections, the provincial government or the city?

MR. BAIZLEY: For the inspections, there are city inspectors. The provincial government is responsible for licensing the people who installed the service.

MR. GORDON E. JOHNSTON (Portage la Prairie): Before the Orders of the Day, Mr. Speaker, I'd like to address a question to the Provincial Treasurer. It is with respect to the mailing out of the school tax rebates. Is the Minister taking any extra steps to speed up the process of mailing out the cheques to the people who are waiting, is my first question; and the second question is, how long should a citizen wait before instituting enquiries about the delay? I have had constituents who have waited up to a year, although that was an exception, but there are many who have waited three to four months.

MR. EVANS: Mr. Speaker, every effort is being made to speed up this process. There are difficulties. I invite my honourable friend to let me know the names of any particular cases that he's interested in and I'd be glad to look into them for him or for any other member.

MR. JOHNSTON: How long should a citizen wait before he does bother the department?

MR. DESJARDINS: Mr. Speaker, before the Orders of the Day, I'd like to ask a question

(MR. DESJARDINS cont'd), . . . of the Honourable the First Minister. In view of the statement that appeared in the Tribune of January 13th of this year where the Chairman of the Boundaries Commission stated that he thought of his \$12,000 job as a part-time job, and also in view of the fact that this chairman of such a commission should certainly be impartial and should have no conflict of interest, is it the intention, because the chairman said that he would not take this job unless it is treated as a part-time job, is it the intention of the government or the First Minister to replace the chairman?

MR. ROBLIN: Mr. Speaker, I have not seen the quotation in question. My impression is that the job is a full time job insofar as the demands on the time of the chairman is concerned. It may well be that as a lawyer he may also be conducting a legal practice in part of his time, but I imagine that he is giving a good deal, perhaps a regular full working day to the work of the commission. That's the way I understand the matter at the present time.

MR. DESJARDINS: If the First Minister would read this clipping that I've sent he will see there that the time stated in certain weeks it might even be an hour or so or just an hour or two, and I certainly think that for \$12,000 this is a part-time job, and I repeat that there could very easily be a conflict of interest.

MR. ROBLIN: I think the -- I'm concerned as my honourable friend is that there should be no conflict of interest and I'll certainly take steps to satisfy myself that such is the case. I'm satisfied at the present, but as the matter has been raised I will certainly take it up with the commissioner.

MR. RUSSELL V. DOERN (Elmwood): Mr. Speaker, I would like to direct a question to the Honourable the First Minister. Are there any official government functions held for the Tuxis and Older Boys' Parliament and/or the University of Manitoba Parliament?

MR. ROBLIN: I think it would be useful if members would give notice of questions of this kind because one can't be sure in answering off the cuff. My impression however is that we do offer them -- or they request the use of these premises right here - this Chamber - for their annual meetings, and if the House is not in session or it is otherwise not convenient, we have I think in the past over many years allowed them to use this Chamber. Although sometimes you had some small difficulties, they've never been of a serious character. Whether there's any other service or entertainment offered to these bodies, I am not aware. I don't believe there is.

MR. DOERN: May I ask a supplementary question or should I submit it in writing?

MR. ROBLIN: All right.

MR. DOERN: Let us assume then that in the event that there are not any social gatherings held for these students - and I think that such gatherings would be beneficial both for the students and for the members or for any delegation representative - would the Honourable the First Minister consider such a measure and inform this House when he has made a concrete decision?

MR. ROBLIN: Mr. Speaker, the government is requested on many occasions to extend hospitality to all kinds of different bodies and, as such, in order to accommodate this situation we have a Hospitality Committee and the practice is that when we receive any requests of this kind they are referred to the Hospitality Committee which is composed of certain senior civil servants and they have several rules they go by as to who they offer hospitality to, because obviously the opportunities would be unlimited if there were not some rules. Generally speaking, we draw the line at groups that operate entirely within Manitoba and we extend hospitality to groups who come here on national occasions, national conventions, or whose national officials are coming here. It's usually to that kind of a group that we offer hospitality, so if anyone however thinks that they should be considered, the procedure is to write to me or to the Provincial Secretary and we refer the matter to the Hospitality Committee who then rule on it and it's handled in that way.

MR. JOHNSTON: Mr. Speaker, I wonder if the Provincial Treasurer could answer my second question.

MR. EVANS: I'm sorry, I missed my honourable friend's question.

MR. JOHNSTON: It was as to how long property taxpayers should wait before instituting an enquiry as to the delay in receiving a school tax rebate.

MR. EVANS: I have no comment to offer.

MR. MOLGAT: Mr. Speaker, I would like to ask a question of the Minister of Health. I wish to thank him for the report which we received on the supply of nurses which is a major concern in Manitoba. On the same line, could he inform the House as to what the plans are on the reconstruction or new construction of the Concordia Hospital. This has been in process

(MR. MOLGAT cont'd). . . . for some time. There have been signs up at the location that the hospital will be built and I see no progress.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Mr. Speaker, I will take the question as notice.

MR. MOLGAT: A subsequent question, Mr. Speaker. What are the plans of the government insofar as a hospital in any other area of north Winnipeg. This also has been a request that's been made for some time. Has the government any plans?

MR. WITNEY: Again I'll take it as notice, Mr. Speaker.

MR. JOHNSTON: Mr. Speaker, I'd like to address a question to the Minister of Utilities. It is with respect to the dealer's certificate of the road worthiness of a car. It is now in effect since January 15th and my question is, how long is the agreement in effect after the dealer signs it as to the state of its road worthiness?

HON. STEWART E. McLEAN, Q.C. (Minister of Public Utilities) (Dauphin): Mr. Speaker, that's a legal question on which I wouldn't like to give any off the cuff opinion, but I might say, since the question has been asked, that I've met with the representatives of the Motor Dealers' Association and with the Truck Dealers' Association and this matter is under consideration at the present time.

MR. JOHNSTON: A supplementary question, Mr. Speaker. Would the Minister make a statement as to the status now. Dealers who I know have asked me where they stand right at the present moment with the respect to the certificate if they should sign it.

MR. McLEAN: Yes, Mr. Speaker, the certificate is in force, the law is in force, the regulations are in force and the certificate is the certificate to be given under the terms of the legislation.

MR. DESJARDINS: Mr. Speaker, before the Orders of the Day, I wonder if I could ask a question of the Attorney-General. The government spoke about some change in the Liquor Act. I wonder if the Attorney-General could tell us if it is the intention to review the Liquor Act and to bring some major changes or just some technicalities, because if so some of us are very interested in introducing a resolution from this side of the House and we would like to have some indication if possible.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): Mr. Speaker, as the Speech from the Throne indicated, there will be amendments to The Liquor Control Act being brought in probably before too long. I can't say whether they will meet all of the requirements of my honourable friend, but when he sees them he will then, I am sure, have ample opportunity to remedy any deficiencies that he finds.

MR. SPEAKER: Before I proceed further with the Order Paper, I wonder if I might bring to the attention of the members of the House that on my left in the galleries we have sixteen pupils from the Midland Collegiate under the direction of Mr. Peters and Miss Schilkey. This school is situated in the constituency of the Honourable Member for Dufferin. On behalf of the Members of the House, I bid you all welcome to the Legislative Assembly.

ORDERS OF THE DAY

MR. SPEAKER: Orders for Return. The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, that an Order of the House do issue for a Return showing the following information concerning the northern forest development announced by the Minister of Industry and Commerce in this House on Tuesday, March 8, 1966:

(1) Full details of any financial commitments which the Manitoba government, or any of its Ministers, or any of its employees or agencies made during or since the negotiations, either in writing or verbally to Monoca A.G., Technopulp A.G., Churchill Forest Industries (Manitoba) Ltd., Churchill Forest Industries Ltd.

(2) The financial investment so far made in the Province of Manitoba by any of the above companies or any others associated with them.

(3) The details of any advances, loans or other financial commitments made to the above companies by any board, Commission, Agency or Fund of the Manitoba Government.

MR. SPEAKER: Mr. Speaker, I shall be glad to. Does my honourable friend wish to speak?

MR. MOLGAT: Yes, I wish to speak on the Order, Mr. Speaker, if I may. There are two fundamental questions, Mr. Speaker, before us I think in this Order for Return and I would like to speak on both.

(MR. MOLGAT cont'd).....

The first one is the question of the total development of this area. I think all of the people of Manitoba and all the members of this House were very pleased when last year the Minister announced that there was finally to be a forest development in this area. There had been conversations over many years about a second pulp mill in Manitoba and so on and we were looking forward to such a development. I think all of us want to see this development proceed, but in the course of the past session and since that session we have been hoping to get from the government a clearer indication that in fact the project was going to go through to its final fruition. There is a very major part of Manitoba being, in this particular instance, leased or granted to one corporation - 40,000 square miles - a very extensive area. Now it may well be that this is the area that is required in order to proceed with that type of development. We can't expect people to come in and invest money in this province if they don't have the assurance that they will have the wherewithal - insofar as timber in this case - to do the job which they intend to proceed with, but there seems to have been very little progress since that time in the development. However, again this may be due to any type of difficulty which has arisen.

The fundamental question though, Mr. Speaker, that has not been answered as yet and possibly the government has the answer and I would hope that they will give it to us, is whether or not the people we are dealing with are, in fact, financially able to carry through to its final conclusion the project that is before us, because the final conclusion is \$100 million investment. It's split up in five phases - I won't cover those now - three of them were fully committed and the two subsequent were provided if the first three were successful apparently, but be that as it may, the important thing it seems to me insofar as the members of this House and the people of Manitoba, is to know that these people we are dealing with are in fact able to carry through the total contract, because if there is any possibility that they are not able to carry it through, then there is deep concern and reason for deep concern by the people of this province because we have blocked off this very substantial portion of territory. So our questions in the last session and the questions that have arisen since are, who are we in fact dealing with?

The Minister of Industry and Commerce last year named some companies. I am referring to some of them in my Order for Return; there may be others. The companies he referred to then were Monoca A. G. and Technopulp A. G. He indicated that they were associated one with the other. My research indicates that from a technical standpoint they are capable technical people but they do not have within themselves the financial structure to carry through a \$100 million investment. Their capitalization in the case of both companies, from the information I have been able to receive, is that they have 50,000 Swiss francs as their capital structure which means some \$12,000 U. S. Funds. Now surely a company with that capital structure is unable to proceed with \$100 million investments. The other corporation mentioned, the Churchill Forest Industries, again has not a capital structure capable of carrying through the total investment. It is incorporated in the Province of Manitoba with a capital structure of \$5 million but we are dealing with a \$100 million investment, and so the question that is before the members of this House and the people of Manitoba is, will this development in fact carry through? Are we dealing with people who have the financial resources to do this? Well surely the government then is in a position or should be in a position to tell this House - they should have been in a position last year - exactly with whom we are dealing, and this is not clear at this time.

Some years ago when the development in Thompson was being discussed - and there was a very interesting debate in this House at that time, the positions were reversed and my honourable friend the Leader of the House was then sitting here and we were sitting over there - and there was a great debate as to whether or not the agreement with International Nickel was a good agreement for the Province of Manitoba and I say that the opposition then were doing their proper job in checking this thoroughly, but at that time we knew that we were dealing with a major company - International Nickel - an international company very well financed and able to carry through its commitments. We knew whom we were dealing with. At this point we don't know who we were dealing with. At this point we don't know we are dealing with on the development in The Pas area. We are dealing with 40,000 square miles of our territory but we don't know exactly whom the individuals or the corporation are. So the result has been, Mr. Speaker, that there are all sorts of rumors across the Province of Manitoba, rumors that are not good for this development, not good for the development of any industry in the Province of Manitoba, but they will persist unless the government is prepared to come out and make a clear statement in this regard.

(MR. MOLGAT cont'd).....

So I say to the government, give the facts - give the people of Manitoba exactly the facts as to who is behind this - show that we are dealing with someone who can carry through this complete development, clear the air, and if there are particular problems right now why the matter cannot proceed immediately, which seems to be the case at the moment, provided that we are dealing with reliable people, we know who we are dealing with, I'm sure that members on this side of the House are prepared to be reasonable, but I think we have a right to know and we should know because we are dealing here with a very large provincial asset.

So much for that development as such, Mr. Speaker. Now there is the other fundamental problem and that is the matter of the Manitoba Development Fund, its relationship to the government and to this House and the functions of this Fund. Well the Minister, the First Minister of the House gave us a lengthy speech at the close of the last portion of the session before Christmas on this whole matter. It seems, Mr. Speaker, that we shouldn't be asking questions on this side of the House. Well, we are faced here, Mr. Speaker, with a very large amount of money, money that has been put up by the taxpayers of this province, money that has been put up by everyone in Manitoba regardless of what their income is, whether he be a taxi driver making \$50 a week or a very wealthy industrialist or a professional making large amounts of money. Every Manitoban has contributed to that fund. There is a fund there of some \$100 million now, the purpose of which is to proceed with development in the Province of Manitoba. I agree completely with what the Minister said as to the difficulties of development, the fact that we have to compete with other provinces. I recognize all this. It's not going to be easy. It is going to mean a lot of hard work for us but I think there is a fundamental problem here, Mr. Speaker, that the people of the province must have confidence that this is being administered in an open way, that there are no secrets, there is nothing hidden and that their money is being properly administered.

Well now, how can they be sure of this if the government persists in saying "but you can't have any information. We can't tell you who it is that is borrowing; we mustn't tell you anything about it." Again, what happens? The same old lot of rumors all over the place which are not good for the government, not good for the development of the Province of Manitoba. The facts are that some of the information is available if someone wants to go and search the records upstairs here in the Provincial Secretary's office or across the way at the Land Titles Office. So we are in the position where part of the information is available if you know exactly what you are looking for and you are prepared to go and search it out; some of it is not available, or at least doesn't come out, and I don't think that is a satisfactory situation. The government tells us, "well the Act says that you can't do anything else, that you mustn't give out the information."

Well, Mr. Speaker, I think that there is a good amount of doubt, in fact I would say that it's the very reverse, that the Act doesn't prevent the government from giving the information. I have sought legal advice in this regard and the legal advice that I get is that there is nothing in The Development Fund Act preventing the government from giving us the information that we have asked for, that is the names of the borrowers and the amounts that they have borrowed. I refer the government and members of the House to the Act that was passed here in the winter of 1966, Statutes of Manitoba, 1966, Chapter 17, Page 92, and the section that covers this is Section No. 32, and it says as follows: "Notwithstanding The Legislative Assembly Act or any other Act or Law, (a) the fund shall not be required to produce to the Assembly or to any committee thereof the following: (i) any application for a loan or other information furnished by an applicant or a borrower or otherwise obtained by the fund respecting the applicant or borrower or his business or operations, or respecting any person who has applied for or obtained financial assistance from a community development corporation; and (ii) any of the books records or documents of the fund that would disclose anything contained in an application for a loan or any information to which sub-clause (i) relates. And subsequently. Clause (b) that no director, officer or employee of the fund shall be required to attend and give evidence to the Assembly or any committee thereof respecting any matter to which Clause (a) relates.

Well, what does it say? It simply says that the Fund can not be required to give us the details of the application; that it can't give us the books, the records, the documents of that company; that it can't give us the details of the financial structure of the company itself when they make their application. But it doesn't say, Mr. Speaker, that we can't get the name of the Corporation or the amount that's loaned out, nothing like this at all, and that is what we have been asking for. We haven't been asking for the details of the applications of these corporations, in fact I specifically said in the past that is not what I am interested in getting, but

(MR. MOLGAT cont'd)..... what I do think that the people of Manitoba are entitled to get is, very simply, in a case like this one where it's the case of the Development Fund lending money, that the names of the corporation and the amount of money that has been borrowed.

Well, I know what my honourable friend the Provincial Treasurer or the Attorney-General is pointing to, he has just indicated to the leader the next question on the order paper. He is saying you are asking there for the capital structure. That is correct, I am, but this is an entirely different question because this is a case where we are granting -- I am asking there because of the fact that we are granting 40,000 square miles of territory to someone. This is why I have separated my two questions here and made it my two fundamental points: (1) this whole question of whether or not this development in The Pas is going to be pursued right through; the other one then, the question of the Fund.

Now strictly on the matter of the Fund, what we have asked for in the past and what we still ask for is the names of the people who are borrowing and the amount that they borrow, and I say that the people of the province are entitled to have that information. Well, the government over the years said "No." They said to us over the years, "We are at arm's length." We pointed out to them some four weeks ago that in fact because of the way they had set themselves up from a personnel standpoint they couldn't be at arm's length because the same individual was doing two jobs. Now the government has acted in the last day or two to change that, to remove one individual from his job and place someone else in there. I want to make it quite clear that I'm not interested and I'm not involved insofar as those individuals, Mr. Speaker. I don't agree with the way the government is proceeding on this. I think that if this Development Fund is to be a useful fund, it must be used as an arm of development. I don't criticize the government for not using the Fund as an arm of development. What I'm saying to the government is, use it, but tell the people of the province what you're doing. This Fund, if it's going to be a useful tool -- and we surely need in the Province of Manitoba everything we can do to get development -- if it's going to be a useful tool then the Government must be involved in the operation of the Fund and in decisions made, but by the same token this House must know, this House must know what is being done with the money of the taxpayers of the province. And to remove from this House by the development of such things as the Development Authority, whose relationship to the House is a very nebulous one at this point, or the Development Fund, which doesn't give us any information, I think is contrary to the proper development of the province and contrary to our concepts of responsible government.

Well, the government's reply in all this is, "Trust us." This is really the gist of the reply of the First Minister before Christmas: Trust us. Just depend that we are going to do the right thing. Mr. Speaker, the very same day that this man was telling us, "Trust us," he made a deal with the member for Rhineland to give him the right to speak in a debate here, an understood deal by every Member of this House, and ten minutes later, what did he do? He did the very opposite of what he promised.

MR. LYON: On a point of privilege, Mr. Speaker, I don't know what "deal" my honourable friend is talking about, with respect to the honourable member for Rhineland.

MR. MOLGAT: What is the point of privilege on the part of the honourable member?

MR. LYON: He says that the Government made some arrangement with the Honourable Member for Rhineland about his speaking? That is not the case. The Honourable Member for Rhineland indicated that he wished to speak. I for one told him that we could give him no assurance that he would be allowed to speak at all. My honourable friend would do well to stick to the facts and to try them out first.

MR. MOLGAT: Mr. Speaker, first of all there was no point of privilege at all on behalf of the honourable member. I wasn't referring to him. If he would read his rules he would find that points of privilege are those that affect him personally. However, be that as it may, my friends can hide behind all the niceties that they want. Let them ask the members of this House if it wasn't understood by all the members of this House that my honourable friend would be given an opportunity to speak. And what happened? My honourable friend deliberately ten minutes later got up and used all the time. He used it by reading a whole lot of things to us, by repeating the same argument several times over, by quoting from the Development Fund Report, step by step and item by item, merely to use up time to prevent my honourable friend from making a speech after having agreed that he'd have the right to do so. And then he turns around and tells us in a very sanctimonious way, "Trust me. Just depend that we are doing exactly the right thing. We have a hundred million dollars here of taxpayers' money. We won't give you any information on it but it's quite all right, just trust us."

(MR. MOLGAT cont'd).....

Well, Mr. Speaker, I have a responsibility to the people of Manitoba and I intend to live up to that responsibility. It's not always a popular thing to do. Some of the things I say don't make me popular either, and I know a lot of people are critical of my actions, but I'm sent here to do a job, and in my opinion in this particular case the government has a responsibility to the people to give us the information. We hear a great deal, Mr. Speaker, about credibility gaps across the line, and a lot of people are wondering what is the credibility gap in the Province of Manitoba, and why is it that we can't get the information that this House is entitled to; why is it that we can't get the facts on what the Government is doing, or why is it we can't know who we are dealing with when we are dealing with 40,000 square miles of Manitoba territory, or why is it that we can't know to whom we are lending the money of the taxpayers of this province.

So I say to the Government, revise your policies and give us the facts and the information and you will have the support of the members on my side of the House insofar as development in this province. We want to see it proceed but we want to see that the taxpayers are fully protected.

MR. ROBLIN: Mr. Speaker, I suppose it would be appropriate to respond, at least in part, to some of the comments that have been made by my honourable friend. I regret very much if it appears to some that there was an undertaking expressed or implied in any description whatsoever to the honourable member for Rhineland as to whether or not there would be room for him to speak twice, at least twice, in the debate. Once?

MR. FROESE: on the amendment the first time.

MR. ROBLIN: Oh I see. Well, he was speaking on the amendment the first time so it's a different debate. But I think that is quite wrong and I'd like to mention it because, while it has really no great bearing on the main issue, I think it would be wrong if I were to let that remark go unchallenged, because it simply is not true. My honourable friend can nod all he likes. He may think it's true and he may be under the impression that it's true, but it is not. No guarantee was given, and to intimate that I spoke at length merely for spite or for whatever reason to keep my honourable friend out of the arena was not true. After all, it was an important matter. I was speaking to defend the government's position. There was a good deal to be said and this was the only major speech, if I may use that expression, that was made on the government side in the whole of this debate, and I think it was proper that I should give an extended account of our views. But I very much reprobate the suggestion that in malice or in any other way we deprived any member from his opportunity to speak. He had spoken once on the Throne Speech though not on that particular amendment, and to say that some undertaking was given that was not lived up to I very much regret that, because it is simply not the fact and I want to say so emphatically.

I should offer a couple of comments on the main burden of my friend's remarks, because if he will take the trouble, which he obviously hadn't done, to get out the contract with Churchill Forest Products (Manitoba) Limited - and that's the people we are dealing with - and look at the timetable that is in that contract for the implementation of the various stages in this project, I think he will get a much better idea of what is involved, and if he does I think he can satisfy himself without question that that contract is not in arrears; the timetable and the schedule is being lived up to. That's the way that he will find the matter set out in that particular respect. What will satisfy the people of Manitoba abundantly, I am sure, is when the sawmill is built, and when the pulp mill is built, and when all these other projects come to fruition and are actually there to be seen. That's what will satisfy the people of Manitoba and that's the proof of the pudding. Nobody has to trust me. They're going to know in due course whether this project is as advertised or not. They're going to know whether the people concerned are financially responsible to carry the matter out, and I believe they are. That's going to be the proof of the pudding. And we can bring in all the answers we like to questions for returns, and I might say that insofar as we have the information we certainly intend to respond to these returns. We're going to bring all the information that's available to us subject to the usual reservations that exist in the rules with respect to these matters.

But that isn't going to satisfy anybody. I'm sure it's not going to satisfy my honourable friend because no matter what we brought in it isn't going to satisfy him, because he is determined not to be satisfied. The proof of the pudding will be when these plants are in operation. We think the best way to do it is through the mechanism and the machinery that's been set up. Or he tells us that he doesn't like the way the Manitoba Development Fund is run. I'll correct

(MR. ROBLIN, cont'd).... that. He doesn't like the rules under which it is run. Now the rules under which it is run were laid down in the statute which we ourselves passed about a year ago now. My honourable friend voted for that set of rules, including all the aspects of disclosure, and incidentally my legal advisors don't agree with his as to what they mean and I think he knew perfectly well at the time. There was no misunderstanding at the time as to what disclosure meant. He voted for that. Now he's had a little time to think about it and he doesn't think it's such a good idea, but he must accept some responsibility for having approved of the general layout and plan of policy that was described in that bill because he supported it, emphatically.

Now I am not going to stand here and say that the way in which we are doing things is perfect. There may be better ways of doing them but I'm not yet persuaded that anyone has given us a plan that is better than the one we are following. Every opposition leader in almost every legislature where they have a plan of this kind could stand up and make the same speech as my honourable friend said about informing the public. It could be done in the federal House. But in all these banking institutions - and that is what the Manitoba Development Fund is, make no mistake about it. It's just a bank operating on banking terms and on banking basis. In all of them the rules are roughly the same. Now in one province, I think, if the Leader of the Opposition wants to be told, they'll tell him in confidence. I don't know whether the Manitoba Development Fund would tell my honourable friend anything in confidence. They'd probably say the statute barred them from doing so. They don't tell me. But the whole of this operation is just as a bank, and we're under just about the same set of rules and conditions as other jurisdictions. In fact - let's be frank about it - we've looked at what other people were doing and we did roughly the same in drafting our legislation. And the House supported it. And I don't think the House was all that mistaken when it did support it. What we have to choose, it seems to me, is whether we want to try and conduct our Industrial Development affairs in this way or in some other way, and my honourable friend suggests, as I understand him, that it should be used as a deliberate arm of government policy, like any other departmental operation. Well let him try it, because I'm not going to. If you think you'd have political troubles now - and that can be the only interpretation one can place upon the emphasis that is being given to this matter - if one complains about the political heat and burden of this particular thing, imagine what it would be like if this was an arm of government. How on earth would you qualify people without being charged with political interference or undue influence or one thing or another? It's a tough proposition. Even today, when we try to do everything by tender and by public advertising and bids within the public service, we run into problems of this kind, into the House here, but can you imagine the politics, the naked politics, that would be involved if we tried to do this as an operation of government, unless you want to run a Socialist system and that's a different - applause. Well, that's one remark that went down well in one quarter anyway. But if you want to run that kind of a system and say, "Well, we won't have to choose then between any of these private entrepreneurs or anything like that, we're going to do it ourselves," well that's a perfectly logical point of view. Then make your Fund an arm of government yes, by all means, although I hasten to observe that the Province of Saskatchewan did it and I hasten to observe that the Province of Saskatchewan and their fund is much the same as ours under both the Liberal and CCF government, but if you want it within the realm, within the ambit of the government, I think you are either going to have the government doing it by means of crown corporation, and if anyone wants to try and sell paper in the world paper market as a crown corporation include me out, because I don't think that we can do it. Maybe friends on the other side think they can but I'm darn sure that we'd wind up with a paper box factory or a lumber mill, just like they had in Saskatchewan. We've been through this exercise in public ownership so we don't espouse that. (Interjection). There are indeed. There's the Manitoba Hydro, the Manitoba Telephones, but it seems to me that when you are operating a public monopoly, then public ownership has a good deal to be said for it, although not in all cases, but I'm not doctrinaire on this subject. But it seems to me that if you are in a highly competitive business like lumber and newsprint, the government ought to watch out, because it is not in a protected monopoly position the way the Hydro and the Telephones are, because they're the only people that provide that service.

So I say you have to decide whether you are going to try and keep this at arm's length and operate under a purely banking situation or not with respect to the Development Fund, but my honourable friend will come back and say, "Well that's not the only point; what about the government's attitude toward this company to which the government has given this particular right?"

(MR. ROBLIN cont'd)..... And here we have tabled in the House before us, information as to the credit worthiness of the people concerned. It really is quite immaterial to come to me and say that the capital stock of this company is \$1.00 or \$10.00 or a million dollars as it's set up in the particular incorporation that starts these proceedings off, and the company that is going to do the job in Manitoba is the Churchill Forest Industries (Manitoba) Limited. You can go and look at their capital structure in the provincial records here and you can see what it is, but to conclude from that that they are good or bad is not really very helpful, because that has said very little about the ultimate resources that are behind the parties who are engaged in these operations, and I think that when we are able to answer some of these questions as we will, that there will be sufficient information - I trust there will be - to satisfy members that we have a reasonable proposition here. We have consulted before we went into this thing with respect to some of the people who are part of the Churchill Forest Products and obtained reports of the sort that one would obtain in order to establish the credit worthiness or the reliability of the people concerned, and I say frankly that we have no doubts that the people we are dealing with are responsible bona fide people. We made the investigations and the studies that one would normally do in the course of a business operation of any kind. The proof of the pudding will be when the plants are built, the timber is being cut and all the rest of it.

Why don't my honourable friends ask me about Simplot? Maybe they will, but I mean to say, there you have the same kind of an operation and the plant is being built because of the particular nature of the industry concerned, and it is going into business. There are other companies about which some information has been given because they have advertised the fact that they've been dealing with the Manitoba Development Fund. Anybody can go and check up the names of the people to whom money is being lent and the amount of the loan simply by looking at the records of the registrar of mortgages and financial documents within the province. You can do that with any banking institution that there is. So I merely say that I am satisfied that my honourable friend will find the project is on schedule and will go ahead as planned, and that the people in charge of it have got the financial resources to carry themselves through. If I had any doubts about the matter of financial probity or responsibility, I say - and I admit this is just my view - that they are satisfied because the Development Fund lent them money, because you know the terms upon which the Development Fund lends money. I gave that information to the House and you know their record as money lenders because you see it in the annual report as tabled today, and the history of this company over the past seven or eight years, and you know who the Board of Directors are and they are the people who are lending the money and making the deal, and for my point of view, the fact that the Manitoba Development Fund which operates as a bank independently of us, is pretty good evidence regardless of what I might say or what information I might produce, that these people are credit worthy and are able to carry out their obligations and their undertakings, because the Fund does operate as a bank; its record is known to you; the rules under which it lends money I think are reasonable, they're before the House; and the Directors are known. They are the people who are doing the job and I've got confidence in them, so I say to the House that in reply to my honourable friend, we'll do our best to answer the questions that we have here. We say that if he is so concerned responsibility let him tell us where he was when the bill went through, because he approved of it at that time and the bill hasn't changed since, and the government's policy or its explanations haven't changed since, and I am prepared to say that not only will this deal prove to be satisfactory to the people of our province, but that as it presently operates the Manitoba Development Fund is soundly conceived and their decisions and their activities are justified by the results that they've achieved, that they are in the same position as other banking institutions operated by other provinces.

Now if members wish to produce a resolution to amend the Manitoba Development Fund Act, if you want, to make it do something else than what it was originally intended to do, bring in your resolution and bring in your Act and we'll debate it, but we have got the Act and this House supported that Act the way it stands, everyone here except one honourable gentleman.

MR. DESJARDINS: That's not right.

MR. ROBLIN: Well there was an amendment made in committee.

MR. DESJARDIN S: That's not right.

MR. ROBLIN: Well we agreed on the amendment. There was no argument about the amendment; it went through. As far as I recall the records - and I had them here the other night - that we had no disagreements we couldn't resolve by amendment or otherwise in putting the Bill through, so that the final product was something that we were all willing to agree with.

(MR. ROBLIN cont'd)....

Well my honourable friend shakes his head. All I can say is that that's the way I interpret the record that is spread on Hansard and in the Proceedings in the Committee, so I will not detain the House any longer except to say that these are our views on this matter and we think that our position is sound and we intend to stand on it.

MR. CAMPBELL: The main reason for my speaking at this time is the question that the Honourable the First Minister asks: where were you when this bill went through? Well I'm always a little bit sensitive on that point because, as honourable members know, I am usually here and I was here when this was passed and I was here when its predecessor bill was passed away back in 1958. I was here all that time and I have watched it rather carefully, and I want to endorse completely what my honourable friend the Leader of this party has said, that never from the first until now have I felt that the Act bears the interpretation that my honourable friends give it with regard to non-disclosure.

What my honourable friend said, the Leader of this party, is correct, that the section that he read I think is clear, that it refers to the application, or to other matters that the Fund finds out about the present business of the people who are making application for financial assistance. Now they naturally, when people come before this capable group of people that my honourable friend the First Minister mentioned, and I concede freely that they are capable, when an application comes before them they want to know something about their present business, if they have one. If they are asking for expansion they want to know something about the program and plans that they have, and so they have an application form that contains a lot of information and they may want more information even than that and there are ways by which they go out to get that further information, and it's that information that they are debarred from giving to any committee of the House. That's the information. This Act, I will risk my legal reputation on saying that this Act does not prevent that Fund from telling this House or the public what amount of money they have loaned to an individual business or enterprise. It does not. As a matter of fact there is not only the section that the Leader of this group read but there is a further section in here that definitely lays upon the Lieutenant-Governor-in-Council the implied responsibility to get more information, because what does the Act say? The Act says that not later than the 30th of June that the Board must present a report and if the House is in session, the report must be laid on the table of the House, and if it isn't then as soon as the House is in session it must be laid there, but the next subsection after that says: "The Lieutenant-Governor-in-Council may at such times and as often as he deems it necessary, require the board to furnish to him such reports for information respecting the business and operations of the Fund as he may direct, and the board shall comply with the request." A perfectly proper provision in the Act. And when my honourable friend the First Minister said in his statement just before our adjournment of the earlier part of the session, that it was news to him that a certain Manitoba enterprise had borrowed from the Fund, said it was news to him - he gave us his word. If he gives his word I take his word that it was news to him but it shouldn't be news to him, in my opinion. It shouldn't be news to him.

This Act, its predecessor Act in 1958, was brought into this House to do these things that have been enunciated by my honourable friend again this afternoon. My honourable friend knows that I was never an enthusiastic supporter of this type of legislation. My honourable friend knows that I was constrained to go along with it as far as the first Act was concerned for one reason only and that was that his group had promised it in the election. There had been no doubt about that; they had promised it, and I was quite willing to see, they having promised -- now that's a philosophy that a lot of people in this House don't agree with, but I still hold to it, that a government that promises something in an election has not only a right but a responsibility to implement it once they are elected, and this is something they promised.

I considered it a duplication. I still consider it a duplication. One of the greatest difficulties that we have in Canada today, Mr. Speaker, with all the taxes that we face and with all the expenditures of money by the various spheres of government, one of the major difficulties that we face is duplication. The continuing and built-in rises in the costs of the various services of government are big enough by themselves, goodness knows, and the continuing pressure for more and more services, mainly actuated by the politicians themselves pretending to take care of the people, but still a pressure, more and more expansion of government. Both those, both those are conspiring to make us spend more and more money in all the spheres all the time, and I would wish that the pace would be much slower than it is. Everybody knows that. Perhaps the Honourable Member for Rhineland and I are the chief exponents of that point of view

(MR. CAMPBELL cont'd). . . . in this House. I would wish that the pace were slower; I think it's too fast. I think it's too fast here, I think it's too fast in Ottawa. I'm not trying to protect the people of the same party down there as I belong to. I think they're going too fast too.

But as bad as these things are, as bad as -- sure as these built-in provisions of our already established services are to cost us more as we go along further, the worst thing of all is when we start duplicating one another's services, and that's what my honourable friends did when they established this Development Fund. They duplicated something that was already in existence at the federal level. They did the same thing with the Agricultural Credit Act. This in my opinion is wrong. They should have got the Industrial Development Bank to liberalize its measures and they were on notice even at the time that they did this, that the Industrial Development Bank was going to expand further and to take in different classes of loans and all this sort of thing. But no, my honourable friends wanted to be in this business themselves, and so we had that first Act and they did the same thing with the Agricultural Credit Corporation.

..... continued on next page

(MR. CAMPBELL cont'd)

Well now, I repeat that I was not a great enthusiast for this type of legislation but I've watched it carefully because I wanted to see if it would meet the high hopes that my honourable friend the then Minister of Industry and Commerce had for it. But does the Honourable the First Minister not remember, Mr. Speaker, that when the Honourable the then Minister of Industry and Commerce introduced this legislation, and he was very pleased with it, very pleased indeed, and he said at that time that it was to meet the in-between position, between the real small loan and the big loan, and it was that intermediate position that it was going to occupy, comparatively small loans, and now we're up to \$20 million that we loan at one time. Is that a small loan? And the honourable minister at that time, as I recall it, said very definitely then that the government was going to keep a close watch on it; they were going to keep a very close watch on it. He said then that it would be very attractive to just say - exactly what my honourable friend said a few minutes ago - it would be very attractive, he said, to say: "These are capable men; these are responsible men; we will give them the job of running the Fund and we'll leave it entirely to them," but he said that wouldn't be the right thing to do with public money. This is public money, and he said, "We are going to take the responsibility" - the government - "for the administration." Not the detailed administration. And they put it right into the Act here, and I say again that when they wrote this section into the Act, and I for one was depending upon it, that there would be information required, and under that subsection of Section 30, subsection 2, under that my honourable friends can ask this Board for any details that they want. I don't suggest that all of them should be given to the House. I don't think that they should, but I do say that the pertinent, the fundamental details should be given, because this is public money, and when my honourable friend the First Minister says this is just a bank; this is just a bank -- this isn't "just a bank." They're doing a banking business, this is true, but it's not just a bank. They're operating on the public's money.

Well now, my honourable friend the member for Rhineland and I could get into a discussion about what the bank operates on too, but at least they're a business institution that the taxpayer doesn't put up all their money - and I know that we don't put up all of it in this in the most of cases either - so this is not just a bank. A bank is a business institution that's there to make money for itself, and this is an institution that is supposed to be by application of sound business practices encouraging industrialization and business and enterprise and co-operating with private enterprise to develop the economy. That's not just a bank, Mr. Speaker, and surely to goodness the people who put up the major share of this money - and I haven't had time yet; in fact I don't believe it's been distributed yet. That's what the present Minister of Industry and Commerce tabled today, the report of the Development Fund. I'm sure that all of us will look at it very carefully now. My guess is that the proportion that the government is putting up vis-a-vis what the private industry or the entrepreneur is putting up is growing all the time and is bigger now than it was before, and certainly the size of the loans have been growing.

Now, under these circumstances and with these amounts of money involved and with the legislation that my honourable friends have, is it good enough, Mr. Speaker, for our friends on the front row to say that they refuse to give us information about the loans that are made? No, we don't want the details. We don't want to know about the former businesses, the details of the former businesses, and what their standing is and the things that are contained in the application that they first made, but we certainly do want to know how much money has been advanced to these people, and we certainly do want to know how much they have advanced. We want to know the proportion of capital that they're putting in there. If the press reports - and that's what I'm going on - are correct with regard to Simplot, and my honourable friend the First Minister said, why don't we ask about Simplot? I'm asking now about Simplot. How much money did the Development Fund put up for Simplot? And I'm asking my honourable friend too, in connection with Simplot, why does he find it necessary, or why does the minister find it necessary, either minister, present or past, why do they find it necessary to run all over this country and this continent and other continents in order to find people to come in here to have the government put up the major amount of the money to go into a business which they will then own. If this is going to be done, if this is going to be done, for goodness' sake shouldn't we give some of those opportunities to local people? Mr. Speaker, do you know that just at the time that Simplot was being -- and I'm not against development. I'm glad to see it. But do you know that just about the time that Simplot was being, the plant at Brandon was being

(MR. CAMPBELL cont'd) projected, that just then there was one of the co-operatives of this province engaged in a fertilizer promotion program. Why weren't the co-operatives given an opportunity to get in on some of this money? And isn't this one of the ridiculous things about governmental policies, Mr. Speaker, and here I'm speaking of the federal government policy and I don't know when it was first instituted but this particular one has been carried on, at least, since my friends are down there in Ottawa, and I certainly don't approve of some of the things that are done under it, because isn't this ridiculous, that there was a plant put in operation up in Brandon there just a short time before Simplot, and that plant got no financial assistance from the Development Fund or from the federal government or from the public purse in any way whatsoever? It got no assistance under this, under - what's the term of the designated area? It got no assistance under that, and within a matter of a short time, Simplot gets, if the press reports are correct, \$5 million, and I am told, and I am told that the plant on which I speak - and I have no objection to mentioning their name; again it's the Co-operative Packing Plant up there - I am told that when that Co-operative Packing Plant is fully developed, and it's pretty well at that stage now, that it will employ as many people as the Simplot Plant will employ. Because of automation both of them employ less than that kind of an establishment did years ago, but I'm told that it will employ practically as many people, and like the Simplot plant it is engaged in an agricultural service industry, and I'd like to ask the present Minister of Industry and Commerce and along with him the First Minister, is it true that on one of these "Operations Manitoba" is it, where the government charters some buses to go around and look at the same type of development that the Chamber of Commerce has been taking people around to see for years, that when they do that that on one of these occasions they went to Brandon and that they went to view the Simplot plant very carefully and paid no attention to the Co-operative Packing Plant there? Is that correct? Did they visit the Brandon Packing Plant on that occasion? And is this the way to encourage industry? Is this the best way, to hand out the money to people who come from other parts? I'm not an ultra nationalist and I'm not objecting at all, quite in favour of money coming in from outside sources, but I'm not too much in favour of the public purse putting up the vast majority of the money from Manitoba government funds and from federal funds, putting up the vast majority of the money and then having somebody else own it. My honourable friend the First Minister was attempting to tease the socialist in the House a little while ago by saying yes, that the socialist would approve of so and so. Well now, I have been accused of a lot of things I think in my time but never of being a socialist, but I would say this, that at least the socialist program is better in the ultimate, that if you're going to put up all the money at least own the place. So, if you see evidences of me slipping, Mr. Speaker, don't take it too much to heart because I'm going to say immediately after that that I don't think that's the way to do business, but it's not quite as bad as the other method of putting up the large share of the money and then having somebody else own it. Now shouldn't we at least, Mr. Speaker, shouldn't we at least know what's being done, and didn't the honourable the former Minister of Industry and Commerce, didn't he promise us that that was going to be done? Yes he did. He did. He doesn't like to reply but he did, Mr. Speaker, and the fact is, this is my submission, Mr. Speaker, that the Act that we passed, that my honourable friend likes to charge us with that "you were here when this went through," let me remind my honourable friend that we did object to this part when the first Act was passed and on subsequent occasions, and when this one was passed, perhaps the members of the House will recollect that it came in in the very closing days of our 1966 session. It came in, not only in the closing days, I would guess just two or three days before we closed when we were sitting morning, afternoon and evening, and I may say, Mr. Chairman, to answer my honourable friend's question, "where were you when that was passed," I was right here and I looked to see if those sections were the same as they were in the former Act and I saw that they were, and I thought then, as I think now, that they permit disclosure of the things that we are asking to get, the things that I think that the people of the Province of Manitoba are entitled to.

I may have something to say later on at some time, Mr. Chairman, about this Act. It shows all the evidences of having been prepared in a great hurry. It not only came into the House very very late - I guess it just got under the wire - but it looks as though it was prepared in a great hurry and I would ask the honourable minister to prepare himself because I know that he is legally trained and by preparing himself can be able to answer these questions, I'd ask him to be able to tell us, when we come to the estimates, why is it in this Act that we have such confusion of terms between the word "Board" and "Fund". I want to ask him, is it

(MR. CAMPBELL cont'd)...not a fact that Board and Fund in this Act mean exactly the same thing? Exactly the same thing. And why use the terms interchangeably and indiscriminately? I think this Act has not received the scrutiny that it deserved at the time it was drawn up. I think it is not a good example of the usual very capable work that the Legislative Counsel does. Did some consultants from outside of the service draw this Act? It's a very interesting question and I'll have more to say about that, and I would appreciate my honourable friend giving it some thought in the meantime.

One of the changes in this Act as compared to its predecessor Act is that the Lieutenant-Governor-in-Council in this Act has left those sections to which I referred to practically the same as they were before, but they have taken more authority to the Lieutenant-Governor-in-Council than they did before. Do you know that -- my honourable friend the Minister will know this; my honourable friend the Minister will know that now even the form of that application that the Board or Fund asks the applicant to submit to them, that even the form of this has to be passed by the Lieutenant-Governor-in-Council. That wasn't the case before. Oddly enough the only thing, the only thing among their duties of consequence that the Board before had to ask the Lieutenant-Governor-in-Council to - or one of the things I should say, not the only thing - to agree to was what bank they chose, but now in this Act they ask for quite a few more things to be submitted to the Lieutenant-Governor-in-Council. I'd like to know why. To me - and I could be wrong - but to me it indicates that far from taking the position that the Honourable First Minister has been arguing that government should take, and that they do take according to him, that far from substantiating that position, that it indicates that they were starting to implement what my honourable friend the former Minister had said they were going to do when he first introduced the predecessor Act, and that is, keep a very close watch on this Fund. That's the only reason that I can see that they have made the changes that they have. In the meantime, they have every authority under this Act to get the information that we are asking for and to give it to the House. In fact I go further than that, Mr. Speaker, and say that they have an undoubted duty to keep this watch on it. They wouldn't have put that subsection (ii) in there if they hadn't intended that, and they should know what's going on. I could almost quote the words of the Honourable the former Minister when he moved second reading of this bill when he promised that, attractive as that other program would be to leave all the responsibility to this capable board, that he recognized that because this was public money in considerable sums, that the government would have to keep a very very close eye on it and would have to accept ultimate responsibility, but we are asking them to accept the responsibility now of telling the public of Manitoba who are these people to whom you are handing out huge sums of money, with whom in some cases the Federal Government will add considerable sums of money as well; how much equity are you putting into it yourselves; and who is going to own the business after, if it's successful; and can you sell out in the meantime and take your profit after the two governments have done the major part of the financing?

MR. CHERNIACK: Mr. Speaker, we have been treated to a most interesting talk by the Honourable Member for Lakeside who started out by describing to us his opposition to the principle of this Fund the first time the bill was presented, and who indicated, to my satisfaction at least, his conservative approach to the operations of this Fund and probably to some embarrassment to the party which he represents and of which I think he spoke the minority view, but then he developed further -- oh he concedes that, so -(interjection)- yes, the honourable member does agree that this is the minority view in his party. Nevertheless he did associate himself with the Honourable Member for Rhineland in his objection to the speed with which this Fund is being developed, and then he also, and again I think with the approval of the Honourable Member from Rhineland and I am sure with the approval of members of the Party of which I am a member, asked why credit unions themselves couldn't become involved in participating in this type of lending, and almost leaned over to suggest that this, being a socialist type of legislation, it belongs better for the socialist to be developing it along the lines that they propose is correct. I think that was interesting and certainly in the other comments he made he showed a deep knowledge of the Act itself. He is right in recalling to us that it was brought in and dealt with and passed in the last few days of the last session and may not have received his very thorough view as to the wording of the sections. Nevertheless I believe that the principles behind the Act, the bill, were fully discussed, were fully understood and were approved by the vast majority of the members of this House, and indeed we on this side of the House were most pleased to find that Part 2 was in accordance with what we have claimed for many years is a proper function of government, and we were happy to find both

(MR. CHERNIACK cont'd).....the LPP party and the government party in support of this, finally in support of our contention that this is important for government to enter into this field. I am sorry to note that I have heard no reference to the government actually or the Fund itself having implemented or made use of Part 2 of the Act. As a matter of fact I have heard unconfirmed complaints that approaches have been made and have been rejected on the basis of risk, and if ever part of the Act was designed where risk was recognized, that was there.

I mentioned the Honourable Member for Lakeside's apparent knowledge of the Act, which I think was not shared by the Honourable the First Minister when last he dealt with this Act in December, and I am pleased that when he spoke today he spoke calmly and he spoke quietly and he was not as indignant or as righteous as he was when he spoke last December on the last day of our meetings then, but I think that was possibly because of his own embarrassment for the fact that he was not familiar with the Act to the extent that he is now, and I would like to point out to him, and I do so now because of the indignation with which he attacked those of us who commented on the question of Monoca, that the problem that he dealt with was the problem which he created, and if I knew exactly what it meant when one says that he was hoist on his own petard I would use the expression, but not knowing what a petard is nor how one becomes hoist on it, I am reluctant to suggest that that's what happened to the Honourable Minister, but I will recall to the Honourable Minister that all this started firstly by his loss of memory or his ignorance as to what the Act stipulated in terms of the interest rate chargeable by the bank, and when I asked him what the interest rate was - and it's obvious now that I should have given him notice of the question because I think it's obvious he wasn't ready to answer it, so I apologize to that extent - he replied that it should be, he believed, at least 1 1/2 percent more than it costs the government to raise its funds and it should be therefore at 7 1/2 percent.

Well, he found out to his great chagrin that he was wrong, but having made this wrong statement and having had it pointed out to him by me that the Fund was lending money at 6 1/4 percent, and I asked whether that could be in contravention of the Act, the Honourable Minister said, and properly so, that he would certainly investigate whether something improper or illegal was done, and I suppose we could find the exact words but I think that my recollection is adequate in that respect. Then it was that, when he made his final address, he was most indignant at the thought that somebody had suggested that there may have been something improper or illegal about the way the Fund handled it, and I either give him the full authorship of the original statement or at least I am willing in part to share it with him because I suggest I was misled by the misinformation which he had given me on the interest rate which should be chargeable by the Fund. Well this, of course, was a bit of embarrassment and although we became the whipping boy at the very end I don't think that people who knew the background accepted it as such.

The other point that I think must distress the honourable minister is the suggestion I made to him last month and which has been supported today, and that is that the government does have the authority to make enquiries as to details of the administration of the Fund. The honourable minister is still insistent that that is not the case, and both he and the Honourable Leader for the Opposition found it necessary to consult legal advice. I confess that I didn't go to the trouble because I am quite prepared to read the Act and try and understand it as a member of the Legislature should who had something to do with having it passed, and I could only ask of the Honourable the First Minister that if he is so certain as to what he says, that he give us the section, recite the section, so that we will share with him his conviction that he is right about the giving of information, and as I recall it the only prohibition is on information as to the financial aspects of the prospective borrower and the prospects of borrower's financial ability. As I recall it, that's the only prohibition. But the Honourable the First Minister is often right in what he says and I certainly invite him to clarify for us by citing the sections as to the prohibitions which he feels prevent him from giving us the information that we want. But indeed, what I think we wanted to know was just how it is interpreted by him or any other member of the government that a loan of \$3 1/2 million at 6 1/4 percent interest to Churchill Forest Products is a justifiable loan, and he said "Well, I'm not going into that because that's up to the Development Fund, and in its wisdom and in accordance with the rules laid down for it in the Act it has carried out its decision in its own way." He spoke about the fact that its decision has to be on a very sound solvent profit-taking businesslike basis, and then repudiated violently the suggestion which I made - he didn't give me credit for it but I admit having made - that there's an element of subsidization involved in the 6 1/4 percent

(MR. CHERNIACK cont'd).... interest, and I believe it's true - maybe that's why I said it, Mr. Speaker - because when the government is borrowing at 6 percent and when the Fund is borrowing at 6 percent and the Fund pays an additional 1/8 of one percent to the government for an administrative charge, then surely there comes a very very narrow margin between the actual cost of the dollar and the actual receipt from the dollar, and certainly there has to be some margin of that gross profit - if I can call it by such crass terms - that allows the administrative expenses to be deducted from that cost, and the report which was filed with the House this afternoon, Mr. Speaker - of course it's dated; it's about nine months old, ending as it does the term of March 31, 1966 and dealing only as it does with some \$15 million - indicates that at that time, and that's almost a year ago and prior to that interest paid was by the Fund to the province, was 5 3/4 percent plus a service charge of 1/8 of one percent, and it indicates that loans were made in 1965 - 66, over a year ago, before, as I recall it, the tight money market as we know it today and interest rates as we know them today, that interest rates varied from 6 to 7 1/2 percent and that the average rate is 7.11 percent.

Now I don't pretend to understand statements too well, Mr. Speaker, but on the basis of an average of 7.11 percent being the return of the Fund, we find that it earned in interest and investigation fees, and we don't have the privilege of being able to separate them so we don't really know, but the total income in that department was \$172,000, as compared to which interest paid out alone was \$325,000 out of a total of \$583,000 of expenses. The difference is made up of administrative charges and bad debts of approximately \$260,000. Now, Mr. Speaker, the interest rates, the total interest paid by the Fund in that period was not paid on the \$15 million used by the Fund in its operations but indeed was interest free, the Fund was interest free on the \$5 million subscribed capital. Certainly no interest is paid on that. Certainly no interest is paid on the \$673,879 of reserve funds, so that when the Fund is paying out interest, it is in effect paying interest in that year on something less than two-thirds of the capital which it uses to lend out and one-third sits with the Fund interest free, and if the honourable minister still believes that in paying 6 or 6 1/8 percent for money and lending at 6 1/4 percent, which are the figures that I believe are correct in relation to Churchill Forest Products, if he thinks that that is not a form of subsidization then I wish and hope that he and I could get together and at least agree on definition and terms to find out what we mean before we accuse each other of disrupting the economy of the Province.

Now, I think this interest rate is important in connection with a project which, as was pointed out by the Member for Lakeside, is a project in which this Government, this Province, the people of this Province, have a tremendous stake. Now I would be much less interested or involved if we were dealing in a matter of a business which was attempting to get on its feet, attempting to develop for the benefit of the people of Manitoba and get a loan at a rate which was not subsidized, than I am in the case of a tremendous development which appears to be largely financed with Manitoba funds. And when I say that, I have to discount all the statements of the financial worthiness of the people with whom we deal for this very reason. We were informed, and I haven't checked the documents lately -- and let me for a moment step aside from what I was going to say, Mr. Speaker, and refer to the statement made by the Honourable the First Minister when he spoke last on December 15th, to the effect that there is an understanding whereby Churchill Forest Products will permit the Province of Manitoba to purchase 25 percent of the shares of the company if and when they are offered for sale on the public market.

In the first place I am under the impression that the Manitoba Development Fund can indeed purchase shares from anybody when they are on the open market, as can the Honourable the First Minister and I, but nevertheless there seems to be - and it is recorded on Page 249 of Hansard - an undertaking by Churchill Forest Industries to offer the first 25 percent of the Churchill Forest Industries' stock to the Government of Manitoba and/or its agencies or the citizens in the event of the sale of such stock to the public at a later date. Now I must confess that I do not recall this undertaking in any of the documents that were filed in the House. Now there are a great many documents filed in this House and it may well be that it is in there, but I don't remember it, Mr. Speaker, and I studied them fairly well, and if they are not there then I find now that there is additional information, which we obtained almost by accident on December 15th, which we did not have and therefore I welcome the First Minister's undertaking to tell us - I don't know if he said "all" they know about this, but answer all the questions that were asked because I, for one, still do not know with whom we are dealing. I, for one, do not know whose money it is, what country it comes from, what is the nature of the

(MR. CHERNIACK cont'd).....money - and when I say that, I don't know if it is public subscription, private money, I don't know if it is government money of some foreign government and I don't know whether it's money coming out of Swiss banks owned by people we know nothing of, and I think it's fair that if the government knows we ought to know, and as I recall it we were told with these certificates as to credit worthiness, that this Company, and we were told that by a number of banking concerns in Switzerland and including Canadian banks represented in Switzerland, that they have honoured all their commitments and that in the period of their life, which I think was about 3 1/2 or 4 1/2 years, they had developed some small number of projects, four, five, something like that, and that as far as was known they were good for the commitments which they made. And I am suggesting, as I did last year, that the only commitments that were made in money were a total of \$600,000, and that was never disputed. And I said that on the contrary the commitment made by this government on behalf of the people was tremendous - in the millions of dollars.

Now I don't want the Honourable the First Minister or anyone else to suggest that anyone in our Party - and I would probably include other critics of this - to suggest that the government did not drive the best bargain it could. It would be just foolishness to suggest that the Honourable the First Minister did not in all sincerity act in what he thought were in the best interests of the province. The important point that we made was that in driving the bargain that he did, or that he and his co-workers did, that they were forced to drive such a bargain that became so one-sided in terms of investment that it could well have been the type of a bargain that could have been, and we say should have been, made by the people of Manitoba to derive the benefit for the people of Manitoba. And even the Honourable Member for Lakeside agreed that that was more logical. He didn't think it was a good idea but I think he felt that our contention was better than the one which the Government came up with. And the Honourable the First Minister said, "Well that's the socialist system. If you were to try and sell paper as a Crown corporation, include me out." Mr. Speaker, we are doing our best to convince the people of Manitoba to include him out of this type of project because we believe that it is something that is feasible and should be done by the people of Manitoba. And I point out to the Honourable Minister that in the extensive report that he gave and that the Provincial Treasurer gave last year, they showed us all the tremendous amount of work done by the people of Manitoba through the Government in order to acquaint prospective - I don't know if I should call them customers or clients possibly, or entrepreneurs is a suggestion - with all the ramifications of this industry, that the cost of manufacturing, the cost of moving goods, the sea cost, the rail cost, the road cost, the various markets that are available, the feasibility studies that were made by a number of firms - I think ten or twelve of them - that were engaged by this Government at its expense and the people's expense to get this information, and I credit the government for having done this. It was the only way it could sell this project. But I believe that having acquired this much information, and having been prepared to commit the people of Manitoba to the expenditure, and the large expenditure which it did undertake to do, whether or not it is competitive with that of other provinces still, I believe, should have indicated to this government that having brought in Part 2 of The Manitoba Development Fund Act, this was a good occasion to get going under Part 2 and to undertake this as its own endeavour. And the Honourable the First Minister said, "Well, the proof of the pudding, " - I don't know if he - yes, "the proof of the pudding is when it starts producing," which I wrote down and I now realize is a little bit of a metaphor of which he won't be too proud in the future.

Nonetheless, the proof of the pudding will be as to who does the eating, Mr. Speaker. The proof of the pudding will be not only is it a success, because if it is a failure I contend that it'll be Manitoba money that goes down the drain and I hope, and I'm sure everybody hopes that it is not a failure. But if it is a success, Mr. Speaker, then the people of Manitoba will gain tremendous benefit such as the honourable the Minister has had occasion to depict for us time and again. There will be development in the far north; there will be growth, I don't know whether growth for growth's sake is worth that much but to the extent that people possibly living in Winnipeg or Greater Winnipeg today at a subsistence wage, at the minimum wage that we now have, will be able to go to Flin Flon and earn a decent living, to support themselves properly at a decent wage which is above the minimum wage, then that's good and to that extent we will benefit. But if in the benefit and if when the pudding is ready and people and mouths start being fed, if Manitoba resources will have developed moneys that will be available, profits that will enure to the benefit of foreign capital which has put up so little capital, then I say it would be a terrible pity. And success though it may be, as far as the industry

(MR. CHERNIACK cont'd)....concerned, failure it will be, I suggest, Mr. Speaker, on the part of this government for having financed an operation - or largely financed an operation - for the benefit of a private concern of whom I believe we only know the name of one person. And again I say. "I believe." My impression is that we know of some man who is the president of Monoca. I don't recall his name - it's not important. I believe that's the only one we know of.

And so, Mr. Speaker, I feel that we should at least know whom we are benefitting and whom we are supporting, and with whom it is that we were prepared to go into this partnership, if I can call this one-sided relationship that, on the basis of their putting up \$600,000, putting up know-how which we gave them through all the many surveys we made, bringing in personnel which this government undertook to bring in at half the cost - share half the cost of bringing their personnel here - to develop Manitoba resources and using, as it does, Manitoba funds to the extent we know now of \$3 1/2 million and we do not know how much more. And all this at the same interest rate we discussed of 6 1/4 percent. So I think we're still behind, hoping that this project succeeds, but I hope that when it succeeds we'll be able to say that the profits that went out of this province should have remained in the province because the capital that was used was Manitoba capital.

MR. FROESE: Mr. Speaker, I didn't know that

MR. MOLGAT: I wonder, Mr. Speaker, if I could interrupt the Honourable Member on a matter of privilege of the House, and I hesitate to do so but the rules say that when a matter of privilege arises it shall be taken into consideration immediately. The matter I rise on, Mr. Speaker, is one of very great importance to this House. I understand that at this moment on the streets of Winnipeg, newspapers are giving information to the people of Manitoba regarding the estimates of the Province of Manitoba, with full details as to what is contained in those estimates. Those have not been tabled in this House and they are presently available to people outside of this House.

MR. ROBLIN: Mr. Speaker, I wish to say that I share wholeheartedly the sentiments and, I presume, indignation of my honourable friend. We are prepared to table those and would be glad to do so right away, right in the middle of this debate if leave were given, to bring in a message and produce the information.

I received a note just a few minutes ago advising me of what had happened and on inquiry I find that, as usual, there had been a press conference which is customarily done in these affairs, with a deadline on it, or not to be released until tabled in the Legislature. Well, for some reason of which I'm not aware, in one instance that undertaking was not observed. I can only say on behalf of my colleagues and myself that we regret it profoundly, and it I suppose indicates that one must in future refrain from what has been a custom in all governments, as far as I know, with budgets, speeches and everything else, but that's what's happened and all I can say is that it is very regrettable. I would like to have leave, if I might, right now, to ask my honourable friend the Provincial Treasurer to introduce the message that will enable us to distribute these estimates so that members will have them right away.

MR. MOLGAT: Mr. Speaker, I for one am certainly prepared to give leave. I think it's a most unfortunate incident that this has occurred and I think it is a serious one insofar as this House. Presumably in this case we will, by receiving the estimates now, will correct the situation but there could be instances where information of a very vital nature would be released, particularly when we're dealing with budget matters, and that this is an absolutely crucial element in the operation of our system. I recognize the responsibility of the press in informing people, but there must be a clear-cut assurance that if information is given in advance by the government that this information must be given to this House before any outside information is given. I now have the headline and it says "Province Plans to Hike Spending by 15 percent. \$354 million total estimates record" and so on, and this is a most serious situation.

MR. PAULLEY: Mr. Speaker, on a point of privilege I would like to join. I only heard myself about three minutes ago that such was the case. I can appreciate and understand the predicament the First Minister and the government finds themselves in. Possibly somebody erroneously thought this afternoon that we were just going through routine business and in a short period of time the estimates would be tabled. However, they haven't been. I'm prepared, as far as we're concerned here, by leave to allow the Provincial Treasurer to introduce the message from His Honour and I trust and hope that the First Minister or the steering committee of the government will make sure that such an event does not happen again during the short life that the present government is going to have in office.

MR. EVANS: Mr. Speaker, if I might continue to address myself to the point of privilege, I can do no other than offer my profound apologies to the House because it's my responsibility. I inform the honourable members that I followed the custom that has been of long-standing in this government and in other parliaments elsewhere, of relying on the integrity of the press when they undertake, as was done in this case, by a signed statement that they would not release this information until tabled in the House. I took their assurance and it has not been lived up to. Nevertheless I cannot pass that responsibility to anyone else. I offer my most profound apologies to the House for this event. I'll say nothing further.

I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: R. S. Bowles, Lieutenant-Governor. The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of sums required for the services of the province for the fiscal year ending the 31st day of March, 1968, and recommends these estimates to the Legislative Assembly.

MR. EVANS: Mr. Speaker, by leave - I think I should ask for leave at this point because we are in the midst of another debate - by leave I move, seconded by the Honourable the Attorney-General, that the message of His Honour the Lieutenant-Governor, together with the estimates accompanying the same, be now referred to the Committee of Supply. I might add in moving this motion that it would be my intention to distribute printed copies of these estimates immediately this motion is passed, if it is passed.

MR. SPEAKER presented the motion.

MR. PAULLEY: On the question, I wonder whether or not we're likely to get into a bit of a predicament if the motion is put and passed in that by leave we interrupted the debate that is going on at the present time. I don't know -- maybe the Clerk would help me out but this predicament that I find that we might be in if the motion is passed, then of course we would have to, by the motion, go into Committee of Supply.

MR. ROBLIN: May I offer a word of explanation? The motion is not that we should go into Committee of Supply but that the estimates should be referred to the Committee of Supply, so once it passes we can resume where we left off in the previous debate.

MR. PAULLEY: Oh well that's fine then.

MR. CAMPBELL: Sorry to break the ecumenical spirit but it isn't all right this way, because the fact is that we already have a motion before the House and while that motion is before the House I'm sure that you, Mr. Speaker, cannot entertain another motion so I simply suggest, in the effort to do the thing properly as I know you would want to do, that what we should at this stage do is revert back to the position we were in before and if my honourable friend, the time being what it is, wishes to adjourn the debate, then that could be done and then this motion could be entertained, but I am sure it could not in the meantime.

MR. ROBLIN: Mr. Speaker, on the point of order I would say that if we agree by leave, we can do almost anything with the rules and that therefore it would be in order to do it the way it is suggested, but the other way is equally suitable as far as we are concerned and if the next speaker were to adjourn the debate then we could adopt the suggestion of the Honourable Member for Lakeside. If the next speaker would just nod his head that he's going to adjourn it then we could do it that way. Thanks. He's going to adjourn it.

MR. CAMPBELL: On the point of order, Mr. Speaker, I agree with my honourable friend that we can do a lot of things here by leave as far as procedure is concerned. If we all agree to do something with regard to procedure of course we can do it, but I suggest to you, Mr. Speaker, as Speaker of the House, that you cannot entertain one motion, a new motion while another is before the House.

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

MR. FROESE: Mr. Speaker, in order to help you out I will move, seconded by the Honourable Member for Inkster, that the debate be adjourned.

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

MR. EVANS: At this point I think it would be proper for me to say, Mr. Speaker, I now move, seconded by the Attorney-General, the motion which I believe the messenger has delivered to you.

MR. SPEAKER presented the motion.

MR. CAMPBELL: On a point of order, Mr. Speaker, is the word "now" in there. I think it should be omitted. "Be referred" isn't it, to the Committee of Supply?

MR. ROBLIN:ones prepared by the Clerk. There has been no change from previous years.

MR. SPEAKER: May I read it again, so that there will be no misunderstanding - that the message of His Honour the Lieutenant-Governor, together with the Estimates accompanying the same, be now referred to the Committee of Supply.

MR. CAMPBELL: I don't think it's standard.

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

MR. SPEAKER: It is now 5:30.