

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 16, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the Honourable Members to the gallery where we have 18 students of Grade 11 standing of the Lord Selkirk School. These students are under the direction of Mr. Dyck. This School is located in the constituency of the Honourable Member for Selkirk, the Attorney-General and Minister of Municipal Affairs.

We also have 10 students, Senior Grade standing, of the McHanie Arts High School of St. Paul, Minnesota. These students are under the direction of Mr. Broderick.

On behalf of all the honourable members, I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Member for Radisson.

REPORT OF STANDING COMMITTEE

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I beg to present the Second Report of the Standing Committee on Economic Development.

MR. CLERK: Your Committee met on Thursday, May 16, 1974 . . .

MR. SPEAKER: . . . be read into the record or written into the record.

(Your Committee met on Thursday, May 16, 1974, to consider the Annual Report for the year ending March 31, 1973, of Moose Lake Loggers Ltd.

Mr. C. C. Hunt, President and Chairman of the Board of Directors and other officers of the Company provided information as desired by members of the Committee with respect to the Annual Report and the operations of the Company.

The Annual Report of Moose Lake Loggers Ltd. 1972-73 was adopted by the Committee.)

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I move, seconded by the Honourable Member for Emerson, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements. The Honourable Minister of Finance.

MINISTERIAL STATEMENTS - BOND ISSUE

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I have the uncomfortable feeling that I may have been in error in holding a press conference two and a half hours ago on this statement that is being distributed. I bowed to the request that the deadlines for media be considered, and whereas I had a press conference slated for 3:00 o'clock, I moved it forward to noon in order to accommodate the press and then realized that probably I should have brought the statement into the House first. So I apologize to anybody who feels offended by that oversight.

What I announced to the media at noon is the decision of Cabinet to offer a new savings bond issue at this time. Honourable members will recall that a savings bond issue is different from a normal bond that we issue in that it is redeemable on demand. Now the new savings bond issue is expected to go on sale in mid-June as a fully registered bond carrying interest at 9 1/4 percent. In eight years, if the moneys were allowed to accumulate the interest and be compounded, the bond will have doubled in value, and we propose to give purchasers an option of either collecting interest annually or letting the interest accumulate being compounded.

I point out, of course, that the action of the Federal Government last week in automatically increasing all their savings bonds to nine percent, was a stimulus to our doing so in that it raised the expectations, justifiably, of Manitobans to receive a higher return on their money in the light of rising interest rates. For that reason we decided that we would issue a new savings bond issue in response to many requests that we have received since our last issue was out, by many people who want the security of knowing that their bond is payable on demand at any time, so that the moneys they have set aside for that rainy day would be available to them when they feel they need it, rather than buying a long term bond.

MINISTERIAL STATEMENT - BOND ISSUE

(MR. CHERNIACK Cont'd)

Concurrently, therefore, and in accord and following the precedent established by the Federal Government, we have felt it only fair that holders of existing Manitoba savings bonds should also have the opportunity of benefitting or of receiving 9 1/4 percent interest on the existing bonds, and therefore we propose, as in this document that I have distributed, that we will notify all bond holders of existing bonds that, as of the anniversary date of their bond, which is either June 1 or July 1 depending on the issue of the relevant bond, that the bond will bear interest at 9 1/4 percent thereafter, so there'll be no need or desire of any bond holder to cash in an old bond in order to buy a new one, or indeed, if the bond holder is unsophisticated, to be receiving the old interest rates when it's only fair that they should all receive the same interest rate.

As in the past, we propose that the sale will be limited to residents of Manitoba, that there will be a maximum of \$50,000 to any one person on these bonds. Just for information of honourable members, there is some \$47.5 million outstanding today, or yesterday, in Manitoba savings bonds, of which all but just over half a million is in the eight and a half percent Centennial bonds, and fractionally over half a million is still in the old bonds which were issued in 1965-1966. I know the practice is that members of the other parties would now make a statement, but if there are any questions for any elaboration, if I'm able to do it I will of course attempt to do so during the question period.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, perhaps then my statement might be more in the way of a question and it might be considered and answered in the question period if desired. The question is to determine the total value of the issue, apart from the 47.5 that's mentioned in the press release. The total value of this issue isn't indicated; I presume it may be different than what the 47.5 figure is here, and I wonder if the Minister might give some indication as to whether, in addition to that, external sources of finance to finance the very high capital project requiring borrowing, long-term borrowing outside the province, how that is faring, and whether or not the issue at present indicated here is related to the borrowing ability outside the province at the present time.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? The Honourable Minister of Mines.

FLOOD REPORT

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I have a Winnipeg River flood outlook statement which I'm not going to read, I'm going to distribute it to honourable members. If there are questions that arise from it they'll come up at a later time.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills. The Honourable Member for Riel.

INTRODUCTION OF BILLS

Mr. Craik introduced Bill No. 63, an Act to amend The Highway Traffic Act (3).

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield), on behalf of the Minister of Consumer, Corporate and Internal Services, introduced Bill No. 69, an Act to amend the Embalmers and Funeral Directors Act (Second reading Monday next); and Bill No. 71, an Act to amend The Consumer Protection Act (Second reading Monday next).

ORAL QUESTION PERIOD

MR. SPEAKER: Questions. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, in the absence of the First Minister and the Minister of Consumer Affairs, I would like to direct my question to the acting First Minister. I wonder if he can indicate whether the government has had an opportunity of reviewing the fluctuation in price increases in the price of gasoline in Manitoba, and are in a position to comment as to whether these price increases are correct or not? --(Interjection)-- Well, Mr. Speaker, I'll put it in another way - are justified or not.

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MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: . . . got a story. I'll have to take that question as notice, and I really think it's a little premature because I know that even this morning I received some calls from retailers discussing their doubts or quandary about setting a price, and so I would think that taking it as notice will give us an opportunity to obtain more information.

Mr. Speaker, maybe at this stage I can respond to the questions asked by the Honourable Member for Riel, unless the Leader of the Opposition had a supplementary question to . . . ?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Just by way of supplementary on this particular matter then. I wonder if the Minister - and I don't believe he would be in a position to indicate that now to the House - but would be in a position as well to indicate how, you know, what section of the Department of Consumer Affairs deals with this particular matter and how it is evaluated, or how it arrives at an evaluation as to whether the price fluctuation at this point is - well, is correctly justified.

MR. CHERNIACK: Mr. Speaker, I share with the Leader of the Opposition his interest and I'll be interested in hearing the answer just as well, because the question of how one evaluates the justification of oil prices is something I've been trying to assess in my own mind for many many years, and not necessarily related to the recent crisis, but throughout the years knowing the profits that are being made. But I accept it as notice.

MR. SPIVAK: By way of one more supplementary. I wonder if the Minister of Finance can indicate that within the discussions that took place at the Dominion-Provincial Conference with respect to energy matters, was there at any time discussion held on behalf of the premiers and the Prime Minister with the oil companies as to what would take place with respect to price increases in Canada.

MR. CHERNIACK: Mr. Speaker, the House Leader reminds me that this conference was an open conference and I do not believe that they were present. There was a meeting of premiers only, as I recall it, and none of the rest of us were allowed into the room, so I'm assuming no oil company was there either, just premiers. However, I think the Leader of the Opposition knows that that problem has been dealt with more on the basis of federal intervention than provincial, and I will not predict the kind of answer that will be brought back but I've accepted it as notice. I think now I can deal with the questions asked by the Honourable Member for Riel on the proposed -- well, on the savings bond issue that we are about to proceed with.

He asked the question of total value of new issue, and attempted in some way, I think, to relate it to the present 47 1/2 million. That sum is the amount now owing by the province to holders of Manitoba Savings Bonds, and I would hope that in the main they will be kept by the holders and not redeemed, although the right to redeem is always there.

As the last time, we have not set a total amount. The Manitoba Savings Bonds will be put on the market, and honourable members will of course realize that, at the time they go on the market, the interest rate will have been established by us, but with the fluctuating rate that takes place now one cannot be sure of the receptivity of - well, let's say of the type of reception it's likely to receive at the time. What we do is retain the right - and I think it's referred to in the paper I distributed - that we can close the sale of the issue on two full business days' notice. The last issue, the Centennial issue, we decided to close when we had reached, as I recall it, between \$45 million and \$50 million, but after the two days' notice, we ended up with a sale of \$56 million. I would not really expect that we would sell that much in this issue and I don't think we would want to really sell that much, because it is demand money and although our bank - the term escapes me for the moment - but the allowable borrowing power from the banks has increased substantially to the extent where there would be no problem if all the money were redeemed at once. Nevertheless, I think it's judicious not to let it go to any extent. So I would think in terms of when we get to the 50 million mark, or even before that, we might be thinking in terms of closing off the issue, which means that once it's announced, people who wish to buy should buy, should subscribe as quickly as possible lest they are frozen out.

Now, the question on external sources of finance. I can report to the House that the fluctuating market, and really the rising market in interest rates, is very disconcerting. We reported last week the conclusion of a protracted negotiation which was extremely beneficial to the province - some \$35 million, of which \$11 million was a shorter term at 8 1/4 percent

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(MR. CHERNIACK Cont'd) interest and \$24 million was 8 3/8 at longer term, that is 20 years, but callable within 12 years, I believe, or at the end of 12 years. That was a very beneficial negotiation. It was a private negotiation and the interest rates moved up during the negotiations, and I did give credit to the people who had undertaken to subscribe for it that they did not attempt to take advantage of the legal situation of not proceeding even though they were not legally committed, and by the time we completed the transaction, interest rates had risen.

Another example is an issue that we've just completed on the Canadian market. It went out on Monday at 10 percent. We borrowed some 60 million with an option to the lender to take 20 years at 10 percent, or 10 years as I recall it, at 9 3/4 percent. The indication now is that approximately 50 million will go at 10 percent and 10 million at 9 3/4. That's a high rate but it is not high in today's market, because we find, I'm informed as of this morning, that the issue which was well sold on Monday, Tuesday and Wednesday, is now on the market at less than par, which is an indication that, as the sale goes, it was a good sale.

MR. SPEAKER: Order please. I do believe the Honourable Minister can elaborate at another time, not during the question period. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I wanted to direct a question on a different topic to the Minister of Mines and Resources. I wonder if he could confirm to the House that there has been a change in the scale of payments for flood damage on the Red River in the vicinity upstream from the floodway gate, as of yesterday. I see no formal notice of it, but I ask him whether or not the government can formally confirm that they are covering, rather than 50 percent of damages to houses, that they're covering 100 percent of the damage up to \$6,000.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the honourable member is asking me to do something from memory on an issue which during the period of the flood was -- I did not have very close contact with. A notice has gone out with regard to flood compensation and I'll undertake to have a copy of that in the House tomorrow.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Co-operative Development and it relates to statements made in the House during the session regarding information supplied on the Southern Indian Lake Co-op and Unies Limited. I wonder if the Minister could indicate what correspondence has taken place between himself and the office of that firm regarding the correctness of the answer that the Minister provided to the House.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I don't recall any correspondence but I'll have to check, and I'll take that as notice for the moment.

MR. SPIVAK: By way of supplementary, when the Minister is in a position to basically determine whether there was correspondence, I wonder whether he can confirm that he gave an undertaking to the company to have the Deputy Minister of Co-operative Development pursue this matter . . .

MR. SPEAKER: The question is hypothetical.

MR. SPIVAK: Well I would ask, Mr. Speaker, whether he could determine whether in fact an undertaking was given by him that the Deputy Minister of Co-operative Development would be pursuing this matter.

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Yes, Mr. Speaker, I'll have to check the file on that.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Attorney-General. I'm sorry I didn't give him notice. If he hasn't got the answer perhaps he can take it as notice. Will the liquor store at 515 Main Street feature an underground link to Winnipeg's parking lot now underground to the Concert Hall?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, not to my knowledge. I would want to, of course, just confirm that the information I'm giving the honourable member is correct, but not to my knowledge.

MR. PATRICK: Will the liquor store at 515 Main Street feature a wine cellar?

--(Interjection)-- No, I'm serious.

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

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MR. PATRICK: A supplementary, Mr. Speaker. Is the province paying for the renovations including excavation of the basement at 515 Main Street, or is it built by a contractor and the accommodation will be leased?

MR. PAWLEY: Mr. Speaker, the procedure is - and I understand the same procedure is being utilized in this case - is that all renovation in respect to premises that are being rented for the Commission are done at the arrangement and at the cost of the landlord, and of course is part of the lease agreement.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Tourism and Recreation.

MR. TOUPIN: Mr. Speaker, I took as notice a question posed to me by the Member for Fort Rouge a few days ago - actually it was a few weeks ago - in regards to the financial capabilities of the Department of Tourism, Recreation and Cultural Affairs in acquiring land for park purposes. My answer then was that there was a program available, and there is, but not in regards to the acquisition of land in the City of Winnipeg, but in the rural and northern part of the province. The financial program available within the estimates of the department is in regards to park development and recreational purposes, it has no capability within the City of Winnipeg, that is to be had through the appropriate Minister of the Crown,

MR. SPEAKER: Honourable Member for Virден.

MR. MORRIS MCGREGOR (Virден): Mr. Speaker, I address this to the Minister of Mines and Natural Resources. Is the Minister going to communicate with the Manitoba oil producers prior to the oil policy announcement other than a form letter?

MR. GREEN: Mr. Speaker, the announcement will be made to the members of the Legislature and through them to all of the people of the Province of Manitoba.

MR. SPEAKER: Honourable Member for Virден.

MR. MCGREGOR: Then a supplementary question to the same Minister, Mr. Speaker. Has or will the Minister investigate whether Double E Drilling Services and SA Drilling Services, the only Manitoba oil servicing companies have announced sale of their equipment dated July 23rd?

MR. GREEN: Mr. Speaker, they will do their own advertising.

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

MR. LLOYD AXWORTHY (Fort Rouge): I have a question, Mr. Speaker, for the Minister of Mines and Natural Resources. Does the Minister intend to follow the advice tendered to him by his Advisory Council to either undertake, initiate or underwrite legal action in North Dakota against the pollution of waters caused by the Garrison Diversion?

MR. GREEN: Mr. Speaker, I have answered that question on at least half a dozen occasions in the House previously, the answer remains the same.

ORDERS OF THE DAY - SPEED-UP

MR. GREEN: Mr. Speaker, I wonder if you would call the resolution standing in the name of the Honourable Member for Portage la Prairie.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I adjourned the motion which would give the government the power to have members sit here for the longer hours. I took the adjournment overnight - the reason was to read up what had been said in past years when this motion was introduced. I can recall vividly the present Minister of Labour making righteous speeches when the Roblin administration would bring in this resolution, and I don't suppose I should repeat everything he said but he was vehement and he felt from the heart that he did not think it was right for legislators to sit here morning, afternoon and night, and late into the night and early in the morning. We had the spectacle of Manitoba passing a law a few years ago that turned out to be a stupid, ridiculous law and it was passed under those conditions. The Opposition failed to do their job in opposing it and the government with all their advisors brought it in. So all I am asking for is reasonableness. Let us sit a certain number of hours a day, but not till 2 and 3 and 4 and 5 and 6 in the morning. --(Interjection)-- 7:30 in the morning was the exception, but there were many, many days where the legislators in this House sat beyond the call of duty for anything. I know that certain members health suffered from that as well as the general wear and tear on members who sit here for five months. --(Interjection)-- Well, I would like the Minister of Finance, he doesn't seem to agree with me let him stand up and say what he thinks. But I know for a fact that there's members on your side of the House who do not agree with this. I know it, they have told me.

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(MR. JOHNSTON Cont'd)

So I am suggesting if the House Leader would be reasonable and limit the night hours from 7:30 till 10:30 and that's it; this sitting until 1 and 2 in the morning is uncivilized, it's ridiculous, our constituents don't expect us to serve that hard in our life as an MLA. I'm asking the House Leader to be reasonable and if he would give us his word now I will vote to support the bill, but if he will not give us that assurance that he is going to limit night sittings until 10:30, then I am going to vote against the bill and I do it with a clear conscience, because I think it is wrong - it's absolutely wrong for members to have to sit here week after week till the small hours of the morning or late in the evening. Also I point out to him that he has in the second paragraph that "a bill shall not be taken into consideration prior to 24 hours following the presentation of the report of the Standing or Special Committee." Now, there was a row a year or so ago what did 24 hours mean? We on this side said it meant 24 hours. The then House Leader over there said it meant three sittings. So if he'd clarify that and say does he really mean one 24-hour period I think that would be acceptable to members on this side. But again, we don't intend to filibuster or kick up an unseemly row about this, but I do hope that the Minister will either by his word or by amending his resolution that the night hours go only from 7:30 to 10:30.

MR. SPEAKER: Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, if I could just comment very briefly. The Honourable Member from Morris has outlined our position in respect to the speed-up motion and as he has said, it is not our intention to in any way impede the passage of this motion. However, I would like to bring to the attention of the House Leader just my own personal views in respect to the use of this motion. I feel that the plan that was adopted during the consideration of the estimates worked very effectively and it I think facilitated the business of the House in the passage and in the proper consideration of the estimates. I would of course be much happier about the total matter of the way in which estimates are considered if it were not for the limitation of the number of hours which leaves us sort of in midstream when we come to the end of our time allotment, but that really is another debate.

But, Mr. Speaker, I would ask the House Leader that this motion be used in the same sense, in that it should be a device to facilitate the business of the House, and that it should be a device to facilitate the business of the House, and that it should not be used by the government as a weapon against the Opposition to handicap them in the proper discharge of their duty in respect to the full consideration of the bills which come before them. That is the only real reservation I would have about this, and again as the Member for Portage said it really rests on the shoulders of the House Leader to see that that is done. Thank you.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I would make one more observation if I can, Mr. Speaker, and this has been discussed informally among our caucus members and it would appear to be the kind of change that should be considered based on the experience of this past period of time and the way in which we were able to facilitate the handling of estimates, and that would be that within our rules there should be some undertaking and obligation on the part of government to have introduced for first reading all the bills that should be dealt with during a speed-up period.

I think one of the unfortunate problems that we have to deal with is to deal with bills that are important in nature, referred to in the Speech from the Throne, anticipated as being controversial by the very nature of the content of the matter or the principle involved, in which there is at least a significant interest developing within the community, at least a vested interest by those who are affected, and the impossibility of adequately dealing with the matter in the way in which we have to within the speed-up. And so, Mr. Speaker, for consideration for next year and for the change in the rules, it would appear to me that it would be beneficial to have, by way of an obligation, the requirement that government must introduce for first reading all its bills before speed-up could begin, with the recognition that obviously leave should be granted for those things that may come up that were not anticipated as a result of emergency and circumstances of the day, or even as a result of the debates that occur with respect to Estimates and what have you.

And so, Mr. Speaker, while it's not going to change or alter anything with respect to what we are going to be dealing with now, but recognizing that we still have the fire insurance

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(MR. SPIVAK Cont'd) matter, the termination of the Mining Royalty Tax and the way in which the government's going to operate as two major matters to be dealt with during the speed-up period, with recognition now that this has been before the House already for almost three months, to be said that it was mentioned in the Speech from the Throne and one particular matter was mentioned in the Budget, and we have had to approve a Budget and a global figure in dollars which we know nothing about, I think it's unfair to the business of the House to be put in the position of following a past precedent which I think is wrong, and which, if we are going to talk in real terms of correcting the errors in the past, should be altered so that we can facilitate and deal with this matter in a reasonable way.

MR. SPEAKER: The Honourable Minister will be closing debate. The Minister of Mines.

MR. GREEN: Well, Mr. Speaker, I want to first of all thank all honourable members for the manner in which this resolution has been debated. I believe that the reception of the resolution has been constructive. I will concede that it used to be, not with regard to any particular government, but it was common to speak out in outrage at the resolution to extend the rules. Part of it was posturing and I'm not reflecting on any particular person. Certainly there is a great deal of sincerity on all members that they don't want to work needlessly into the early hours of the morning. On the other hand, I tell the honourable members equally that there is sometimes a desire on all members to work later hours.

The Honourable Member for Morris said he wanted to make sure that concurrences are dealt with before the resolution comes into effect. I can tell him that we want to get the resolution into effect on Tuesday, but certainly accommodation can be made with the members of the House to see to it that concurrences are dealt with in the afternoon so that they are not given unreasonable time allotment, but we do want to have the opportunity of meeting longer. And, Mr. Speaker, I say this, believing that I speak for all members of the House. Maybe I have to be the one to say that we would like to have longer hours to do more work in a shorter period of time. I do not believe that the speed-up resolution in any way would interfere with proper consideration of legislation.

The Honourable Member for Portage la Prairie says "we pass these stupid bills during speed-up." Mr. Speaker, I think it was a good bill. I've been on record as saying it's a good bill. Apparently it was passed at 8:30 in the evening. I think that if we go through the history of Manitoba legislation you will find good bills passed at 2:00 in the morning, bad bills passed at 3:00 o'clock in the afternoon, and I don't want to reflect on which government passed the good bills or the bad bills. But I will say that it is not a cause and effect future of legislation that the bad ones are passed during speed-up and the good ones are passed during non speed-up.

So I tell the Leader of the Opposition that it is desirable to get your bills in as quickly as possible. I can also tell him, whether he will accept my sincerity or not, that there's been no attempt to have bills postponed. He was involved in a Cabinet which had a legislative program. I can take him through the three years of that administration and the general thing, Mr. Speaker, is that you finish the Estimates and then bills get attention and new bills are introduced. And I tell him that Rules Committees can certainly look at any suggestion; that there has been no attempt to delay legislation; and I say to honourable Members that we do not expect from any member of the House, Opposition or Government, shoddy treatment of legislation because we are working longer hours. And I have not seen it.

The Honourable Member for Portage la Prairie says that one bill he thought was shabby is --(Interjection)-- Pardon me. Well, Mr. Speaker, the fact is that I am of the opinion that an error in legislation can just as likely take place during the regular rules times as during the speed-up. And let me remind honourable members that we've had as much like extended hours in the last three sessions as we've had ordinary hours. There hasn't really been a termination of the session with extended hours. So I'm really trying to indicate to honourable members . . .

The Member for Brandon says it shouldn't be used as a weapon against the Opposition. Now, you know, it's not all the white hats are on that side of the House, the black hats are on this side of the House. The Opposition sometimes uses legislative procedures and last year in particular, knowing that an election was coming up, we know that concurrences were debated almost -- well they could have been debated as long as Estimates, and they were going.

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(MR. GREEN Cont'd) There was as much debate on concurrences as there were in committee. And ultimately it is a normal legislative function that when debate is used as a political tactic - which I have never said one word against - that when it is used, then the majority can use extended hours also. And the honourable member should not pride himself, you know, that the reasonable good guys are over there, the unreasonable bad guys are over here.

The Honourable Leader of the Liberal Party says to me, "Will the Honourable the House Leader undertake to be reasonable?" And, Mr. Speaker, I undertake to be as reasonable as I always have been. I really believe, Mr. Speaker, that I am a reasonable man, and I believe, Mr. Speaker, that --(Interjection)-- Well I'll take a vote on that provided that it is done in my household, and even then, and even then, I will have to exclude certain people from voting. But the fact is, the fact is that the Opposition well knows that when the House is accommodating with each other, as they did in the last two weeks, and I want to remind the Honourable Member for Brandon that in the last two weeks, you know, at any time, the Opposition could have moved on going into Supply at 1:30, they could have had three speeches from 1:30 to 3:00 o'clock, because they could have spoken on the motion going into supply. There was no attempt made by the Opposition --(Interjection)-- Well, the honourable member the Leader of the Opposition says that we agreed amongst ourselves - and by the way, they didn't even do it in the afternoon - that if such a motion was made it would be done in the afternoon. But technically, legally, according to the rule, they could have. But the Opposition - I say that it was a reasonable accommodation - did that, and as a result the House was facilitated. And I say that it takes both sides to accommodate debate. I will not criticize the Opposition because they feel that the debate should be used in order to further a particular position of theirs; I think that that is reasonable even if it amounts to many many hours, and I say that I do not want to be criticized as being unreasonable because the majority in the House feels that they can use a particular parliamentary availability in order to try to get the business of the House done.

So I tell the Honourable Member for Portage la Prairie that I am no different than he. I like to sleep, I like to not work any harder than I have to; that I think we are rarely going to be in a position without sort of general consensus to go beyond the hours that he is talking about; that generally I think members will want to go a little longer but that if debate becomes used as a weapon, as the Honourable the Member for Brandon has said, and it becomes outright war, then war isn't fought with one side throwing all the ammunition and the other side saying, "Let us have it," and I am not intending that the extended hours be used as a weapon; I'm intending that the extended hours be used so that we can accomplish more in a shorter period of time, that still due consideration has to be given to the legislation, and that I feel that by accommodation we can do it without hours that are unwordly, that is the early hours of the morning. But that is something that both sides of the House, the black hats, which I say are over there, and the white hats which I say are over here, have to accommodate themselves to, and if they don't then it becomes a regular parliamentary problem. However, I tell the Leader of the Opposition that with respect to change of rules we are intending to set up Rules Committee to meet between sessions, and certainly the suggestion that he makes can be considered. I tell him that it may not be practical, that getting a legislative program onto the Order Paper, he is aware of the difficulties sometimes as well as we are, but certainly that could be considered.

I want to close, Mr. Speaker, by again expressing my appreciation to the manner in which this motion has been received. I believe that there is a spirit of co-operation. I believe that everybody wishes to be as reasonable as they always have been, including myself, and that the fears that have been expressed by the House Leader of the Liberal Party can largely be overcome with accommodation on both sides.

MR. SPEAKER: Order please.

A MEMBER: Did he close it?

MR. SPEAKER: He closed the debate, I'm sorry. The honourable member came late.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, as the first olive branch which is thrown out, I'm suggesting that we extend hours starting on Tuesday - that is, not tomorrow, not Saturday - to start on Tuesday, and at 10:00 o'clock on Tuesday I'm asking for a meeting of the

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(MR. GREEN Cont'd) Agricultural Committee to consider those bills now standing for committees. So there would be no House sitting on Tuesday morning, we would sit starting at 2:30.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, I wonder if the Minister would indicate whether the Communities Economic Development Fund Committee, or the Economic Development Fund Committee will be meeting to deal with the Communities Economic Development Fund Report.

MR. GREEN: Yes, Mr. Speaker, there are a couple of groups that I undertook to have before committee. One of them is the Communities Economic Development Fund, the other is Leaf Rapids, Manago possibly, another of the bill's 17 companies, but yes, we will have those meetings.

MR. SPEAKER: Proceed with the Order Paper?

MR. GREEN: Yes, Mr. Speaker, would you proceed to the second readings please?

MR. SPEAKER: You don't want the third readings first?

MR. GREEN: We can start with the third readings, Mr. Speaker, and go down.

THIRD READINGS - BILLS Nos. 2 and 3

MR. SPEAKER: Bill No. 2. The Honourable Attorney-General.

BILL NOS. 2 and 3 were each read a third time and passed.

SECOND READINGS - BILL NO. 49

MR. GREEN: Mr. Speaker, would you call Bill No. 49 please.

MR. SPEAKER: Very well. Bill No. 49. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'd like to begin comment on this bill, Mr. Speaker, by first saying that it is a somewhat sad coincidence that we undertake to debate and discuss this bill on Child Welfare at a time when most of us, I expect, are still somewhat disturbed about the actions that took place in Israel yesterday where a great deal of violence was visited upon children, and I think that while it's a sad coincidence, it may be an appropriate coincidence that we can compare and contrast how, in a society which can deal in a civilized and an orderly fashion with the concerns of children, should be contrasted against a situation where it seems all the restraints and rules and legal binds are off. And I suppose it should provide us with some moment of caution when we take a look at this bill on child welfare to remind ourselves just what a great deal of responsibility has been given to us to ensure that the actions and positions taken by those of us who have some responsibility in public matters, to ensure that we treat issues like this with a good deal of care and caution and not to allow ourselves to become sort of carried away with emotions or partisanship, because it becomes a road that leads downwards into the kind of situation that we saw conducted yesterday.

I'd like to also say, Mr. Speaker, that I feel it's almost necessary to apologize to the Minister who presented this bill. It's a very long and comprehensive and detailed bill, carrying with it many proposals for new institutional arrangements related to the whole issue of child care, and the apology is due mainly because it is difficult to sit back and properly assess the full impact of what is being proposed in all its merits. Anyone who would attempt, over a period of a week, to sit down and try to give a careful evaluation as to the kinds of consequences and the kinds of results that could accrue as a result of this series of proposals, is really hard-pressed and I can only say that the first reading, second and third reading of the bill, some attempt to assess its implications basically give me the conclusion that it is, in most parts, a very good, sensible and sane approach to what is perhaps one of the most delicate and sensitive areas of public legislation; that is, dealing with the family. And I recognize that in many cases it is simply an attempt to reorganize and bring up-to-date many statutes that have been on the books and many practices that have been applied, and to bring them together into some kind of integration so that they make sense one to another, and I must say that I find myself in general agreement with both the philosophy behind the bill and, in many cases, with the measures that they put forward. That doesn't mean to say, however, Mr. Speaker, that the bill is not without some concerns, and I would hope that the House would bear with me for a few moments while I express those.

I'd like to first comment on the difficulty of legislating in this particular kind of area.

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(MR. AXWORTHY Cont'd) There is probably no area in the last decade which has undergone more change than the whole question of family relations. I listen to some members of this House talk with great verve and zeal about the sanctity of the family, and I think this is something that no one would question or quarrel with. But what we are perhaps not admitting to ourselves as much as we would like is that the family itself is changing and the very nature of family life in the community is beginning to change.

I'd like to point out, for example, that in the last five or six years that fastest growing type of family in the country has been that solely headed by females. This is not in absolute terms but in percentage terms those families which are "sole support mothers" if you want to use the social work jargon phrase in fact has become the fastest growing type of family in the country, and that carries with it some pretty important consequences, mainly because most of those families are not able to function in the same social and economic capacity as those families which have two adults at their head. And therefore it carries with it an automatic requirement for the state to look more carefully at the situation, to be a little more concerned about the implications for the children in that kind of family. What happens to them in those kinds of situations? And by that I don't mean to say that in any respect a family headed by a mother or a father singly is devoid in any way with the same kind of love and affection and kind of relationship that can occur between a parent and child, but there certainly is a major difference in terms of the economic situation that many of these parents find themselves in, and that does have an impact and effect upon the children themselves. I think that is a recognition that has to be placed within the context of this bill and I think the bill in some part goes towards meeting it in terms of its proposals and provisions for forms of day care and child care, and particularly its philosophical approach to recognizing that the state no longer simply has the responsibility of child protection but also must take on some responsibility for child development and child growth. I think that is a very important principle which runs throughout these --(Interjection)-- Regrettable perhaps but necessary.

MR. SPEAKER: Order please.

MR. AXWORTHY: So that is a standard and a principle which has become, reluctantly by some members obviously, but necessary to incorporate as part of the responsibilities in this case of the Provincial Government. But that means I think that increasingly the issue of the implementation of these principles, the execution of them becomes exceedingly more necessary to look at because that is where the real kind of consequence occurs; that one is able in a piece of legislation to state a fine philosophy and to provide for very high-sounding principles and to provide what looked to be like the right arrangement and machinery. I would say that I think the Minister and his Department have bent over backwards in many respects to insure that there is proper protection of the rights of both the parents involved and the children involved. I believe that the introduction of the Welfare Review Board, for example, is a step forward and could bring about some very positive results; and the idea of the Treatment Panel and the various legal requirements for proper hearings all add up, to my mind at least, that there has been an obvious awareness of the need to insure that the intervention of government is not something that becomes sort of arbitrary or something that becomes high-handed but is properly covered by the proper restrictions and controls.

At the same time I think that is still necessary for us as legislators to at least consider, Mr. Speaker, some of the problems involved in the implementation of the kinds of proposals that the Minister has put forward in this bill, because as I say that is where the real impact will occur, that there is always a long day in between philosophy and execution, between what is said will be done and what actually occurs. And that is why it is I think in some respects necessary to perhaps even provide a further caution and a further protection than in some cases has been incorporated in this bill. For example, I would raise the issue on the Welfare Review Board of some of the concerns that were expressed to me as I spoke to a variety of people in the social welfare field and the legal field about this bill. One was that obviously the Welfare Review Board is given a great deal of power and a great deal of responsibility and must execute it with a great deal of caution. Therefore, it is very important that that Welfare Review Board not be reflective simply of one perspective, that it could easily become a vehicle for one social philosophy and therefore ignore some of the other kinds of viewpoints or ideas that exist in society and therefore it would be very important to look at the appointment procedures to who ends up on that Welfare Review Board.

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(MR. AXWORTHY Cont'd)

I suppose to use an extreme case one could say that one could end up on a Welfare Review Board with a group of people all of one mind who were extremely zealous in one aspect let's say of adoption or day care and would tend to ignore the concerns of perhaps of those who are more conservative or put a different emphasis and therefore one suggestion might be that perhaps the appointment procedure might be one that may be wider based, it may be something that would be done as a full legislative appointment procedure as opposed to simply Minister and Council. Now I know that that goes against - again I will be accused by some members of saying we're trying to legislate the government without being the government, but in fact because of the extreme importance of the essential role that that Welfare Review Board plays in the operation of this whole Act then it would be important I think to insure that there was a proper balance of people with proper perspectives on that Review Board and therefore it may be that something that it should be considered as a nomination procedure at least that would insure that those different perspectives would be included as members of that Welfare Review Board.

I'd also like to raise one question which disturbed me somewhat in the area of adoption and that really came in the Minister's remarks. He said that he had been speaking to members on this side of the House and the members of his own caucus who had told him that in the field of adoption many people - and I think in this case particularly those in rural areas - feel that they're not getting their fair share of people and adoptions and that he was planning to bring in certain amendments at the Law Amendments Committee. I would simply say that I think that's the wrong emphasis, if that is the emphasis in fact, that obviously one thing that has happened in the last decade is that previously there were always more children up for adoption than there were prospective parents. That situation has now become totally reversed and the demand far exceeds the supply, and there is a danger inherent in that that we will then try to start parcelling out children according to a variety of demands by geographic sectors or whatever it may be. And of course that's crazy, because the only concern in the adoption is the needs of the children and the whole concern is which family will the child benefit best by being about. That is the only question, there is no other question whatsoever. I don't think any other criteria must be taken into account. It is the rights of the children in this case which are paramount. So I would simply raise the issue with the Minister and perhaps he could clarify his remarks that he made I believe on May 10 about this question of trying to balance out demands and so forth. Well I would think that if he is planning to balance them out based upon some criteria other than what is suitable to the demands of the children then I think that would be the wrong emphasis.

I'd also like to raise with him the question of the whole issue of the rights of children to be heard in the various forums and hearings that have been set up under this mechanism. Again we have provided I think adequate protection for parents whose children are apprehended and so forth, but it still seems to me some gaps in the area of the child himself and to what degree are they assured of proper counsel and proper guidance in the conduct of court hearings and so forth. I would like to refer to an article that was written by George Thompson, who is a judge in the family court in Ontario, who is talking about this particular field and says that one of the things that is a real difficulty is that in many cases even if a child is given legal counsel to represent him at a hearing in many cases that is a lawyer who knows nothing about children. That there is no particular requirement for someone who daily deals in the language of tortes and contracts and property rights all of a sudden to be able to acquire the capacity to relate properly to the child and to protect his interests as well. And the suggestion that Judge Thompson makes is that perhaps another officer, some person should be given sort of guidance or control for the child or to let the child do it himself, that in other words he feels this is a major area of concern that the child himself is not always given full protection of his rights to be heard in the different hearings and forums that are conducted.

It would seem to me again that is a problem which was not explained fully by the Minister and again I would be interested in hearing how he would be prepared to cope with that issue itself of the rights of the child to be heard and whether it's possible under this Act to insure that this is properly done.

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(MR. AXWORTHY Cont'd)

There is also another area which I found kind of intriguing in this day when we are particularly sensitive to women's rights and so on, that there is one area of the bill where I think male rights have been ignored. And that is that under the area of the rights of children of unmarried parents it is I believe, and I stand to be corrected, but I believe as I read the Act the right of the woman in this case to determine whether she wants to keep the child. However, I don't see any similar right for the male who may be involved. And I realize that that goes against some of our standard cliches in society but in fact there may be situations where the male is either in a better situation or may prefer to keep the child where the mother doesn't. I would simply raise that as an issue and I may have misinterpreted the Act but I didn't see any particular condition of the Act in regards to that issue and therefore would simply raise it as a possibility that if we are looking at amendments we should make sure that what is I guess sauce for the goose should be sauce for the gander I suppose if you use a bad analogy.

Those, Mr. Speaker, are the issues that I would like to raise in relations to the general points of the Act. There is one slightly larger issue dealing with the administration, that is that we again put a great deal of onus upon other agencies, upon the courts, upon the Children's Aid Society, upon social agencies and so forth and again this comes back to the question of implementation. How well prepared are they to cope with this problem. That we know for example - I think it was the Honourable Member from Assiniboia who brought to the attention of the House of the family courts for example; the docket of the family court is vastly overcrowded and overworked. And so are we building up a series of strict legal requirements that can't be answered simply because there isn't the basic capacity to handle them, that there isn't the ability to really sort of deal with these under the very important time constraints set forward in the bill. And so do we end up with a group of overworked social workers and overworked court people and overworked lawyers and overworked family people to the extent that at some point the system begins breaking down, shortcuts occur and all of a sudden we begin to find that those rights which are so carefully set out are not in fact followed in practice. I think that has got to be part of the consideration that is raised.

Now, Mr. Speaker, I would like to spend a few moments on one final area where I think the Act or at least the proposals of the Minister are in very serious trouble, and that is in the whole area of day care. That we have debated to some respects the issue of day care in this House but I think it's very important to simply state that I disagree fundamentally with the Minister in the statement he made in this House a week ago that the new agreements that he is proposing where there is a joint funding between the Federal and Provincial Governments is sufficient to provide for a good day care system in the province. I do not agree with him, I think he is wrong and I think his facts and figures are wrong. He said that he believes that the maximum \$5.00 a day per diem is sufficient amount to insure for proper day care services in the Province of Manitoba.

Well let me state first that that is not the opinion, in fact it is a totally opposed opinion of the parents and teachers of the existing day care insitutions that that is not the case. They state, and I have here several peices of paper, particularly the ones that came out of the meeting of last Saturday where they simply state that while they agree that there will be benefits under the new agreement to the parents involved, it will result in a diminution in the care of children in the day care centres because very simply they cannot provide for quality care under a \$5.00 a day per diem. In fact they point out right now that most of the day care centres in the City of Winnipeg at least are operating above that per diem; that St. Luke's which is in my own constituency now operates at an average cost of \$5.50 per diem, and that is based upon last year's costs. St. Vital is operating at \$6.20 per day. Knox is operating on \$6.30 a day. The Day Nursery System is \$8.37 per day per diem. Now what they simply point out is that if they are expected to reduce their per diem down to \$5.00 it will basically mean a cutback in staff. Seventy-five to eighty percent of the cost of a day care now goes into staff salaries, and as I pointed out in the House before these are not extravagant salaries. A graduate of Red River Community College under the day care program that starts his work as a teacher in a day care makes \$350.00 a month, which I think is just about at the minimum wage. So one can't say that we are all of a sudden lavishing extreme salaries upon day care personnel. Quite the contrary. And yet the fact of the matter

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(MR. AXWORTHY Cont'd) is that if this is the only form of assistance that is offered to day care centres, particularly in the City of Winnipeg, then in fact they will have to cutback even further on staff to provide for a higher ratio of children to staff which will mean a cutback in the quality of care.

So I think in that case it is unfortunate that a program that has been long awaited by parents who have become concerned, parents who have sort of felt for a long time that we needed a more permanent system of day care in the province, when the program finally comes it has to be introduced in an atmosphere of acrimony and confusion and extremes of anguish. Because these are people who have sort of fought and tried for years to maintain a minimum kind of day care service on a very ad hoc arrangement. Finally the day comes when they say okay the province is finally going to step in and provide a more permanent system and now they find themselves basically being shortchanged according to their rights.

Now this is not just the case in Manitoba. I would also like to point out to the Minister - he says well it's the same elsewhere. That again is not true. That according, for example, to a survey done on day care in the Province of Nova Scotia the average cost per child per day in Nova Scotia was \$6.00 per day, and that is on 1973 figures. And they expect that figure to go up even more as we get into the next budget year. Last week when I was out in Alberta I met with people in the City of Calgary who were involved in a day care service. They say their costs average between \$6.00 and \$8.00 per day. So again we have a situation where the per diem rate for those day care centres that will have to rely solely upon the subsidy system will be forced again as they state in most dramatic terms is that we will simply have to cutback on service. And that this will mean a very serious inhibition to the expansion of the day care throughout because I think that we should not in any way be prepared to stint on the kind of services given to children when they are out of the home, that it should be insured that there is a proper care.

Now I would simply propose, as we proposed in this House in a private member's resolution, that over and above the per diem arrangement that is being proposed that the Minister be prepared now to say that the Provincial Government will undertake to assist day care centres with costs or renting facilities and with certain staff requirements, and for equipment and toys and other kinds of amenities that are required. That I think that that is an absolute sort of essential requirement to make the system work. If he doesn't do that I'm afraid that we are going to be faced for the next two or three years with a serious sort of a dis-functioning of the day care program and a continual series of kind of combat between those who are concerned about the system and the Provincial Government. I think the Minister would like to avoid it and we in this House would certainly like to avoid it. I think that at this stage then it is important to clarify that the province is prepared to go over and above -- and by the way, that is not beyond the situation in other provinces. One area where again I raise one question with the Minister in relation to day care, is there seems to be an avoidance of any responsibility or co-operation with the municipalities in this respect, and yet in the Provinces of Ontario and Alberta and Nova Scotia, the day-care program is so constructed that in fact the administration of the day-care program is handled on a municipal basis, and in fact the municipalities contribute to the cost of it, which in many cases adds up the difference. So I believe that in the Province of Alberta the federal-provincial cost-sharing is about 80 percent and the municipality takes in 20 percent; and the municipality administers it and also looks after the licensing arrangement.

Here again, we seem to be going on the proposal that the Province will be the dispenser, organizer, administrator of these services. And again I simply raise the issue as to was there any consideration given to at least involving the larger municipalities in the administration of the day-care program to ensure that there would be fair involvement and perhaps ultimately even a contribution? Because again I believe that because day-care should be on a community level, should be run on the basis of neighbourhood, of community control in a non-profit field, that that would appear to me to be better administered through the municipal level which is closer to it than through the provincial level. And again, I am just raising the issue as to why that was not included and the fact that it is a model that has been adopted by other provinces.

It would also, Mr. Speaker, make it easier, I believe, to engage in a proper licensing system for day-care centres. One of the things that has occurred is that Manitoba, according

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(MR. AXWORTHY cont'd) to a survey that was reported in the Canadian Welfare magazine, and I would refer the date to you - let me see, it's . . . I think it's the 1973 issue - points out that the Manitoba licensing system again is not as adequate as it is in other provinces; that it has, curiously, at this point it is simply concerned with the physical requirements, the health and sanitary requirements of the facility itself, and again doesn't look at the program development side of it, the accuracy of equipment and so forth, the accuracy of the nutrition that's going in if they're serving hot lunch programs and so forth. Again, that is not part of the present Manitoba system. I would hope that it would be, and it would seem to me that that kind of program would be better administered again through a local kind of organization or administration as opposed from the provincial level bearing on down. So I would like to see the licensing procedure set forward by the Provincial Government to be as adequate or more than adequate on the child development side as they are on the protective side, once again.

Another issue in relation to the child care program is whether in fact there is going to be an inclusion of the luncheon-after-school programs; that these are programs which fill a very necessary activity for those working parents, single parents particularly, whose children are of an age where they do not want to leave them unattended while they are at work even though they may be going to school either on a half-day or full-day basis. And so again, there's been several very good quality luncheon-after-school programs introduced in the city; one of them again exists in my own riding and I've had the opportunity to attend it and watch the children, and I again find it to be a very necessary service and it's not clear again in any discussion whether those kinds of programs will also be included under the provincial Child Care Program. And again I would strongly urge the Minister to include the luncheon-after-school programs as part of the over-all child care program to ensure that that particular area of real need is served.

There's a third aspect to it, too, and that is that in many cases the child care or day-care programs should be oriented towards children who are not well and happy and healthy, that there are many children who are sick, in some cases in a permanent way but not to the point where they need to be hospitalized. There are many children who have emotional disabilities, learning disabilities and so forth. That again requires special kind of teaching, special kind of care. Now again, what happens in a situation where a mother, a single parent mother, for example, who has a child who may have a learning disability, the mother wants to work and stay home, she wants to put her child into a day-care facility but knows that it's going to require special care, and again we come smack up against the \$5.00 a day ceiling, because again in order to have special care you need special kind of teaching. And again, the ratios that I worked out would be prohibitive. So again if you're looking at the child-care program as moving into the area where it will try to cater to the needs of children with special kinds of problems, then again I think it's absolutely essential that the government, the Provincial Government, go above and beyond its kind of per diem rate that it has established.

Finally, in terms of the day-care program, Mr. Speaker, I would like to raise the issue one more time with the Minister concerning the services that are available to parents who need child-care services, particularly in the area of information and communication. One of the major failures that presently exists is in the fact that many children just simply don't know where to go to get the service. Now I know that the Minister is planning to establish, I believe, a director of some kind, a co-ordinator of it. I'm not so sure that I really want a civil servant, operating out of the Norquay Building, you know, or out of these buildings somewhere, really being responsible for that role. But let me be very blunt and honest, I don't think that up to this point the record of the Department of Health and Social Development in providing for a kind of close and intimate communication to the outside world has won any awards, and certainly if the concerns of groups like the Council's Self-Help groups and so on are to be given any credence, they would endorse that point of view. So I'm not so sure the establishment of a new Civil Service organization is really what's required, and I would prefer to see perhaps that that responsibility sort of be given perhaps to one of the private agencies or, as we recommend in our own resolution, the establishment of a child care institute that could undertake that essential task of communication and information and advertising, provide a way of using the private network throughout the city, rather than again setting up as a government information agency. Because government information agencies, those in the provincial and federal level I would say, become information agencies for government, not for the people who have to use them. And I would be concerned that this would become the case that that co-ordinator of day-care services would

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(MR. AXWORTHY cont'd) tend to see his or her role more as the defender of the government in relation to day-care programs, rather than as the advocate of day care for all those on the outside. In other words, they would place themselves on the side of the bureaucracy as opposed to the side of the parents and the children, and I think that that is the very nature of that kind of operation, and I think that there is that danger inherent in the kind of organizational structure the Minister has proposed.

So those, Mr. Speaker, are the concerns I have about the bill and the proposal particularly, as I pointed out, in the area, the most important area, the most difficult area, and that is the promotion of the child care aspect. And I think, to reiterate, that the area within the bill which provides for child protection, I think is basically very good, very progressive, and one that we support generally, with some of the odd comments that we made. But in the area of child care, I think it needs to go back and be reviewed. I think simply the program as it's going to be instituted should get off to a good start, not a bad start. And for the sake of sort of cutting a few corners, which I suppose economy is at the heart of the Minister's concern, I would prefer to see him start the program, launch it in a proper, effective fashion, undertake the right kind of communication with the parents and teachers now involved, and work out a system where the concerns of those who are presently involved in the system will be properly satisfied so that they can feel that now that they've been given a chance, they should go ahead and really sort of work with full enthusiasm and full encouragement rather to feel, as they now do, very embattled. And I would simply say that while I wasn't able to attend the meeting last Saturday, I had attended previous meetings of that group, but I did have some people sort of from my own constituency organization attend it, and reports I got and the people who I've spoken to and involved in the meeting, simply say that they felt sort of under siege. They felt that they weren't being listened to, they felt that there was no communication, they felt that their concerns were not being met, and it's unfortunate that a good program like this has to start off under that kind of cloud. And I would only hope that before we finish the debate of this bill that the Minister will see fit to wash away that cloud and provide the kind of stimulus and incentive to those very very excellent people who have fought very hard battles of the past three or four years to establish a good child care program in the province, to give them the encouragement they need, and to wipe away any inhibitions they now might have.

MR. SPEAKER: The Honourable Minister will be closing debate.

HON. SAUL A. MILLER (Minister of Health and Social Development) (Seven Oaks): Well, Mr. Speaker, I beg to move, seconded by the Minister of Mines and Natural Resources, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 43. The Honourable Minister of Agriculture. (Stand)
Bill No. 60. The Honourable Member for Rhineland.

MR. BROWN: Stand, Mr. Speaker.

MR. SPEAKER: Stand. Bill No. 62. The Honourable Member for Morris.

BILL 62 - POINT OF ORDER

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I rise not to speak on second reading of this bill but to raise a point of order in connection with the bill, and my point of order is a somewhat complicated one, Sir. I expect that you will want to take it under advisement. But if you'll bear with me, I'll attempt to outline what I feel are some complications in connection with the introduction of this legislation at this present time.

The Minister of Finance, in outlining his proposals, suggested that when we reached the committee stage on this bill he will be introducing amendments, and he outlined the specific amendment which will be dealing with Section 42 of the existing Financial Administration Act. The Bill 62, the bill that is currently before the House, deals with amendments to Sections 38, 44, 56 and 80. None of them deal with Section 42. I contend, Sir, that it would be contrary to the practices of this Chamber, and certainly unrealistic, for the Minister to expect that he can introduce an amendment which is not related to the amendments that are contained in this bill.

Now what further complicates this situation is that the Minister, in speaking on this bill in second reading yesterday, said - and I will paraphrase his comments - that he will be introducing amendments to Section 42, and he outlined what those amendments would be. Then he went on to say, "I'll be unable to debate those amendments on second readings because they're

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(MR. JORGENSEN cont'd) not contained in this bill." Well I contend, Sir, that if we cannot debate that particular amendment to Section 42 during second reading - and we can't because it's not in the bill - then it is improper for the Minister to introduce those amendments during the committee stage.

I suggest, Sir, that there are three courses of action open to the Minister. The first one would be to withdraw this legislation and redraft it, and incorporate the provisions that he intends to bring into the bill. Secondly, he could simply withdraw the bill and forget it, or he could withdraw the amendment that he proposes, not the present bill but the amendment that he is proposing. The third one is to bring in a new bill which would amend the section that he chooses to amend. And I suggest, Sir, that perhaps that latter course of action would be the proper one, because if he brings in that amendment it bears no relationship to the existing Bill 62. Bill 62, as I see it, is merely a housekeeping piece of legislation that contains some changes that are bringing the bill up-to-date. As far as I can determine, no great principle is involved in discussion of that particular bill. But, as the House has already indicated, there is a matter of great principle involved in the amendment that he chooses to bring in, and I suggest, Sir, that it would be improper for the Minister to introduce an amendment in the committee without giving us the opportunity to debate the principle in the House. So therefore, may I suggest, Sir, that you take -- and I have some quotations, Sir, if it may be . . . --(Interjection)--

MR. SPEAKER: Order please. May I have the honourable gentleman finish his point of order before I entertain a second. You can't have a point of order on a point of order, I'm sorry. Order please. I would like to hear the point of order totally before I entertain a second point of order, and the honourable gentleman was going to give me some references as well. I can't entertain a second point of order. I'm sorry.

MR. GREEN: I'm not raising a point of order.

MR. SPEAKER: Well then, what is the honourable gentleman doing?

MR. GREEN: . . . asking the honourable gentleman a question.

MR. JORGENSEN: Yes, certainly.

MR. GREEN: Mr. Speaker, if what the honourable member has said is generally conceded on this side, will he then want to put references to the Speaker? Because he is now going to further his arguments by the presentation of references. And I say, if it's generally conceded that the point of order that he's making can be dealt with without opposition by this side, will he want to put references to the Speaker?

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Of course I had no way of knowing that the point that I've raised was acceptable to the House Leader. If it is, why I will simply, instead of reading the particular Citation, Sir, I will simply give you the ones that I have, and I must confess that in Beauchesne's they are not all that specific. However, there are some references that I think in the consideration of this particular - I had them before me. I wonder what I did with them. Section 383, Section 402 (2), 406 (a) and 408 are the particular references that I think will assist you, Sir, in determining whether or not the point of order that I have raised is a proper one.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I wish to speak to the point of order which will save you, Sir, some research in dealing with it. As far as I'm concerned, the honourable member's point is correct. He is making it in anticipation, because the time when he would properly ask that the amendment be ruled out of order was when the amendment was proposed. He is indicating, he is indicating that the Minister of Finance said that he was going to bring forward such an amendment, but of course the honourable member knows that he hasn't got power, the Minister of Finance hasn't got power on the debate of second reading to propose an amendment, so what the Minister of Finance has done is proposed that he is going to do something which the honourable member says will be out of order when he proposes to do it. And I'm inclined to think that the matter can be resolved by my indicating to you, Sir, and to the honourable member, that the Minister of Finance will not be proposing such an amendment when it reaches the committee stage, and I think that that ends the question.

MR. SPEAKER: I concur with the Honourable House Leader. If there's no amendment to be proposed then we're anticipating something which will not occur. The Honourable Member for Morris wish to proceed on his debate?

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MR. JORGENSEN: Well, the only point I want to raise, Sir, just to make sure that there is no misunderstanding, that the Minister now does not intend to proceed with the amendment to Section 42, now or during the Committee stage, and if we can proceed on that understanding then it's just a question of dealing with the bill that is now before the House, and if we have that clear understanding that it is only this bill that we're going to be dealing with and not something that's going to be added thereto outside of the possibility of amending those clauses that are already proposed for amendment. With that understanding, Sir, then I have no further comment to make on the sections that are subject or being proposed for amendment at this time. There may be some discussion during the committee stage and we may want to question the Minister at that point. But since there is no great principle that I can see involved in the proposed amendments on Bill 62, we're prepared, at least I'm prepared to allow this bill now to receive second reading and go to Committee for further consideration.

MOTION on Bill 62 to pass second reading presented and carried.

MR. SPEAKER: We have now Bill 55 before us. The Honourable First Minister is absent. Well I must confess to the Honourable House Leader all the bills have been processed.

MR. GREEN: Yes, if you will give me a moment, Speaker, we will have something else to do. We want to deal with concurrences.

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MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Labour, that the resolutions reported from Committee of Supply be now read a second time and concurred in.

MOTION presented.

Resolved that there be granted to Her Majesty a sum not exceeding \$1,216,500 for Legislation, Resolutions 1 to 3 separately and collectively. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, we are now dealing with the question of concurrence and we are dealing with the matter under legislation, and there are two matters, Mr. Speaker, that I think are worthy of discussion in this House. One has to do with the Provincial Auditor's office and the second with the Ombudsman. By way of initial comment I think there was an undertaking given by the Premier - I may be wrong in my use of the word "undertaking", but I believe that there was discussion and a commitment that the Ombudsman would be allowed to come before a Committee of the House to be given an opportunity to be examined on his report. The Honourable Deputy House Leader is suggesting that isn't so but --(Interjection)--

MR. SPEAKER: Order please.

MR. SPIVAK: Well . . .

A MEMBER: Let me answer the question.

MR. SPEAKER: Well would the honourable gentleman stand up to answer?

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I answered the question from my seat. I now stand up. You got the answer while I was seated.

A MEMBER: Atta boy Russ.

MR. SPIVAK: Well, Mr. Speaker, I would think that it would be important that the Ombudsman be given an opportunity and I do not want to deal with that at any length. I think it's necessary; I think his report sort of begs for the opportunity of being able to present his position. I think if we are going to really achieve the objectives of the Ombudsman that it's necessary for an opportunity to be given to the members of the Legislature to be able to review with him the way in which he has handled his office and the nature of any changes that should be undertaken in the Act that he may recommend as a result of his experience. This is a new situation virtually as far as the province is concerned and I think we should follow a practice which I believe is a practice in Alberta where the Ombudsman does come before a Committee of the House and there should be an opportunity for the kind of review that I suggested.

Having said that I'd like to now deal with the Provincial Auditor's office. Mr. Speaker, we have had a report from the Provincial Auditor which indicates that certain changes in his opinion should be undertaken. We have had I believe three meetings of the Public Accounts Committee, and I think the Minister of Finance can correct me if I'm wrong, I believe there have been three meetings that have been held, in which we were to deal with the Public

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(MR. SPIVAK cont'd) Accounts of the province. One has to recognize that the Public Accounts are always a year late so therefore we are always behind in dealing with the specifics of current policy but we have the opportunity in discussion of the review of the past to deal with the past and possibly get some reference to something that is current and new.

But, Mr. Speaker, we had in this session so far in the Public Accounts Committee really the first opportunity to see whether the changes that have come about with respect to the Provincial Auditor's function really were to allow the Legislature the ability to obtain information and to be able to direct the Provincial Auditor to examine those things and those matters that may have been of particular interest to the Legislature itself. In other words, what we really had in the three committee meetings so far, Mr. Speaker, was the opportunity to see whether the Provincial Auditor would in fact become an Auditor-General, would in fact be subject to the will of the Committee of the Legislature, would in fact answer to the Committee, or whether he would be restricted, Mr. Speaker, in being a person who is limited in his presentation, limited to the Public Accounts that have been presented and a few observations, and restricted from being directed by the Committee to investigate those matters that it considers important. We have had as a result of debates in this Legislature and in the Committee an indication already that the Provincial Auditor is pursuing some of the matters that we in Opposition wanted to present before the Committee. But nevertheless, Mr. Speaker, that's pretty unsatisfactory because the answers will be given to the government. They may or may not be given to the Legislature. That really will be up to the Provincial Auditor who takes the position, Mr. Speaker, that he brings the information to the Minister and if the Minister then acts on his information that there is no need for him to report to the Legislature, the Minister having acted on that.

Now, Mr. Speaker, we've talked about an Auditor-General and I've had occasion to be in Ottawa and to talk with the officials of the Auditor-General's office in Ottawa to determine whether the way in which the House of Commons operates is any different from ours. And, Mr. Speaker, I can say without question that the Committee of the House of Commons can direct, and does direct the Auditor-General to investigate specific matters that are of public interest as they deem it to be and to have him report directly to the Committee. And the reason for that, it gives the opportunity for the members of the House of Commons who form the members of the Committee to be able to bring to the Auditor-General's attention those areas of concern and to have the legislative mechanism to have the Auditor-General investigate and report. And there is a very basic difference between the operation here and the operation in Ottawa.

Now in the course of discussions that took place I think the Honourable Minister of Finance made the point that he did not want our Provincial Auditor to become an Auditor-General like Mr. Henderson. --(Interjection)-- Oh I think the Hansard will show that you said that. --(Interjection)-- Well he shouldn't report like Henderson. Well I may not be precise in the language but my impression was that "be an Auditor-General like Mr. Henderson." Well, Mr. Speaker, we now face a problem that I think is severe for this Legislature. How does this Legislature deal with moneys that are spent by the government in the variety of programs, how does it obtain information? How is there real accountability?

Now, Mr. Speaker, in every session there will be issues that will develop, concerns that will be expressed, information that will be supplied, allegations that will be made not necessarily by members of the Legislature but by people having to deal with government. And I ask you, Sir, how do the Opposition deal with this matter with government? They ask for explanations, they may or may not get an answer. They will in some cases get an answer that is very limited and restricted in its presentation. How do they get that independent accounting that is necessary to determine whether there is any basis for rumour, allegations, or for, you know, for questions or insinuations - yes, insinuations. Because, yes, Mr. Speaker --(Interjection)-- Yes, Mr. Speaker, I want to tell the Honourable Member for Ste. Rose, the insinuations, Mr. Speaker, that may be made we have a right, Mr. Speaker, to at least have them investigated. And I must tell you, Mr. Speaker, if the insinuations are not valid, if the representations are false, it is in the best interest of the government to have that - in the best interest of the people to have that independent investigation undertaken and to have that information presented, and I would say to the Honourable Member for Ste. Rose that those who would try innuendo, those who would try insinuations would find that their arguments would not be supported and they would look pretty foolish. But, Mr. Speaker . . .

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MR. SPEAKER: Order please.

MR. CHERNIACK: Mr. Speaker, on a point of privilege. I can't hear the Honourable Leader of the Opposition because the gentleman behind and to the right of him keeps yelling and I just can't hear his Leader.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. J. WALLY McKENZIE (Roblin): I apologize to the Minister of Finance but I'm as uptight as my Leader is about this \$803,000 when we can't get an audit and my people are as uptight as I am.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CHERNIACK: Mr. Speaker, I withdraw my point of privilege. I grant to the Member for Roblin the right to interrupt his Leader any time he likes.

MR. McKENZIE: I'm going to speak, don't worry.

MR. SPIVAK: Mr. Speaker, if anyone independently would have investigated what just took place in the last little while they would have found I think much to the surprise of the Minister of Finance that his Member from Ste. Rose was the one who was doing the interrupting, and his Member for Ste. Rose was the one --(Interjection)-- Oh he didn't bother him. And one would question why he didn't bother him. But the fact is, Mr. Speaker, the Honourable Minister of Finance immediately . . .

MR. SPEAKER: Order please.

MR. SPIVAK: . . . tried to make the representation that it was the Honourable Member for Roblin.

Mr. Speaker, I do not think it's any joke and I don't think it's a joking matter that we've reached a point where I believe the Provincial Auditor's role to a large extent is threatened by the way in which we have handled ourselves in Committee and the way in which the government has exercised its majority rule. I believe, Mr. Speaker, that the Provincial Auditor is to be considered a representative of this House, not a representative of the government, and has an obligation to this House and not to the government, and he should be answerable to this House and not to the government, and he should be answerable to a Committee of the House, and he should be in the position to investigate those matters that we deem is necessary. And, Mr. Speaker, it will again be a sign of the maturity of the government opposite as to whether they will recognize this fact or not. And, Mr. Speaker, without that, without that we are going to be in the continual problem of trying to obtain information, and we're going to have the continual problem of trying to be able to, you know, in many matters deal with issues, with facts, rather than with, you know, suppositions simply because that information is not forthcoming.

Now while I deal with the Provincial Auditor, Mr. Speaker, I want to deal with the whole question of Public Accounts. Mr. Speaker, we receive public accounts only of a limited part of what government does and there is a substantial amount of money spent by the government for which there are no public accounts and for all intents and purposes in which there is no accountability to the people of this province. Whether it be the Manitoba Health Services Commission with \$122 million, whether it be the universities with \$45 million, whether it would be Autopac with its \$10 million loss, whether it be the Manitoba Development Corporation with its \$40 million loss, whether it be Moose Lake Loggers with its \$250,000 loss, Mr. Speaker, I could go on and on and on. Whether it be Manitoba Hydro with its thousands of employees, with its substantial capital investment and new capital investment; whether it be Manitoba Telephone System.

Mr. Speaker, what I am saying to you right now is that the accounts of the province that are examined in this House through the 90 hours of procedure and through the concurrence motions, and through the three mornings of the Committee, are not sufficient to provide the kind of information that allows for the check and balance that must be undertaken on government spending. Mr. Speaker, you know, the honourable member says it's a lot more than we allowed. You know I am going to make the point again that whatever happened in the past is irrelevant. If there is anything there is certain lessons to be learned from the past. And, Mr. Speaker, I am also going to point out that what we are talking about now is a budget of a billion and a half plus all the other corporations that I mentioned which would probably equal two billion dollars, compared to four years ago of a budget of about 500 million. We're talking about four times as much money being spent in a variety of different corporations and in a variety of different ways in which the kind of accountability that should be undertaken is not given.

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(MR. SPIVAK cont'd)

Mr. Speaker, I am not satisfied nor could we be satisfied with the answers given by the government on Autopac. You know, it's a bunch of hogwash what they've told us with respect to what's happened. We now know there's going to be another \$10 million loss. I cannot nor can I be satisfied with the answers given on the Communities Economic Development Fund, because I know just from the limited information that we have available, and we haven't talked about a number of other corporations which received money from the Communities Economic Development Fund, that the kind of management control that should have been exercised properly was exercised and in fact the kind of control of the flow of money was handled correctly.

Mr. Speaker, there is no way that we can be satisfied with the information we have with respect to the Manitoba Development Corporation and all the companies in which we owe money and we lost money in the last few years. The government takes the position, well we've given more information than in the past. They take the position, well we brought people forward and they give answers. But the fact is, Mr. Speaker, we do not have the accounting information; we do not have the equipment of Public Accounts; we do not have access to be able to determine the information. I know that, you know, with respect to the loan to William Clare which was a loan and an equity participation I think in which the government is involved, you know, Mr. Speaker, if there had been some form of public accounts I think we would have known whether we were paying or loaning money for an apartment in Toronto. I think we would have known what the entertainment costs of that firm were, of which we are, you know, partial owners, or have equity. I think this is our problem with respect to so much of what's happening and yet we here are asked to approve continually, Mr. Speaker, you know, substantial sums of money without that accounting information.

I'm going to say to the Minister of Finance that I recognize without question that to provide the Public Accounts that I'm talking about, to be able to put the information with respect to universities, the Manitoba Health Services Commission, the Manitoba Development Corporation, the Crown corporations, to put that into the kind of financial picture that we have with respect to the general administration of government is going to cost a lot of money, and there are going to be a lot of new accountants that will have to be hired and the Provincial Auditor's office will have to be added to. But, Mr. Speaker, I want to tell you, oh yes, I want to tell you, he does the audit but he doesn't check the accuracy of the information with respect to public accounts, and I'm going to say, Mr. Speaker, to the Honourable Minister of Finance that that cost, I would suggest, would be saved just by bringing to light the information with respect to waste and mismanagement that the government themselves would correct before it even got to publication, simply because they would have it in front of them. The fact is, Mr. Speaker, there is no way that we in this Legislature can deal with it, and it really is a sham to suggest that accountability is taking place in this House, that the public interests are protected, that the procedures that we have, realistically examine certain situations. We'll have, before the concurrence motion is finished, an opportunity to deal again with the Department of Co-operative Development and with respect to that one area, and who knows what the law says at this point? Is it a million, is it two million, is it three million? You know, Mr. Speaker, we don't know. When the Honourable Member from Ste. Rose sort of suggests, well, we insinuate - well, when we insinuated, you know, that it would be several hundred thousand dollars, you know, there was a denial really on the part of the government but the Minister of Co-operative Development already has admitted that it will be a million and a half.

A MEMBER: Innuendo.

MR. SPEAKER: Order please.

MR. SPIVAK: Innuendo? There's an admission now by him that it will be a million and a half, and I want the honourable member to - and I hope he'll be present - if we are allowed to obtain the information, when the audit is finished as to really what has happened there, because the information we have, Mr. Speaker, is that a program that was supposed to cost \$200,000 which was tendered and should have cost \$350,000, that even with the addition should have cost \$500,000 cost \$800,000, according to the Minister, and then he retracted it when he found out that it really cost \$1,200,000. You know, Mr. Speaker, you know, we are dealing with public money managed by the government, for which realistically there has been no accounting, because the Provincial Auditor has not accounted it, that is now in the process of dealing with this matter but was not dealing with it before. We have a whole range, Mr. Speaker,

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(MR. SPIVAK cont'd) of all the government programs, whether it be STEP programs, whether it be grants that are given, and the question that has to arise, Mr. Speaker, is how much does the Provincial Auditor do in dealing with that? It's true he may say that a cheque is issued, but does he follow through? Does he deal to determine whether there's a non-productive account, whether in fact there may have been some mis-application with respect to the fund? No, Mr. Speaker, he does not, because his function is not to deal in those matters. He's not to deal with non-productive accounts. Yet that's what the Auditor-General does in Canada, and Mr. Speaker, that's the kind of change that should be made.

So, Mr. Speaker, we've had in this first session of the New Democratic Party after its election, I think, the exposure of the essential weakness of the system that we operate now, and that is the inability of the Legislature, through the procedures that are available, to get the degree of accuracy and the degree of--well, the information in detail that is required for the evaluation that has to be undertaken. And, Mr. Speaker, I think that that not only penalizes the members on this side, it penalizes the government, because I don't think the government is in a position to know. And Mr. Speaker, I say and I repeat again, something that has been said in this House before. The time has come for two things to take place: for the accounts of all the Crown corporations and agencies of Government to be put into the position in the same way as the Province's general administrative account, and to have full public accounting for that in a full state of public accounts; to take the whole capital borrowing and to have a full statement of public accounts; and to give the auditor, the Provincial Auditor, the obligations of an Auditor-General, for him to be in a position to be obligated to report non-productive accounts and to be answerable to the committee of the Legislature and to investigate those matters that the committee of the Legislature deems advisable, so that those questions that are raised in the House, those concerns can be followed through. And, Mr. Speaker, until we do this, we are then in the position where the kind of accountability that should be taking place in this Legislature is restricted, that the kinds of checks and balance that this Legislature was to perform in the way in which the taxpayers' money is being handled is controlled and limited; and in this day and age with two billion, next year maybe two billion, five hundred thousand, the next year three billion dollars, with these kinds of sums of money it is impossible, Mr. Speaker, for the responsibilities to be exercised by government to be carried on properly, and I say that. Because, Mr. Speaker, I have to tell you, they don't know. They just don't know on the other side, nor do we, and those changes must come about, because if they do not come about, Mr. Speaker, the kind of loss, the kind of mismanagement, the kind of waste that has been exemplified only in those few examples that we've been able to demonstrate - and there are many, many more to come, either before this session is finished, Mr. Speaker, and there'll be many, many, many, many, many more for next session, will continue, Mr. Speaker, until these kind of changes will take place.

So the problem is whether the government will react to this, and my feeling, Mr. Speaker, is that the arrogance, the, I would say--No, I'm talking about, I'm talking about the arrogance, Mr. Speaker, on the other side, their paranoia, Mr. Speaker, their paranoia, Mr. Speaker, of any sign of weakness being shown in which, it would be a reflection on their management, and they have that paranoia, Mr. Speaker, they can't have anything shown that would demonstrate in some way that there has been mismanagement, is preventing this function from taking place. And, Mr. Speaker, I think it would be the most, you know, natural kind of situation for governments to have that kind of information exposed and not to be uptight about it because these things will happen. If they are really concerned, Mr. Speaker, in terms of the, you know, the protection of the public, they would allow this to happen, but their concern has always been the protection, Mr. Speaker, of their position. They have taken the position that they are good managers, and Mr. Speaker, everything that has been demonstrated, everything that they have done, almost everything that they have touched has turned to dirt, Mr. Speaker, and has turned into dirt because of their mismanagement. And, Mr. Speaker . . .

MR. SPEAKER: Order please.

MR. SPIVAK: Oh yes, Mr. Speaker. Mr. Speaker, to the Honourable Member from Radisson, may I remind him that \$130 million of CFI was paid out by his government. May I remind him as well, Mr. Speaker, that the release of Columbia Forest Products of the guarantee . . .

MR. SPEAKER: Order please.

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MR. SPIVAK: . . . was made by his government, and I say that both of them are a reflection on the management ability of his government. Yes, Mr. Speaker, may I point out to him that he's responsible for it. Yes, Sir. Mr. Speaker, his government is responsible for it and his government has to take that responsibility . . .

MR. SPEAKER: Order please. I wonder if the Honourable Member for Radisson cannot co-operate with the Chair. Possibly he'd come and sit here for awhile that would help me out. The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Speaker, I've made my point, and I must say that I think the point is made when the Honourable Member for Radisson talks about CFI and talked about Columbia. Because, Mr. Speaker, that's all he and the others can talk about, because they've got nothing else to talk about. And how they'll deal with the Provincial Auditor, I can tell you, Mr. Speaker; they won't allow this to happen because they're concerned, they're concerned about the exposure that it will mean in the next period of time to come. But whether they change the Provincial Auditor's office or not, whether they follow recommendations that we've provided or brought forward in this House or not, Mr. Speaker, we are going to continue and we're going to press them, and we're going to press them, and we're going to press them even more until we get from them the accountability - and as, an example, until the Minister of Co-operative Development starts to give us some straightforward answers and be more candid in this House than he has with some of the answers that he has given us with respect to the financial matters that have been under his responsibility. I'm not full of nonsense, Mr. Speaker, no siree, I'm not full of nonsense at all.

Well, Mr. Speaker, I want to tell the Honourable Minister of Co-operative Development, he was cute in his answers. He was very cute when he gave his answers without realizing that we had the information that contradicted him, then he changed his position when he found out we had the information. But, Mr. Speaker, surely this is not the way it should be operating. Rather in those areas in which there is a question, the Provincial Auditor should be able to go in, should be able to report to the Committee and if we're being cute, he'll tell the world that we've been cute, but if that Minister's being cute, he'll also tell the world that that Minister's being cute; and in the case of Co-operative Development, Mr. Speaker, he'll tell the world that the Minister was cute, very cute. He was not candid in his answers . . .

MR. SPEAKER: Order please.

MR. SPIVAK: The whole story on the Co-operative Development mismanagement is not yet completed. The loss that's going to occur in Southern Indian Lake is not known and, you know, the waste and the continual waste is not understood, yet. But, Mr. Speaker, that's the point, why should it be in the accusation of myself and why should it be the accusation of the Minister of Co-operative Development in this respect. Surely if we are in this position where public money is involved, and where there is a question, surely, Mr. Speaker, it's in his interest and in mine, and in the public's when these issues occur, to have an auditor investigate this matter and report publicly; then the matter's open, it's over with and if someone has been playing games, they'll be found out.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I just have a couple of points to bring to the attention of the House and I see the First Minister is not here, under Legislation I would like to bring to the attention, I see the Finance Minister is in the House, to one point and I think it's of some importance. At the present time any photostating that we have to do as members, and I know I did a considerable amount this session, I had to send copies of letters to the Attorney-General for the problems that I had or some other departments and it costs us for every sheet so much and first thing you know we have \$15 or \$20 personal bills from the library, and I think that surely at least when we're doing work as MLAs for our constituents that it shouldn't cost us to go and photostat a letter that has to go to a certain minister in the Legislature and this is what we have to do. It's a very small thing, I regret that I have to bring it up to the attention of the Minister, but I think at least the MLAs should have the services of the photocopier in the Library if we need to photostat letters from constituents that we may have to send copies to certain ministers, to certain departments that we have to try and correct some problems, that this shouldn't be the case, what is happening now.

I know that the backbenchers on the government side they have the privilege of going to any of the Ministers' departments and using the Ministers' copy machines free of cost, and in

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(MR. PATRICK cont'd) fact I've talked to one of the ministers on the government side and he couldn't believe it that we have to pay, because he felt it's not the case on the government side. So perhaps that's one area that the Minister can look at.

The other point that I wish to appeal to the government, and I hope that the Attorney-General will agree, that I feel that the Ombudsman should appear, or I think it would be only right and proper if he did appear before a committee of the House to, when he brings his report down, I think that not only that he would know just what kind of an extensive job he is doing but I think that all members could be in the House, would be of some assistance to him. I believe that he has done a very good job. I know that in the case of the Estate Administrations Office, the case that he reported in his report, and I believe the Attorney-General concurred with him completely, and so do I, in the case that, the wrongdoings, and there were corrections made and that's the case that he investigated. There may have been many more within that same department that he did not investigate, and there may have been wrongdoing. So I do feel that we can improve the operation of the Ombudsman and probably make his job easier, and if we would have some kind of dialogue with the Ombudsman, and at the present time we don't. I know that the First Minister, the second year of the Ombudsman's office indicated to the House on a question from the Member from Portage and said that they'll try and have him appear, maybe if he can appear in the Legislature, appear before some Committee of the House, and we have continually asked if the government has any intention to do this, and they said, yes, we're giving this consideration, and in fact this year. We said, see if we may have him appear before some committee, but this has not happened. I would like to hear what the Attorney-General's opinion is on this matter, because I think that not only it would be of some assistance to his office but I believe that perhaps we could find out as well how efficient he is and how well his organization is functioning. So I'd like to hear on that point.

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

MR. GRAHAM: Thank you, Mr. Speaker. Mr. Speaker, when we're dealing with concurrence on this particular resolution, I think we have to sit back at times and take a total overview of the responsibilities that exist in this Legislative Chamber. We've seen in the business of government, we've seen a rapidly escalating inflation factor, an involvement factor, where in the space of four short years our total involvement of the public sector in the business of the Province of Manitoba has tripled. We've seen the budget go from 500 million to a million and a half in a very short period, and every indication that it is going to continue in the same general direction and at the same time, Mr. Speaker, this Chamber in essence is the only body that has the authority to provide the checks and balances to insure that that public involvement is being done in a proper and wise manner and in the last few years we have seen two officers, officers of this Legislature appointed in the office of the Provincial Auditor and that of the Ombudsman and what they have brought to our attention just serves to re-affirm that this Chamber has a responsibility to provide the checks and balances that are so essential. Unfortunately, Sir, the reports of these two officers of the Legislature are always reporting after the fact rather than reporting the fact.

MR. CHERNIACK: Would the honourable member permit a question?

MR. GRAHAM: No. There is no way, Mr. Speaker, that I know of . . .

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Would he mind repeating, he said that the trouble is the Auditor reports after the fact rather than, and I didn't catch . . .

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

MR. GRAHAM: Mr. Speaker, what I said was that the report, or the Auditor and the Ombudsman report after the fact, a year later, rather than being able to report the fact at the time it is happening.

There is no way, to my knowledge, that the Ombudsman should consult with members of the Legislature. There is nothing in the Act that says that he should consult with members of the Legislature when something is reported to him. He has the responsibility of dealing with that and submitting an annual report, and even in submitting the report, Sir, it is only a written one and he does not appear before this body. Even though he is a servant of this body he does not appear before this Chamber in any way so that there can be direct dialogue with him.

The outcome of this, Mr. Speaker, is that in any system where there has to be surveillance, and if we only have two officers who are members of this Chamber, then it means that

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(MR. GRAHAM cont'd) members of the Chamber themselves must assume an increasing role in the active operation of the affairs of the province. And in doing so I think, Sir, it is incumbent that they be provided with the proper facilities to carry out that role. We have seen some very admirable changes occur in the past, Sir. We have seen the establishment of a research grant of a basis of \$500.00 per member which will assist them in the carrying out of his duties. But, Sir, let me report to you my own personal concerns and cite a personal example. Sir, it is quite often taken for granted that a member represents a certain area in the Province of Manitoba and that if he fulfills his duties of representing that area that he is a good member. But there are other obligations, Sir, that carry him beyond the boundaries of his constituency, and in fact I would say, Sir, that if he is a good representative of the Legislature he should be just as much concerned about the other 56 constituencies as he is about the one that he represents. I would think that a member that takes that responsibility and tries to live up to it is doing an excellent job for the people of Manitoba and that is the purpose for him being here. But quite often, Sir, in his role as a member of the Legislature it calls for him to take an active part in other parts of the province other than his own constituents. And I can cite to you, Sir, in just one week in the past month or so that as a matter of interest it cost me out of my own pocket roughly half of the entire year's grant for research. At the same time I have already made a decision along with other members in the House to sort of pool that money that has been provided by the Legislature in providing a co-ordinated research program. Sir, I don't believe that the amount of money that is allocated for research bears any relationship at all to the amount of money that should be used for that purpose. If we are to provide the checks and balances on a rapidly expanding type of government and to provide the scrutiny that is so essential for the proper assurance that our public dollar is being spent wisely, I don't think it can begin to be carried out on an allocation of say \$500.00 per member. I know in other jurisdictions they are granted considerably more.

Furthermore, Mr. Speaker, there are some things that concern me, and I have had the opportunity to talk privately with our Provincial Auditor and I think that, Sir, there is a vacancy that exists in our legislation with regard to authority. At the present time our Provincial Auditor who really is charged with the responsibility for the proper accounting of the expenditures of government, under the existing legislation he will report inaccuracies or improper proceedings to the Minister; and I'm sure in most cases the Minister does react and correct immediately what is occurring. But, Sir, if there is no action taken by the Minister where does the Provincial Auditor go after that? He reports to the Legislature in his annual report. But, Sir, may I suggest to you that that is the only avenue that under our legislation our Provincial Auditor has the opportunity of going. And yet if it's a serious wrongdoing, a wrongdoing that could conceivably amount to hundreds of millions of dollars or even a few dollars. But if it is something that is occurring that basically violates the laws of our province the Auditor-General is powerless; he goes to the Attorney-General, Sir, but he cannot appeal to an impartial authority.

I suggest to you, Sir, that probably there should be some method put forward where the Auditor-General in cases of that nature can appeal to the federal authorities rather than to the provincial authorities. I would think it would certainly strengthen the position of the Auditor and would provide one further check, a check which we hope, Sir, would never be used, would never have to be used. But I suggest, Sir, that possibly there is a vacancy there that should be covered to provide the added protection for the public and expenditure of the public dollar.

At the present time - and I repeat, Sir, at the present time the Provincial Auditor will report to the Ministers, he can appeal to the Attorney-General. And I suggest to you, Sir, that the Minister involved and the Attorney-General involved sit in the same Executive Council; and I suggest, Sir, that possibly there should be an avenue of appeal open to the Provincial Auditor which takes it above and beyond that. Sir, we have a tendency in this Chamber to feel that we are the ones that make the laws and we are the ones that can change the laws and as such we are almost above the law. I suggest to you, Sir, that the Legislature of Manitoba is not supreme; I suggest, Sir, that the Federal House does have an overriding authority over our Provincial Legislature, and I think it would only be natural that our Auditor-General or Provincial Auditor have the right of appeal to that body.

Mr. Speaker, I think these are two or three of the points that I want to raise at this time and I would ask the government to consider seriously the points that I have brought forward.

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(MR. GRAHAM cont'd) I would hope that in the coming year they will consider them and deal with the suggestions I have put forward at this time.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you, Mr. Speaker. I have had something that has bothered me all through the session and I was going to deal with it on a point of grievance . . .

MR. SPEAKER: Order please.

MR. HENDERSON: . . . but I'm one of those better natured fellows I thought I'd let it go. But I just think now it's gone too far and I see the opportunity to raise it here under Legislative Expenses. And I'm referring to the caucus room of the Conservative Party.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I really don't want to deny the honourable member an opportunity to speak but I believe the section that he is dealing with is statutory and is not within the scope of the House. However, I point it out only in the event that we get carried away with debate on statutory matters, but I am not raising an objection to the honourable member speaking.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Thank you. I don't believe it's of that nature. However we have a caucus room which is supposed to accommodate 20 members and we have only really two lines in there and there's three girls have to work in that office so many days a week. It just doesn't really give the members a chance to do their work. Every member has his way of contributing to the Legislative Assembly and to his constituency in different ways. I happen to be one of those that want to contribute to my constituency when I have things to do and I like to have a place to be able to work and to make whatever phone calls I have and to be able to do it.

The improvements that were going to be done were discussed in between the sessions and the work was supposed to be done in between the sessions. Needless to say we've complained of that caucus room since 1969. But it was discussed in between the sessions and it was supposed to be fixed in between the sessions. So we kept saying well it'll be done next week, it'll be done next week, and you know it's gone on for three and a half months now and we have nothing in there at all yet. They're doing some fixing in the member's lounge but it certainly isn't in the caucus room. And if this is the speed that the work is going to be done at it just won't be any use of starting it this session because possibly we may not go more than another two or three weeks and if they haven't got further than they have in this length of time, if we ever let them get in there possibly we'll have no caucus room at all for the rest of the session. Now I just think that this is very--(Interjection)--Yes. That is something at a different time of the day but I'm talking about in between in the mornings and that when we want to get work done, you can't get a line there and you can't talk to the girls because typewriters are working and other people are trying to talk on the phone and it's just a rattle in there and the sounds bouncing around off the walls. I think it's an awful place to try to do work.

Now I wish the Minister of Public Utilities was here but gosh sakes if a man can't get one room in the Legislative Building fixed up in that length of time it is quite understandable why he can't build a biffy on Memorial Boulevard without getting into trouble.--(Interjection)--Yes, but he had a lot of trouble about it. You know it seems to me that a Minister that isn't capable of getting something this small done shouldn't be the Minister of Public Works at all. Because if this is typical of his ability to do public work why I think that man should never be there. However that's all that I'm going to say. I just hope that if that Minister does decide to have something done about it he'll really get down to business and see that the work's done and not drag it on and on, because what I'm afraid of is that he'd start something and we won't have any place at all before it's done. That's all I have to say, but I really think that this is something that's not proper at all and should be attended to.

MR. SPEAKER: Resolutions 1 to 3 separately, collectively--pass? The Honourable Minister of Finance.

MR. CHERNIACK: Would you think, Mr. Speaker, I stood up too late? I did want to see if another member wished to speak. I did want to respond.

MR. SPEAKER: The Honourable Minister proceed.

MR. CHERNIACK: Mr. Speaker, Firstly I . . .

MR. McKENZIE: Mr. Speaker, can I speak after the Honourable Minister?

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MR. CHERNIACK: Sure you can. Mr. Speaker, the Member for Roblin is pleased with himself, he outshuffled me and has asserted that he had a right to speak; and congratulations to the honourable member, I saw the pleasure on his face when he heard the response. Well I'm just as happy, just as happy, Mr. Speaker, because up to now in the main we've had a pretty rational, calm discussion. I'm sure that the Member for Roblin's contribution will do his best to change the tenor and I just as soon I didn't feel inclined to respond to him rather than to what has been said seriously by other members.

So I don't want to brush aside what was said by the Honourable Member for Pembina but I'm really not sure whether the stage has been reached where he really has exhausted all efforts to straighten out the problems he raises, and I am not one who has the authority or possibly the capacity to deal with the problems that he raises. However I suppose I can sympathize because I spent more years in opposition than I did on this side of the House, and I can say that I never really had trouble with privacy on telephones because I always had access to one of the four telephones in the room outside. However, that may be just a tip to him that there is an additional way of dealing with a telephone problem. As far as talking to the girls in the morning are concerned, I would hope that when I speak to them they stop typing at least in order to carry on a conversation.

Mr. Speaker, I want more to address myself to comments made by the Member for Birtle-Russell who, I'm kind of sorry deferred to his leader when they both stood up to speak at the beginning of this because I think he said much that his leader said but said it in a much more comprehensible and responsible and dignified manner. I'm now being criticized for recognizing, and I do recognize that the Member for Birtle-Russell did speak seriously about the matters which concern him, and spoke in a positive way.

When he dealt with the question of the Ombudsman, and I respond to, I think it's his leader who also mentioned that, and the Member for Assiniboia of course I think devoted all his time to the question of the Ombudsman, is that the Premier on being asked by the - I think it was the Leader of the Opposition, whether he wouldn't give consideration to inviting the Ombudsman to come to a meeting of a Legislative Committee. I indicated that he agreed with the thought that he ought to come, and suggested that possibly he ought to come before the committee on statutory regulations--(Interjection)--Oh, Privileges and Elections - I'm being corrected - which I believe is a committee that sometimes meets between sessions. I think this is a matter that should be discussed and probably should be discussed by the respective party leaders or the party whips. I think there was general recognition that it would be of interest at least, and probably of some value, to have the Ombudsman come and speak orally, discuss problems with committee, but I question that the Member for Birtle-Russell really wanted that the Ombudsman should have to consult with MLAs when he gets a complaint. It seems to me that the important thing about the Ombudsman is that he reviews, considers complaints, investigates complaints, and then deals with them either by considering that they're not proper, or by acting on them and getting a successful solution, or by finding that he's not getting a successful solution and then reporting it.

I have possibly a mistaken recollection, but I'm under the impression that the Ombudsman has made a statement publicly outside of his annual report. It seems to me that in the last couple of months he had occasion to, I think, report through the media or any event in some public way on some matter he was dealing with. I don't think there's anything in the legislation which denies him that opportunity; I think maybe it's his own sense of what should be or what should not be reported that controls the extent to which he makes reports in between his annual report.

But nothing I've said in that respect takes away from general concurrence that there should be an occasion when he meets with a group of the Legislature, and I think it's really a matter of arrangement and finding the suitable time when that could be done.

I don't think there's any more to be said on the question of the Ombudsman. I think he has done a good job. I think there have been a few occasions when he disagreed with the final decision of whatever authority he had questioned, but nobody in this Legislature in the Act did think that he should have the power to reverse a decision which had been made by a responsible body. The power he had was to explore it, investigate it, and then comment on it if he felt it so advisable.

Now that I'm speaking about that I'd like to pay a tribute to him. I might say that there

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(MR. CHERNIACK cont'd) was one occasion when a person complained to me about activities of members of my own department, and after making an internal investigation I believe that they had acted properly; but this complainant was not satisfied, and he wanted a public hearing, and I said, the role I believe is that of the Ombudsman to investigate it and I requested the Ombudsman to investigate the complaints of this person. The Ombudsman entered into the department and made his own investigation, his own survey, and made his own interviews, and gave me a good feeling of knowing that I had an outside person come into my department rather than I start probing as to the activities of people in my own department. I felt that was a useful way of doing it, and I was appreciative of his contribution.

I want now to deal with the Provincial Auditor, and I'll probably deal with it in two senses: one in response to the Member from Birtle-Russell, and the other in response to the Leader of the Opposition.

The Member for Birtle-Russell says that after the Provincial Auditor investigates, has concerns, expresses the concerns to the Departmental Minister, there's no more that he could do, and I don't accept that. Firstly, he is an auditor, he is not a judge with power to order that certain things be done, because in the end the responsible person to do it is the person charged with the responsibility of administration; the Provincial Auditor is not an administrator. As a matter of fact the Provincial Auditor can be wrong too, and we have to recognize that possibility. So what the Provincial Auditor is required to do, is to carry out his audit; if he finds that there is something that doesn't satisfy him, he's got to raise the point with the Administrator, and if he finds that the Administrator is not satisfying him, the Auditor, with the results then the Member for Birtle-Russell feels that there is nothing he can do except report to the Legislature. Well let me tell the Member for Birtle-Russell that when a letter comes from the Provincial Auditor, there is a reaction. If he remembers, and I think he was present probably at one of the three meetings that we had in Public Accounts, the Provincial Auditor expressed an opinion that one of the reasons that he didn't care to follow the practice of Mr. Henderson, the former Auditor-General, is that he believed that the threat to report was more effective than the reporting itself. I wonder if the Honourable Member for Birtle-Russell remembers that, and I'm not quoting verbatim of course, I'm just speaking from memory. But what the Provincial Auditor said was that the kind of reporting that Mr. Henderson used to carry out, and honourable members I hope have seen the at least inch thick report that has been issued by the Auditor-General in the past, will find there a great deal of trivia intermixed with some pretty important matters that were raised. What I recall our Provincial Auditor saying or suggesting, because I'm not quoting him verbatim, it's quite a while ago, was that he is afraid that if people become too accustomed to the reporting that goes on as is done federally, they don't worry so much about what appears in the report, because reading the federal report, and I have read it for the express purpose of understanding the difference, is that a bureaucrat is liable to shrug his shoulders and say, all right so what, he'll report it in that inch thick report, and it'll catch the eye of the newspaper for a day, and then it'll be buried with all the rest of it. The Provincial Auditor did say in committee, clearly, that he would rather have the threat than just report automatically.

And I can tell, I can assure the Member for Birtle-Russell, that when a letter comes it is acted on simply because, and I'm not speaking of the politician, because most of the time, let's be honest about it, most of the time the political head, the Minister, doesn't know the detail of the kind of questions that are raised by the Provincial Auditor. It is not within his scope to know whether or not there was an actual count of petty cash taken on a certain day, or an actual stocktaking taken, or the method it was taken. But the person who was responsible for that is the one who sees that his Minister has received a complaint from the Provincial Auditor, because the Member for Birtle-Russell didn't - he omitted one step. The first step is when the Provincial Auditor's representative is right in the department working on the audit and raises questions on the spot and says to the man he is checking, now what did you do about this, or did you do this correctly or not? That's really the first step. And the second step is, as I understand it, a memo from the Provincial Auditor's staff man to the man he's auditing, listing the suggestions that he made. If then the Provincial Auditor checks and finds that it was not properly carried out, or if it's much more important than just a cursory correction should entail, then he reports to the Minister. And then there is a much greater reaction because now the person responsible knows that the Minister, the head of the department, has been made

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(MR. CHERNIACK cont'd) aware of some concern of the Provincial Auditor. So he has all the more reason to comply with a proper investigation. But at all levels from the Minister to the Deputy Minister to the person responsible within the department, they all know that if the matter isn't corrected then it will be reported in the Annual Report, and that is what they don't want to see because when it comes in the Annual Report it stands out because there are very few such items.

Now the Provincial Auditor also made it clear that when there is any indication of the possibility of an illegality of fraud, of something done improperly, illegal, he doesn't go to the Attorney-General, he goes to the Deputy Attorney-General who is an officer of the court. And he draws to the attention of the Deputy Attorney-General the possibility of fraud, and the Deputy Attorney-General stands different in my estimation from every other deputy I can think of in the government, and that is that he is a lawyer and an officer of the court charged with the responsibility of carrying out the law. He therefore acts on a complaint made by almost any citizen who makes a complaint. He investigates and decides whether to proceed further with a police investigation, or any other form, so that a person shall be charged, and the Provincial Auditor did report that in committee, and did explain that--he did not according to the Member from Birtle-Russell--well I thought he did, and possibly he did when the Member for Birtle-Russell was out, or maybe he did to me privately. But I have a recollection it was right in committee where he said that he does report and request the Attorney-General to make an investigation when he suspects an illegal act. I would say that if he did that, and if it went to the Attorney-General and was suppressed at that level, I haven't the slightest of doubt it would be reported, and reported quickly, to the Assembly.

There's one point that the Member for Birtle-Russell made that possibly should be looked into and that is, I am not aware whether the Provincial Auditor's Act actually provides that the Auditor may report between reports. I'm not sure that there is a method by which he can come straight into the Legislature by way of an Interim Report or a report saying, I don't want to wait until the Biannual Report. If he doesn't have that right, I think he should have it, and I really don't think he needs it because I think that he has the right to write a letter to every MLA any time he likes and therefore I don't think that that's denied him but I don't think that it should be considered that he doesn't have the right to do it; I think he has, and he does have to make the report. So I'm just brushing aside the thought that he should be able to appeal to the federal authorities. Frankly it's not within their jurisdiction; I don't think they would act on it; I don't think they have to; I think he has the means whereby to do it. The fact is that the Provincial Auditor has not really requested a change and I believe has not indicated the need for it.

Now I want to move to what was said by the Leader of the Opposition, who was much more argumentative about the matter and I think more provocative. Because he wants the Provincial Auditor to do what I believe the Provincial Auditor does not want to do, and what he wants is the kind of reporting we get from the Auditor-General. Today for the first time when he spoke, I got the impression that he recognized that their powers are the same, their authority is the same, their responsibility is the same, but indeed their manner of reporting is different. I think that is the truth, and I think that if that is what the Leader of the Opposition tried to say, then I believe for the first time we can be in agreement, because the impression I had up to now is the claims made by opposition people that they didn't have the same authority or the same responsibility, and I denied that. But I did say, and I do say, their manner of reporting is different. I believe that the Provincial Auditor does not wish, and has not expressed the desire to report differently than he does. I reported to committee, and I repeat now, that the new Auditor-General of Canada has appointed a three-man commission which has undertaken the responsibility of investigating different methods of procedure throughout the western world, and which I believe is either on its way or has yet to go to Europe to investigate certain procedures there, because the Auditor-General is questioning whether his predecessors' methods were adequate and whether or not they should be changed. The Provincial Auditor did say he wanted to investigate and report further on what is learnt there as to how it's done.

Now we come to probably the main difference. The main difference is the right to direct the Provincial Auditor, and we got into a hassle in committee where I objected, I spoke against a motion directing the Provincial Auditor to carry out a certain function, and I said then that a committee did not have the right to do so, and I believe it was correct. Of course it's not for

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(MR. CHERNIACK cont'd) me to teach members of the Opposition how to conduct their tactics or carry out what they want to do. But I made the point, or I make it now, the Legislature does have the right to direct the Provincial Auditor to do things. The Legislature to whom he's responsible does have the right to direct him, but the committee does not, and that's what I believe, and other people can have their opinions, but I believe the Legislature which employs him has the right to direct him, but not a committee.

But the important thing to me is that the Provincial Auditor should not be used for the purpose of creating a political storm, and now I make a distinction between the kind of accountability which I believe is the function of the Committee on Estimates and of the Public Accounts Committee and the attitude that has been taken by opposition parties for many years, and all opposition parties - I don't say only the present ones - to take advantage of situations to embarrass government, which is legitimate; to attempt to create problems within government administration, as between Ministers or as between agencies and Ministers, or as between employees of government and Ministers or/and governments. I suppose that's fair game, that's fair tactics. But I object, Mr. Speaker, to an attempt that is, I believe, sometimes made to make the Provincial Auditor a party to this. That's what I object to, because I believe in his integrity and I believe in his independence, and I would not like him to be party, or to be used as a tool, either way, to become involved in what may be considered a legitimate attempt of the Opposition to create problems and embarrassment for government, and that I believe is the position that I have taken, and others have taken on this side, in attempting to continue to protect the integrity and independence of the Auditor.

I was pleased, Mr. Speaker, when a matter was brought up in Public Accounts where there was an effort made to direct the Provincial Auditor to carry out a certain investigation. We had a big debate whether committee had a right to or not, but I found out later that the Auditor was already conducting that investigation, because I think he read about it in the newspapers that the question had been raised, and he said, my function is that when there is a complaint, be it from anybody, from an MLA, or be it from any person in Manitoba, I must satisfy myself as to the validity of the complaint. And while we were sitting in committee debating whether or not committee had the right to direct him to investigate, he was already carrying on the investigation on his own. That to me was a matter of pride, not as a member of government but as a member of this Legislature, that we had a man who was doing his job, and I think his job is to report objectively to the Legislature on procedures that he is responsible for auditing.

Now the Leader of the Opposition suggested that he doesn't do an audit in the agencies and in the Crown corporations. But he does - you may recall the Leader of the Liberal Party was the one who claimed that he didn't; was the one who claimed that we brought him in to take away from the independence of outside auditors, and he is so wrong. We find that the Provincial Auditor applying his yardstick is doing all the audits, the audits of all of the Crown corporations and agencies, at our request and with our decision and in that way he is able to apply the same standards that he does to government.

Now the one point raised by the Leader of the Opposition was accountability, Public Accounts, and he's quite right. I've been informed that it would cost three quarters of a million to a million dollars to convert the systems of the different public agencies on to the same kind of computer reporting mechanism as now exists in Public Accounts, and I think that that should be considered; I think that should be debated; and frankly the place to have done that of course was in Public Accounts. But in the three meetings we had in Public Accounts we never got around - I don't think we got past Page 2 of the report of the Auditor, and it was somewhere around Page 30, as I recall it, where he was talking about procedures. I remember however in committee suggesting to committee that my own thought, it wasn't a considered view of government, it was my own thought, that we could accomplish much more and much more valuably than we do now the estimates' review, if we took the estimates out of the House into committees and had two or three committees sitting concurrently in the estimates' review, and having three departments sitting there being reviewed with the staff present being able to do the estimates' review. --(Interjection)--

The Member for Brandon West says that I did not do that. --(Interjection)--Oh! Well the Member for Brandon West disagrees; I don't ask him to agree, I'm just saying I made the suggestion. I think the Member for Riel kind of said he thought it was a good idea, providing the

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(MR. CHERNIACK cont'd) Minister's Salary was taken out of committee and brought back into the House so that when we deal with, for example, concurrences, as we're doing now, then the Minister's Salary could be dealt with then. But it wasn't discussed any more than that. But I think that it needs more discussion, and I think probably Public Accounts is the place to do it, and in the presence of the Auditor, because the fact is that so many of the objections raised to present procedures are objections raised by members of the Opposition and not by the Provincial Auditor at all. I think that his opinion ought to be sought and ought to be discussed, and we ought to discuss it on a level of debate that the Member for Birtle-Russell had, and I think that would be valuable.

There is one question on non-productive accounts, and that's a real problem. Is the Provincial Auditor a trained chartered accountant, one who can decide whether the hiring of a - may I say a Home Economist by the Department of Agriculture, is productive or not productive? Who is the Provincial Auditor to report that the payment of a salary or the payment, the total payment, for Home Economists in the Department of Agriculture is more or less productive than is the use of the same kind of trained person in the Department of Health and Social Development to be used in urban areas? Who, who is the Provincial Auditor to do it? And I see that the Member for--(Interjection)--Right. Ask the people from Boissevain, and I would say that they are in a better position to talk about the productivity of a Home Economist, not the Provincial Auditor, he's not trained to do that. Therefore I question seriously whether the proper people who judge productivity of government expenditures, or the non-productive expenditure from members of the Legislature, members who know what is going on. But certainly I don't think - it's a chartered accountant trained to do an audit, and that is one debate I would like to be able to continue, but of course not here and not now, because I think it belongs at the committee stage to discuss it at some length. Unfortunately in three long mornings, as I say, I don't think we got to Page 2 of the Provincial Auditor's report. I hope that this kind of discussion can continue on that basis and that could be much more productive.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Well, Mr. Chairman, I just have a few brief comments on the concurrence motion that's before us, dealing with this \$803,000. It's directed to the Provincial Auditor's office. I'm still concerned, and the people in my constituency are still concerned, Mr. Speaker, of the remarks that's been directed to the House by the Honourable Minister of Finance that the Legislature may direct the Provincial Auditor to go and check those areas, and who's the Legislature? The Legislature, Mr. Speaker, is the Executive Council, they have the majority--(Interjection)--Well, the terminology says it's the Legislature, and you can argue pro and con, but I say, who is the Legislature? It's the Executive Council and the terminology could have been changed. But, Mr. Speaker, I would like to leave this Legislature and go back to Roblin constituency and tell my people that I'm satisfied that this \$803,000 has been well spent; the books are all audited; the tax dollars are all accounted for, and the books are on the table, and everybody's happy.

But unfortunately, Mr. Speaker, I can't do that. There's many reasons why I can't do it, because all the allegations and the charges that have been laid in this Legislature since the day that these things were laid on the table, the fishing co-ops, Autopac, Wabowden, and it goes on and on. Those books are not audited and there's no way that I can go back to the people in Roblin constituency and tell them that the books have been audited, the tax dollars of the people of this province have been accounted for, and there's the records. But unfortunately, Mr. Speaker, we don't have those records, nor do we have the auditor go and check those records, nor can we justify the tax dollars. There's no way, Mr. Speaker, that the Minister of Autopac can stand up and justify the ten million bucks that he blew down the drain. We have not got his audited statement on the table. And to show you what a cheap corporation, the Minister is determined . . .

MR. SPEAKER: Order please. Order please. Order please. The Honourable Minister state his point of order?

HON. BILLIE URUSKI (Minister responsible for Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, the honourable member well knows that the Provincial Auditor has a statement in the annual report of the Manitoba Public Insurance Corporation; if the honourable member can't read I can't help that.

MR. McKENZIE: Well I thank the Honourable Minister for his comments, Mr. Speaker,

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(MR. McKENZIE cont'd) and I'm sure it's most helpful in the debate. But, Mr. Speaker . . .

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: The Honourable Member for Roblin indicated that the Minister in charge of Autopac lost some \$10 million of the people of Manitoba. I should like him to indicate . . .

MR. SPEAKER: Order please. Order please. We are not in Committee of the Whole; the members cannot get up at will; they may get up if they have a point of order or a matter of privilege. But if they wish to have a Committee of the Whole I wish they would designate that and I'll leave the Chair. In the meantime let's proceed properly. The Member for Roblin. --(Interjection)--The Honourable Minister state his matter of privilege?

MR. USKIW: Well, if a member suggests, Mr. Speaker, that he has information wherein moneys, public funds, are lost, is it not his obligation to table that information so we can be apprised of it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, the Minister raised, he raised the point that I'm objecting to. I'm objecting to the \$803,000 of taxpayers' dollars that's being spent for the office of the Provincial Auditor. To satisfy me and satisfy the people from Roblin constituency, who I represent, that the books are audited, the money is there, and everything's in order. Unfortunately, Mr. Speaker, we can't do that. We can't do that, and there's various reasons why we can't do it, and it's being debated, and I'm not going to go into that at any great length. I'm only here standing today as a person that represents a bunch of people and with a budget that we've got of this government, a billion and a half dollars, and you can't account for the books. We can't even account for those pigeons that were flying around up in the north, in Wabowden.

But, Mr. Speaker, let's be fair to the people, and if the legislation is such today, and the Minister of Finance says that the Legislature may direct the Provincial - and that's my quarrel because who is the Legislature? The Legislature is the Executive Council. And I think why shouldn't we as members of the Opposition have the opportunity, Mr. Speaker, to ask the Provincial Auditor to go out and check something at any time, but unfortunately we can't. We saw that happen in committee; we saw it when we were dealing with the estimates of the Minister of Autopac; we saw it when we were dealing with the Economic Development, because the Provincial Auditor can't, no way, go out and check these records without the Executive Council giving him some direction. That's basically the only quarrel I have with this matter of concurrence, because let's not kid anybody, we're dealing with a terrific amount of money in this province today. We're dripping with thousands and thousands of bureaucrats who are using these dollars, and let's have some control of them by some way that I as a member, or the people from my constituency can ask the Provincial Auditor to go out and check something that we think's wrong. We can't do it, Mr. Speaker, in opposition. The only people who can do that is the Executive Council.

A MEMBER: That's nonsense.

MR. McKENZIE: Well, he says it's nonsense. Well I just ask the Member from St. Matthews to give us some hand to go and get the Provincial Auditor to check out the Minister for Autopac. How are we going to do it? It'll never be done. It won't be done. Or check the fishing co-ops. Can we ever have an audit of that? Never. Can we go and check the Wabowden thing? No. It goes on.

So that is basically - and I think it's time that we as members of the Legislature, and surely if the only tool that we have as members in opposition is give us an auditor, or do we have to hire our own? So that we can go and check some of these records. Because, can you trust this government, Mr. Speaker? I say no. The kind of accounting and the records that they place before us this session, Mr. Speaker, we can't trust them any longer. --(Interjection)-- No, we can't. But not only can we not trust them but they've got \$803,000 of the taxpayers' dollars to make darn sure we don't trust them, cause they've got the auditor; we have no auditor.

So, Mr. Speaker, I say again that I think that the time when maybe the budget of this province when the Act was drafted, and the budget of the province was maybe \$250 million, but not today, man, this is a . . . This is the largest corporation, this government, and they employ more people than any corporation, and we can't go and check their books. We can't check the fishing co-ops; we can't check the Wabowden thing in opposition; we've made the

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(MR. McKENZIE cont'd) allegations; the records are on the table, what limited stuff we had. Why can't we have the auditor go in on behalf, as it says in the Act, of the members of the Legislature. But that's not so, Mr. Speaker, because the Legislature is the Executive Council.

MR. SPEAKER: Resolution 1 to 3, separately, collectively, passed. Resolved that there be granted to Her Majesty a sum not exceeding \$3, 039, 200 for Executive Council. Resolutions 4 to 6, separately and collectively, pass . . . The Honourable Member for Minnedosa.

MR. DAVID R. BLAKE (Minnedosa): In view of the hour, Mr. Speaker, I'd like to call it 5:30.

MR. SPEAKER: Very well. I am now leaving the Chair to return at the hour of 8:00 o'clock.

Translation of French spoken by Mr. Marion on May 10, 1974 - Page 3396.

I am very happy, Mr. Speaker, to say these few words on the system of French education of the Province of Manitoba, in my mother tongue, seeing as there are presently members of this House who are also of that same descent. It seems to me that when the Minister, earlier this morning, offered certain financing arrangements to help a school division that feels in need or in a disadvantage because it offers a course in French that is parallel to one in English, it seems that such a gesture is valid but on the other hand, it appears that there still is a much deeper problem, and that problem is that the St. Boniface School Board itself did not understand what the Department of Education of this province was trying to achieve.