

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 27, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to draw the attention of honourable members to the gallery where we have 22 students of Grade 11 standing of the Boissevain Collegiate. These students are under the direction of Mr. Dueck. This school is located in the constituency of the Honourable Member for Souris-Killarney. On behalf of all the Honourable Members of the Legislative Assembly I welcome you here today.

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Minister of Mines and Natural Resources. The Honourable Member for Birtle-Russell. Stand? (Agreed)

Notices of Motion: Introduction of Bills; Orders of the Day. The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): My question of privilege is to do with the privileges of the members of this Chamber. On Tuesday, as reported on the routine business and Orders of the Day, the Minister of Highways introduced a bill entitled an Act to amend The Snowmobile Act. Indicated on the Order Paper, there was not even a number attached to that bill and no indication whether or not the bill had been printed and yet, to my knowledge up to this moment, the bill has not been distributed to the members of the House and yet in this morning's paper and over the radio we hear outlined details of the bill.

My question of privilege, Sir, is that it has been a long-standing tradition of this Chamber and other Houses that legislation which is to be introduced into the House is received in the House before the details of that legislation is distributed to the press. I think it is a grave breach of the privileges of this House and certainly a departure from the traditions which my honourable friends opposite should have some adherence to since they have discovered the value of old traditions in this Chamber.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, it may be that the Honourable Member for Morris has a valid point, but I say it may be, because while I recognize the point he is making, on the other hand it seems a pretty clear recollection to me, Sir, that quite often a Minister, or a government, will give an indication through the public media of the general outlines, purposes and objectives of legislation that is intended to be introduced at the subsequent session. I'm not sure that the distinction therefore is all that great and I think it requires a very close look at the honourable member's point before one can come to any definite conclusion as to whether or not he has a valid point.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is for the First Minister. I wonder whether he can confirm -- (Interjection) --

MR. SPEAKER: Order, please. The point of privilege was stated and the point of privilege was answered. There was no question of my making a ruling on it. The honourable gentleman is entitled to make a question. The Honourable Leader of the Opposition. -- (Interjection) -- Right.

MR. SPIVAK: Mr. Speaker, before the Orders of the Day I'd like to address a question to the First Minister. I wonder whether he can inform the House whether the government has arranged to finance Metro for 50 buses to be purchased from Western Flyer Coach.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the subject matter referred to by my honourable friend has been a matter under consideration by the government and when a policy decision is to be announced it will be.

MR. SPIVAK: I wonder -- is the First Minister suggesting that a policy decision has not been arrived at?

MR. SCHREYER: Mr. Speaker, policy decisions are always subject to change with events as they eventuate.

MR. SPIVAK: Have other members of the public, other than members of the Legislature been — other members of the Legislature been informed of a policy decision of the government?

MR. SCHREYER: Mr. Speaker, policy decisions by this government take place virtually every day. I don't know what decision in particular my honourable friend is referring to.

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

MR. WILLIAM URUSKI (St. George): . . . it's in regards to the proposed Hecla Island Provincial Park. Could the Attorney-General please endeavour to check with the RCMP so that a regular patrol could be made to Hecla Island to check into alleged pilfering of homes that have been vacated as a result of the government's purchases?

MR. SPEAKER: The Honourable the Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): I'll take the question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable the Minister of Health and Social Development. I wonder when the Minister would be appointing the Board of Directors for Newstart.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: If I heard the Honourable Member for Roblin correctly he was referring to Newstart, the Minister of Education. Was that whom you directed the question to?

MR. SPEAKER: The Honourable Minister of Education.

HON. SAUL A. MILLER (Minister of Youth & Education) (Seven Oaks): Mr. Speaker, a new board is being appointed and the names have been submitted to the Federal Government, both our nominees and theirs, and a decision will be made in the next few days as to the new board.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, on two occasions this week the Honourable Member for Swan River asked a question as to how it came to pass that no salute was fired by the artillery on the occasion of the 24th of May, and after making enquiries as I promised to do, I find that the reason for this omission was due to the fact, as given to me, due to the fact that artillery unit was out on field exercises and was not in the city to carry out that function.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Minister of Industry and Commerce. I wonder if he can advise the House how much money MDF has loaned to the Western Flyer Coach up to the present time.

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

HON. LEONARD S. EVANS (Minister of Industry & Commerce) (Brandon East): Mr. Speaker, I'll have to take that question as notice.

MR. PATRICK: A supplementary. Perhaps he can take the next one as notice as well if he hasn't got the answer. What percentage of the stock has the government got on Western Flyer Coach, or option — what option they have on the stock.

MR. SPEAKER: Orders of the Day. The Honourable Member for Assiniboia.

MR. PATRICK: He's taken it. Can he tell the House whether the company this year has been operating in a profit position or not?

MR. EVANS: Well, Mr. Speaker, the honourable member is asking for a considerable amount of information pertaining to the internal operations of a corporation and I don't know whether I or the government should be put in a position of having to answer such detailed questions. However, as you know, there is provision made in the Act which was amended last year for this information to be provided to the House effective from the date that the Act was changed, and therefore that type of information I believe can be made available in future from the date at which the new Act took place.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'd like to direct a question to the Minister of Industry and Commerce. I wonder if he could indicate whether the Federal Department of Transportation has contacted his department in reference to the operation of the Port of Churchill since the National Harbours Board has been dissolved.

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

MR. EVANS: I'm wondering specifically what the honourable member is referring to. You know, I should add that in our Economics and Transportation Branch we have a number of specialists in transportation and there is constant communication, there's a constant exchange of information. I must inform all members of the House that we have a particular concern to develop the Port of Churchill and the Town of Churchill and we have had a good deal of correspondence with respect to this, and, as the honourable member knows, the government is supporting on a temporary basis the Port of Churchill Commission. I wonder if he could be specific in his question and I'll be delighted to answer if I can.

MR. BEARD: Mr. Speaker, it is my understanding that in dissolving the National Harbours Board that the Federal Government indicated that they would be passing the authority on to the provinces where the harbour was located if the province would accept that responsibility of operating the harbour authority.

MR. EVANS: Well, Mr. Speaker, there has been no correspondence, there has been no formal communications between Ottawa and the Province of Manitoba in this respect.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: A supplementary question. Is the Minister indicating that it is his department that would be responsible for this?

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

MR. EVANS: Mr. Speaker, I am not indicating this, I am merely answering the question.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, my question would be to the First Minister. I wonder if he could indicate who would be responsible for this aspect of transportation that the Honourable Member for Churchill has requested with respect to the National Harbours Board and the Port of Churchill - the Minister of Industry and Commerce, the Railway Commissioner or the Minister of Transportation?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I think that the honourable member knows very well that liaison between the Government of Manitoba and the Government of Canada with respect to the Port of Churchill and naval or admiralty matters generally have been handled by the Department of Industry and Commerce as a liaison function.

MR. SPIVAK: A supplementary question. I wonder whether the First Minister would inform the Minister of Industry and Commerce of this.

MR. SCHREYER: Mr. Speaker, that kind of silly sarcasm doesn't have any place here, but perhaps the Minister of Industry and Commerce answered the way he did because he has a greater sense of modesty than my honourable friend has.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. We understand that the Federal Government hasn't informed him, but has he been in contact with the Federal Government with respect to the new policy that has been announced?

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

MR. EVANS: Mr. Speaker, I think there's some confusion in this matter and I think the confusion rests in the mind of the Honourable Leader of the Opposition.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Brandon West. Sorry. The Honourable Leader of the Opposition -- House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I've indicated on various occasions that in Manitoba we form not only the government but the opposition as well. I'll call Bill No. 31, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Transportation. The Honourable Minister of Transportation.

HON. JOSEPH P. BOROWSKI (Minister of Public Works and Highways) (Thompson): Mr. Speaker, I'll be brief in completing my remarks on Bill 31. There are several unanswered questions left from last week and I think I terminated my remarks where we were dealing with a statement made by the Member for Assiniboia where he claimed that the insurance companies did not charge extra premiums based on points. I don't mind him coming into the House and beating the drum for the insurance company, but I think we should point out that the callous

(MR. BOROWSKI cont'd.) . . . way that the insurance companies have dealt with people in this province -- and since I spoke here last I've been informed by the Registrar that insurance companies have withdrawn their financial support from high school driver education. I don't recall the figure, it was quite substantial, and the reason for this retaliatory action by the insurance industry in Manitoba was because we're bringing in government auto insurance. That seems to be a cold, heartless way of revenging themselves, taking it out on high school kids because that is the most important area, if we are going to get good drivers and we are going to reduce the fatalities, that is the area we must concentrate on, that is on high school students, and the insurance industry has withdrawn the funds from that program. -- (Interjection) -- No, Mr. Speaker.

Another question that was raised, that we have upped the fee for driver testing or for a person taking a driver's test. It used to be \$3.00 and now it's \$5.00. In addition to that we brought in legislation last summer which was passed with the unanimous consent of the opposition, and now they're -- I don't for what reason -- now they find it objectionable and are raising the issue here and complaining that we are giving them double taxation or words to that effect. The increase is basely solely on cost. I believe our department has estimated that the cost for giving a test to any person is \$6.51. We have upped it from \$3.00 to \$5.00 which means that the general treasury, or general revenue is still subsidizing each person to the tune of \$1.51, and I simply say in defence of that that I think that any person getting service from the government it should be at cost. I don't expect we should make a profit, but surely a person should be prepared to pay for whatever service is rendered to him. That was the reason for the increase and this was also the reason for the second charge, because we have had people that come in as much as six and seven times for a re-test -- you know, some people have a greater difficulty passing not only the written and oral test but the actual driver's test. They are not familiar with city driving so they keep coming back and we felt that it was unfair that the general public should subsidize a person who is not really paying the attention that he should to the book and to the written test. So in that respect the increase is really affecting only those that are poor drivers and I don't think the others should subsidize them.

Finally, there was a question raised on how much money we are raising from this, from the 50 cent increase. One member I believe suggested that we are going to make several million dollars and that's simply not true. There is 240,000 drivers in Manitoba and at 50 cents this is going to bring in \$220,000 to our treasury. Mr. Speaker, and if you consider the fact that now we will have to go through this procedure every year as compared to every second year before, all it will do is simply cover the cost of administration because licences will be based on a one-year period instead of two years as previously and we estimate that the \$220,000 will simply pay for the extra cost of administration.

One other item I'd like to bring to the attention of the House, Mr. Speaker, and this is a communication we've received from the New Zealand High Commissioner. We've had complaints from the other side about being too tough on our drivers in Manitoba. We've never pretended we are not tough; we intend to get tougher. I think that even the members of the Opposition will support a program that's going to reduce deaths and accidents on our highways, and our program was so successful that we have had the Polish Ambassador who was in the city several months ago come in asked us for specific details so they could implement a program there apparently. Even though they have a few cars in Poland, it seems that -- (Interjection) -- Well, in this case I consider that a compliment even though you may not. We have given them the secret of our success, which is really no secret at all, and I must congratulate the members from the Opposition who unanimously voted in favour of all the things that are passed in that bill that brought about this dramatic decrease. In a communication to the Premier, which was addressed two days ago, the High Commissioner from New Zealand is asking us for specific details to let them know what our secret of success is. They have heard even in far away New Zealand of the great things that are happening under this socialist government in Manitoba.

Well, Mr. Speaker, I think those are the few questions that were left unanswered last week, and if I missed some, and I probably did because of the length and drawn-out period of the debate, I'm sure we can answer them when we're in Law Amendments. Thank you.

MR. SPEAKER: The Honourable Leader of the Opposition. Debate has been . . .

MR. SPIVAK: I wonder if the Minister would submit to a question. On Page 1245 of Hansard he stated and I quote -- I just want to confirm this -- "One of the main complaints raised

(MR. SPIVAK cont'd.)by the Opposition is that we are collecting money right now for something we don't have any legislative authority, and that's true." So I take it it's his position that the forms have been sent out, the money that's being collected by his department at the present time, he has no legislative . . .

MR. SPEAKER: Order, please. The Honourable member's debating a point. I wish he would ask his question. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question to the Minister is the forms that have been sent out, the money that's being collected in his department for this matter, he does not at this time have legislative authority to do that.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. BOROWSKI: Mr. Speaker, that seems to be a debatable legal point. We checked with our -- well, first of all we checked with our insurance corporation and they say that by passing Bill 56 that there is indeed authority, but when violations are dealt with in front of a magistrate or a judge the Highway Traffic Act is used. In these cases therefore it's essential that we pass -- I think it's identical legislation through amendment on the Highway Traffic Act -- so although I think the department claims we have legal authority to do it, nevertheless they felt that it's essential that we pass the same thing in our Highway Traffic Act and there'd be no questions should a case arise in court because it'll be under the Highway Traffic Act.

MR. SPIVAK: Well, if the Honourable Minister will submit to a question then, what you're basically saying now is really a variation from the statement that was made the other night. -- (Interjection) -- Well, may I quote for your benefit . . .

MR. SPEAKER: Order, please. The honourable gentleman is debating the point again. The Honourable Leader of the Opposition.

MR. SPIVAK: Well, my question to the Minister is has he obtained information which has varied his opinion of the other night?

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

MR. SPIVAK: Yeas and nays please, Mr. Speaker.

MR. SPEAKER: Call in the members. Order, please. The motion before the House is on Bill 31 proposed by the Honourable Minister of Transportation.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Adam, Allard, Barrow, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Gonick, Gottfried, Green, Hanuschak, Jenkins, Johannson, Mackling, Malinowski, Miller, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, Uruski and Walding.

NAYS: Messrs. Beard, Bilton, Einarson, Enns, Girard, G. Johnston, F. Johnston, Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Patrick, Spivak, Weir and Mrs. Trueman.

MR. CLERK: Yeas, 29; nays, 17.

MR. SPEAKER: I declare the motion carried. The Honourable Minister of Industry and Commerce -- Sorry. The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): I was paired with the Honourable Member for The Pas. Had I voted, I would have voted against the motion.

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

STATEMENT

MR. EVANS: Mr. Speaker, I wonder if I could have leave of the House to make a brief statement pertaining to the visit to The Pas Forestry Complex tomorrow. (Agreed)

I wish to advise the members of the House that the plane departure time tomorrow is at 7:45 a.m. and that there will be a special TransAir wicket set up to receive MLAs and members of the press to give them their tickets and other material, so we are therefore, Mr. Speaker, leaving on the regular scheduled flight, jet flight of TransAir leaving at a quarter to eight. I would advise members to be there at least 20 minutes before time to give the officials of the airline adequate time, in fact even a half an hour wouldn't hurt I suppose, to give them adequate time to load everyone and to handle the tickets.

In addition, I just might add that there will be buses which will meet us at the airport at The Pas and transport us to the mill site. Part of the tour will take place in the morning; we will break for lunch around noon hour and carry on with the tour until about 4:00 o'clock in the afternoon. At that time those who wish to get back to Winnipeg a little early may leave on

(MR. EVANS cont'd.) a chartered aircraft. A 25-passenger aircraft will be available to leave The Pas at 5:00 o'clock p.m., arriving in Winnipeg at 7:15 p.m. Any members so wishing to take the earlier flight should please advise me or my office this afternoon if possible. The balance of the party will be leaving on the regular scheduled flight which departs from The Pas at ten minutes to 7:00 p.m., 6:50 p.m., and those members who will be taking the later flight will be able to take a tour of the town of The Pas if they so wish in the period between the time of the end of the tour of the complex and the departure time of the aircraft.

I would just add in closing, Mr. Speaker, that additional details will be provided to all members, and I believe that material will be put in the mail boxes of every member this afternoon. Thank you.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Natural Resources, that the House resolve itself into Committee of the Whole to consider the report of the Special Committee of the Legislature on Rules of the House, together with the report of the Independent Committee on Members Indemnities referred to this committee by a resolution of the House of Tuesday, May 4, 1971.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: I believe I have one opportunity to speak on a grievance motion on this

MR. PAULLEY: . . . motion to go into Supply or a motion to go into Ways and Means Committee of the Whole House; I don't think this is the proper time for grievances.

MR. SPEAKER put the question and after a voice vote declared the motion carried and the House resolved into Committee of the Whole, with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: The matter under consideration at the last sitting was relevant to the Private Members' Day. The Minister of Labour.

MR. PAULLEY: Mr. Chairman, I just want to point out that while the formal motion I presented this afternoon dealt with the matter of indemnities, it is not the intention as I understand it at this particular time to deal with that portion of the report this afternoon. I understand that there are negotiations, if I may use that term in its broadest sense - possibly I should use the term "consultations" going on at the present time. so we will not be dealing this afternoon with the matter of indemnities.

It's my understanding, Sir, that there is one of the paragraphs, namely Paragraph No. 6 on Page 4 of Votes and Proceedings No. 4 dated Tuesday, April 13th, and I believe that this is the only section dealing with the actual rules of the House that has not been concluded, and I would suggest that if we deal with Paragraph 6 as referred to, we may be in a position to clean up the matter of the rules of procedure in the House and the rules of the House.

I understand that - well, I shouldn't say I understand - we're hopeful that if it is agreeable to members of the Assembly to adopt the proposed rules that they would go into effect by the adoption of the committee, that they would go into effect on the 1st of June, on the understanding of course that they would only be in mimeographed form available to each and every member for their guidance. I'm sure, Mr. Chairman, that we're all agreed, or at least I understand that we are agreed that once the suggested changes have passed that we will only use mimeographed changes for a trial period before the re-editing of a new blue book or some other coloured book for the future. That is my understanding, Mr. Chairman, and if I am correct, possibly the deliberations of the committee should be directed to paragraph 6. I think that I'm correct when I say that this is the only section that has not been approved by the Committee of the Whole.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, I wish to apologize for not advising my honourable friend that we intended to call this particular motion today. We discussed it some time ago and we had given an undertaking at committee, as my honourable friend will remember, that we would try to dispose of this as quickly as we can. Mr. Speaker, when we last left this, there was

(MR. GREEN cont'd.) . . . some difference of opinion as to when Private Members' Resolutions should be considered. As I understand it, there are now two dispositions and I may say that we on this side are equally prepared to accept one or the other and that's why I thought we could possibly get it over with today.

One disposition is that Private Members' hours take place on the last hour of every day with the hours of the days remaining the same, that is Wednesdays and Fridays finishing at 5:30. There was some suggestion, although this is not entirely agreeable, that there could be a compromise and this be accepted provided that we extended the hours on Wednesdays and Fridays from up to 6:00 o'clock so that Private Members' hour would take place from 5:00 to 6:00 on Wednesdays and from 5:00 to 6:00 on Friday.

Well, Mr. Chairman, we're prepared to accept either one of these two suggestions, so if my honourable friends can indicate there is a preference for one or the other we are prepared to do that, and if that can't be possible, then we would just as soon have Private Members stay as they are although that would not be preferable.

MR. CHAIRMAN: The Member for Morris.

MR. JORGENSON: Mr. Speaker, since we're dealing only with that particular section dealing with the change in respect to Private Members' hours, I say that I listened to the Minister of Labour when he suggested that it was the intention of the government to implement the change in rules by the 1st of June. That to me, and on this section only, that to me poses some problem. I can see where there's a possibility of the adoption of the remainder of the report but I wonder just if the Minister would indicate how he intended to deal with the Private Members' Resolutions that have currently received the introduction into the House and have been accompanied by speeches as opposed to those who have not received introduction into the House. It seems to me that unless you start with a clean slate at the beginning of the session you are running into some difficulty, and that is one of the details that would have to be ironed out prior to the implementation of the committee's recommendation.

I might also add that I regret that we had not carried on or completed our discussions on this matter with the House Leader, because in reporting from the Official Opposition there seems to be some disposition to carry on with Private Members' hours between the hours of 4:30 and 5:30 rather than 9:00 to 10:00. It seems that the Private Members and the Opposition have conceded a good many points on this whole question of rule changes and we have attempted to go a long way in meeting the accommodation of the government in many rule changes, and I am thinking particularly of several that I think does concede some pretty strong points in favour of government business, and I believe that this is a very small concession part of the private member to ask that the Private Members' hours be carried on at a reasonable time.

And I might say that in addressing my remarks not only to the government front benches ^Z but to the back benches of the government side, that they stand to benefit a great deal from the change in the rules insofar as it applies to Private Members' hours in that they will be given an opportunity to participate in debate which seems that they don't have at the present time - at least let me say a greater opportunity to participate in debate under the new rule changes. Private Members' hour then becomes meaningful to a lot of members, and I've heard them often express the thought that there should be greater opportunity for private members to contribute to debate and to contribute to the operations of this Chamber - and I agree with that. What we are offering them is that opportunity in the change in the way we carry on Private Members' hours, and I must express the belief on this side of the House that the hours of 9:00 to 10:00 is tantamount to nullifying any beneficial effect that the change in the Private Members' hours will have, in that it comes at a time of the day when the kind of publicity that private members would hope to get from the introduction of ideas and resolutions into this Chamber will not be forthcoming.

I would however, rather than lose what I think is the desirability of having a change in the Private Members' hours, make a suggestion to the government that perhaps we could try both during the course of the remainder of this session. Let's try part of them for 5:30 and let's try them between 9:00 and 10:00. Let's give it a fair trial and see which we like best, and if that is satisfactory to the government why then we're perfectly agreeable to carry on with the recommendations that have been made by the Minister of Labour.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, I really believe what I last heard from the honourable member that there was, if not entire agreement on this question, an agreement to try

(MR. GREEN cont'd.) something out. I concur in what his last statement was, that we would have Private Members' hour and I said it doesn't make any difference to our side whether it starts at 5:00 or whether it starts at 4:30. If the Opposition wishes it to start at 4:30, that's fine. We would have Private Members' hour 4:30 to 5:30 on Wednesdays and Fridays; we would have Private Members' hour on the last hour of the other days which is 9:00 to 10:00 on each day.

My reason for bringing it on at this time is I thought that that was kind of an acceptable compromise. If it's not, then what we would like to do is get the rules into effect. I don't agree that there are more concessions to government business in these rules than the other, but I'm not going to make an argument about it. If we can't have that happen then we would like to just forget about arguing about Private Members. We don't wish to impose any change and we could go back to the Tuesday and Friday afternoons which I think would be regrettable. I believe that 9:00 to 10:00 could be a good hour. I've seen very good reports on things if they were important things, between 9:00 and 10:00. And furthermore, it gives private members an opportunity to have their family in the gallery when they're making a speech from 9:00 to 10:00 whereas it couldn't happen sometimes in the afternoons.

So if that's agreeable, what I have last said, and I'll repeat it just so there is no misunderstanding, that Private Members' hours would be on the last hour of every day and the hours of the day would remain the same. The practical effect being that Private Members' hour would be 9:00 to 10:00 Mondays, Tuesday and Thursdays, and 4:30 to 5:30 on Wednesdays and Fridays, then let's try that out for the balance of this session.

The other problem that my honourable friend raises with regard to the resolutions and how they would run from one to the other, various things could be done which I believe that we could arrive to agreement on after the rules are adopted. We could start Resolution No. 1 at the beginning of the week and continue it to the end of the week so that you don't always start with the 1st Resolution, or other suggestions, but I believe that we would like to get these rules either changed, or changed as far as we've been able to agree and abandon the other attempts.

So if we could adopt that proposition that I believe the honourable member stated at the end of his remarks, then I think that we've got a change in rules which a substantial majority of the people in the House, if not in agreement with, are prepared to try out for the balance of this session.

MR. CHAIRMAN: The Member for Morris.

MR. JORGENSON: I think the Minister - just the one point that I made in the last part of my remarks when I said that we'd be prepared to try out variation of times and not just the last hour of every day. I should like to have the opportunity to try on a Monday or Tuesday and a Thursday how Private Members' hour would work out during the hours of 4:30 to 5:30 on the odd occasion, just to try the variation to see how it would work. It seems to me that that is a way we can find out just how best the Private Members' hours can be worked into the daily schedule. If that suggestion, and it appears as though that suggestion is not agreeable to the House Leader, but hopefully there isn't that much of the Session remaining and we can go ahead with the suggestion on the understanding that of course that it's a temporary suggestion to be worked out and if it's agreeable to members then we can carry it on. But I must say, in even agreeing to that, that I have some grave reservations about the 9:00 to 10:00 hour and I hope that they'll be taken into consideration when the rules are adopted finally.

MR. CHAIRMAN: The Minister of Labour.

MR. PAULLEY: Mr. Chairman, it doesn't seem to me from the discussions that there is consensus really prevailing at the present time. It may be advisable in the absence of consensus that we do not proceed to consider the adoption of paragraph 6 at this particular time. When I made my opening remarks this afternoon I indicated a date of June 1st as to the start of the trial run on the rules. I do in all respect suggest that that would be a reasonable date to start the rules that have been passed, or at least the suggestions that have been passed, and possibly it would be advisable at this time in respect of 19(2), Rule 19(2) which deals with Private Members' Resolutions, to forget about that for the time being. I know what my honourable friend the Member for Morris is desirous of doing when he says let's try it on for size, one day or one week we'll try it this way and one week we'll try it a different way, or whatever methodology that is used for trial runs. I can see, Mr. Chairman, that there would be difficulties in doing that.

(MR. PAULLEY cont'd.)

So maybe, maybe it would be advisable at this time to delete from the report, or not to adopt - I guess that would be the way we would pursue it - the suggested changes as contained in Paragraph 6, that that particular Rule 19(2) as contained in our present Rule Book be continued as it is. There's nothing in the world of course by direction of the House to have the Committee on Rules meet again, as we have done on a number of occasions in the past, to consider further changes insofar as the Private Members' Day business is concerned. As a matter of fact, I would suggest, Mr. Chairman, that we're going to possibly have to call a committee on rules to meet in any case after the session is prorogued to reassess the changes that have been suggested and apparently passed at this particular time. So it may be advisable to not proceed with the recommended change on rule in respect of 19(2) for this session even on a trial basis.

I would like to say however, or having said that, Mr. Chairman, there is one portion of the suggested change that does seem to me to be one worthy of consideration and that is the 20 minute time limit on Private Members' Resolutions, which the effect of that is really not to curtail the rights of any individual, Mr. Chairman, for speaking longer but rather to make it permissive due to the limitation of the period for consideration of Private Members' Resolutions that there would be more participants in a consideration of a resolution. That to me is one of the more important considerations that the committee gave to the change in respect of our present Rule 19(2).

So I would say to my honourable friend the Member for Morris who is acting as the - he's not acting, he is the spokesman for the Official Opposition in respect to the rules, that he might consider what I am saying, not to proceed with the recommendation, that is insofar as hours is concerned, and he may even be prepared to consider notwithstanding that 20 minute limitation. So it doesn't really matter as far as we're concerned but we would like to have a trial run on the general, the accepted recommendations from the Committee on the Rules.

MR. CHAIRMAN: The Member for Churchill.

MR. BEARD: Mr. Chairman, I don't really think that the Member for Morris speaks for all of the Opposition and that's why I'd like to pass a few remarks on this. I think that the Minister of Mines and Natural Resources was correct in his suggestion to the House in fact that we try it for an hour a day, the last hour of the day of each day - and I don't really like the idea of the 9:00 to 10:00 but we've got to have something that is reasonable and something that is reasonably easy to carry in our minds when we're going from day to day as to when the Private Members' hour will be.

I think we've proved in the past that three or four hours of Private Members' time in one particular day is not really the answer because it doesn't carry the effect really in the Chamber itself. People get tired of listening to private members for that length of time, but I believe an hour a day will prove to be a real asset to members that want to introduce new ideas. The hour a day is fine. If the press don't want to wait until the end of the day to listen to what we have to say, well that's unfortunate, but I think that they will concede at later times there are two different types of reporting, one on government day and one on the hour a day. It would be hoped that they don't gather their news too early in the day and forget about the last hour of each day.

Therefore, in my mind I think that the last hour of every day should be tried and particularly at this time. Hopefully we're half way through the session - I don't know whether we are or not - but if we have that one hour trial a day, which many of us have asked for for many years, then we'll find out whether it's going to be successful and I think there's enough in the House that would agree to this type of legislation.

MR. CHAIRMAN: The Member for Morris.

MR. JORGENSEN: Mr. Chairman, on the previous occasion that I rose I offered a suggestion that apparently is not going to be accepted by the government and I don't want to be firm in this. I think it would be very regrettable if we failed to adopt a suggestion of some kind where we change Private Members' Resolutions. There's no way that you can assess it unless there has been an opportunity to give it a try, and as I indicated earlier, if it is the intention of the government to go ahead with the implementation of the rules for the remainder of this session there is not that much - hopefully there is not that much remaining of the session - and it'll give it an opportunity to be given a fair trial at least, and if the committee is going to meet to reassess the rules, well then it would be unfortunate if they didn't have an opportunity

(MR. JORGENSEN cont'd.) to assess this particular rule because I think of all the rules changes that are made this is one of the most significant ones and it would be very unfortunate if we failed to adopt it and I'm not going to be adamant in suggesting that we've got to continue to adopt the suggestion that I made. I made the suggestion believing that I am right, but I certainly don't intend to deny the opportunity of giving a fair trial to these changes if it is the desire of the government to proceed with them on the basis suggested by the House Leader, and on that basis and in compliance with the suggestion made by the Member for Churchill - I believe he's right - they should be given an opportunity to be tried and we're quite prepared on that basis to go ahead and give them that trial.

But I think there must be some arrangement worked out as to what will be involved in Private Members' business on those particular days. I think that there should be some discussions as to whether we're going to have Private Members' Resolutions or Orders for Return or Public Bills on those two days, Wednesdays and Fridays. I think that there is an opportunity here for some discussion to work out something that's mutually satisfactory. I don't think we should wait for that, I think we should pass this report now, adopt the suggestions and then work out those details later.

MR. CHAIRMAN: It seems to be agreed then the last hour of every day which would be 4:30 to 5:30 on Wednesdays and Fridays and from 9:00 to 10:00 on Mondays, Tuesdays and Thursdays. Agreed?

MR. PAULLEY: That would be, Mr. Chairman, -- (Interjection) -- Yes, my colleague just asked for a preference because the Honourable Member for Morris did raise the question as to whether it should be 4:30 to 5:30 or 5:00 to 6:00 -- 4:30 to 5:30. Now I take it, Mr. Chairman, from my honourable friend's remarks that he is prepared to accept an amendment dealing with the last hour of each day. I also take it from my honourable friend, and I'm prepared to recommend as one who's been involved with the Rules Committee and a member of the front bench, to assure my honourable friend that if we are agreeable to the passage on a trial basis of a paragraph (6) I'm prepared to recommend to the Executive Council that we do establish the committee to meet during the recess in between sessions to reassess the rules as adopted by the House at this particular time.

Now if that understanding is agreeable to honourable friends -- and I want to say too, Mr. Chairman, that my honourable friend from Morris referred to the position of the government. I take the attitude as a member of government that we're all equal partners insofar as the rules of the House are concerned, we're not really government and opposition but we all have a common objective to try and facilitate the rules of the House for the conduct of the House that is favourable to all of the members of the House because this is one particular area I say that there shouldn't be lines of demarcation and I'm sure my honourable friend from Morris would agree with that.

So if that is agreeable to the House that we adopt paragraph (6) with the amendment to make it the last hour of each sitting day for private members, on the understanding and the undertaking that I give - I'm sticking my neck out; I notice my Premier opposite, he's nodded his head in agreement - that committee will be reconstituted to meet in between sessions to make an assessment. If that is agreeable then we can start out with a trial run for the balance of the session on the rules.

I would also like to say, Mr. Chairman, that I agree with my honourable friend that we may have to take a look at the situation prevailing in respect of Private Members' Resolutions that are on the Order Paper now, but I'm sure that the Whips can get together to come to some satisfactory arrangement as to how they would be proceeded with, so we're prepared on that basis, Mr. Chairman.

MR. CHAIRMAN: The Member for La Verendrye.

MR. BARKMAN: Mr. Chairman, I think the last part the Honourable Minister mentioned is very important because some pattern has to be laid out because we have a very good example as to what has happened during this session. A lot of us have resolutions in there that haven't even been touched. On the lighter side, I don't know how the Honourable Minister of Labour is ever going to be competing in a debate and finish his debate in twenty minutes when an article like this takes this time. However, I hope something can be worked out, and as far as we're concerned we certainly want to go along with the idea that we go on a trial basis and find out what happens.

MR. CHAIRMAN: The Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I listened with interest in the debate that was going on here just a little while ago. They were talking in terms of a trial run. I think that we should be very specific as to what we mean by a trial run, and if a trial run means that for the remainder of this session then let's say so because otherwise in a week or two the Minister of Mines and Natural Resources and the Member for Morris could get together and throw the whole thing overboard. I don't go along with things like this, especially when he says that these other things are to be ironed out between the Whips. Well so far I have not been contacted once during this session as to various procedures and outlines and what will take place on a given day in this House, not once, and when he says that the Whips will get together and iron these things out certainly I should have a knowledge, and likewise the Member for Churchill should have a knowledge of what will transpire, how these things will be regulated before we proceed, and I think we should be more specific when we talk about trial runs and so on and not just leave things in an uncertain way.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, just before we put the amendment or ask for leave to agree to a change in the paragraph, I would advise my honourable friend the Member for Rhineland that according to the new rule the House Leader will be required on the Friday of each week to indicate to all members what are the general proceedings as they will take place the following week. With regards to getting together and agreeing to things, the honourable member should have been able to see from the proceedings this afternoon that the Member for Morris and myself cannot, let alone bind everybody else who can't agree with one another. Anything that has been arrived at today was arrived at in public session with my honourable friend having just as much an opportunity as the Member for Churchill, probably having had more to do with what happened than the Member for Morris or myself.

So if the honourable member thinks that it's going to be possible to arrange a Whip consultation and additional consultations with every member of the House, I just can't make that kind of a promise because I won't make a promise that I don't think can be kept. But to the extent that people are being kept informed, I assure the honourable member that the only discussion that occurred was in the nature of what I said at the outset, and I do feel that if we had a substantial concurrence of members in the House, which I would say is the government majority plus the Official Opposition, and these were not dissuaded by complaints from other members, that that would be a basis upon which to make a rule change, and that's really what we have said we are doing.

With regards to the specific limit, we have to have rules for next year and I would presume that the rules that we would have would continue; we wouldn't go back to the old rules. The Minister of Labour has indicated in between sessions there will be a committee to consider what we have done. I consider that that committee would be no less effective than the committee that we had for the last two years, and if there is substantial problems with what we are doing, that that would be changed before the next session. But I don't wish to come to the next session without a list of rules, and the list of rules would be, in the absence of change, the rules that we have adopted. The House can then change those rules whenever they please but I don't think that when we start the next session we would go back to the old rules.

In regard to Private Members' Day, I just want to advise the Member for La Verendrye, hopefully what we will have done will result in us getting to the resolutions, because from now on if we accept an Order for Return that's it. There would be no debate on Orders for Return and my impression is that the large debates that we've had on Private Members' days, a great length of time has been on the Orders for Return. So with those remarks, Mr. Chairman, I would ask leave of the House to change paragraph (6).

MR. CHAIRMAN: The Member for Churchill.

MR. BEARD: Could I ask the House Leader a question before he makes the movement if he doesn't mind? There were two things that came to our minds. First of all, when speed-up is called in of course it suspends the rules of the House in this way. Is there any way that you could protect the Private Members' Day through that part of the period with resolutions or orders requesting - what is the paper? - Orders for Return. Could it maybe that if the government didn't accept the Order for Return that it could be debated that day only and then dropped? That way it wouldn't hang on for weeks as it has now.

MR. GREEN: Well, Mr. Chairman, the last suggestion that if an Order for Return is not accepted that debate be concluded on the day, it's too radical a change to make without a

(MR. GREEN cont'd.) consultation to the Rules Committee again because members have substantiated these resolutions as substantive motions.

With regard to a motion to suspend the rules for what you call the speed-up, there is just no way in which to ensure that that motion won't do things that some members won't want it to do and of course the very motion is to suspend the rules. So you can't make a rule as to what rules you can suspend because that can only be decided by a majority of people in the House. However, during such a debate an amendment could be made or a motion could be introduced in a different form, as it would have to be if these rules were adopted, because the present form says that every day is to be Thursday. Now if every day is Thursday, we have a Private Members' hour at the end of the day. When does the end of the day come if you've eliminated the closing hour? So those are matters that we will have to adjust to as we adopt the rule.

Mr. Chairman, I would like to suggest that, with leave, the words in Rule 6 be changed as follows - and I believe that we will then do what we want to do. In the second line, eliminate the last word "between" and in the third line eliminate the words "4:30 p.m. and 5:30 p.m.", and just say, "That Rule 19(2) be amended to provide the allocation of time for Private Members' business whereby one hour a day on the last hour of each day will be devoted to Private Members' business." And then continue: "On Mondays, Wednesdays and Fridays" - and then cross out "between 4:30 p.m. and 5:30 p.m." - "the Private Members' business will include Private Members' Resolutions followed by Private Bills and Public Bills by Private Members. On Tuesdays and Thursdays" - then cross out "between 4:30 and 5:30 p.m." - "the agenda will include Private Bills, Public Bills by Private Members, followed by Private Members' Resolutions. That the speeches during the Private Members' hours be restricted to twenty minutes. That any Private Member's Resolution not disposed of on Private Members' days drops to the bottom of the Private Members' Resolutions. During Private Members' hour, no request shall be made by a Member that a 'matter stand.'" So the only changes would be eliminating the descriptions really "4:30 to 5:30 p.m." and substituting "on the last hour of each day".

MR. CHAIRMAN: Is it agreed? The Member for Rhineland.

MR. FROESE: Mr. Chairman, already the Minister is now anticipating the speed-up rule and this is why he's proposing the particular amendment to this particular section. -- (Interjection) - It definitely is, otherwise we would have spelled out in the rule just what would take place. When the Minister spoke previously in connection with trial runs the subject matter should have never been brought in if that was the case that the rules would stand. I have always concluded that the rules once adopted would stand for this session and the following sessions and would only be changed if another committee was set up to bring in recommended changes. So the subject matter of a trial run should have never even been broached or brought in before this House at all.

I just would like to know from the Minister, when he discounted the matter of the Whips trying to inform us on this side, was the Opposition informed that this matter would be discussed here this afternoon? Was it? I would like to know. Certainly we people here didn't know that this matter would be taken up this afternoon and I would like to know from the Minister or the Whip, Government Whip, whether this was agreed to.

MR. PAULLEY: . . . the full question of my honourable friend. Will you repeat?

MR. FROESE: Yes. I asked whether the government had indicated to the Official Opposition that this matter would come up this afternoon and would be discussed.

MR. CHAIRMAN: The House Leader.

MR. GREEN: What I indicated to my honourable friends, as a matter of fact they wrested the commitment from us, was that these rules would be brought on as quickly as possible, that the only reason they were not proceeded with before is because there was an adjournment in the House when this matter couldn't be agreed to. After that adjournment I did discuss this with my honourable friend; I knew that there was still disagreement; I thought that if the disagreement persisted this afternoon we would proceed with things as they are, that if we couldn't reach agreement this afternoon we would - and it worked - you know, I mean you can't knock it and I don't think that anybody has been hurt by it.

MR. CHAIRMAN: Is it agreed? There's on other item - it's on Page 5 - (15). It was a small detail that we had to hold . . .

MR. GREEN: Just for the Member for Morris if he wants me to read paragraph (6) as

(MR. GREEN cont'd.) . . . it would be as amended. I'll read it in full as it would be as amended. That Rule 19(2) be amended to provide the allocation of time for Private Members' business whereby one hour a day on the last hour of each day will be devoted to Private Members' business. On Mondays, Wednesday and Fridays the Private Members' business will include Private Members' Resolutions followed by Private Bills and Public Bills by Private Members. On Tuesdays and Thursdays the agenda will include Private Bills, Public Bills by Private Members, followed by Private Members' Resolutions." And the balance is the same.

MR. PAULLEY: If that's understood now, Mr. Chairman, may I suggest that the Committee rise, and in you making your report, Sir, to Mr. Speaker, that reference be made to the changes as adopted by the Committee be referred to the Legislative Counsel so that they're in proper form.

Now, in my opening remarks I did indicate that hopefully that the commencement day may be the 1st of June. I think we should be a little flexible in that, that if the Legislative Counsel and the Clerk of the Assembly are pushed so far as time is concerned, because I had forgotten tomorrow is Friday and that would only leave tomorrow and Monday, Tuesday being the 1st of June, if it's physically impossible to proceed on the date of June 1st, I'm sure honourable members will be tolerant enough that if it's delayed until say the 3rd of June or something like that, every effort will be made for a commencement as quickly as possible. So may I suggest, Mr. Chairman, that your report include that, and I move that the Committee rise and report.

MR. CHAIRMAN: Before I entertain the motion for the committee to rise, on Page 5 of the Votes and Proceedings that we're using as a matter of reference, Rule 15 is a small item which has to be dispensed with. It's an amendment to Rule 100 which pertains to a motion for an Order for Return or Address for Papers, "that an introductory clause be added to this rule in the light of the changes to be made with respect to the allocation of time for Private Members." (Agreed) There was an indication that the Legislative Counsel would be asked to draft rule changes which were agreed to during the process of the committee. Committee rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Radisson, that the report of the committee be received.

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

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Assiniboia.

MATTER OF GRIEVANCE

MR. PATRICK: Mr. Speaker, I wish to take the opportunity on this motion to speak on a matter of personal grievance and that's in respect with the employees at CAE aircraft industry. I would have hoped that the Minister of Industry and Commerce would have been in the House because I will not try to lay total blame on the government because I think they've been trying to do as much as they can. I feel that we cannot afford to sit and wait any longer without doing anything, to let this thing just drop or wait for something to happen, because if we ever learned a lesson, I think we did in respect when a few years ago when the Air Canada was moved out of Winnipeg, or the former TCA. I know at that time that government made issue and there was a tremendous amount of activity, but after the horse sort of was let out of the barn, which was too late after the construction was started on the new Dorval base in Montreal.

In my opinion, the action that the government of the day took was too late, and I'm concerned at the present time what's happening in respect to CAE, which is an industry that's integrated into the Manitoba economy, that we must take action, not only the government

(MR. PATRICK cont'd.) . . . but all members on all sides of the House from all parties must show a concern and present to the Federal Government a real strong argument that there was a commitment made by the Federal Government years ago and we cannot afford to have this industry become not a viable operation and to close down completely.

I know that the Minister distributed correspondence to the leaders of the House and he suggested that he would reactivate the old Air Policy Committee and that he would send a small delegation to Ottawa, and as soon as the delegation came back he would report and meet with the former Air Policy Committee. Now on a recommendation from the Minister from Ottawa, he said it's no use a small delegation coming or travelling to Ottawa if you haven't got any recommendations, which I think was unfortunate; but on the other hand, I think that the government must have some recommendations; the government must take some action, do some study and present some recommendations before the base is closed completely.

I am very much concerned about the employees. I've been involved in discussions with the men and their union representative with respect to CAE layoffs since February of this year, and I've continued to have these discussions. I wish that the government would have started at the same time instead of just more recently. To say these people who are still employed are deeply disturbed, Mr. Speaker, is an understatement indeed. The men are feeling bitter because of the promises made at the time of the Air Canada phase-out and the CAE Aircraft agreement was made public, which was stated that the number of employees and the new industry would be as great as the Air Canada base or in fact higher.

The CAE aircraft industry is welded to the economy of Manitoba and cannot be phased-out without seriously damaging the economic structure of our community. This industry is an integral part of Manitoba's industrial structure and we want it to continue to contribute much to Manitoba's future growth. In terms of employment it is equivalent to many average sized manufacturing firms in our province. The procrastination of decision from the senior government has been very demoralizing on the plant staff. The point that seriously concerns me is the people that were laid off, the unemployed, find themselves in a position, in a difficulty when they're looking for other work. They are told we cannot hire you because there is indication that your former employer, CAE, will probably recall you back in the near future because there's indications, there's some negotiations going on and perhaps the CAE will secure contracts, so that people that have been laid off, they find themselves in very unfortunate circumstances, and the people that were laid off are not just few, there were many.

I know that the Minister was kind enough to present some figures and statistics in respect to the people employed, the people that were laid off and the loss of wages. I will not try to put that on the record because I think the members of the House have this, or at least the leaders have it. I have somewhat different figures, and they may not be exactly accurate but I think they're very close. These are the figures that I got from the employees themselves. Mr. Speaker, the facts are that CAE Aircraft Limited had 1,000 working people on September 1, 1970 - 1,000 people with an approximate annual payroll of \$7,308,000. In the past eight months 400 people have been let go, of whom approximately 100 were Air Canada on loan to CAE Aircraft Limited. The loss of wages for 400 employees over the past eight months amounts approximately to \$1,948,000, or \$2,923,200 over the period of one year.

There are still approximately 600 people employed at the CAE Aircraft industry. Mr. Speaker, if these people are laid off it will be a further economic loss of wages alone of over \$4 million per year, but unfortunately the loss of jobs alone does not stop there with the people of CAE Aircraft industry. It affects the suppliers, the carriers, the transport companies, the corner grocery stores, the supermarkets, the K Marts, Eatons, the Bay, and many more. It also affects the service industries, the manufacturing of shoes, clothing and so on. The facts are that it has a whole community effect on the Province of Manitoba. If this industry would happen to close or should close, and I hope it doesn't, a loss of \$7 million or \$7,308,000 in wages alone in one year is a concern and should be a concern to all members in this House, because it will have an effect on the whole Province of Manitoba.

Statistics prove that for every person laid off, it affects another two to three people due to economic loss. Also, the skills of those employed at CAE Aircraft industry are essential to Manitoba's labour force. They are highly skilled people, more skilled than workers in many other industries. Mr. Speaker, when these skilled employees are gone and moved away from this province or leave this industry, I feel that this industry will have a difficult time competing and bidding for new contracts because they will not have the skilled staff, so

(MR. PATRICK cont'd.) something has to be done now. I think the government must undertake a more active part to try and retain this base a viable base. We cannot afford to wait for something to happen, Mr. Speaker. Action must be taken now so that there will not be a gradual reduction in employment at CAE Aircraft industry which will be parallel to the Air Canada base transfer and phase-out experienced in the recent years.

Mr. Speaker, I don't think it's necessary for me to review the tragic history of TCA with respect of the air base in Winnipeg because I'm sure that most members and most people in this House are familiar with the facts - but just one point. Historically, Winnipeg was the birthplace of Air Canada. Winnipeg was selected as the headquarters and it retained headquarters until 1949 when the first transfer of employees took place. In January of 1961 it was officially reported that the base would be moved to Montreal and in November of 1962 TCA employees were advised officially that the base would be moved or closed by 1966.

Mr. Speaker, my concern is I wonder if this government at the present time is doing enough to keep CAE aircraft industry a viable operation, because at the same time I would say I wonder if the government of the day was tough enough with the Federal Government when we allowed the Air Canada base or the former TCA base to move out of Winnipeg. In my own opinion I don't believe the government was strong enough. Sure, we had enough men for 1963 and 1964 and later, but decisions were already made and construction was half completed at Dorval when we started an action group in Manitoba.

I think it would be interesting for the benefit of at least the new members in the House if I would put on record a letter from one of the federal ministers - and I blame the two federal governments, the Liberals and the Conservatives - in respect of the Air Canada removal from Winnipeg. I would just briefly like to put on record a paragraph from a letter from one of the Ministers, Leon Balcer, who was Minister of Transport, and this is what he had to say when we were talking about the removal or the loss of Air Canada base from Winnipeg - and that was in 1961; it wasn't during the time when the government tried to do something - but this is what he had to say. This is from a letter from Leon Blacer to the St. James Chamber of Commerce, and he said: "There are no plans for the establishment of jet engine and jet engine aircraft overhaul at Winnipeg. The new Dorval maintenance and overhaul base has been designed and built specifically for the handling of turbine powered aircraft and it was also designed to have a capacity substantially greater than the initial requirement and laid out in a manner which permitted further expansion at a minimal cost. In view of the period of time involved in the long range planning which is a necessary part of airline operations, I have little doubt that the ultimate consolidation of overhaul facilities in Montreal can be achieved without major destruction to the lives of employees or economic welfare of Winnipeg."

That was a letter in April of 1961, and we had very little action at the time from the government, so I'm appealing to the present government, let's have some action, Mr. Minister. It's not good enough to receive a telegram from the federal Minister and to say that it's too bad the Air Policy Committee, we can't do anything, we can't meet, because as the federal Minister said, you know, you got to have some specific proposals.

In my remarks later on, I can perhaps point out that maybe we can be specific and recommend and make some proposals. The letter that I just read was in 1961 and my concern was we didn't get on the bandwagon to do something about it until two or three years later. Again, we had a change of administration in Ottawa and we had then the Liberal government and the Pearson which made a commitment that the base would be a viable operation until 1975. This is only 1971 and I'll tell you we're very close, very close to the point of having this very base closed until something happens, and I say to the Minister that we cannot afford to wait until something happens. Perhaps it's time we should review our air policy in respect to the Province of Manitoba, because I would like to just read part of a letter about what I mean that maybe we need a new air policy for Manitoba.

I have a letter here from a businessman in San Francisco, and I'll just read a paragraph. This letter is already two years old or three years old, but I think he makes a specific point and an interesting point. This was not a requested letter, I don't know what was his motive for writing, but the note that I'm making reference to is a business letter and I'll just quote the point that he brings up. He says, "I hate to bring up a matter that some might feel I were perhaps only using sour grapes" - I'm quoting, Mr. Speaker - "because I happen to be from the United States, but truly this is not the case.

"As you know, the occasion of my last visit to Winnipeg came about very suddenly. It

(MR. PATRICK cont'd.) then became a question of how to get to Winnipeg. I went to the travel agency that had previously made reservations for me and asked them to see about making arrangements to both fly to Winnipeg and fly home. They called me back and said it was impossible to get a booking on Air Canada that would get me into Winnipeg at a reasonable hour, even into the evening on Friday, April 22nd. They also indicated the Canadian Pacific had no room on any flight. We then attempted to get a flight in from Seattle and realized the only way we could get there would be through North West from somewhere in the middle western part of the United States. We even explored going clear into Chicago and then coming back to Minneapolis because I would have to take such an early flight to get from Seattle to Minneapolis directly.

"As you know, we ended up taking a flight out of Seattle at 8:30 a.m. Friday morning, which flight landed in Spokane, Great Falls, Billings, Fargo, Grand Forks and then Winnipeg. In the flight there were three different planes I had to board. Coming back we were faced with the same problem. The only flight I could get from Winnipeg to Vancouver was on an Air Canada, their last flight of the evening into Vancouver which was too late. There were no other flights down through Seattle. The plane was late getting into Winnipeg and we were an hour late landing at Vancouver. With the change to daylight time, this was 1:05 a.m., and because there wasn't anything to do I went to a motel where I was able to sleep from 2:00 a.m. until 5:30 a.m., at which time I had to get up, go back to the airport and be processed through for the first flight to Seattle on April 24th. The experiences I had on this and other flights to Winnipeg in the recent past would certainly indicate to me that there is a larger potential market that is being lost to Canadian modes of transportation because of unavailability of seats on their airplanes."

This is just a paragraph - it's a business letter - I could file it but it's just a paragraph of experiences this man had of getting from Seattle to Winnipeg, which he took a Mid-West I believe flight and had to stop in six different places, change flights three times and take him probably the whole day to get here, and I think maybe it's time that we looked at our air policy and that the province get involved.

Mr. Speaker, it's a disappointment to all employees at CAE that there are no new contracts available at the present time. I believe it is the responsibility of this government and all members to convince the Federal Government the phase-out of this industry in Winnipeg should not happen and that CAE aircraft must be a viable operation. The Minister of Industry and Commerce should reconvene the Air Policy Committee to undertake the following task and make proposals to the Federal Government immediately, irrespective if we can meet with the Minister or not, but I think let's get some proposals and let's make some proposals to the Federal Government.

Mr. Speaker, I think we must appoint some of the things that I feel the committee can do. If the committee would convene immediately it can do something. I think that we have to develop ideas and plans to expand and make our airport a truly international airport. Aside from the very favourable location of Winnipeg in respect to national, regional, intercontinental air routes, we should extend direct air services between Winnipeg and other large centres.

No. 2. We should study and recommend ways of continuing the use of skilled personnel at the CAE aircraft industry.

We should make use of the resources of the provincial Industry and Commerce and do studies as are necessary to achieve this objective, to keep the base a viable operation.

I think we can also - another point, Mr. Speaker - there's no reason why we cannot request to have Air Canada farm out some of its work to Winnipeg and ask the Federal Government to decentralize in the interest of regional balanced development, because there's no way at the present time -- probably we can say you have to cut the work in Montreal, but the Dorval Base has been continually expanding and is still expanding so there's no reason why some of the Air Canada work cannot be farmed out to Manitoba.

So I say to the Minister, you have the resources in your department, you have the personnel, you have the staff, let's do some studies and let's make specific recommendations to the Federal Government and let's demand it. I think we cannot afford to wait for something to happen - and this is what we have been doing since February 11th, or somewhere at the end of January, and as I say, there's been 400 employees laid off, skilled people. Not only that they're leaving probably Winnipeg but they're also having a difficult time getting another job, because once they say they're from CAE aircraft industry, they're told well probably you'll be recalled and we can't hire you. I think it's very important.

(MR. PATRICK, cont'd.)

Mr. Speaker, the reason I have taken advantage in speaking on this motion is because I'm not certain that we have really convinced the Federal Government of its commitment to keep the old base a viable operation. This is what we must do. Also, I don't think that the loss of Air Canada maintenance and overhaul base from Winnipeg -- we must convince the government that the removal of Air Canada maintenance overhaul base from Winnipeg was a severe blow to Manitoba as many jobs were lost, skilled technicians were displaced and the result was an overall loss of technology to the Province of Manitoba.

I appreciate as well, Mr. Speaker, that the aircraft manufacturing industry is probably experiencing difficulties not only in Canada but the United States as well. But I also must repeat again that the Federal Government had a commitment that the former Air Canada base would keep the level of employment the same as it was before until 1975 or that level would be higher. So I think that there's enough argument and this government and all the members of this House unanimously, it doesn't matter what political stripe, can make a strong argument to the government that there was a commitment and we cannot afford to let this base close.

Mr. Speaker, I've been continually meeting with employees and their union representatives and I'm concerned as well as they're concerned. They're concerned because they feel that there'll be a gradual reduction to the point where the base will not be a viable operation and will close, so I strongly urge the Minister to take action now. I was very disappointed the other day when the Minister said a telegram that came from Ottawa was to the effect that don't come and see us with your small committee unless you have some specific proposals. And nothing happened; everything dropped. I say to the Minister that's not good enough because all you're doing is you're waiting. You must take some action now, reactivate the committee, get your resource people to do some work and let's go to Ottawa with some specific concrete recommendations.

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

MR. EVANS: Mr. Speaker, I'll just take a few minutes of the House to say that I obviously share the concern of my honourable friend the Member from Assiniboia in this matter and I think he shares my concerns and the concerns I suggest of all members of this House with respect to what has been happening in terms of loss of contracts by CAE Limited. I appreciate the fact that the loss of the T-39 contracts, the ending of the overhaul work for Air Canada and the lack of alternative contracts forthcoming from various federal agencies and departments, that this is causing a serious economic blow to the Province of Manitoba.

There is no doubt, as the honourable member has stated, that there has been a serious reduction in employment with all the adverse multiplier effects this has on the Greater Winnipeg community and on the Manitoba economy. There's no question on this matter at all. I really and truly hope that our friends in Ottawa, the government in Ottawa listens to your message, to your speech, and I hope they get the message. They haven't had the message from me, or at least I have been trying to relay a message but for various reasons I am sorry to say that the Honourable James Richardson does not appear to be getting the message. I would say, and I would like to relate -- and I refer to Mr. Richardson because he is the Minister responsible for Supply and Services which happens to be that federal department responsible for handing out federal contracts of this nature on behalf of both the Department of National Defence and on behalf of the Department of Transport and indeed any other federal agency, as I understand, with respect to this kind of service.

Now as members of the House know, the Honourable Minister of Labour, Honourable Russell Paulley and myself did go to Ottawa within days of the announcement of the closure of -- not of the closure but rather of the termination of the T-39 contract and the announced layoffs. I should say, and maybe members of the House do not realize this, but we in the Department of Industry and Commerce for many many months have had constant discussions and communications with the management of CAE and with federal officials on some difficulties that might be appearing on the horizon, and we did all in our power to emphasize this point to the Federal Government that all may not be well and that the Federal Government should take a more active concern with what was happening. And we still say this.

Now when we met with the Honourable Mr. Richardson and some of his staff and the staff of the Department of Transport and Industry, Trade and Commerce, we were given the assurance that by approximately the middle of May an answer would be forthcoming to us indicating how much work would be forthcoming from Ottawa, from the Federal Government for the CAE

(MR. EVANS, cont'd.) facility here. Now Mr. Richardson has subsequently denied this and this is unfortunate, but the fact of the matter is the Honourable Mr. Paulley and myself, and our staff of three that attended the meeting with us, all heard very clearly the commitment that they would give us a definite indication, or they themselves would have a definite indication by the middle of May about the extent of work, of additional work that they could give to the CAE plant here to make up some of the loss recently being experienced.

Now, as I stated, Mr. Richardson has denied this. We have waited patiently, too patiently perhaps - I think I might agree with my honourable friend maybe we've been too patient, too nice - you know, to use commonly referred expression, maybe we've been too nice. We have wired - in fact I'm forgetting, I can't even count the number of times that we've wired and telephoned, and as honourable members know, I have received a negative reply from the Minister concerned that he would not meet with a Manitoba delegation. He referred to a Manitoba Government delegation and I tried to correct this in a subsequent telegram, and I'd like to take this opportunity to read the telegram which I sent to Mr. Richardson the day after. And I'm quoting: "Your telegram of May 25th received. You suggest further meeting in Ottawa not practical unless Manitoba Government has new proposals for work at CAE. I must point out that we do not propose a government delegation but rather an all-party delegation with representation from management and union. Because of federal action to close Winnipeg overhaul base of Air Canada, Ottawa has responsibility to alleviate current crises. Hundreds are out of work and are suffering thereby. Provincial economy is being hurt. Manitoba cannot afford lethargic approach on part of Federal Government."

MR. SPEAKER: Order, please. I hate to interrupt the honourable gentleman but there's a lot of hum going on. Maybe it's my earpiece. I wish they would try to alleviate some of it. The Honourable Minister of Industry and Commerce.

MR. EVANS: Thank you, Mr. Speaker. "Manitoba cannot afford lethargic approach on part of Federal Government. In response to public interest, Manitoba Air Policy Committee will be called soonest. This group is representative of wide range of Manitoba interests. It is imperative that you attend as the Cabinet Minister from Manitoba and advise committee on proposals of Federal Government. Please advise date" - and I made a suggestion - "Monday, May 31st, or Friday, June 4th or any other early date. Await your reply soonest. Yours truly."

Well this morning, Mr. Speaker, in fact this afternoon, I received this wire in reply from Mr. Richardson in which he states: "I am in daily contact with Minister of Transport and other Ministers concerning ways to increase workload of CAE, including Air Canada commitment to provide work in addition to Viscount overhaul during current year. As soon as I have specific information to provide, I will be please to meet with the Manitoba Air Policy Committee. Signed, James Richardson." Yes, Mr. Speaker, I'm afraid that it's not good enough. I don't care what Party we're talking about, but the performance of the Federal Minister from Manitoba in this matter is simply not good enough. He doesn't seem to realize that there are hundreds of men who are out of work, who are being denied incomes, who are being forced on welfare, who are being forced on the unemployment insurance rolls, whose families are being hurt. We know this.

The honourable member said that he's been in constant communication with the unions. I have met with union delegations on several occasions also and so has my honourable friend the Minister of Labour. I have also met with the management of the company, indeed only a few days ago I spent a three hours' meeting with the President of CAE, Mr. Reekie, to discuss the future course of action and what could be done and what might be done. And I would say, Mr. Speaker, that we have maximum co-operation from management and union and I think from all members of this House in this matter. So we are talking about a regional issue which I'm sorry to say the Federal Government - and the representative of the Federal Government for Manitoba - is not taking seriously enough, in my opinion.

We do know that there is additional work that could be transferred or found for CAE. There has been reference to a new helicopter fleet that could be serviced here, and there's also been reference made to Boeing 707 aircraft which are in the possession of the Department of National Defence. However, we have made various suggestions and proposals to Ottawa, but the fact of the matter is, I agree with the honourable member, the fact of the matter is that this is a situation, a serious problem created essentially by the actions of Ottawa and its federal air agency, namely Air Canada, and we feel that the Federal Government has a moral

(MR. EVANS, cont'd.) . . . responsibility in this matter to assure us, to assure the people of Manitoba, that CAE will not fail. And the fact of the matter is, Mr. Speaker, that if we don't get action very quickly, CAE indeed may fold entirely.

You think that we've got a bad situation now. If Ottawa does not act quickly we will have no CAE Limited in Manitoba, and I would like through the media to communicate that to Mr. Richardson because I can't seem to communicate it to him through correspondence, through wires and in personal conversation. And I would like to think that his colleagues in the Cabinet will get the message, because obviously the Federal Government in its wisdom is not overly concerned with the situation, but we have the makings of a very, very serious situation. We have perhaps the beginning of the end of a very important aircraft industry in this province. -- (Interjection) -- What about his constituency organization? Well, Mr. Speaker, the Attorney-General is making some suggestions to involve Manitoba Liberals and others, and indeed we are and will be, because we are now, as I indicated in the wire to Mr. Richardson, in process of convening the Air Policy Committee. If Ottawa does not want to meet with us, if Mr. Richardson does not want to meet with us, they we're going to have our meeting anyway. If he doesn't want to receive our delegation, as he doesn't - he doesn't want to receive the delegation, that's quite obvious - we are going to call the 75, 70 man, 75 men, women delegation made up of reeves, mayors of Greater Winnipeg, representatives of various union groups, representatives of management groups, representative of all parties representing the entire province, people not only in the Winnipeg area but also in other parts of the province, and I at that time will take the opportunity to provide you with the detail of the problem and we will provide you with expert information as much as we possibly can at that time.

I hope Mr. Richardson, by that time, will have some proposals to bring to the committee, but we are going ahead, we are going to call this committee meeting, and we're going to discuss the situation and if the people of Manitoba get a bad impression of what Ottawa is doing to Manitoba, well, it's too bad for the Federal Government but that is the fact of the matter; and we were prepared, the Minister of Labour and myself, to hopefully convey the message to Mr. Richardson, to hopefully convey the message to the Federal Government to act with all haste, with all speed in the matter. You see, it's one thing to say we're going to get you contracts; it's another matter as to what those contracts say, and what I am concerned about is the fact that the contracts may be forthcoming but they may be forthcoming too late. They may be too little and may be too late, and in the meantime you can't run a company without work, you can't expect a facility with all the high overhead that is involved in it to be maintained.

So therefore, Mr. Speaker, I say we are calling the Air Policy Committee of Manitoba immediately. I hope Mr. Richardson will be there. At the same time, we are wiring the Acting Prime Minister - I believe Mr. Trudeau is still out of the country - we are wiring the Acting Prime Minister, Mr. Sharp I believe, conveying -- (Interjection) -- He's a former St. James man - conveying to him our concern in the matter, our feeling that Ottawa simply does not care what happens to Manitoba in this respect. The fact is that the province has made proposals; we have studied this in great detail; we have, through our experts in the Department of Industry, a great knowledge of what this plant can do. We have one of the best aircraft facilities in North America here. Indeed I toured it the day after, I believe, the announcement was made re the ending of the contract, and I was most impressed by the facilities we have here and by the skills that we have here in Manitoba. But the fact of the matter is that this industry depends on federal contracts, and what can we in Manitoba do? We don't have authority over aviation in this country. At times you wonder, although I can see the need for complete national control in this field, it's at times like this that I wonder whether we are not being subjected to the interests of central Canada, to the economic empire of Ontario and Quebec, and that we in the west, we on the prairies are having to take the crumbs, as is often the case.

Well, Mr. Speaker, I have very little to say beyond this, that I have spent many, many hours on the matter. We have, as I stated, talked to management, talked to unions. We've talked to Federal Government officials. We've been given a lot of assurances from Ottawa but that's all we've had and those assurances are not good enough. I'd like to see contracts, I'd like to see signed contracts; I'd like to see men go back to work; but I appeal to the honourable members of this House, all parties, and to all elements of the Manitoba community, to support us in this drive. I'm afraid quiet negotiation is not what is going to work in this case. There's the old adage; "The squeaky wheel gets the grease," and I think we must all join together and start squeaking.

MR. SPEAKER: The Honourable Member for Assiniboia. I am not aware that we have questions on a matter of grievance but if that's the will - the Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I'd like to ask the Honourable Minister if the government, the Provincial Government, have made any specific proposals to the Federal Government, and if they haven't would the Honourable Minister use his expertise in the Department to develop a program and plans. If we can expand our International Airport, perhaps we can get more airlines coming here refueling, and also can they find out if we can get any other work from Air Canada from other jurisdictions, if they haven't done this. I think it requires a lot of study and you have the expertise. Why couldn't this be done immediately?

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

MR. EVANS: Well, Mr. Speaker, you know, we have made many proposals. I will say that they have been general proposals but, you know, we can outline them in great detail, with respect to the amount of Air Canada work that should be done here, the amount of V & V military overhaul that might be done here, the amount of DOT aircraft servicing work that should be done here, and so forth. But I have a great sense of frustration because I don't care how many proposals and how well-documented they are, I'm afraid there's a tendency for these proposals to fall on deaf ears and the fact of the matter is, unless Ottawa is in a receptive mood or receptive frame of mind to our proposals, I'm afraid that this is not going to solve our problem. Again I repeat, it's only the Federal Government -- essentially it's a Federal Government matter; it's not a matter of -- we're not dealing with an industry that has a nature of economic competition about it, where you go out and you try to sell the best product and so on. It's strictly a matter of governmental contracts, although I would add this, that there are additional commercial . . .

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS: His Honour the Lieutenant-Governor.

MR. SPEAKER: We, Her Majesty's dutiful and faithful subjects, the Legislative Assembly of Manitoba in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of these Bills:

No. 17 - An Act for the granting to Her Majesty Certain Sums of Money for the Public Service of the Province for the Fiscal Year ending 31st day of March, 1972.

No. 20 - An Act to Authorize the Expenditure of Moneys for Capital Purposes and Authorize the Borrowing of the Same (2).

MR. CLERK: His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence, and assents to these bills in Her Majesty's name.

MATTER OF GRIEVANCE (Cont'd.)

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

MR. EVANS: I just finish my answer, Mr. Speaker, and that is that CAE is essentially dependent upon government contracts. There are some slight exceptions; there is some commercial work that they can get perhaps independently. The difficulty, though, is one which expressed earlier and that is, this is a very bad time for the aircraft industry in North America and this is what's contributing to the difficulties apart from the attitude of the Federal Government.

MR. SPEAKER: The motion before the House is that the House resolve itself into a Committee to go into the Supply.

MR. SPEAKER put the question and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution 103 (a) -- passed; (b) -- passed; 103 -- passed. This completes the Department of Urban Affairs.

Mines and Natural Resources? Finance? The matter before the Committee is Resolution No. 43 (a) -- the Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I would like to think that the Estimates will prove acceptable to the Committee and that I'll be able to respond to the extent that I'm required to do so, but I don't want to overlook the opportunity that a Minister has once a year - that is Estimate time - to make reference to the people that work with him and sometimes tell him, or often tell him what to do. I think that I was fortunate when I came into this portfolio to have inherited a really good staff in the Department of Finance, people who are not only well-equipped to handle their jobs and to carry on in the way, in the best interest of the Government of Manitoba, but also people with a real sense of dedication and loyalty to the service which they perform. I had occasion to say something similar to this last year and I certainly don't feel that it is a rote for me because in the year since I've had occasion to refer to my estimates and to members of the Department in this last year, I have only had the opportunity to strengthen my faith in them, in their integrity, in their loyalty and in their ability, and without naming any of them because there are many of them and they all stand out in this respect, and I'm glad I had the opportunity to say so.

Now, I want to speak a word about my salary because that is really the matter before us, and in that regard I want to say something on behalf of all Ministers that should be on the record and clarified, and that is the item which reads: Minister's Compensation, Salary and Representation Allowance. And I think that the record should be made clear that the reason for the words "Representation Allowance" was the fact that when the change in Minister's compensation was established some years back - I think it was about 1966 - it was established then that the payment would be \$13,400.00 as a taxable salary and \$2,200 as an expense allowance called a Representation Allowance, and it was believed with good reason, the good reason being the verbal agreement by one of the senior Ministers of the Federal Government, that this \$2,200 payment was a non-taxable amount, non-income taxable, and when we came into government we were told that there was a disagreement between the Province of Manitoba and the federal Minister who was involved in collecting tax revenues as to the interpretation of the law, and the interpretation was resolved by the Federal Government to make the \$2,200 taxable, but rather than put a retroactive burden on Ministers who had received that \$2,200 not taxable, the ruling of the department was that the change in policy would be established as of December 31, 1969. As a result, for the year 1970 and this year the Federal Government considers the \$2,200 taxable and I therefore want it known that when we speak of Minister's Compensation Salary and Representation Allowance, the interpretation by the Federal Government is that the full amount is taxable; as a result, Cabinet Ministers of this government are receiving a net take-home pay, if I can use that expression, which could be estimated to be about \$1,000 less than their predecessors. Therefore, that explains the words "representation allowance" because we haven't quite given up the struggle; we're having one more effort to try and persuade the Federal Government to accept the interpretation of the previous Manitoba government but so far we have not succeeded.

Now, more precisely dealing with my own salary - and I'm sorry the Leader of the Opposition isn't present - I must confess to a certain amount of sensitivity, personal sensitivity, and I must note that in the speech on the Throne Speech by the Leader of the Opposition, he said, and I quote from Page 27 of current Hansard: "As to the Minister of Finance," and I quote, "he has another title now, but until he came along we always assumed that Finance was the most important portfolio. He doesn't worry very much about it; though, like his colleagues, he knows that all governments have to do is spend money, so lately he has been letting Finance take care of itself." Well, that hurt a little bit. And then when I saw the non-confidence motion on the Budget Debate, I note also that the Opposition supported the non-confidence motion which included under Item 4 to the effect that "the House regrets that this government has, through the assignment of other duties, encouraged the Minister of Finance to neglect his responsibilities within the government." I guess that too hurt a little, Mr. Chairman, because I've been putting in as many hours and as much effort as I think I could, and the fact that apparently in the eyes of the Opposition I've been neglecting my responsibilities makes me feel

(MR. CHERNIACK cont'd) somewhat inadequate to the task, I suppose I should draw some comfort from the fact that the motion was defeated, but nevertheless somebody thought it worthwhile making mention of this on two occasions and if they thought it was worthwhile, then obviously some people think that I haven't been doing my job adequately. So rather than defend my salary, I will conclude by realizing full well that the Opposition has the right and now the opportunity to propose a reduction in my salary, and whether or not they do is, of course, a matter for them to decide, not one for me to deal with.

MR. CHAIRMAN: The Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Chairman, I would just like to acknowledge and thank the Minister for his explanations and to again associate ourselves with the remarks he has made about the quality of his staff and the dedication that they have given to the work of his department. We anticipate that the Estimates in this department will not be unduly delayed, that we've had an opportunity to discuss many of the matters relating to finance in the debates on the Budget Speech which are just concluded, so that there should be very little difficulty in moving along rather quickly in this respect.

There were one or two very minor items, and one was brought to my attention the other day in connection with a resolution that was passed in the last session relating to the possibility of removing the sales tax on children's clothing by age grouping. I believe that this resolution was passed in the last session but there's been no indication of any implementation of this proposal which I believe, and I'm just from memory now, indicating that we had recommended that children's clothing, age 16 and below, be exempt from provincial sales tax, and I think this recommendation received some acceptance. I may be wrong in the age group there, but perhaps the Minister might comment on this.

Mr. Chairman, we have nothing further at this time from our group on this side to bring to the attention of the Minister, and again we thank him for his explanations and hope that we can move along quickly.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, if the Liberals have nothing to contribute at this time, I will take a turn . . .

MR. CHAIRMAN: . . . remarks to the Chair.

MR. FROESE: Yes, Mr. Chairman, I intend to do so. When discussing the Budget, I put several questions and made some requests, and now that we are discussing the Finance Department I feel that we should be considering these matters further.

I have in past years requested that we, as members, be provided with quarterly financial statements. I feel that this is something that we should have. Presently we get the Manitoba budget each year which is to bring us up-to-date at that time, and we have Public Accounts, but, Mr. Chairman, that is not satisfactory to me. I feel that we should be getting current information from time to time. Why can this not be made possible? Why is the government reluctant to do so? Certainly when other administrations are able to do this, why can't we have that in Manitoba? Surely it's not too much to ask for quarterly statements so that we know what the conditions are, what the government is getting in the way of receipts, and we also would then be aware of the expenditures as well, so that this could be provided for us. We are members just like other members are on the government side, and why should we not have the same information? I can't see why this should not be made available to us. I know the British Columbia government provides their people with the British Columbia Government News, and in those News they provide quarterly statements. I find here of December 31, 1970, that it says the Audit Act requires the Comptroller-General to prepare for submission to the Legislature a statement of the province's revenues and expenditures, and surely enough if British Columbia, which has a much larger budget - in fact it's more than twice as large and expend so much more money - if they can have an accounting system whereby this can be done, surely enough we should be able to do this, having it on a much smaller scale.

Another matter that I thought I would like to raise and I've asked the Minister on this matter before - this has to do with collection of taxes - I'm referring now to the diesel fuel used in farm trucks, and the Minister gave me a reply and I want to thank him for it too, but here again I feel it rather odd that after some five or six years that the legislation has been in effect that now that we have a new administration that they will now try and collect this tax, and I want to ask him whether this is going to be collected retroactively to the time that the legislation was passed or not, because some farmers have indicated to me if this is the case,

(MR. FROESE cont'd) then they will have to declare bankruptcy because, having used trucks of this type for a number of years, because the tax amounts to a real hefty amount when it comes to an individual farmer who has a lot to pay, taxes retroactive for fuel of this type, and I think it only fair to know just what is the government's position, what is its policy in this matter. Surely we should be able to tell our people what to expect.

I have further matters; for one, the equalization grants that the province receives from the Federal Government. I think members on both sides of the House would like to have an explanation just what is this tax based on and how is it applied. We know that some of the other provinces are collecting very large amounts. Quebec, I think, is getting something like 143 million one year and I don't know what the situation is for this coming year. Some of the Atlantic provinces are collecting very large amounts and we have been getting maybe a fair share, but let us have the details on this so that if we find then that the situation is not fair, certainly when the Finance Ministers are going to meet with the Federal Government and the other provinces, that maybe we should ask for more than we're getting today.

Another item that I feel that the Minister should comment on has to do with the matter of what about Britain's entry into the European Common Market? How will it affect the Province of Manitoba? Surely when we see reports in the paper or the Financial Post, and when it says, if first asked the question: "What happens to Canada if Britain joins the European Economic Community?" then it says, "Plenty," and then it goes on to list a number of the items that will probably come about - and I would like to read one paragraph. It says here: "Britain's entry would mean Canadian traders would lose not only their Commonwealth preferences, but would face reverse preferences and tariffs in favour of Britain's new partners in the EEC.

Manitoba is probably one of the weaker provinces. We export less goods and we have less manufacturing than our sister province to the east, but surely enough we can't say that we will be escaping the situation completely and that we will not be affected. Has the government done any research on this? Have they studied the proposals on which Britain is entering, or will be entering, and what effect it could have on our economy here? I think these are matters that are important enough that we should be hearing from our government in this respect.

The matter of Dominion-Provincial relations falls within the Department of Finance. Here again, on the matter of our constitution, I think the Minister should bring us up-to-date, and I had some questions, I think, in the Throne Speech debate if not also on the Budget, as to what are the proposals before the committee at the present time in case of domiciling the Constitution of Canada and then having it amended. What will Manitoba have to say in that respect? Will it have a voice if amendments to the Constitutions are made, and will we be not relegated to a very minor role which probably amounts to next to nothing? And certainly, if that's the case, we should know now before they go to such a conference and commit the province to a certain course of action. Let us hear at this time what this government has to propose in this matter.

Maybe I should first sit down now and hear the Honourable Minister give us some replies to some of the questions put to him dealing with finance, and having sat on the Economic-- what's the committee called? - the Economic Development Committee for the province, well, I've been taken off now because I guess they didn't like me on the committee -- (Interjection) -- I guess they want to have less obstacles brought into their way or probably have less suggestions brought forward. Certainly when I made a recommendation one time of having a provincial bank brought into Manitoba, or established in Manitoba, we had a report brought in by the Minister of Industry and Commerce to the committee and certainly the report was very favorable. Will there be any action? We know that this cannot be done by the province to get the bank itself, but certainly they could be the nucleus from which such a venture could spring up and be brought about, and I think this is exactly what is needed. There was mention made that probably the former Bank of Western Canada, which never got off its feet and which charter apparently was available, could be reactivated. Has anything further been done, and is his department involved in this, and what can we expect?

Mr. Chairman, I think these are some of the questions I would like to have some replies to before we proceed.

MR. CHAIRMAN: The Member for La Verendrye.

MR. BARKMAN: Mr. Chairman, while the Minister is preparing his two or three hour reply to the Member for Rhineland's questions - I am sure he will want to answer them - I have to agree with the Member for Brandon that some action was expected as far as the sales tax

(MR. BARKMAN cont'd) was concerned on children's clothing, and I have to, I think, at this time - I believe it's proper to bring up at this time - a sales tax that is imposed on goods sold at auction sales. I think this is -- in the first place, it involves people that sometimes have to stoop down to the level of buying used clothes and the like. They don't wish to, really, but -- (Interjection) -- yes, the honourable member mentions guitars. This is very interesting too. I don't think he can play it too well but he sure paid a nice price for one at his constituency at Whitemouth the other day. But this tax. First of all, I know all taxes are very unpopular, but if some of the members of this House would realize the arguing and the discussion going on, having had some experience as an auctioneer, that people will say, well, this is not taxable and that is not taxable. Well, this is not the worst of it. You can get out receipts and find out which is taxable or not. But there seems to be a very hurt feeling by many individuals when they have to pay sales tax - I've just mentioned used clothing; there are many other articles. For example, a lot of sealers are sold at auction sales. It may seem to be a very small thing to the members of this House but when you have 30, 40 sales a year, it comes to quite a bit of money and these people are really not in a position to pay, or shouldn't have to be in a position to pay tax on goods that at times have been sold for the fifth and I can say even to the tenth time at auction sales - the same articles. And surely, if there has to be tax, one should be enough on those kind of goods.

And I'm wondering, not just that it is a nuisance, there's little tricks to selling sealers. You put in one little cherry or one little plum; of course then it's food, but this takes a lot of work and I'm sure you don't want to be bothered with that. -- (Interjection) -- I imagine they will be hearing that upstairs, yes. In the meantime, it's in the record that it is allowable so this is quite all right. But I do wish to -- I wonder if the Minister at some time - I'm sure he won't have the figures with him now - could give this House an amount that auction sales or the revenue auction sales bring in. If it's a minor amount, then I would say that this government should consider taking a look at it and perhaps dropping it. If it is a very large amount, maybe you need the revenues but I don't think, as bad as you may need them, I don't think they should be taxed the fifth and sixth and seventh time when it involves people that really can't afford to buy anything new, and I shouldn't perhaps say stoop to buying this - some of these clothes very often are good used clothes and they can use them, but I thought this was a time to bring this point up. And there are also, although this, perhaps, I should have been studying more, but there are a lot of articles that are on the borderline of being for farm use or not, and I think some time you have to take a look at this list because some of them really could be used for farm use. Now I know this may sound trivial to the Minister, but I think it's important when a tax has to be paid more than once on the same article, especially when it's a used article.

MR. CHAIRMAN: The Member for Churchill.

MR. BEARD: Thank you, Mr. Chairman. I rather smile when I hear the Member for Rhineland recommending a Bank of Manitoba. He's moving right over to Socialism, and I agree with him so much that I would second his thought on this. I do feel that in many ways we are taking poor risks, we're forced into poor risks through our Manitoba Development Fund, and I don't see why we can't be on the good side once in a while and take advantage of some of the good risks in loaning.

I'm not going to deal on it too long but I seem to be hung up on the 5 percent tax. Now that we've had a good look at it, I think that the government should do something about relieving the tax on young adults or children, whichever you may call them, going to high school, going to university. There are costs to the family and certainly they have a cost squeeze in trying to gain their education. I'm sure that in asking for these things that it really would have been said by the New Democratic Party if they'd be in Opposition. They would be saying that we should be considering ways of discarding the tax on workmen's clothing. They're labour clothing and they're part and parcel of the necessity of taking labour jobs, and in many cases the labour jobs are not high paying jobs. I think also with it goes the tools to look after labour itself. I think that we can see a precedent in the government taking the attitude that in industry, in some cases, they don't have to pay the 5 percent tax; now I'm just not sure which way that goes but I know when they're using some materials that they do not have to pay it, or on engineering types of product. But I would seriously ask the Minister to look into the 5 percent tax and perhaps, perhaps the answer is - and I shrink from saying it - that maybe the tax should be raised on other things and the relief go to those people that are in the low category of income and perhaps give them the relief which would follow through on workmen's clothing, on

(MR. BEARD cont'd) the tools that are necessary for an apprentice to buy, whether it be electrical apprenticeship or plumbing, etc. They have to invest in a fair amount of tools and this goes on continuously because they lose them, etc. And I would hope that we could at least relieve them of the 5 percent on the clothing and tools which, incidentally, are often used up at the end of one day. They have to buy them almost daily, or a number of times a week anyway.

So those are the things that come to my mind, I spoke the other nights on the rebate of income tax for people in the North but I gathered that the Minister wasn't sympathetic toward that or, if he was, he didn't feel that it could be done. But these things all relate to a cost of living which is higher and is particularly higher in my area in which everything is more expensive in the small communities than the large communities in the south. I know the Minister will be sympathetic to these things as to whether he can do anything or feels he can do anything. It's up to him, but I hope they would consider it as time goes by.

MR. CHAIRMAN: The Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I'll be very brief because some of the things that I -- a couple of points I wanted to raise have already been mentioned. The first point, I feel that the 5 percent sales tax should definitely be removed from the necessities of life, and particularly I'm referring to the children's clothing. In this respect, I'm sure, it's pretty difficult to know just what is referred any more to children's clothing. I'm sure that most people are paying tax on children's clothing, on the children who are at least, say, ten or nine years or over, because I know in my own situation this is the case. It doesn't matter what it is, shoes or anything, once the child has reached the age of nine, I find myself in the position of paying the sales tax for their shoes and their But I've had the same response from many other people and somehow we're going on the size of clothing and the sizes don't mean very much nowadays because if you buy one make it's two sizes different than if you buy a different manufacturer. So there is some discrepancy. But there are other things such as used clothing, which was mentioned. I think this definitely should be removed and perhaps the Minister can give this some consideration.

The point that I really wanted to raise is I've had some correspondence, at least from a couple of my farmer constituents, and the point that they raised was they had to pay sales tax on a motor that they used for pumping water, and the point is raised that if that motor is attached to a pump or well, it's taxable, but if it's not attached it's not taxable. So they had to pay tax. I tried to get the information from the Tax Office and I advised each one that it was taxable, but then again I'm told that they don't have the small motor attached to the well all year round. They use it for other purposes during some part of the year. On the other hand, a motor that's attached to, say, a grain auger, I understand it's not taxable, so I couldn't figure out the reason and neither could these farmers because the motor was detachable and it was used on the farm, it was used for watering cattle, and still it was taxable because they said once you attach it permanently to that well, it's taxable. The men said, "Well, I probably attach it there for six months but not for a full year," and they were told it's still taxable, so they had to pay the sales tax. The Department should have -- how do you establish what is taxable and what is not when you have these removable items from maybe a grain auger or a well or something like that? Perhaps the Minister can take a look at that and maybe there'll be less confusion for the merchants that are selling the motors and the storekeepers or the hardware stores, and, as well, the farmers will have a better understanding what they have to pay tax on what they buy for their use.

MR. CHAIRMAN: The Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Chairman, I just want to make a few comments here in regards to the Minister's department and bring to his attention another problem that concerns some of my constituents, and that is the farmers who are producers of potatoes. I think the Minister probably is aware that this is an industry that was begun in the last few years and it's growing. I want to just make a few comments in regards to the storing of potatoes -- it's like other grains and there's been some conflict; the farmers haven't understood properly. I know when we were government, that if they built a shed for storing grain, it could probably be used for other purposes such as storing farm machinery and therefore wouldn't qualify. But I've had a few farmers who have requested of me and it's gone through to his department on one particular occasion -- I don't know what the results are -- but where farmers are producing potatoes they have built a special building for the purpose of storing potatoes and it's for no other use. They've made application to see if they could get a refund

(MR. EINARSON cont'd) on the sales tax that has been applied thereto, and I am not sure, I don't believe that this is so in the Act now, I don't believe they can get a rebate, but I think if it's not so, if it's in the negative, I think it would be appreciated if the Minister could consider this particular matter because I believe it's discriminating a farmer who is producing potatoes as opposed to a farmer who is producing other grains. The building is constructed solely for the use of storing potatoes, which is an agricultural commodity such as wheat, barley or oats, and I think this is one area which I would appreciate if the Minister could give consideration to.

MR. CHAIRMAN: The Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Chairman, there are just a couple of things I'd like to ask. One particular problem, I don't know and I haven't looked into it - the matter of horses at auction sales. Maybe I should have inquired of my friend here, the Member for La Verendrye. Before, it used to be a problem when auctioneers sold a horse at an auction sale. Has that been amended? Any changes made? Would you give some consideration to that problem because it's a darn nuisance for auctioneers and it also makes people pretty mad when they got to pay sales tax on an old horse -- (Interjection) -- a secondhand horse, yeah. The problem with horses, they're changing pretty rapidly and they'll likely end up in an auction sale about three times during one year.

But the one other thing, under insurance, I would like to have a list of all the companies that are licensed in the Province of Manitoba, also all the insurance agents that are licensed in the Province of Manitoba. That's not very difficult, either having to pay \$15.00 to renew my license, so if you have that all, the Superintendent of Insurance has this information. Could you give us that? Maybe not - I won't expect it in a day or two but -- (Interjection) -- yeah. Before the amendments of the Automobile Insurance Act come in, I might have to use this information in my speech. Thank you.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: . . . the Minister gets up to reply, I think he'll probably use the rest of this afternoon for his reply, and he had a paper brought over to my desk. I don't know whether I should comment on it but at any rate I think it could be noted that the Finance Department this year shows the largest amount that will be paid by this province in interest in a given year. This is a record; this is a record by the NDP government, and I don't know whether they're proud of it or not. Certainly I'm not proud of it, that the people of Manitoba will have to pay something like \$37 million - \$37.5 million in interest - interest on the provincial debt, and I feel that if something can be done in some way to reduce this amount that we should do it. I have repeatedly asked this government to go to the Bank of Canada and -- (Interjection) -- Sure. Have you done it? Have you made any approaches? Have you approached the Federal Government on this?

MR. CHAIRMAN: Order, please. In my view, the member's remarks are specifically directed to Resolution 47. We are considering 43.

MR. FROESE: They are under the Minister's Salary, Mr. Chairman.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: So certainly this is a valid thing. If we are not going to be allowed to be speaking on the \$37 million of interest that this province will pay this coming year, what else should we be talking about? Yesterday we passed the Capital estimates for borrowing of another \$300 million, and add the interest on that \$300 million on next year's budget, just what will you be coming up to? And we have no assurance, not even an indication, that borrowing will be smaller next year or that this government will not pursue and go deeper and deeper into debt, and this is what I would like to hear, that we should go on a pay-as-you-go policy. Why go out and borrow and borrow and borrow? We cannot borrow ourselves into prosperity. It can't be done. And I had hoped that the Minister of Highways would come into this debate. Surely he was one who opposed paying sales tax some years ago, and he opposed it very strenuously. Are you in favour of it now? Are you in favour of paying \$37 1/2 million of interest on the national debt of this province? -- (Interjection) -- Oh, I don't think it's really the previous government. I think you're going into debt much, much faster than the previous government did.

MR. CHAIRMAN: If the honourable member will direct his remarks to the Chair rather than any specific member, I think it might be . . .

MR. FROESE: Fine. I will do that, through you. I think the other members of this

(MR. FROESE cont'd) House have an interest in this matter as well and I thought maybe he would be making some comments if I addressed him in this way.

Certainly I do not go along with this kind of a program. I feel that we should be paying our way and, if we can't pay our way, then we should not provide the services. We should limit our services to what we are able to pay. Certainly other provinces in this Dominion can do that. Why can't we? I would like to hear from the Minister on this very matter. To what extent will we be proceeding along the lines of their policy of continuously going into debt deeper and deeper? We know that the people of Canada today owe \$108 billion in debt. This is provincial, federal, municipal, consumer debt. It's \$108 billion, and imagine the amount of interest that our people in Canada have to pay, and surely we should be working towards something that will eliminate and reduce this amount of debt or the interest that we have to pay. And we have the machinery. We have the Bank of Canada there for that very purpose. Why don't we use it? I had at least figured that when the Labour Government came in in Britain and they started nationalizing, they nationalized various industries, but when it came to banks, no, there was a stop. Why didn't they go? Were they chicken? Weren't they able to do it? Or were the banking interests that strong that the government had to bow to them? And I rather suspect this was the case, that they were too weak; they could not withstand the financial interests.

And now that we have a Socialist government here in Manitoba, what is the case? They go along, along the old lines, to the same markets that the previous government did, to other countries, to United States, to New York. Why? Why? And pay them large amounts of interest and have the profit and the cream go out to other countries. Why can't we retain it in Canada? There's no reason why it can't be done. In fact, when I mentioned this to the previous Minister of Finance under the previous administration, he said he would investigate. However, they were defeated and we have heard nothing more. Now, I would like to hear from this Minister whether anything had been done, because certainly there are portfolios open in the Bank of Canada for this very purpose, and we also know that under Prime Minister Diefenbaker when he was Prime Minister, that they used the Bank of Canada for this very purpose, that they floated bond issues and even though there was an interest coupon on it; however, the interest that accrued and was collected went to the Consolidated Revenue Fund and in this way it offset a large amount of taxes that the people of this country would have had to pay. There was \$163 millions in one year in this way that the people of this country saved themselves, and this is proof. This is fact. And why can't we do similar things for the people of this province?

Mr. Chairman, I feel that this government is not doing its job if they're just proceeding along the old lines, not only proceeding on the same lines but in a worse way, because you're increasing the debt year by year.

MR. CHAIRMAN: The Member for Morris.

MR. JORGENSEN: Mr. Chairman, after that eloquent and impassioned dissertation on high finance, I hesitate to embark on a rather mundane discussion of something that is of concern to my constituency, and I suppose it could be more appropriately dealt with under the Taxation Division but, since the Minister has agreed to accept all the questions now and since it's almost 5:30, I'll have an opportunity to make my request to him now and he can reply either when that particular item comes up or when he replies to the questions that have been asked of him on the first item.

My question deals with the matter of the motive fuel tax. The Minister perhaps is aware, because of changes that are taking place in the rural communities, railway line abandonment, etc., there is a tendency on the part of many farmers today to invest in equipment that will enable them to move grain longer distances than has been the practice in the past. That has resulted in a switch in comparatively recent years to trucks that are powered by diesel motors rather than by gasoline-powered motors. At the present time, under The Gasoline Tax Act, farmers are allowed to use purple gas in their trucks for farm use. That does not apply to the diesel trucks. They are compelled to pay the tax on diesel fuel on farm trucks, and I have raised this matter with the officials of his Department and, although I didn't expect that I would get a final answer from the officials of the Department, I did get an explanation and I did discuss it with them and they said they would take it up with the Minister. I should like to ask him now if it is the Minister's intention to introduce legislation at this session, or very shortly, in order to keep pace with the change that is taking place in this particular area of agriculture. If it is the intention to introduce legislation which will in effect permit farmers to use tax-free diesel fuel in farm trucks that are diesel-powered, and if he can give me an

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(MR. JORGENSEN cont'd) affirmative reply to this question, then whatever he does, I can assure him that I will vote against any attempt to reduce his salary. I will also be happy then to expedite the passage of his Estimates because it's a very small concession, but I think it's going to be of growing importance to farmers because of their desire to reduce the cost of transporting grain longer distances, which will be necessary under any great amount of railway line abandonment.

MR. CHAIRMAN: To allow for some continuity in the Minister's reply, I suggest that we call it 5:30. I am leaving the Chair to return at 8:00 o'clock.