Legislature of Ontario

Debates

Monday, March 31, 1969 to Friday, December 31, 1969

RODERICK LEWIS, Q.C., Clerk of the House

No. 194

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, October 27, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, OCTOBER 27, 1969

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: I am sure as I welcome the guests today I would express to the Prime Minister, everyone's satisfaction at having him back with us again—as the members have demonstrated.

Our guests today in the east gallery are students from Neil McNeil High School in Scarborough.

Statements by the Ministry.

Mr. H. Peacock (Windsor West): Mr. Speaker, I have a point of privilege, and that is that the whip of our caucus, the hon. member for Thunder Bay (Mr. Stokes) has communicated to me that recording and *Hansard* arrangements will not be provided for the standing committee on agriculture and food, in the consideration of the estimates of The Department of Agriculture, which had been referred to it beginning today.

I would like to state to you, Mr. Speaker, that when the leader of my party—the member for York South (Mr. MacDonald)—the leader of the Opposition (Mr. Nixon) and the government House leader at that time met last week and on earlier occasions—I recall having been present at the last two of these meetings—it was stipulated, at least by the leader of the government that in whatever way he could assist, that arrangement would be fulfilled.

It was regarded, at least on our part, Mr. Speaker, as a condition to entering in upon consideration of the estimates of the three departments in that matter and we would like to hear from you, sir, as the arbiter of these things and the chief officer of these arrangements and accommodations for the committees of the House, what the reasons for the failure to provide the service are; and just how quickly it can be provided?

I do not think that the members of our group will be able to fulfill the commitments we have made unless we have this arrangement completed as quickly as possible.

Mr. Speaker: Well, of course, I would point out that the hon member has not stated his point correctly. The hon. member has said that service will not be provided. Actually the services cannot be provided.

Regardless of the arrangements which may have been made between the party leaders, there are certain technical and other matters which have to be dealt with. Mr. Speaker, of course, did not hear about it until the motion was prepared to introduce in the House. He was not given any prior notice that this arrangement was to be made. In any event, it would not have been possible to have a written transcript of *Hansard* from the standing committee for today, or even for this week.

I would say to the hon. members that we have the greatest difficulty in getting help, satisfactory help, to keep *Hansard* for the House running. It in almost impossible. We have arranged that the meeting of the committee will be recorded on tape. We are also arranging that the tapes will be available on 10 minutes notice to the Speaker's office for any member who wishes to go, either while the committee is still sitting, or afterwards, as soon as the tape is available, to listen to what has been said. But it is not going to be possible to have any transcript typed, written or printed, or otherwise, for I would say a minimum of two weeks.

We have some girls now who are learning but it is quite impossible, and I speak from experience now after two years of trying to have *Hansard* edited in the best possible way. Taking dictation from a tape and typing it as it should be typed is quite different from taking dictation from a dictaphone or from a member or a person, and I am sure the hon. members understand. Insofar as the government is concerned, they have given me every co-operation, and I would like to thank Mr. Clewes, who on Thursday said it was going to be impossible even to have tape recordings by today. But the committee will find the recorder set up. The tapes will be there. They will be partly edited so that it will be possible to find out on the tapes where any given speech or question has been asked so that the member who wishes to

hear it again on the tape—may do so—in room 348, I believe, but we will ascertain that later.

All I can say is that there has been no lack of co-operation, no lack of effort, on the part of all those concerned, but that many things which are planned without consideration of the practical difficulties involved, are not possible of fulfilment. That is all I can say on behalf either of the government or the personnel involved in this. I hope the explanation will satisfy the members, because it is the only explanation there is, and the best that can be done is being done.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, speaking to the point of order, I happened to be present at the meeting and I certainly understood that there would be a portable *Hansard* recording system and that all members would be able to listen in if they wished by going up to room 395, for the present moment, as long as they gave your office a 10 minute warning. You certainly did explain well in the committee meeting the reasons why it would not be practical to come immediately with the printed *Hansard*, but at least, Mr. Speaker, we will have *Hansard* in tape form.

Mr. Peacock: Mr. Speaker, if you will permit me, I appreciate the difficulties you face, but nonetheless it was considered absolutely fundamental to the success of the work of this committee that members who were participating on it would have, the next day, or as soon after as possible, a transcript of the proceedings which they could review, not for the purpose of correcting it, as is the case with the way *Hansard* is handled now, but with the purpose of making it a relevant document to the examination of the estimates, so the members would have opportunities to develop a line of questioning in the following session and to take this up with the Minister.

Mr. Speaker: Well, the hon. member, if I might—

Mr. Peacock: I do not see—

Mr. Speaker: If the member will allow me to interrupt him. I quite understand the situation, I am sure all members do. And the problem is that as soon as it is possible we will have the best type of typewritten or other *Hansard* available. There is nothing that discussion here can do to alter the facts. Those are the facts of life, and I appreciate the hon. member's point. I understand the situation, and had the Speaker's office, and the recording and the *Hansard* people been advised two weeks previously, that this was going to be done, I am sure that by now we could have had it operating.

Now if the hon. member has anything further to say other than the matters we have discussed on this point of privilege, I will be glad to hear him. Otherwise I think there is nothing to be gained.

Mr. Peacock: Only to say, Mr. Speaker, that surely we are not wedded to the electronic system; that stenographers might possibly be hired who could record the proceedings by shorthand. They have done so for every other government department on short notice.

Mr. S. Lewis (Scarborough West): Right. Surely that is the simple way.

Hon. J. P. Robarts (Prime Minister): We will agree to any method the Speaker devises. He will carry out the intent of making this committee function as we all want it to function. I think really I have to leave the decision as to whether it is practically possible to the Speaker's staff because they are the people, of course, who know what supply of shorthand reporters is available.

We are perhaps a little more dependent upon the electronics than we think, because I do not believe there are a great many expert shorthand reporters available to take down verbatim proceedings. This is one of the problems the courts have as well. However, I can only say, as far as the government is concerned, anything that Mr. Speaker and his staff can arrange we will agree to, and we will ask him to do the best he can to get the system functioning as quickly as possible.

Mr. Speaker: I will be glad to look into it but I can also confirm what the Prime Minister says: that there are not available shorthand reporters whose work would be acceptable, even for the purposes mentioned by the hon. member for Windsor West.

Before I call the next order of business, and perhaps it might be well so we do not infringe on our hour, if I would make certain suggestions to the members, which suggestions might perhaps assist in an orderly and reasonably active conduct of our oral question period.

First of all, may I say that I would propose to follow the custom of this Legislature, and I believe many other provinces, and that is allow the floor for questions first by the

leader of the Opposition and then to the leader of the New Democratic Party, and thereafter to the government and thereafter endeavour to rotate the time reasonably between the parties represented in this House.

Secondly, if a member—and the new rules, as you know, provide that any member may ask a supplementary of any Minister following a question by any other member—if a member proposes to ask a supplementary, would he please preface it by "Mr. Speaker, by way of supplementary" or, in other words, let me know that it is a supplementary and not a new question, since it might not be the proper turn of that party to have an opportunity to ask a question.

Then I think that it would be well—and I hope the Ministery will agree with me—that if a question is directed by a member of any party to a Minister and that Minister feels the question does not properly fall within his jurisdiction, that he ask that it be transferred to the Minister he feels would have charge. The member will then have the floor at once to put the question to the other Minister, if he is present.

In that way there will be a saving of time and we will perhaps get the right Minister to give the proper answer. If the Minister is not present, of course, the question cannot be asked.

The Ministry undoubtedly, from time to time, will take questions as notice rather than answering them at once. This is the Ministry's privilege. I would point out that the answers to those questions taken as notice will be given in a succeeding question period, that is during the time allotted for questions, and will be given in such a manner that the government party will have only equal time with the members of the Opposition parties who are asking questions, whether government members are either asking or answering questions.

I have asked the Clerk, as the chief officer of this House, to advise me each day the exact time a question period starts. We will all be aware of it, of course, but he will advise me, or one of his officials will advise me, in writing, the exact time the question period starts—this is when I call that order—and from that time will be calculated the one hour or the half hour, as the case may be.

I shall do my best, hon. members, to ensure that the question period operates the way the hon. member for Windsor West has said leaders of the parties have agreed things should operate. I shall not exercise any discretion with respect to the kind of question which is being asked, provided it does show a degree of urgency as the new rule provides, and provided it is of public importance. The matter of whether it should go on the order paper for written reply, of course, quite properly is left to the jurisdiction of the Minister to whom it is addressed.

I would ask the private members of the House, who will be asking questions, to do their best—as they will expect the Ministry to do—and to ask short oral questions, not to read a long question such as we have been in the habit of accepting here. Ask questions that are short, thrifty of words and to the point. In that way I am sure we will get in many more questions, which I think is part of the object of this operation.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I am sure we all join with you, sir, in welcoming the Premier back to the House. We hope that his operation was a success and he is not going to be plagued with any more of that stuff for a long time.

During his absence, and in the last few days, there have been two matters which should give the whole administration concern over financing, and rather than direct these questions directly to the Treasurer in the first instance, I would ask the head of the government if he would say how he is going to deal with the fact that in the last few days the Minister of Education has revealed to the House that $48 million, heretofore unbudgeted, will be needed to support the school system of the province.

And also, the revaluation of the German mark may or may not, depending on what the Premier and the Treasurer tell the House today, have the effect on the Budget that was predicted here some months ago.

I think these are matters of general concern. Perhaps the Premier could answer the questions. How will the $48 million be raised; and what will the effect of the revaluation of the German mark be on our debt to the country of West Germany?

Hon. Mr. Robarts: Mr. Speaker, I would say that the $48 million will be raised in the normal way that governments raise money, namely through taxation.

As far as the revaluation of the German mark is concerned, this is an event that we did not exactly overlook at the time the loan was negotiated. We of course accepted the possibility that this would happen because it was a matter of discussion at that time. So

it does not come as a surprise to the government that this happened, nor did it go unconsidered when we came to the conclusion that this was a good loan for the government to make and a good place for us to borrow money.

As far as the technical aspect of exactly what the revaluation will mean, and what it will mean in relation to the manner in which we might handle the loan in the future, I think I will leave that for the Treasurer to answer. No doubt he will either make a statement covering the matter or he will deal with it as an answer to a question. But I just point out, however, that we were not taken by surprise when this happened.

Mr. Nixon: A supplementary, then, Mr. Speaker; the $48 million will undoubtedly be raised by the hard pressed taxpayers, but how does the Premier intend to authorize this expenditure? By means of a supplementary estimate?

Hon. Mr. Robarts: I thought that would be assumed.

Mr. Nixon: No, it was indicated previously, that warrants might cover it.

Hon. Mr. Robarts: Even if there were warrants they would in due course, be included in the supplementary estimates.

Mr. Nixon: So, it would be true to say that the balanced budget of last February is not, in fact, balanced.

Hon. Mr. Robarts: No, it would not be true to say that at all. After all, a budget is a budget. A forecast—

Mr. Nixon: That is what we assumed.

Hon. Mr. Robarts: Yes, but it is a forecast of what your expenditures and your revenues will be. I have never seen a government budget yet that worked itself precisely to what the figures were, when presented, so, this will have to be dealt with; it is a legitimate expense; an expense that the government is prepared to assume to help relieve the burden on the municipal taxpayer and it will be worked out.

I do not think, at this stage, I have much to say about what it will mean in terms of whether or not the actual accounts at the end of the fiscal period will prove to be in balance and precisely accurate. I think the hon. leader of the Opposition understands this.

Mr. Nixon: I understand they will not be precisely accurate, but I would like to ask the Treasurer, Mr. Speaker, if he can report in more detail on the fact of the revaluation of the German mark as far as Ontario is concerned.

Hon. C. S. MacNaughton (Treasurer): Mr. Speaker, I might say to the hon. leader of the Opposition that on returning this morning, I have asked the people in the finance branch to prepare material for me. I think it might be appropriate to say to the leader of the Opposition that I hope to make a rather comprehensive statement as soon as the information has been prepared for me. The various comparisons that are required, relating to the term of the loan, relating to the interest factor, relating to capital repayment, the possibility of refinancing the loan, all of these matters are under consideration. I hope to have information shortly, and upon receipt of it, I propose to make a rather comprehensive statement to the House.

Mr. Speaker: The hon. member for Peterborough.

Mr. W. G. Pitman (Peterborough): I wonder if the Treasurer would indicate just when he expects the supplementary budget to be brought down and whether it will be more or less than the $48 million which the Minister of Education has already indicated has been overspent by the government.

Hon. Mr. MacNaughton: Mr. Speaker, I am not in a position to say that yet. The information provided to the House a short time ago, by the Minister of Education, I must assume is as accurate as possible under the circumstances. However, there may be other financial matters that may well have to be incorporated into supplementary estimates.

Mr. Pitman: So it might be more than $48 million?

Hon. Mr. MacNaughton: It may well be, but we have had supplementary estimates every year I have been in this House, for a variety of purposes—

Mr. Pitman: Have they been as high as that?

Hon. Mr. MacNaughton: No, no, I am talking about other items. I can think of some of them as well as you can. They will probably have to be incorporated again, although I am not aware of this yet. The matter of whether it will affect the budget balance or imbalance, it is much too early to determine —I was able to say when I was in England

last week—in fact, the hon. leader of the Opposition heard me say—that our revenues have been somewhat more buoyant than we anticipated and from what we forecast at the time of the budget.

These things all bear on the matter of budget balance or imbalance in a total sense. It is much too early to determine those things yet, although it has been pursued almost on a daily basis, so that, means of providing for these funds will be as the Prime Minister stated, by supplemental estimates, but it may not be the only matter that has to be covered in that manner. So, I have to say to you, Mr. Speaker, and to the House, that I am in no position to be specific about these matters as yet, as I think you would quite sensibly expect.

An hon. member: The word is not even tentative.

Hon. Mr. MacNaughton: There is nothing tentative about supplemental estimates, they are very positive as a matter of fact.

Mr. M. Shulman (High Park): In reference to the leader of the Opposition's second question regarding the German mark, I would like to ask a supplementary question of the Treasurer: there is a statement in Saturday's press that we have not blown the full $12 million in revaluation, because the government had kept some of the money in marks. Can the Minister inform the House how much of this $140 million loan was kept in the form of German marks?

Hon. Mr. MacNaughton: Mr. Speaker, in answer to the hon. member for High Park, the proceeds of the last Hydro loan guaranteed by the province, provincially guaranteed, were held in marks.

It was not possible in the other two situations to retain the marks for a sufficient period of time to cover the revaluation decision, because the retention of Deutsch marks is limited, I think, to a period of 90 days. The Hydro loan fell within that time limit, and as a result that loan was kept in Deutch marks.

The other matter that was referred to in the press is hedging, of course; it is related to the favourable interest rates that were obtained. These are the comparisons that are being made now; that is the cost of the loan at the interest rates that were available on the German capital market, *vis-à-vis* competitive capital costs had we borrowed in Canada or the United States. These are some of the details that are all being worked out, and as I say I hope to make a comprehensive statement to the House as soon as this information is assembled for me.

Mr. Speaker: Has the member for York Centre a supplementary?

Mr. D. M. Deacon (York Centre): No.

Mr. Speaker: The hon. leader of the Opposition.

Mr. Nixon: If that matter is exhausted until the Treasurer makes his comprehensive statement there is another matter of great concern, and it refers to two Ministers once again —the Attorney General (Mr. Wishart) under whose direction comes the Ontario Fire Marshal; and the Minister of Energy and Resources Management (Mr. Kerr). I refer, of course, to the gas explosion in Malton.

Now I would put the question to the Minister of Energy and Resources Management first, but I would hope that the Attorney General might assist in the answer if it would develop more information.

We want to know what steps are being taken to investigate the catastrophe; and if, in fact, the gas line under question should not have carried gas at that pressure? Was there some flaw in the inspection system that allowed the explosion, with the ensuing fire and the deaths and the destruction, to occur?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, the inspection branch of the energy branch of my department are investigating this explosion, and have been since it occurred. My information in respect to the second submission is that the pressure in the line at the time of the failure was half the maximum allowable for a 12-inch steel line; and I have just forgotten your third question.

Mr. Nixon: The point was that it has been indicated by the Ontario Fire Marshal's office, and I quote from the afternoon paper, that there were "several things wrong with the natural gas pipeline that exploded." How could there be several things wrong if it had been properly inspected and the inspection kept up to date?

Hon. Mr. Kerr: Mr. Speaker, I have no information that there was anything the matter with the pipe. There is no evidence of corrosion or any other deterioration as far as the pipe is concerned.

Mr. Nixon: How extensive will the investigation be? Will it be undertaken only by The

Department of Energy and Resources Management; or will the fire marshal's office have the primary responsibility for looking into the matter?

Hon. Mr. Kerr: I am hoping that both departments, in fact, would investigate this. Certainly we will continue investigating until we find the cause; and we do not know that as of now.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of a supplementary on that—

Mr. Speaker: Has the hon. leader a supplementary question?

Mr. Nixon: No, that is fine.

Mr. Singer: By way of a supplementary on that, Mr. Speaker, I wonder if the Minister could very seriously consider, and perhaps inquire in the manner that was recently done in England—and I am sure the Attorney General at least is familiar with this. And that was the inquiry into the collapse of flats at Ronan Point in Canning Town in England where a substantially different type of inquiry took place into a similar type of explosion, starting with a gas explosion which caused collapse of a section of flats. There was a very important and very careful inquiry, conducted substantially by leading engineering authorities in the United Kingdom, calling in as consultants other engineering authorities.

It would seem to me, Mr. Speaker—and I would think the Attorney General is familiar with this—that this type of inquiry would go a long way to satisfying the public concern. And I wonder if the Attorney General and/or the Minister of Energy have considered this at all, or will immediately consider it, because it seems to me that the present type of inquiry as indicated is not going to be sufficient.

Hon. A. A. Wishart (Attorney General): Mr. Speaker, we are carrying out an investigation or an inquiry. I am sure it will be as thorough as it possibly can be, and if we need assistance of an engineering type, we will certainly have it. I cannot say more than that.

Mr. Speaker: Are there other supplementaries? The hon. member for Scarborough West.

Mr. Lewis: Mr. Speaker, by way of supplementary, surely the Attorney General recognizes the seriousness of this matter in light of the fact that an Ontario fire marshal, Inspector Ray Simmons, pointed out that the 12-inch pipe was a dead-end trunk which should not have carried gas at the time, and that there is a regulation under The Energy Act, regulation 173(1), and I would like to quote it:

> Where a pipeline other than a service line is abandoned and not removed, and is disconnected or separated, it shall be thoroughly purged of gas and the end shall be capped, plugged or otherwise effectively sealed.

Surely the Minister would recognize therefore that the upholding of the regulation is seriously in default and that a very critical investigation should ensue.

Mr. Speaker: Is the hon. member asking a question?

Mr. Lewis: Yes.

Hon. Mr. Wishart: That was not a question, Mr. Speaker, that was a statement.

Mr. Lewis: Well, I was quoting the regulation.

Hon. Mr. Wishart: I would give the same answer. We are conducting a thorough investigation.

Mr. Speaker: The hon. member for Yorkview—a further supplementary?

Mr. F. Young (Yorkview): By way of a supplementary, Mr. Speaker, I would like to ask the Minister if there is any provincial policy in respect to the location of high-pressure gas trunks of this kind, *vis-à-vis* built-up areas?

Hon. Mr. Kerr: Well, Mr. Speaker, it has been the practice to allow these lines, gas lines, to be installed on road or highway right-of-way in areas such as Malton. We have considered the idea of easements with, shall we say, buffer areas; I think we will be considering that more now. But the problem is, how do you get the gas to the source in a built-up area without the possibility of this type of thing happening? This is something we have to consider.

We have to consider, for example, the depth of installation; that is something we would be looking at. I understand this pipe was 44 inches down, but apparently other services such as sanitary sewer pipes are also about the same depth, so possibly gas pipe lines should be deeper. But we are looking at all this, and we certainly will be governed a great deal by the findings of the investigation being carried out now.

Mr. Nixon: Mr. Speaker, I want to ask the Minister of Health how he was going to react to the statement from the American government that monosodium glutamate was dangerous as used in human food? Is he considering a ban in Ontario, or is he going to leave it entirely up to the federal Minister of Health?

Hon. T. L. Wells (Minister of Health): Mr. Speaker, I, of course, would answer the same way as I did on the cyclamate question. We view these matters to be primarily of national importance. They should not be banned unilaterally by provinces. We are working with the food and drug directorate now to see what they are going to do. Their people are looking into this matter. We would only face that problem if and when they refuse to take any action.

Mr. Nixon: Mr. Speaker, there were two questions left over from last week. I had asked the Treasurer if he could give a further report on the development of his productivity improvement programme and perhaps he has something he can tell us about that.

Hon. Mr. MacNaughton: Mr. Speaker, I hope to be able to make a statement in this House soon, hopefully within a few days.

Mr. Nixon: And there was a question put to the Minister of Energy. He may have answered it in my absence, but I could find no record of it. It had to do with the use of heavy water in our atomic electrical development in this province.

Hon. Mr. Kerr: Well, Mr. Speaker, we consider the standards that we use in this province to be rigorous and completely adequate. I think the article referred to by the hon. leader of the Opposition, deals with a situation in the United States. It did not refer to any specific agency or body in Canada. We have no plans, Mr. Speaker, to prescribe any higher standards than are currently required by the Atomic Energy Control Board.

Mr. Nixon: Is there any further information about the availability of heavy water for Ontario's requirements?

Hon. Mr. Kerr: Mr. Speaker, as I replied before, Ontario Hydro still hopes that by the time heavy water is required for the two plants to which the member previously referred that it will be available to us. Atomic Energy is attempting to obtain the necessary supply. I do not think we require it until about the fall of 1971 and naturally we are hoping that the supply will be available.

Mr. Nixon: But in the present circumstances, the Minister can assure the House there will be no postponement of the Pickering facility going into service?

Hon. Mr. Kerr: No, I cannot assure the hon. member of that.

Mr. Singer: Oh, oh!

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: Mr. Speaker, the Premier will know, of course, that the Steel Company of Canada has announced a six per cent increase in its prices. In view of the fact that Mr. George Gathercole of Ontario Hydro has said that this will result in an immediate increase in Hydro rates, and that the Metro Homebuilders Association has said there will be an immediate rise in the cost of houses; would the Premier think of using his good offices to intervene with Stelco, to discuss a possible roll-back of the price increase?

Hon. Mr. Robarts: Mr. Speaker, I do not think the government proposes to intervene in this matter. It was discussed in the House of Commons, and the Prime Minister indicated that the government of Canada would not intervene.

There is a prices and wages commission presently functioning in an attempt to find some voluntary guidelines to control both wages and price increases as a check on inflation. Now, we have met as a government with members of that commission here. We have attended meetings they have called. The degree of success they will achieve remains to be seen, but nonetheless this is what is being done on a national basis to deal with this problem.

I do not see how one can expect all prices to go up and then pick one or two areas and say that those prices will not increase. Once again, Canadian steel is sold on a national and an international basis and I do not know how the government could interfere with the price of one product without immediately looking at all the other components and elements that go into price increases, if we are to even consider the question of control.

This is a problem which faces every government in the world today in its attempt to put some curb on the inflationary tendencies that exist. As I said originally, there is a national body dealing with this problem with whom this government is working, and we will continue to work with them. But at the moment we do not intend to interfere to

prevent this price increase from taking place, or, indeed, other price increases which may come about from other manufacturers of steel in this province.

Mr. Lewis: By way of a supplementary, Mr. Speaker, albeit the Prime Minister does not wish to interfere, would he, by way of experiment, consider appointing an all-party parliamentary committee of this Legislature, appropriately staffed, to bring before it the officers of Stelco to justify their price increase before this committee, and to withhold the increase until that time? Or, alternatively, would he ask that Stelco appear before the prices and income commission in Ottawa and then have that commission report through his office to this Legislature?

Hon. Mr. Robarts: Mr. Speaker, I would not consider the first possibility. What is really being suggested is that we set up some form of tribunal here, or a committee of this Legislature, that would have to deal not only with price increases, but wage increases, and the whole—

Mr. Lewis: Exactly.

Mr. P. D. Lawlor (Lakeshore): And profits!

Hon. Mr. Robarts: I do not think as a government we are prepared to do that at this time.

For us to make any directive to a commission appointed by the federal government, which is the second suggestion—in my opinion we would not do that either.

Mr. Speaker: The hon. member for Scarborough West still has the floor.

Mr. Lewis: Mr. Speaker, a minor question to the Prime Minister:

In light of the Throne Speech in the House of Commons, can the Prime Minister make a definite statement to this Legislature when he intends to lower the voting age in Ontario?

Hon. Mr. Robarts: Mr. Speaker, I do not think it is a minor question at all. Perhaps the hon. member is being facetious, or perhaps punning, I do not know.

I have dealt with this question on many occasions. I have expressed my personal opinion and I have also pointed out that we have an all-party committee of this Legislature presently dealing with the question. I presume they will report before the question will be anything but academic as far as this Legislature is concerned, and I think we will wait until we hear from that committee.

Mr. Lewis: A question of the Minister of Trade and Development, Mr. Speaker.

He will know that in the federal House of Commons last week there ensued a question and answer between the member for Hamilton West and the Minister of Revenue on the question of financing building societies. The Minister of Revenue said at the time that, "there has been no direct consultation between myself and the government of the province of Ontario.

"Perhaps the Ontario Minister with responsibility in this field would like to meet with me at some time in the future." In view of the fact that the Minister's housing policy is contingent on building societies, would he like to explain why there has been no contact with the federal government since he indicated there would be in the House?

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, for the hon. member's information, at the time we were talking to Mr. Andras, who got the new appointment, the Parliament in Ottawa was recessing for the summer. I met with Mr. Andras, the Minister of housing, in the meantime. I gave him the outline of the building society legislation which we would like to see proposed to the Minister of Revenue, and it is my understanding that that has been discussed between Mr. Andras and Mr. Benson. I am hoping when Parliament reconvenes, which it has now, that we will have a chance to sit down with him in the next ten days or two weeks and discuss possible building society legislation in this session of Parliament.

Mr. Lewis: Mr. Speaker, by way of a supplementary; in fact there has been no senior serious discussion of building society legislation at all?

Hon. Mr. Randall: Well I do not think there has been any senior discussion. As I understand it, the authorities in Ottawa said they had looked at it in the past.

I do not think there is any more urgent business today than to provide some other means of mortgage financing and I have spoken on behalf of our government here on a number of occasions to say that without mortgage financing on this basis—unless the mortgage companies come forward with some funds—we have no alternative but to go for a building society type of legislation in this country to keep on with the housing programme as we envisioned it—200,000 and some odd houses a year—because without funds, as I said during my estimates, we

cannot build houses. You can take all the other problems and throw them in the waste paper basket, but you have to have mortgage funds.

Mr. Lewis: My final question, Mr. Speaker, and a related supplementary: how does the Minister explain the headline which appeared in the Toronto *Daily Star* on Friday last "Ten year delay seen in Malvern project" which indicated that no money for servicing has yet been found and that a controller in the borough views this delay as likely?

Hon. Mr. Randall: Well all I would say is the controller is entitled to his own opinion and I do not worry about headlines in newspapers. I know what is going on in our own discussions with the planners and the developers and I am quite sure that Malvern will go ahead as scheduled as I outlined for the hon. member right here in the Legislature during my estimates.

Mr. Lewis: By way of supplementary, does the Minister foresee it by the year 2000?

Hon. Mr. Randall: Oh I would think so, yes. I hope the hon. member will be around to enjoy it.

Mr. Speaker: Order. I would point out that the member for Scarborough West has been acting in place of the leader of the New Democratic Party, hence he had several questions.

Mr. Deacon: Mr. Speaker, on a point of order. On Friday the Minister of Highways replied to a question of mine and I find he had misled the House in the information he gave the House.

He stated that it was necessary for the CNR to expend a great deal of money in order to provide rush-hour service on the Barrie line. I have checked the schedules and I find there is only one morning train between 6.30 in the morning and 9 a.m., and there is only one evening train between 4 in the afternoon and 6.30 p.m. Now I do not see on what basis he can tell the House that it would require a large capital expenditure to institute rush-hour service on that line.

Hon. G. E. Gomme (Minister of Highways): Mr. Speaker, we are informed there are a lot of freight trains on this line, which is only a single track, and they are not in a position to put on a commuter service. I think it was pointed out that the times which would be suitable to the commuters would conflict—and this was also pointed up by the special train that went on a little over a week ago. It carried in Toronto too late to really be of use to the people who would make daily use of it.

Mr. Deacon: Mr. Speaker, all I am pointing out is the Minister saying freight must take priority over people.

Mr. Speaker: Order, the hon. member is not entitled to enter into a debate in this matter. He has raised his point of order, the Minister has replied to it. The member for Essex South has the floor.

Mr. D. A. Paterson (Essex South): Yes, Mr. Speaker, I have a question of the hon. Minister of Labour.

Within the last few days has a directive gone out from the Minister's department to the Human Right Commission and officers in various parts of the province to refrain from speaking at public engagements explaining the policy of that particular section of the department? I raise this point because I have received word that the second largest local in the city of Windsor, the carpenters' local, was disappointed. They had 500 people at a meeting and the local officer had been notified from Toronto not to speak at this occasion.

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, I issued no such directive nor am I aware of one but I will be glad to look into the matter. Our officers speak at many occasions and I would like them to do so.

Mr. Speaker: The member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): To the Minister of Trade and Development. For what exact prices will the public be able to purchase homes in Chapel Glen and for what size units? And what income is required by the purchaser to qualify for the purchase of each sized unit?

Hon. Mr. Randall: Mr. Speaker, there were a number of questions that the hon. member submitted. I see now they have been reduced to one or two.

There are no applications on file for the purchase of the first units planned in Chapel Glen development. When the development was announced, several thousand home owners indicated their interest in purchasing units. They were advised that they were not on waiting lists as the ultimate development and disposal of the dwellings could not be

handled by the Ontario Housing Corporation but by a private contractor under the terms of the HOME plan. They were also advised that their names had been made available to the ultimate contractor.

The second question, I believe, referred to the incomes required to qualify as purchasers for the Parkway Forest condominiums. Subject to a minimum down payment on 25 year amortization, they were as follows: 1 bedroom, $6,120 to $6,300; 2 bedrooms, $7,500 to $7,570; 3 bedrooms, $8,100 to $8,320; 4 bedrooms, $9,610; 5 bedrooms, $10,090. The income ranges in the 1, 2 and 3 bedrooms were due to the difference in sizes, and of course there will be a difference in income required for the different size apartments.

Mrs. M. Renwick: Mr. Speaker, by way of a supplementary question, the question regarding the waiting list was not what waiting list the OHC would have on hand, but what waiting list the private developer has on hand. Is the Minister aware that with the Parkway Forest condominiums, the waiting list was closed by the private developer, Greenwin, before the units were completed?

Hon. Mr. Randall: Mr. Speaker, to the best of my knowledge, the 100 town house units in Greenwin's condominium Parkway Forest development have been sold, and I am not aware that applications are no longer being accepted for the units in the apartment building. In fact, I understand they are still accepting applications on the 300-suite apartment building that is now going up.

I would remind the hon. member, however, that the responsibility for disposing of the units in Parkway Forest was that of Greenwin Condominiums not of the Ontario Housing Corporation. I do understand that there are about 5,000 people making applications for those 400 units, at least they have made enquiries. Whether applications are made or not remains to be seen, but they have been making enquiries and I think that it is a very successful and very popular programme.

Mr. Speaker: Are there any further supplementaries? If not, the member for Downsview has the floor.

Mr. Singer: Mr. Speaker, to the Attorney General. In light of the altercations that took place in Seaforth over the weekend, between the police and members of motor cycle gangs, and the comments of one Robert Dinsmore, who is the chairman of the police commission at Seaforth, that the Attorney General was doing very little to protect small towns from motor cycle gangs—what, if anything, is the Attorney General going to do in addition to what, apparently, Mr. Dinsmore is complaining about at the moment?

Hon. Mr. Randall: Fire him!

Hon. Mr. Wishart: Mr. Speaker, I have not seen Mr. Dinsmore's comments and I have not had an opportunity to get the facts of the matter. Perhaps I could take the question as notice and answer the hon. member tomorrow.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Minister of Social and Family Services. Will the Minister investigate the dismissals at the St. Monica House in Kitchener?

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, St. Monica House is a private institution operated by a board of directors. It is supported by virtue of the fact that it is listed under The Charitable Institutions Act. My understanding is that the board of directors as a body is checking into the matter of the dismissals. I think it would be a little premature for me to make an expression at this time. I shall await the report of the board.

Mr. Burr: A supplementary question. Is the Minister not aware of the wide acclaim that the programme has received from doctors, psychiatrists and social workers and that it would be a great loss to the province if it were allowed to discontinue?

Hon. Mr. Yaremko: As I say, Mr. Speaker, the operations of St. Monica are under a board of directors. Actually, it is a unique type of board, probably the most ecumenical of its kind. Although it is ostensibly under the direction of the Anglican Church, there are six representatives from other religious organizations and there are six representatives from social service agencies within the community. The board has a very broad representation and I think it would be only fair to hear what position they take as a full board before we express our opinion.

Mr. Speaker: The member for Waterloo North has a supplementary.

Mr. E. R. Good (Waterloo North): Mr. Speaker, my understanding is that the board has already ratified the actions of the executive committee, and I am wondering on what

information the Minister thinks that the board is now making further enquiries into the dismissals?

Hon. Mr. Yaremko: Mr. Speaker, the information I have through my people is as late as two hours ago, so that my understanding is that the full board has not passed on the matter. I will check into that and if there is any further information I will be pleased to bring it to the House tomorrow.

Mr. Speaker: Any further supplementaries? The hon. member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): I was going to ask of the Minister whether it was within the jurisdiction of his department to have continuing contact through the charitable institutions branch with social workers in the employ of these various agencies, so as to keep a certain professional standard and independence of judgment and continuity with the workers from the department's point of view.

Hon. Mr. Yaremko: Actually, Mr. Speaker, these groups that operate as private institutions are something quite unique within the social service set-up of a community the size of Ontario. Basically, the legislation is in the statute books, the regulations are passed, but the board of directors operates as an independent body and it is they who have the direct responsibility. Although there is communication between our department and the working members of the individual organizations—St. Monica House is just one of a host of such private institutions under The Charitable Institutions Act—we look fundamentally to the board of directors to carry out the legislation.

Mr. Speaker: Any further supplementaries? The member for Scarborough East.

Mr. T. Reid (Scarborough East): Mr. Speaker, by way of information, does The Charitable Institutions Act allow a chairman of such a board to also be the executive director of the board? My understanding, Mr. Speaker, is that the chairman should be someone other than the executive director.

Hon. Mr. Yaremko: That is, Mr. Speaker, the normal position.

Mr. T. Reid: Further to that, Mr. Speaker, by way of supplementary, is the present chairman of the St. Monica House also the executive director of St. Monica House? If so, why and what does the Minister intend to about that?

Hon. Mr. Yaremko: That is not my understanding. Is the hon. member referring to Mr. Janke?

Mr. T. Reid: I was asking a question whether he has two offices?

Hon. Mr. Yaremko: Not to my knowledge, no. He is the chairman of the board and I think he is head of the executive committee of the board, and chaplain, but he is not the equivalent of a working executive director.

Mr. Speaker: The member for Peterborough has the floor.

Mr. Pitman: Mr. Speaker, I would like to direct a question to the Treasurer. I wonder if he could tell me whether the regional development reports have now been assessed by the advisory committee on regional development and whether they have gone to the Cabinet committee on regional development, just where they stand at this point, and when might the Legislature receive some kind of information about what is going to go on?

Hon. Mr. MacNaughton: Mr. Speaker, as far as I am aware they are ready for the Cabinet committee or will be shortly. I think I am safe in saying that the work at the advisory committee level and the regional development branch is either completed or almost completed and ready, or just about ready, for the Cabinet committee.

Mr. Pitman: I wonder, Mr. Speaker, by way of supplementary, if the Treasurer realizes that they are already one year behind on Dr. Thoman's schedule?

Hon. Mr. MacNaughton: Mr. Speaker, we may appear to be one year behind, but it is my impression we will be able to catch up very quickly.

Mr. Speaker: The member for Rainy River.

Mr. T. P. Reid (Rainy River): Mr. Speaker, I have a question for the Minister of Energy and Resources Management. The Minister has been given notice of this question. It has come to my attention since the Minister was given notice of the question, that the advertisements that I referred to are in all the Metro Toronto papers. I would like to ask the Minister how much these advertisements cost that were put in the Toronto papers by the OWRC entitled, "What has OWRC done for you lately?" How much did they cost?

Mr. Speaker: Order, this is not a proper question for oral questions. The hon. member for Sudbury East has the floor.

Mr. T. P. Reid: I said, how much did it cost?

Mr. Speaker: That is not for oral questions, that is for the order paper.

Mr. T. P. Reid: Well, may I ask by way of supplementary—

Mr. Speaker: There is no debate and there is no supplementary question. The hon. member for Sudbury East has the floor.

Mr. E. W. Martel (Sudbury East): A question for the Minister of Labour. Is the Minister aware that the International Nickel Company has announced its intentions to reduce vacation pay to some of its employees by anywhere from one to three weeks? What action will the government take to ensure that this action is not allowed?

Hon. Mr. Bales: Mr. Speaker, in reply to the question, this is really a matter for negotiation between the company and the union, providing, of course, that they comply with the provisions of The Employment Standards Act. If they do not comply then action would be taken in reference to such a violation.

Mr. Martel: Is the Minister aware that this is a sabbatical position and that the company is simply playing games by wanting to force this to go to arbitration so that the people will not receive the pay they are entitled to under the terms of the last contract which expired in July?

Hon. Mr. Bales: Mr. Speaker, negotiations are continuing between the company and the union.

Mr. Martel: This is last year's contract.

Mr. Speaker: The hon. member for Parkdale.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, I have a question for the Minister of Trade and Development. I was wondering if he could give me an approximation of what it cost the Ontario government in the centennial celebrations for Ontario House.

Hon. Mr. Randall: I cannot give you the information at the moment. I would be glad to get it for you when it is tabulated.

Mr. Nixon: Mr. Speaker, on a point of order. Surely that question is in precisely the same vein as the one that was asked by the member for Rainy River, and both, I submit, were in order. If you will permit me, sir, on a point of order, our agreement was that we cannot appeal your ruling, but surely there could be some minor disagreement, and if we felt that perhaps—and in particular, in these first few hours as we are feeling our way toward a better type of question period—if we might make some suggestions to your Honour, I would point out to you, sir, that the question was for the cost of an advertising campaign. Now the member for Parkdale is asking for the cost of the programme in the United Kingdom. I think they are both in order. As a matter of fact, the Minister for Energy has the advertisements and is obviously prepared to answer.

Mr. Speaker: The hon. leader of the Opposition has posed a fair question to the Speaker, I think, and I will try not to take too much time because this is important time. Matters which are not of urgent public importance should not be asked orally.

In my opinion the first question obviously was not of urgent public importance and therefore should have not been asked orally. I had come to the same conclusion about the second question and was about to rise to my feet when something else happened in the House. In my opinion neither one is a proper question for oral questioning; therefore, as far as I am concerned, I would say that that was so.

With respect to debates and rulings, I quite agree with the hon. leader of the Opposition that today we are trying to make something work and if I was a bit hasty I apologize and I say that I would be glad to have any representations made because this hour is the members' time and I will be quite pleased to have any discussion of these matters so that tomorrow or the next day they will work much better.

The hon. member for Wentworth has been trying to get my eye for some time.

Mr. I. Deans (Wentworth): Mr. Speaker, a question of the Minister of Social and Family Services. In view of the difficulties that the Victorian Order of Nurses are presently having in the city of Hamilton, trying to live within the $4.50 per visit as laid out in The Homemakers and Nurses Act, and in view of the letter that was sent by the Hamilton board of control to the Minister's office asking for a change in this Act immediately, will the Minister undertake to make the necessary change bringing it into line with last year's expenses, rather than a flat fee of $4.50 per visit?

Hon. Mr. Yaremko: Mr. Speaker, the position of the Victorian Order of Nurses and

the government is that this situation has always been under review; it is a continuous process and that matter is being checked into and has been checked into, but what may be done will depend upon the future budgets.

Mr. Deans: If I may, by way of a supplementary, the Minister is aware, I am sure, that the Victorian Order of Nurses had requested the corporation of the city of Hamiltonton to increase the subsidy, because they just cannot live within the present budget. Would the Minister consider making this part of the supplementary estimate that might be brought forward by the Minister of Revenue or the Minister of Financial Affairs for this given year, in order to offset the increase that the city of Hamilton has to bear?

Mr. Speaker: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Speaker, I have a question for the Minister of Energy and Resources Management. Has the Minister arrived at a decision concerning the request from the Industrial Research Institute of the University of Windsor to undertake studies concerning the effects of depositing dredge material in Crystal Bay?

Hon. Mr. Kerr: Mr. Speaker, I have been corresponding with this institute, although they really want to work with OWRC in its investigation and I am not just sure how they can help us. In other words, how they can supplement the investigation and analysis that has already been carried on by the commission. However, I have asked for more information as to what they want to do for us; we would be happy to have them use the facilities of their institute for a particular problem such as, Crystal Bay, but no final decision really has been made.

Mr. B. Newman: Thank you, Mr. Speaker.

Mr. Speaker: The member for High Park.

Mr. Shulman: Yes sir, I have a question from last week, to the Minister of Health. Would he care to comment on the statement made by his deputy, Dr. Charron, who, on October 15 last, at the academy of medicine was quoted as saying, "There is, at the present time, comparative neglect of preventive health services, and health research should be supported in much more generous terms than at the present time."

Hon. Mr. Wells: Yes, Mr. Speaker, in answer to the first part. I understand from talking with Dr. Charron that his statement was something such as, "this prevention seems to be in a neglected area and yet it is the one major element which stresses health rather than ill-health," and of course I agree with that statement and it is my intention to place a much greater emphasis on preventive medicine and on public health as I get more involved in this department, which I now head. In regard to the second statement, I agree with it.

Mr. Speaker: The hon. member for Kitchener.

Mr. Breithaupt: Mr. Speaker, a question of the Minister of Health. In view of the instructions sent by the public health division of his department on May 30, 1969, to the chairmen of the boards of health, concerning salary expenditures, does the Minister not feel that the collective bargaining rights of such groups as the nurses association of the Waterloo county health unit, are severely restricted by these policies?

Hon. Mr. Wells: No, Mr. Speaker, I do not feel that way. I think the member will recall —if my memory serves me right, that specifically made some exceptions to groups that had, or were in the process of negotiating, collective bargaining agreements or agreements that were arrived at through conciliation or collective bargaining arbitration.

However, I will tell the House that the type of arrangement that we had for last year, is being reconsidered and we have some slightly different arrangements which will be announced in about a week or so to the local health boards, a type of global budgeting with a percentage increase and certain guidelines.

Mr. Speaker: Does the member for Scarborough Centre now wish to place that question she had a little while ago?

Mrs. M. Renwick: Thank you, Mr. Speaker. What income was required to qualify as a purchaser for the Parkway Forest condominium for each size unit?

Hon. Mr. Randall: Mr. Speaker, they were similar to the incomes I quoted a few moments ago. The ones I quoted were, Parkway Forest, $6,120 to $6,300 for one bedroom; $7,500 to $7,570 for two bedrooms and $8,100 to $8,320 for a three bedroom. Four bedroom was $9,610 and five berdoom $10,090.

Interjections by hon. members.

Mr. Speaker: We have had several questions on this and I think if it is at all possible,

we should clear the decks of anything that is left over—always remembering that is the members' time that is being taken up. The member for Scarborough Centre has the floor.

Mrs. M. Renwick: When the Minister said that the figures he gave earlier, were the figures for Parkway Forest, the question earlier was for Chapel Glen, the proposed HOME project. Were they the same figures then?

Hon. Mr. Randall: We will not know about Chapel Glen until we get the development under way. We are trying to build and we hope to build within that 15,000, 16,000 and 17,000 range. This is the objective. Now that the rates of interest have been increased, and an increase in labour costs, there may have to be some changes, but we hope that we can maintain the same income levels in Chapel Glen. That is the objective.

Mrs. M. Renwick: Mr. Speaker, could I ask the Minister then, if we cannot really say to applicants now, what it is going to cost them to purchase a home in Chapel Glen?

Hon. Mr. Randall: We cannot say what their income levels will have to be, until we know what range of apartments we have available—the bedroom count and what the actual cost of the apartments will be.

Mrs. M. Renwick: Mr. Speaker, on a point of clarification. When the Minister was answering the Chapel Glen question, with figures for Parkway Forest, which has been completed, the Minister referred to the 5,000 applications, was the Minister referring to Chapel Glen or Parkway Forest?

Hon. Mr. Randall: I was referring to Parkway Forest.

Mr. Lewis: Does Chapel Glen exist? Will it ever exist?

Hon. Mr. Randall: Certainly.

Mrs. M. Renwick: Mr. Speaker, will the Minister then advise us if there are applications in now, and can people apply now, for Chapel Glen?

Hon. Mr. Randall: No, I said there are no applications. We have many letters on file. The Ontario Housing Corporation is not accepting applications, because the developer himself will dispose of the building. But if they write us now and say they have a preference for an apartment or a townhouse in that area, we will send their letter on to the developer so they can get first preference from him.

Mrs. M. Renwick: Mr. Speaker, do you wish me, since these were questions from—

Mr. Speaker: I would think the hon. member has now followed up that question with sufficient supplementaries and, therefore, it is the turn of someone else to have the floor.

The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Attorney General. How many municipalities under a population of 5,000 is the government paying the total police protection of in the province of Ontario?

Hon. Mr. Wishart: Mr. Speaker, obviously I would not have a statistical answer at this moment, but I would be glad to get that information very quickly. I would like to say, though, Mr. Speaker, that we do not go on a basis of population entirely; our policy was to supply provincial police services starting with the one-man force, and trying to move into the area of the two-man, three-man, four-man and five-man forces. We have pretty well accomplished that. I will try to get the information the hon. member asks, on a population basis.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. Burr: A question of the Minister of Energy and Resources Management from last week.

Are there any paper or cellulose factories in Ontario employing mercury compounds in their processes? If so, has the OWRC tested the effluent for mercury pollution?

Hon. Mr. Kerr: There are five such paper plants, Mr. Speaker, employing mercury compounds. I understand they are used in these particular plants to combat slime formation and the actual amount of mercury used is very small. We have no specific method in Ontario of specifically testing for mercury because of the problems in carrying out an analysis on such minute quantities. However, we take fish samples, fish that have been collected in several locations where the contamination might exist, and these samples are presently being analyzed.

Mr. Speaker: The hon. member for Rainy River.

Mr. T. P. Reid: Thank you, Mr. Speaker. I wonder if I could have your direction.

Might I rephrase the question I directed earlier to the Minister, to ask what the scope and purpose of the advertising campaign being conducted by OWRC is?

Mr. Speaker: Well, I still think it is not a matter of urgent public importance, but if the Minister wishes to take it as notice—

Mr. T. P. Reid: May I make another comment, possibly on a point of privilege, while I am on my feet?

I object, sir, very strongly, to the way in which you ruled my first question out of order. I accept your ruling, sir, as the Speaker, and I was on the committee that set up these rulings. I suggest to you, sir, that if you are going to rule us out of order which such violence as I think you directed at me when you ruled me out of order, that this question period will not work. I suggest that perhaps a softer approach on your part might ameliorate the situation.

Mr. Speaker: Mr. Speaker is pleased to accept the comments on the member, and there is a lot to be said for what the hon. member has said.

The hon. member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Speaker, I have a question of the Minister of Agriculture and Food. Will the Minister consider imposing a moratorium on mortgages on both farms and farm equipment in areas where farmers have suffered severe crop losses this year?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, it is somewhat beyond our power to declare a moratorium. We have offered, however, as was indicated by a statement that I made on July 15, that anyone who suffered adverse crop loss within the areas that were so severely affected by adverse weather, particularly Essex county and parts of the county of Kent, might re-amortize those mortgages over the remaining period of the mortgage.

This applied as well to the adverse weather assistance loans that had been made in 1966 and 1967, and it applied as well to those loans that had been guaranteed by the junior farmer loan branch of our department. This was entirely at the option of the person who had the mortgage. We also suggested to the federal government that they might take similar action in connection with any loans they had under The Farm Credit Corporation or The Farm Improvement Loans Act.

Mr. Makarchuk: By way of a supplementary, Mr. Speaker, is the Minister aware of the fact that equipment companies are not prepared to re-amortize their loans, and are seizing equipment in some cases in the farm areas?

Hon. Mr. Stewart: I was not aware of that, Mr. Speaker, but I might point out, sir, for the benefit of the hon. member, that I am sure he is aware that this takes place in normal times. It does not require adverse weather to have something like that happen. I would suggest, however, that in most cases I have heard of where adverse weather has affected the farmers' income in years past, that the service companies, including farm machinery companies and others which supply services to the farmers, have taken the most moderate and lenient approach to those who have found themselves in difficulty and have carried them through until the next year.

Mr. Speaker: The member for Waterloo North.

Mr. Good: Mr. Speaker, a question of the hon. Minister of Trade and Development.

What were the recommendations of the Canadian Systems C.R.W. Limited preliminary report, which I understand was due last week, concerning the use of the 3,000 acres of land held by Ontario Housing Corporation in Waterloo Township?

Hon. Mr. Randall: Mr. Speaker, I cannot answer that question; I was away last week. I am not sure if a report was received, but I will be glad to look into it and give the member the information.

Mr. Speaker: The member for Huron-Bruce had a supplementary to the previous question, and I did not get his eye. I am sorry.

Mr. M. Gaunt (Huron-Bruce): By way of a supplementary, Mr. Speaker, if I may follow the questioning of my friend, the member for Brantford; has the Minister, in view of the severe losses experienced in southwestern Ontario this year, given any thought to making crop insurance more attractive?

Hon. Mr. Stewart: Well, Mr. Speaker, I am not sure what the hon. member means by "more attractive."

Mr. Gaunt: More acceptable to the farmers in the province.

Hon. Mr. Stewart: May I say, Mr. Speaker, that it is difficult to know how one would make it more attractive, really, unless one were to say it is a blanket coverage. And let me suggest this: the premium in the province of Ontario is made up at 25 per cent, as the hon. members know, by the federal government and five per cent for the province of Ontario, and at that time we were the first province in Canada to introduce a provincial premium subsidy. The entire cost of administration of the crop insurance programme is borne out of the taxpayers' pocket of the province of Ontario and of Canada on a 50/50 basis. That to me is a very substantially subsidized programme, Mr. Speaker, one that I should think would in fact be quite attractive to those who feel that they need crop insurance protection to protect their own interests. There are many farmers who obviously have felt they could carry their own crop insurance and run the risks involved in not buying crop insurance. I am afraid those farmers—and there are certainly a preponderance of them in Ontario as is quite obviously the case when one looks at the figures—will not likely be attracted to a policy in which a greater subsidization is provided.

Mr. Gaunt: Another supplementary, Mr. Speaker. Has the Minister studied in any great depth the crop insurance plan in Manitoba? They seem to enjoy better success.

Hon. Mr. Stewart: Well, yes, Mr. Speaker, we have indeed, and might I say to the hon. member for Huron-Bruce that if we were to implement the crop insurance programme that is available in Manitoba, there would not be a single policy sold in the province of Ontario. It is that stringent and that restrictive. If he takes the time, as I have taken, to talk with the people of Manitoba who implemented the programme and who have worked with it, we find that the programme is so completely restrictive that unless farmers sign up in sufficient numbers on an area basis, insurance just is not available. That is the reason why Manitoba, although they were the first province in Canada to introduce crop insurance many, many years ago, has only now advanced to the stage where they have as high a percentage of crop insurance coverage on all their crops, on a percentage basis, as we have in one or two instances. This, to me, is the answer to the whole situation.

Mr. Speaker: Unfortunately the hour for oral questions has now expired. I did my best for the member for Windsor West, but I was not able to get him in.

May I, at the conclusion of this hour, thank the members for their assistance in making this what I think has been a good oral question period.

I am pleased to see so many Ministers here answering the questions, and certainly it has been a good start.

May I also take the opportunity at this moment to introduce to the House three members of the federal Parliament of India, the Lok Sabha, who are here on their way home from the Commonwealth Parliamentary Association meeting in Trinidad. They are Messrs. M. G. Reddy, MP; N. Singh, MP; and Y. G. Gowd, MP, who are in Mr. Speaker's gallery. I am sure we welcome them.

While I am on my feet, may I express to the members of the House, and particularly to Deputy Speaker and Chairman of the committee of the whole House, Mr. Reuter, my thanks for looking after the House so well during my forced indisposition for a fortnight. I, too, had hoped, as is the custom for the Speaker here, to have been at the CPA meeting in Trinidad, but I was laid low and I am very grateful to the members for their co-operation with Mr. Reuter and those who assisted him.

Petitions.

Presenting reports.

Motions.

Mr. Speaker was just inquiring about a matter which I would again like to draw to the attention of the members. There is a dinner tonight in the Macdonald Block to honour our provincial champions in sports, and I would hope that there would be a very good representation of members attending.

Introduction of bills.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day I would like to address a word of thanks to all the members of the House who sent me that magnificent card when I was in the hospital.

I might say it lightened not one day but several. I did not make it public, and I rather doubt that I will, but it has gone into my scrapbook. Thank you very much.

Clerk of the House: The 24th order; House in committee of supply, Mr. A. E. Reuter in the chair.

ESTIMATES, THE DEPARTMENT OF THE ATTORNEY GENERAL AND MINISTER OF JUSTICE
(continued)

On vote 206:

Mr. Chairman: Page 21, vote 206, the hon. member for High Park.

Mr. M. Shulman (High Park): Would the Attorney General care to make comment on the matter he said he would look up on Thursday, about Division Court No. 8?

Hon. A. A. Wishart (Minister of Justice): I have no comment at this time, Mr. Chairman.

Mr. Shulman: Would the Attorney General give some indication when he is going to inform the House about these matters?

Hon. Mr. Wishart: It will be, as I said at the time, very soon.

Mr. Chairman: On vote 206; the hon. member for Beaches-Woodbine.

Mr. J. L. Brown (Beaches-Woodbine): I would like to go back to the question of the juvenile courts. I was left somewhat bewildered and confused by the legal footwork of the Attorney General, and I thought it would be perhaps appropriate to have some of this cleared up.

As I understand the exchange last week, the hon. Attorney General is unable to effect changes within the juvenile courts because it does not come under his jurisdiction. I would like to ask him if I am correct in my reading that a number of Ontario Acts are administered by the juvenile courts, and that he indeed has the power to alter those Acts; or to see that they do not come under the juvenile court or that some other provision is made for them.

I am talking now about The Child Welfare Act and a number of other Acts, which I think are Ontario Acts and not federal Acts and which apparently account for some two-thirds of the cases that come before the courts, and whether or not he is as bound and restrained in his dealing with the Ontario regulations and Acts as he is in the federal?

Hon. Mr. Wishart: Mr. Chairman, the main Act which governs this whole area is The Juvenile Delinquents Act, which is a federal Act. We carry out the administrative procedures under that Act. The substance of the law is set forth in that Act, which is a federal Act, and we administer it insofar as carrying out the procedures set forth are contained.

We have The Child Welfare Act—I believe that is the title—under which I believe we appoint our probation officers.

We have one other Act, The Training Schools Act. Now that is an area where we have a responsibility and a function, where sentences had been imposed.

Those are the Acts under which we operate; but the main Act, the one that governs the whole area, is the federal Act, The Juvenile Delinquents Act.

Mr. Brown: Mr. Chairman, what restrains the Attorney General from dealing with the cases under The Child Welfare Act, under The Deserted Wives' and Children's Maintenance Act, under The Training Schools Act, under The Children's Maintenance Act and under The Schools Administration Act from being processed other than through a juvenile court? What requirement is there that these cases be processed by the juvenile court?

Hon. Mr. Wishart: I do not suppose, Mr. Chairman, there is anything which restrains the Attorney General. If it was the government's policy that they should be administered in some other way, then that could be brought about. But I have to answer simply, that it it not present policy.

Mr. Brown: Well, I understood you to say you were concerned about the stigma that attaches to a child if he is processed through the courts. If that is true, and if at the same time it is possible to eliminate some two-thirds of the cases in which children come before the courts, because indeed they come under Acts that are Ontario Acts, then I fail to understand why the policy is not altered. If this is present policy, I do not understand why the Minister would find it so difficult to take that position.

It is very easy, as I said before, and I say it with all due respect to the Attorney General, to lament the stigma that comes to children in being processed through the courts. It is very easy to say nothing can be done about it because you are bound by federal Act and regulation, but I am now talking about two-thirds of the cases where that is not true, and where it is possible for you—and I would think relatively easy—for you to process these cases in a different way. They would then not have this stigma attached to them; and it might be a more humane way of dealing with it that might indeed serve

the children and the community and the Attorney General infinitely better than the court system is doing at the present time.

Hon. Mr. Wishart: I would like, very briefly, to say that I thought we discussed this pretty carefully and pretty fully in this House, perhaps it was in the last session or last Thursday evening, and I pointed out that we were working with the federal government and the persons who are concerned with this area in the federal government, and that they had brought forth, or are proposing to bring forth, a new Act to be known, I think, as The Children and Young Persons Offenders Act. We are working with them and this does have an approach which is different and does distinguish between the child, who is not to be dealt with generally by the courts.

We discussed on that occasion the Kilbranden report, and the approach taken there, and that we were working with the federal people in this area. As I say, our main control is laid on by this federal legislation.

I appreciate that the hon. member can say, and he is quite at liberty to say, you have this attitude that you do not like the young people brought before the courts. There are some cases that I mentioned the other night that were necessary. They were incorrigible persons, who simply have to be dealt with, and there are certain rights of young people which they want determined in that way.

But the hon. member is of course at liberty to say, "I think the policy ought to be changed." Now as one Minister I cannot say I alone can change the policy. I think if he were to ask me about a specific instance I can deal with that matter, but I cannot accept him saying to me that he does not fancy or approve or go along with or approbate the policy which is presently pursued.

There are areas in which I would say, as I did, that I would hope we could find some way of not having to bring so many of our young people before the courts in consideration of the effect it has on them and the stigma it puts upon them. I did indicate that we are approaching this in our work with the federal government, which is the overriding authority at the present time in this field and as such determines the areas of jurisdiction. I hope they will make some progress there very soon.

Mr. Brown: Mr. Chairman, do I understand that the Attorney General is having as much difficulty with members of his own Cabinet as he is in the federal government in getting these kind of things sorted out? Is he telling me that The Child Welfare Act, which was an Ontario Act, cannot be served other than by the juvenile courts? That it would not be possible within the Ontario Cabinet to decide to process children who come under that Act other than through the juvenile courts? That he cannot get that worked out with his colleagues and Ministers from the government? Is that what I understand?

Hon. Mr. Wishart: That is not what the hon. member should understand. This is a matter which has not been varied or altered in policy. I am not saying that I have difficulty with my colleagues at all. I say we are working with the federal people to reach a different approach, and I think we will see that come about.

Mr. Brown: The Attorney General may well be working with the federal people and I, you know, I can sympathize with the struggles that may ensue. But what about the Ontario Act, and what about the two thirds of the cases that come before the juvenile court that do not have to come before the juvenile court, other than by decision of the Ontario Cabinet, other than by this particular government? You have it within your power to see to it that two thirds of the cases that now come before the court do not come before the court; that some other provision could be made. You tell me that it involves policy. It is not the policy of the present time. You tell me that you would like very much to not have people have the stigma of the court on them, and still it seems as though there is no way for you to get around this. I wonder what exactly this means? Does it mean that there is a total reliance on the federal government making changes; that you cannot expect changes to occur within the Cabinet that would alter the situation? Why not begin this process at home? If the Minister is struggling so hard to get new legislation on a federal basis that would remedy this situation, why not start right here, right now with the other department and with your own Cabinet to bring about these changes?

Hon. Mr. Wishart: Mr. Chairman, again I hope I can clear the air for the hon. member. There is no stigma. I would not talk about a stigma when a child maintenance order is made or a custody order. That is not the sort of thing, and those are the Acts, the provincial areas where we work in our own legislation. There is no stigma there. We are talking about the juvenile delinquent, the

offender who is brought before the court and dealt with in that manner. I felt there was room for improvement there, and I point out again that that study is going forward and that is the main Act, the federal Act, in which those court appearances, dealing with offences and charges, are concerned. Now, the hon. member may say that in his view there should be a change in policy. He can make a very strong case. I can only say that at the moment we have found no better way in our own legislation to deal with the situation we have to deal with than our present legislation. By saying that, I am not saying that there is not room for amendment and improvement from time to time. But by and large, I am not in a position to say here that I can frame a new policy at this moment.

Mr. Brown: Mr. Chairman, maybe we will just narrow it down to one little group, say the children who come before the court under The Training Schools Act. Would the Minister think that perhaps there is that same stigma attached to them when they are processed through the court? What is the situation in the administration of The Training Schools Act by the juvenile courts?

Hon. Mr. Wishart: I think that Act, which deals with children who come before the courts, and the court then deals with the care and custody and the instruction and training that child is to receive—I think there are very excellent things about that Act. I think, by and large, it is a very good Act. I have no hesitation in saying that.

Mr. Brown: No stigma attached to them?

Hon. Mr. Wishart: Well, I would not say perhaps there is not, but it is not the fact that a child goes to training school and is given, under the court's direction, a period of time in training and instruction and discipline, and education. I think there is a great deal to be said for that approach and if the hon. member has something that—if there is some other way, somehow or other, whatever basis you deal with a child in that situation—and you are going to have them—somehow you have to find some sort of institution and training. I do not think you can, at the moment, dispense with The Training Schools Act. I would be at a loss to formulate something to replace what I think is a very well working programme for the training of children who get into circumstances where the court must direct them to a certain type of care, training, education or supervision. Now, I think that Act has a great deal to commend it.

Mr. Brown: Mr. Chairman, of course I totally disagree with the Minister's position on that. And I disagree from this point of view, that I think your purpose and my purpose would both be served if we could rehabilitate the child into a useful life. I say to you that then we must look at the processes, that we have to do that, and I do not think that is an adequate process. I do not think it makes much difference whether you are charged under The Juvenile Delinquents' Act before the juvenile courts, or whether you are charged under The Training Schools Act and come before the juvenile courts, in terms of the stigma that attaches to it.

Hon. Mr. Wishart: Well, I am very interested, Mr. Chairman, and now I am going to pursue the matter with the hon. member.

Let us take a child who is, shall I use the word, incorrigible, difficult, and recognizes no discipine, will not accept school authority, and will not accept parental authority. The child is, let us say, quite clever about pursuing his own ends, or her own ends. The parents cannot handle him; the school authorities cannot handle him and I doubt if a foster parent, therefore, could handle that child with any authority. Surely that child must be placed under some programme. Surely that child must be directed. Somebody must give that direction. Our courts are, I think, sympathetic. I do not know what you would replace the court with to establish that authority and control. I wonder what institution or what type of situation you would put that child in to cover the situation you find you are faced with, in dealing with a young person of that nature.

Mr. Brown: Mr. Chairman, the solutions to that problem are not as impossible as the—

Hon. Mr. Wishart: Well, it is all very well to say that in general terms.

Mr. Brown: —as the Attorney General tends to imply. The procedure of taking an extreme case to justify a system—

Hon. Mr. Wishart: These are not extreme.

Mr. Brown: A system which then processes a majority of children who are not of that extreme nature of course, it is not only very poor logic, but very poor good commonsense, and it does not work out too well if the system is based on the extremes, and you do not deal with extremes continually.

In the 20 years that I have been working with delinquent and emotionally disturbed children, I have never found one as extreme as that, and I have never found one where I could not go back into the history of the child and understand at what point the problem began, and at what point it might be possible to go back and begin to bring that child into conformity with society.

Now I do not say it is easy. I do not think there is any magical thing about it. God knows, I know as well as anyone how tough it is, but the fact of the matter is we do not have children who are born bad. You are talking as though we have children who are born bad, and we come back again to this theme. It is the purpose of the court to determine the guilt or innocence of someone. It is the purpose of the court to try to assess to what degree the individual child is deviant. To determine what is the nature and cause of that deviance and what are the corrective measures that could be taken that would bring the child back into conformity. I keep getting the feeling, as I hear this discussion, that somehow a child is bad and needs to be punished. First he has to be judged, he is found to be bad, he is then punished, and I say that is not the way that you rehabilitate children into conformity.

I do not think it is a good way to process children in the first place, because the judicial nature of a juvenile court is not a good experience for a child; we have been through that and I think you will agree, I do not think it need be argued. I do not know why we use that same structure in all kinds of areas, in other than in instances where a child has been deviant. We use it in many, many cases. A child must come into the court simply to be identified, sometimes so that the judge can feel certain that it is the child under discussion. I do not think that is a good experience for such a child.

In many of the child welfare cases—and I guess somewhere in the neighbourhood of some 15,000 of them more or less a year in the province—I do not see the necessity of bringing such cases before a juvenile court. I do not see the purpose you assume to be served by it. I do not see that the $7 million, are $7 million well spent in terms of what the community gets back.

I could lay out before you, in as infinite detail as you would like, alternatives to the court, and I do not mean just some off-the-top-of-my-head suggestions. Things that take into account the fact that the children who come before the juvenile court, under whichever Act, are children who are victims of their society, victims of their family, or victims of the circumstances of life that they are in.

Nevertheless, despite the fact that they are the evidence, we bring them before a court of law, we judge them, and we put them through some sort of a punishment if we find them guilty, and I say that that is not a proper way to do it; we do not have to continue to do it like that any longer. We know enough so that that is not necessary.

I fear that the legal profession gets caught up in a kind of vested interest in maintaining and continuing this system. Somehow, it threatens the lawyer to talk about abolishing the juvenile court. Why should it? What is there that the legal profession needs in the juvenile court?

Hon. Mr. Wishart: Nothing.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, on a point of order, there is not, in my opinion, a quorum in the chamber.

Mr. Brown: There has not been for the past half hour.

Mr. Chairman: In view of the fact that there does not appear to be a quorum, I would ask the Clerk to direct that the bell be rung for a period of four minutes.

There now being a quorum present, we will now proceed. Vote 206. The hon. member for Humber.

Mr. G. Ben (Humber): I am sorry the Minister has not returned to his seat, Mr. Chairman, so I cannot proceed.

Mr. Chairman: Was the hon. member waiting for an answer from the Minister?

Mr. Brown: Yes, I am waiting breathlessly.

Mr. Chairman: I now recall that to be quite correct. The hon. Minister will, I am sure, return in a moment.

The committee is waiting for certain answers from the hon. Minister to the hon. member for Beaches-Woodbine. Perhaps he is prepared to provide such answers?

Hon. Mr. Wishart: No, I do not think the hon. member asked any specific question, I was not reckoning on an answer, Mr. Chairman.

Mr. Chairman: There were no questions to which the hon. Attorney General had any answers. Is the hon. member finished?

Mr. Brown: I wonder if perhaps I can reword it, or say it in another way. I would like to get a response from the hon. Attorney General on whether he believes that it is helpful for the children who come before the juvenile court under Ontario legislation, to be processed in that way, or whether he thinks it is possible to do it in a better way—and by better way I mean a way that is more effective, where better results are obtained, as well as a respect for the human dignity of the child?

Mr. Chairman: May we have order in the House, it is very difficult to hear the proceedings.

Hon. Mr. Wishart: Mr. Chairman, I took down the hon. member's words before the recess and he was saying he felt he could propose a better alternative. In answer to his question now, I would say there are very good things about the present procedures. One of the things I have been trying to say to the hon. member, which he does not seem to appreciate is, that there are rights for children; that the children's rights are important, and I said, I think in so many words, that I felt the court was perhaps the best organization we have, the best institution we have in that area, at least to assure the rights of the children.

I am not sure, whatever alternative the hon. member may have in mind, that those rights would be protected as well as they are under our present Act. He asked me if I thought our present procedures were the best there are; I have answered that before, Mr. Chairman, by saying we are trying to work towards a new and a better approach. I mentioned the Kilbranden report and the distinction between the child and the young person, that we are trying to achieve in working with Ottawa. I will not say that our Act is the most perfect thing that could be devised. I do not suppose any human invention in the way of an institution, legislation or procedure, is final or perfect. I have no doubt we will achieve better things as we go along and we study and learn from our experience. But, if he wants me to say I have a new policy today, I cannot give him that.

Mr. Brown: Mr. Chairman, I would like to continue with this particular point.

Speaking to the rights of children is precisely what I have been talking about, and my concern is for the rights of children that are now, in my consideration violated. These are significant human rights that are denied children because of the process by which they, in their difficulty, are brought to a service to help them. It is as though there is a punishment necessary because they have a need.

I say to you the manner by which we bring services to them is very fundamentally a part of their rights. It is not just a question of whether a law has been followed or a law has not been followed; human rights go much deeper than that.

You may process a child through the juvenile court in precisely the proper judicial fashion and violate him terribly in his basic human rights. And it is done; it is done here in Ontario, it is being done today!

That concerns me greatly; and I do not have an assurance that you are, speaking in the manner that you were about trying to enlighten me as to the rights that children have, that you are indeed speaking about their rights in the fundamental way that I am.

Mr. Chairman: The hon. member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Chairman, the Attorney General may have noted in the weekend Toronto press a somewhat unusual interview with the Chief Justice of Ontario. It is not too often that the Chief Justice of Ontario, at least within my knowledge, makes himself available for the kind of question and answer exchange that the Chief Justice did.

Hon. Mr. Wishart: I was out of Toronto for the weekend, I just got back this morning. I did not see that; I did not read it, nor did I see it in any other news media or hear it. Perhaps the hon. member would enlighten me briefly, if he can—

Mr. Singer: Yes I will. It is in Saturday's Toronto *Daily Star*. It is almost a full page interview. It is done on a very good basis, I thought.

The Chief Justice said he did not know of it having taken place before, but he could see nothing wrong with it. There are a number of points he makes, two of which particularly caught my eye.

One we have already discussed, and that was the view that he put forward that where persons are held in jail and later acquitted, held in jail pending trial and later acquitted or where they are put to expense in defending themselves and later acquitted, he thought there was a responsibility upon the state of providing some form of compensation. He did not elaborate on that, but he made that

statement as his opinion. I know that has been discussed here in the House already and I think it is worthy of a very careful look.

The Attorney General I thought began to lose his patience somewhat as the point was made and repeated and repeated and repeated by one of the members, but I think there is some substantial validity in that. I do not anticipate, Mr. Chairman, that we are going to get any snap answer on it, at this moment I would not expect that. But I would think that in view of the additional evidence that is now brought to bear, that is the comment of the Chief Justice of Ontario, that it is worthy of another very careful look.

The second point that he made was this: this I think is in quotation marks, because it is referred to again in today's issue of the Toronto *Daily Star*, where he is quoted as saying he was "deeply disturbed" at the length of time some defendants have to stay in jail before they are brought to trial. And accompanying that statement, which is a footnote to this article, is the report of an interview with Mr. Gerald P. Whitehead, who is the governor of the Don Jail. Mr. Whitehead states this, and this is very disturbing and it fits in with the point that we were making about bail earlier on in this vote.

I ventured the suggestion, Mr. Chairman, and I think this story points up the fact, that bail means jail for poor people.

Mr. Whitehead said about 70 prisoners awaiting trial before the York county court on University Avenue spent July and August in the Don Jail because they could not raise bail and the judges had gone on vacation. Whitehead said it cost about $8 a day to keep one prisoner, thus the bill for taxpayers for summer housekeeping on behalf of the group was more than $30,000.

Merely from a dollar and cents point of view—and I notice the Treasurer is paying attention to this—the Treasurer might be interested in saving that $30,000. From no other point of view at all I think that is worthy of certain substantial inquiry.

But really the principle we are raising at this point, Mr. Chairman, and the principle we have been raising throughout this particular vote, is the fact that our bail system just does not work. When 70 people have to stay in jail for two months over the summer because they are unable to raise bail, and using the words of Mr. Whitehead "because the judges are on vacation;" well it is obvious, Mr. Chairman, that there must be something wrong with the system.

The interview goes on to say that:

> The 70 just lay around here in the heat. It was a strain on them, and that sort of thing can result in behaviour problems, although we had no serious difficulty in handling them.

Then there is a reference to a Dr. Gary Prince, the Don's consulting psychiatrist, who says:

> The problem is they had not been convicted of anything, and yet they were in what has to be regarded as a maximum security institution. After a while—

And I think this is the understatement of the day "after a while they get bored and anxious."

Well that can be assumed, Mr. Chairman. Whitehead said the men sometimes get so bored they come to us and ask for work; and that is pretty serious too.

> The county court recessed on June 30 and didn't sit again until September 2. The 70 suspects spent the summer in jail because when they were first arraigned in provincial court some time last June they asked to be tried by the county court, which has a reputation for handing out lighter sentences. They were remanded for trial but had to stay in custody because they could not raise the bail set by the provincial court judge. Many of them were charged with theft over $50.

And that is elaborated on a bit:

> Prince said the problem is the penal system just is not geared to handle prisoners on remand who have not been found guilty of anything.

There is one more comment out of this story that I think is pertinent.

> But the real fault, Whitehead said, is the system.
>
> In the summer, we operate 24 hours a day.

And that must be the jail.

> The police operate 24 hours a day, the provincial courts operate eight hours a day.

Well I have had some comment on that. I still feel that after 1 o'clock there are not too many provincial courts operating in the Toronto area.

> The provincial courts operate eight hours a day and the county court does not operate at all.

Well there it is, Mr. Chairman, there is the current story. It ties in with the remarks made by the Chief Justice of Ontario.

The governor of the Don Jail tells us that 70 people spent the whole summer in jail because the courts were not sitting and because they were not able to raise bail. These are areas within the control of the Attorney General of this province and he can remedy that situation.

This is not just the two young gentlemen that I was talking about earlier in the estimates. There were 70 people—70—who spent the whole summer in jail because our system has no way of making sure either that they were tried or that there is a bail system that is meaningful, which it is within their ability to take advantage of to let them out.

What public cause do you serve in allowing this system to continue?

Unfortunately, Mr. Chairman, we have said this day after day and year after year as these estimates come before us, and there does not seem to be any change. The best the Attorney General can suggest to us is that hopefully Mr. Turner up in Ottawa—the Minister of Justice up there—is going to bring in some change.

I repeat again, Mr. Chairman, and I hesitate at this late hour in these estimates and this continued hour in vote 206, to say the things that we have been saying before. But, it seems to me, that if our justices of the peace and our bail magistrates were instructed as to the desirable method of granting bail, that those 70 persons would not have spent the whole summer in jail. And again, I would think, Mr. Chairman, that certainly it is incumbent upon anyone who has anything to do with the administration of justice in Ontario, to make sure that people do not languish for two months in a jail in the city of Toronto, because the courts are not sitting.

It may be that we need more judges, I do not know. It may be that the courts operate on something like the hours of the Legislature is operating now. This sort of thing, Mr. Chairman, is completely inexcusable, and it is coincidental that it appears in the press today at the time we were discussing these estimates. There just could not be a better illustration to bring before the Legislature and to bring, again, before the people of Ontario to show that our system is not working, and to indicate, sir, with quite sincere regret, I am forced to say again, that no matter what the Attorney General has said about how the system works, and how he would like to improve it, the situation just does not work today and the efforts that the Attorney General has made, to date, do not seem to be remedying this very sad situation in our province.

Hon. Mr. Wishart: Mr. Chairman, I do not think I will say a great deal about the report of the interview with Mr. Justice Gale. I do not know what he actually said, or how far he went in his comment about compensating persons who spent time in custody and then were acquitted. I doubt if our public feeling goes so far as to say that they should all be compensated. I would be glad to discuss this and talk it over with the Chief Justice of Ontario. We have moved a good deal in this area, our counsel that we provided under legal aid, and now our new legislation compensates for victims of crime—I have great doubts if you could make a general statement—I doubt if the Chief Justice made a general statement that everybody who was kept in custody for any length of time and then acquitted was entitled to be compensated by the state.

Mr. Singer: I do not think it was a general statement of principle.

Hon. Mr. Wishart: As to the persons who spent the summer months in custody, I would point out, first of all, that the provincial courts, the court over which we have jurisdiction of appointments to the bench, works steadily every day, every week day, except Saturdays—and sometimes even on that day—they work through every month of the year and the article said, I think, that eight hours a day is not an exaggeration. I do not know what the hon. member meant by saying, "If they worked like this Legislature, maybe there would be room for improvement." I find we are working all afternoon and three nights a week until 11.00 or later, and there also seem to be a lot of things to do in the morning. It seems to me we put in pretty long hours. However, many of these persons, I think the hon. member brought this out, elected trial by the county court.

Mr. Singer: This is right.

Hon. Mr. Wishart: The county court, it is true, does not sit in July and August, but when these persons elect trial before the county court—I do not know, perhaps there is some way we could improve that—but the

difficulty there—and we have taken this up with the judges—is to get jurors for the summer months, to get the witnesses, because these are generally months of holidays. To get the jurors and to get the witnesses and to get counsel, so that when they elect trial, on the advice of counsel, before a county court and in particular before a judge and jury of the county court, I think most of them are generally aware that they are going to have to wait for that trial.

As to the matter of bail, there are ample justices of the peace and judges available on that particular area to hear applications for bail, they are available all the time and the Supreme Court judges will never refuse to give an appointment for an appeal on the matter of bail—summer months or otherwise—any time. I can only say that possibly we could find some way to try out a better service from the county courts on trials, criminal trials and jury trials for the summer, but we know some of the difficulties we will face. On the matter of appeals, it is a matter of record that our court of appeals sat this summer to hear appeals and there was only work for two days. Only enough work to keep that court going for two days, so that on criminal appeals, that is all there was.

Interjections by hon. members.

Hon. Mr. Wishart: I say we can consider trying to find a method whereby we can make available some members of the county court Bench to deal with the situation in the summer, but I think that is only part of the difficulty.

Mr. Singer: Mr. Chairman, I do not disagree, but that is only part of the difficulty. None of these things are easy, but I think first of all there has to be a thorough exploration of the possibility of keeping our courts sitting during those summer months. I am not suggesting that the judges have to work twelve months a year at 8 hours a day and be present in the courtroom every day during the five-day week and the 12 month period; I think you must give the judges time to consider their judgments, to research the law in particular points that have been raised, to worry about their forms of address to juries and generally, to go to meetings where matters of judicial concern are going to be discussed, but the answer has to be, Mr. Chairman, that there is something wrong in a system which allows 70 people to stay in jail for the whole summer because our system is not working.

It may be we need more judges; if that is so, then I would think the most urgent kind of meeting should take place between the Attorney General here, and the Minister of Justice in Ottawa.

The other thing, Mr. Chairman, is the bail question, and the mere availability of additional justices of the peace, although I do not know if that is the answer either. I was, and still am, more than a little skeptical about the fact that the Attorney General told us we were going to have some more bail magistrates, and that there would be one representing Metropolitan Toronto east and the other Metropolitan Toronto west, or some such system. I would have been much happier if he could have told us where to find bail magistrates.

When the fellow is in jail, and he apparently is there for a few days pending a trial, it is much easier to bring these two people together, but quite apart from the central location of bail magistrates and the availability of those people who are in custody during trial so that you can bring them together—

Mr. Lawlor: Oh, we did this all last week.

Mr. Singer: Of course we did this last week and I am going to do it again until I drive my point home.

Mr. Shulman: Mr. Chairman, is repetition like this allowed?

Mr. Singer: Quite apart from all that, Mr. Chairman, there is the question of treating bail in a proper way, and ascertaining how many of these 70 people were, in fact, incarcerated in jail, awaiting trial for the two reasons that the Ouimet committee makes apparent:

1. Was it necessary for the safety of the public that they be so kept there, or

2. Was it necessary to ensure their appearance at trial?

Now I would hope—I am sure the Attorney General has not got those figures here now—but I would hope that perhaps with this case before him, with this incident before him of those 70, I would like to see a study done and a report made to us, just as quickly as possible, as to those 70. How many of them were kept there in jail over the summer because somebody really believed that it was necessary to ensure their appearance at trial? Or, for the second reason, that it was necessary for the safety of the public? I would suspect, Mr. Chairman, that of the 70, only a

tiny minority really came within either of those categories, and that 50 or 60 of them could well have been released on little more than their own recognizance.

This is the troublesome point, Mr. Chairman. This is the kind of concern I would like the Attorney General to show by some positive action, perhaps using this example as a start. Let us have some kind of inquiry into these 70 men. Their names must be available to the governor of the jail; the facts must be available. Let us have that kind of a study and see if we cannot bring some real reform to our bail system.

Mr. Chairman: The hon. member for Humber.

Mr. Ben: Mr. Chairman, before—

Hon. Mr. Wishart: Mr. Chairman, I wonder if I could be permitted? This is representative, I think. I did indicate that the system that existed up until a little while ago was a justice of the peace for bail in the easterly half of Metro Toronto and one in the westerly half and that we were appointing five more. Two of those were appointed. I indicated that we were going to have a central—we had suggested to the Metropolitan Toronto Police Commission by letter, which I hope would be almost a direction at least—a central office where anyone could call at any hour of the night and day and find out where one of those bail justices could be obtained, at what stations he is, and when he would be there. So I think we have gone through that pretty thoroughly.

The study that we were doing, which I described, as to the case load of the courts—one of the questions which will be answered is: "How long did such a person stay awaiting trial? How long were they incarcerated?" There is a great deal of information on that study form and I cannot say it will go to these particular 70 persons. But it will generally show us, definitely show us, the delays which are occurring in Metro and every other area of the province. So we are, I think, showing some concern about this, and as I mentioned the other day, that material is collated now and being computerized. We will have very complete detail on the delays, the work loads, so many features of our administration of justice. We are not unconcerned about it. We are not inactive about it.

Mr. Lawlor: Will we get a chance to see that report?

Hon. Mr. Wishart: I would have no objection to making that information available. We will be using it for our administration of justice as soon as we get it in order, and I do not know if I would make every last detail available, but generally I would think so.

Mr. Singer: Could we not run an extension, Mr. Chairman, of that study, directed particularly at these 70 people? Here is something that should be comparatively easy to trace down. Presuming Mr. Whitehead is relating the proper facts—and I would think he must—then we have 70 people positively identified as having spent the months of July and August of this year in jail, and I would like to know why. Was it because of delay? Was it because of inability to put up bail? What were the reasons? I would think that here you have a prime example that might show—that in my guess would show—some of the serious defects under which our system presently laboured. As I said on the way by, the Provincial Treasurer would be interested in saving that sum of $30,000 if it was reasonably feasible to do that.

Hon. Mr. Wishart: I think probably I had in mind that I would ask the governor of the Don Jail, in the light of this interview which I have not seen, for information as to these persons. I rather think it will reveal some very cogent reasons why some of them are in jail.

Mr. Ben: Now that is a profound remark, is it not?

Hon. Mr. Wishart: I think so, and I think it will be revealing.

Mr. Ben: Of course it will, it will give reason—

Hon. Mr. Wishart: And I wonder—I see by the attitude of the hon. member for Humber —I was going to say, I wonder if the hon. members will accept it and examine that report and perhaps receive it with some responsibility. But when I hear the hon. member for Humber almost reject the idea immediately—

Mr. Ben: I did not reject it immediately. I said your remark was asinine. Of course if you ask him to tell you why they are there they are going to give you cogent reasons. If you ask him why, he will tell you why.

Hon. Mr. Wishart: You see the attitude we get when we even suggest making the study.

Mr. Ben: It is just your remark!

Hon. Mr. Wishart: I know that is a point of view that the hon. member has, but I was considering getting the study done and I would ask that when we get it—I think it will reveal some very good reasons—

Mr. Ben: I hope so.

Hon. Mr. Wishart: —why some of these persons are in jail—

Mr. Shulman: Some of them, but what about the ones it does not reveal reasons for?

Hon. Mr. Wishart: —and I would hope then that when we get it, and when we make it known, that the hon. members will take a responsible attitude toward the information that is obtained.

Mr. Shulman: I hope the Attorney General will take a responsible attitude toward it.

Mr. Ben: Mr. Chairman, while I am on my feet. It becomes unbearable in this House when the Minister of the Crown, the Minister of Justice, gets up here and starts stating that he is going to ask for a report and he is going to get reasons why people are in jail. I hope to heaven there had better be a reason for every one of them being in jail, or there should be some heads falling. Do not tell us you are going to get reasons because there are obviously reasons. We just want to know what they are.

Hon. Mr. Wishart: No, it was the length of time they are in jail. Not the reason they are in jail, but the reason for their lengthy stay there.

Mr. Ben: Of course there have to be reasons for every one, and we want to know what they are. Do not tell us there are reasons, just tell us what the reasons are.

Now on this business of bail again. I was hoping we would let it lie, but if you remember when an amendment came up for a bill that dealt with station duty officers being able to allegedly place bail, I argued with the Attorney General at that time, asking that the station duty officer be given the right to let prisoners, or accused, go on bail. The Minister at that time stated, with the support of the member for Riverdale, that they had such power, and I argued that they did not. I remember a member from the press gallery writing in the Windsor *Star* that he thought he agreed with the Attorney General and the member for Riverdale. Now if that is so, Mr. Chairman, may I ask you why you have to appoint five more bail magistrates? Why do you have to appoint four, three, two, one? Why you have to appoint any?

In other words, your own statement that you are appointing bail magistrates puts the lie to your previous statement that duty officers in the police station could permit an accused to go on bail. Either they can or they cannot, but the fact remains that if you empower the duty officer in a police station, you could provide that he be the rank of sergeant, to release a prisoner on his own recognizance, then we will not have to have them sitting in jail waiting for a bail magistrate to turn up, even if you appoint one for every subdivision.

You are going to be saving the salary you pay the bail magistrates, the prisoners will not have to wait for the bail magistrates to turn up even if he is on duty all night, and the man will be able to go home at a reasonable hour. That is just one point I wanted to make on the subject matter of bail.

Hon. Mr. Wishart: Mr. Chairman, I would like to deal with that point. I recall a debate in this House—

Mr. Shulman: Mr. Chairman, on a point of order, before the hon. Minister continues, perhaps we had better ring the bell to get a quorum in here again.

Mr. Chairman: In the absence of a quorum I request that the bells be rung for a period of four minutes.

Mr. Ben: The hon. members must recall that there are a lot of our members in committee.

Interjections by hon. members.

Mr. Chairman: There now being a quorum present, we will proceed.

Hon. Mr. Wishart: Mr. Chairman, I wanted to make a few remarks in reply to the hon. member for Humber. I recall, and now have the Act before me to refresh my memory, that in 1966 we amended our Summary Convictions Act and we provided, by amendment, under chapter 149 of the statutes of 1966, we made it possible for the officer at the police station, the police officer in charge, to take bail. I am going to read this—

Mr. Ben: A point of order, Mr. Chairman. I rose to draw the Minister's attention to that amendment, I am familiar with the amendment, but if the Minister will recall the discussion which took up a considerable time in 1966, was whether or not a duty sergeant or duty officer could release a prisoner on

his own recognizance. It was the position of the Attorney General that under the wording of that section he could. He was supported in this contention by the Minister—I am sorry, by the member for Riverdale—and I opposed both those hon. gentlemen in their interpretation of the meaning of that section. I insisted that they could not under the wording of that section. He insisted that they could. So I recall the wording of the section, Mr. Chairman. It was a question of can they or can they not permit that person to go on his own recognizance. But I raise today the point that if, indeed, they can (a) accept bail from the accused, and (b) extend that to letting a person go on his own bail, (c) why do you have to appoint bail magistrates, at least in the city authority?

Hon. Mr. Wishart: Well, Mr. Chairman, I was about to explain that. The hon. member is familiar with the amendment but perhaps I might still be permitted to read it into the record for the benefit of other members. That amendment, in 1966, read as follows: Section 2, of Chapter 149 of the statutes, 1966:

> Where a person who is charged with an offence to which this Act applies—

And that is The Summary Convictions Act—

> —is taken into custody either with or without the warrant of a justice, and is brought into a police station at any time during the day or night, the police officer in charge of the station, if he thinks the case a proper one, may take bail without fee from such persons, as condition for his appearance in person, or by counsel or agent before the magistrate or other justice at the time and place therein mentioned.

That was the amendment that is effective under The Summary Convictions Act. We had a discussion in that debate about a police officer acting as a justice of the peace. We had some police officers who were justices of the peace. A consensus of that debate was that a policeman should not be placed in the position of a justice of the peace. As a result, during debate on this legislation or very shortly afterwards, we removed that appointment from all police officers, so no police officer could act as justice of the peace. That is a judicial office, we felt, and the consensus in this House was that a police officer should not be in that position.

But the main point I want to make is this: we need justices of the peace because the procedure regarding bail, and I come back to this again, as I have so many times said, is a federal statute, the Criminal Code. The procedures for bail with respect to those offences which are set forth within the code are governed by the provisions of the code.

We can deal with The Summary Convictions Act, our Ontario statute. We can do as we like and legislate in whatever degree we see fit, but I cannot change the Criminal Code, either the substance of law or the procedure of law, and bail is procedural under the code. Now, may I reassure the hon. members that we have recommended to Ottawa that with respect to certain offences, the procedures we have adopted in our Summary Convictions Act be brought into the bail procedures under the code. But beyond urging that upon Ottawa, and my colleague the Minister of Justice in Ottawa, I cannot go.

I think perhaps we may be able to succeed in making some changes there and I am not really disagreeing with the hon. member for Humber at all in his approach to the matter. First of all, I do not think it is proper that a police officer should be perhaps a judicial officer and secondly that there would only be a small number of cases where he has that power under The Summary Convictions Act. He could not deal with the cases under the federal Act until they change it, until the federal authorities change it.

Mr. Ben: The Minister answered a question I was going to ask; whether he has made overtures to Ottawa, and I thank him for it. However, I would point out to him that the charges most frequently laid under The Criminal Code deal with driving offences — ability impaired and the careless driving charges—and in those particular circumstances, I think that the federal government is extremely remiss is not empowering the Minister of Justice of this province to bring bail provision within The Summary Convictions Act.

I do believe that considering the number of people who are charged with driving offences in this country, it is a little nonsensical to compel these people to remain incarcerated until a justice of the peace comes, and in most cases poses no more stringent bail than a duty officer would have. So I stop on that particular topic with that comment, Mr. Chairman.

But as we were arising, or just before we rose on Friday, Mr. Chairman, I put to the Minister the question with reference to the statement he was reported to have made July 21, 1967, in that he was at that time quoted in the *Star* as saying that this government, the provincial government, may set

up a family and juvenile court in Scarborough and Etobicoke. Now, at that time it—

Hon. Mr. Wishart: Whose comment was that?

Mr. Ben: It was your comment, Mr. Minister.

Hon. Mr. Wishart: Oh yes!

Mr. Ben: And at that time it sounded eminently sensible. I regret that the family and juvenile court was concentrated on Jarvis St. It must have been done that way because at the time it was done that area had sort of an unsavoury reputation and I imagine the government of the day presupposed that that is where all the juvenile and family court cases arose from—what they would call the tenderloin area.

Well, that is not so. It never was. Children can get in trouble in the best of homes and the best of homes can also break up. And, it did not make sense that people had to travel from the extreme corners of Scarborough or Etobicoke, or for that matter North York, all the way down to 311 Jarvis Street to have to lay their complaint or to appear in answer to a complaint. It was a farce from any point of view.

For instance, the dormitories where the juveniles were kept were not air conditioned until quite recently.

There are no parking facilities for people coming to those courts unless they are prepared to pay the parking lot attendant across the road and I think that the government should have got a piece of the action over there. It might have helped to pay for the court room if they would have set up their own parking lots. At any rate, there were not and are not adequate parking facilities.

People had to come from long distances. Many women could not or they would lay a complaint. But they found they could not take the time to lay such a complaint because, first of all, they would have had to find a baby-sitter and secondly, they would have had to travel a long distance over public transit which would take them two or three hours just to get down there to lay a complaint.

After they did lay their complaint, they would have to wait until the matter came up for adjudication and sometimes there would be an adjournment two or three times for a variety of reasons. So that finally the woman's frustration permitted the matter to be adjourned *sine die* and it was not heard at all.

So in 1967, Mr. Chairman, the Minister's statement was welcomed from many quarters and, of course, the word used was "may." I am prepared to admit that the word "may" is not necessarily read the same way as "shall" but the fact is, after two years, one would think that the Minister would have made up his mind to either open it or not to open it and in either case he should have informed the public.

I believe that courts of this type, especially insofar as juveniles are concerned, are desperately needed in both those areas. I remember looking at a map which showed the frequency of juvenile offences and I regret that at the time the largest concentration, or one of the largest concentrations of these offences, happened to be in the west end of the city in the Parkdale area, with concentrations also up in the north end. At any rate, it made it quite clear that the price of a home, or the income of a parent did not necessarily determine whether or not the children of that home would end up being juvenile delinquents.

So, Mr. Chairman, I ask, through you, the Minister to tell this House when he is going to open in Scarborough and in Etobicoke or is he going to open in Scarborough or Etobicoke the courts which he said in 1967 this government may open in those two boroughs?

Hon. Mr. Wishart: Mr. Chairman, we have decentralized to some extent. We will set up in North York for the North York Willowdale area, the probation and counselling service which was a part of the Central Court. Now, in 1967, true, we had been planning to set up one of these, but we have to get the money. I do not think the hon. member really knows how much it costs to set up the proper facilities for a court with all the things that go with it. When the Juvenile and Family Court centre and all its facilities were set up in Toronto, it was perhaps the latest word, the last thing, and cost a great deal of money. Since we took over the administration of justice on January 1, 1968, I would let the hon. member know, we spent hundreds of thousands of dollars in improving that facility. We put air conditioning in it, decorating—

Mr. Ben: It took you long enough.

Hon. Mr. Wishart: It took us long enough? It was not our responsibility until January 1, 1968.

Mr. Ben: I believe there was a difference of opinion on that. The Metro council took one point of view and this Minister took another point of view, and the children suffered in between.

Hon. Mr. Wishart: Well, I know the children suffered until we took over the administration of justice. All I am saying is that since then we have spent hundreds of thousands of dollars in improving what was considered to be the very latest word in that type of facility. Now we are looking at further decentralization particularly at the present with respect to probation and counselling services. I cannot assure the hon. member that we can build a new court building in Scarborough or North York at the moment because they are very expensive establishments.

Mr. Ben: Etobicoke, not North York.

Hon. Mr. Wishart: Etobicoke, wherever. I think decentralization, to whatever extent we can accomplish it, is a good thing. I realize the difficulty of everybody from this great metro area coming into one central place for juvenile and family court matters but I cannot give him a firm date. I can only say we are trying to find the means of doing what we had in mind when I indicated our approach in 1967.

Mr. Ben: Mr. Chairman, may I just draw to the Attorney General's attention the fact that the court at Lambton is on Dundas Street West and called the Lambton provincial court, is moving back to New Toronto? It is presently housed in a building I believe is owned by the Saracini Construction Company Limited or Saracini Construction or by members of the family. The building has been extended and I understand that the lease has not been renewed and the court will be re-located.

The fact remains it has been presently used as a court. It has the courtroom facilities and they are very nice courts. They do add some dignity to the procedure. Secondly, the building has been expanded so that there would be ample room there for the supporting facilities, for probation services, diagnostic services and the like. Thirdly, there is a parking lot that would be more than ample to serve the people who would be coming to this court and fourthly, a lot of people already know of its location so that it would be very easy to continue to use it as a court.

And one good advantage would be, Mr. Chairman, that since the provincial courts have moved out of there, it would just be a court for disposing of juvenile and family court matters so it would not be the same as going out and finding a lot or finding an area where you could demolish some homes to create a lot and then construct a court house.

I do not know whether they have already leased it to somebody else. They may have. But I should think it would be worthy of consideration and one should look into it, and I trust that the Minister will. It is quite conceivable that this would be the ideal location for a Juvenile and Family Court. I do not think you call it family and juvenile courts any more. Let us call it a domestic services clinic. And I would ask the Minister if he would seriously consider that.

Hon. Mr. Wishart: Mr. Chairman, I am indebted to the member for telling me what he has related here. I did not know this court was being moved, that the lease was cancelled and was not being renewed. I do not know anything about it. I know of no reason for that. I have had no word of any proposal of this kind, but I certainly shall look into it at once.

Mr. Chairman: On vote 206; the hon. member for Lakeshore I believe was up first.

Mr. Lawlor: Mr. Chairman, these are my estimates, so to speak, and I have not spoken, as you will notice, for the past three days. This will probably be the last time I intend to speak on these estimates. If one spoke on every occasion, turned over the dungheap so that the vibrant life could be exposed to the ulterior air, then I suppose we could go on rather indefinitely. If one wants to do that, that is fine, but there must be some surcease and the one thing I would like to talk on and the only reason I really wish to do it at the moment is because it is pertinent to a gentleman who graces this House and has high accolades coming to him for his past service to this province. I refer to Mr. William B. Common, QC, who has of fairly recent date, along with Professor Mewett, presented to the federal government through the foundation for legal research in Canada, a philosophy of sentencing and the disparity of sentences. I would like to commend him and the work that he has done and just say a few words, as briefly as I possibly can, about sentencing procedures. Everyone knows that one magistrate will hand out a ten-day sentence for theft under $50, and another one would place a person on suspended sentence—seemingly, a very analogous situation with the constellation of facts more or less the same. It is done,

of course, with complete lack of uniformity or standard. It was in this interest that Mr. Common attempted to review sentencing procedures in Canada as they affect Ontario and he came up with some proposals in this particular regard.

He says—and I would draw the attention of the House to page 12 of his report—that too lavish use is made in this country of imprisonment. A sentencing tribunal should start from the proposition that imprisonment should not be imposed unless that punishment can be affirmatively justified. That is the pre-supposition upon which they work. He points out any number of alternative steps that may be taken instead of sentencing, that is, to imprisonment. He points out the use of the fine and spends a whole chapter saying that this is a very neglected weapon. A fine is simply not used by the provincial court judges or the higher courts to the extent that it might be. Very often the loss of money is a far more coercive way in which to bring people to heel. It is more of a deterrent than a reformatory sentence, to have money taken out of some pockets. What happens, it is pointed out, is that once a man is imprisoned, that is his punishment. He is not sent to prison—to jail—to be punished there. The punishment is not over and above his being sent there. He points out in the case of detention homes, as they were tried in Great Britain—and not too successfully—that is was the idea there that a particular discipline of a paramilitary nature would be brought to bear upon the prisoners so they would be punished while undergoing punishment. That has simply not worked and it is recommended that it be not introduced into this province.

What happens in our courts today is extremely curious particularly with respect to juvenile offenders. A magistrate who hears a case has no way of conditionally discharging a prisoner. I would think that the Attorney General might give some consideration in his constitutional Bail Act within the ambit of the provincial quasi-criminal offences to recognizing the role of a conditional discharge.

I think it is no answer to simply refer to The Probation Act of this province. No conviction is necessary in order to place a person on probation under summary conviction for an Ontario offence. It is a way out. I do not know to what extent it is being used. I do not think it is used extensively in the courts where it certainly has a wide role to play. But probation is not always the answer and a conditional discharge where probation officers, who are highly taxed people, work sometimes in a double harness as parole officers at the same time, ought not to be overtaxed. Therefore, I would ask the Attorney General to bring into being a conditional discharge touching his sphere of influence at the very earliest time.

In bringing a young person or a first offender before a magistrate, the case is sometimes adjourned without conviction, *sine die*, and then the case never comes back for trial or, as the law presently stands, the magistrates are forced against their will and against all commonsense and decency to convict and then levy a negligible punishment—suspended sentence. But the person, nevertheless, has the stigma to carry about with him. These are the two alternatives that are presently available to magistrates and within your jurisdiction, certainly, I would think that some move could be made into alleviating this dilemma in which you are placing your judicial officers in terms of sentencing.

A great deal more is said in this report about various classifications and the difficulty of making classifications of offenders, but I would recommend it to the House without either illustrating or elaborating upon the terms of the report. It is a short document and, as I say, I would recommend it to the members of this House who are interested in this sort of matter. It will repay, very much repay, a re-reading. Again I wish to commend Mr. Common, together with Professor Mewett, on the fine work they did in bringing forward this document.

Hon. Mr. Wishart: Mr. Chairman, I would like to take a moment too to first of all say what an excellent report this is. The fact that the former Deputy Attorney General, Mr. Common, who sits here with us today had a large part in it, is certainly something I want to make note of. It is an excellent report. I understand it was prepared for the Canadian Bar Association for presentation to the federal government. We have been aware of it. It is so much in demand that it is difficult to get copies of it. We are ordering copies. I understand the government at Ottawa is going to have the report prepared in both English and French for its use and distributed. We propose—we have this definitely in mind—to have that report in sufficient numbers sent to all our provincial judges and all our Crown attorneys. There are many excellent recommendations in it. I would note this: it is directed to the federal government, because a great many of the recommendations, the bulk of them, are for changes which will be necessary in the federal legislation, mainly the Criminal Code.

Mr. Lawlor: Admittedly, but it has had an impact on you too.

Hon. Mr. Wishart: Admittedly too. I admit that. One of the things that the hon. member mentioned, and I think he said it was within our jurisdiction, was the matter of legislation to permit probation before a conviction. We have done that. We have done that in our Summary Conviction, in our Probation Act. With respect to those things which are within our jurisdiction, we have already done that. We have urged that upon the federal government.

Mr. Lawlor: Mr. Chairman, you will agree that is not exactly the same thing as a conditional discharge? I mean the probation aspect of it imposts supervision; whereas the conditional discharge is that you follow certain terms, and such and such conditions, and then you may go free. But if you break these conditions, it is unlike a suspended sentence too, which after all is a sentence.

Hon. Mr. Wishart: Yes, I thank the hon. member for pointing out the distinction, but again I say we cannot do that where it relates to federal offences. But we have urged this upon the federal government, and I think this will come about. There are some provisions in the code presently, as amended, which give considerable latitude, and I would point out that we meet with the federal government's Department of Justice—all the provinces at least once a year—to make recommendations and see if we cannot improve some of the procedures which admittedly are outmoded, and I think outworn, in a matter of sense.

Mr. Shulman: Mr. Chairman, I have two brief matters I would like to ask the Attorney General under this vote.

I went down to the family court on Jarvis Street this summer, and it is a delightful place. It is a model for our courts. The one thing that was disturbing to me was when the judge in charge informed me that it was policy not ever to allow visiting rights for common-law fathers in a separation. This, I think, is probably a bad blanket rule. Can anything be done to change that, Mr. Chairman?

Hon. Mr. Wishart: I was not really aware of that. I can only say that it must be a matter of judicial discretion that he was exercising there in that court.

Mr. Shulman: This was policy, I was told.

Hon. Mr. Wishart: Well, it must be a judge's policy. I could not think that that should be a completely general rule. There may be some case where, perhaps, it would not be wise to have the common-law father visit. But I think that what the hon. member got, was perhaps, in that court, or maybe by that judge. I do not think that is a general standard rule without exception.

Mr. Shulman: Mr. Chairman, apparently that was the policy of that court. Would the Attorney General look into that matter for me?

Hon. Mr. Wishart: Yes.

Mr. Shulman: There is the other matter that I am a little bit disturbed about—in fact I am quite a bit disturbed about it. I have had occasion to comment on the unique justice that is given out in the Halton court before. There is one case that occurred that highlighted one problem, which is apparently very serious in Halton, and this is the matter of non-preparation of cases by the Crown. I have one particular transcript here, because I really was so amazed at what went on in that court, I would just like to read one sentence here by the Crown.

Hon. Mr. Wishart: How long ago was that? Maybe we have improved—

Mr. Shulman: Quite recent.

Mr. E. W. Sopha (Sudbury): That is the fellow who ran for Parliament is it?

Mr. Singer: He quit.

Mr. Shulman: It was December 12, 1968.

Mr. Singer: That was long after he resigned as Crown attorney.

Mr. Shulman: No. This is the new Crown. This is not Mr. MacWilliams, who I think did an excellent job. This is Mr. Goodwin, and I just want to quote in reference to the evidence that was being brought forth. I just want to read one sentence here by Mr. Goodwin. This is a Crown quote:

> I should make my position clear, your Honour, and that is that as I told you, having been brought into this yesterday afternoon, I cannot claim to know in detail what the evidence is. So I cannot make any undertaking to the court as to the precise account that this constable is going to give.

He obviously had not interviewed the constable, and there is further evidence here in which he says in reference to other witnesses,

—I do not know what they are going to say.

Surely this is not the way that a Crown prosecution should be handled. In this particular case, the defense was very—a very high priced group of lawyers—and there was considerable upset in Oakville and in Halton county about the particular case, because obviously a very bad result occured. The Crown did appeal, but is it not possible to ensure that your Crowns do a better job of preparing before they go into court?

Hon. Mr. Wishart: Mr. Chairman, I do not like to say this to the hon. member, but he is quite wrong in saying that that indicates a bad procedure. There are cases of serious nature where it is proper, and perhaps should be proper, to interview every witness. There are many cases where there are a number of witnesses where it would be impossible for a Crown attorney to interview every one. Our justice would be delayed. Proceedings would be delayed, and I think justice delayed, as the old proverb says, would be justice denied. If I may speak again from my own experience as a Crown attorney. Quite often as good, or perhaps even a better result, is obtained if the case comes before the court, both the judge sitting on the bench and the Crown attorney speaking to elicit the information, in the first instance and without a discussion or debate, or argument or interview, from the witness: "What have you got to say?", and leading out the evidence in that way, so that the court hears what the complaint is, and what witnesses have to offer. It is not necessary at all to interview every witness to obtain a good result. I would not for a moment conclude, and I would hope the hon. member, who is also a member of a profession would realize, that there are situations in which you cannot get into the background and get every detail. You must take the matter as it comes before you, and then using the best results you know, elicit and get the best results you can. That is sometimes the best way to proceed with a case before the court.

Mr. Shulman: Let me ask the Attorney General just one question. Would he agree that pre-sentence reports that are supplied to Crown attorneys should be read by the Crown attorney before he goes into court?

Hon. Mr. Wishart: Well, before sentence at least I think he might, but not necessarily. The sentence is a function of the judge, and it is for his benefit generally, or mainly at least, that the pre-sentence report is obtained. I think if I were the Crown attorney I would endeavour to read the pre-sentence report, but I would think that perhaps the Crown attorney, having made his presentation, should advise the court as to what his view is, as to how it should be dealt with after conviction. It is the judge, however, who would weigh the matter of sentence. He would certainly be the one to consider thoroughly the pre-sentence report.

Mr. Shulman: I would like to draw the Attorney General's attention to another sentence in this transcript, where the judge asks the Crown attorney about the pre-sentence report, and the Crown attorney answers: "I do not know if it would be of any assistance to you or not, it was dated last May. I have not read it." Now I do not want to come down too hard on the Crown attorney. He had only been called into the case the day before—

Mr. Sopha: Pardon me. What did he say?

Hon. Mr. Wishart: In December.

Mr. Shulman: This is in December: "I do not know if it would be of any assistance to you or not, it was dated last May, I have not read it." I think the point is not that the Crown attorney was so bad. I think the problem was that he had been brought into the case at the last minute, and suddenly thrown into the arena, and it would appear to me that something is wrong in that system where this could occur.

Hon. Mr. Wishart: I presume that what happened there—we cannot look into every single case that the hon. member finds in all the courts he has visited—but I presume that the judge there then took time to examine the report before he finally passed sentence. Maybe he got another report, but the Crown Attorney cannot be expected, if he was particularly brought in at the last moment, to know everything that he should know if he is brought in on short notice. But I presume that the judge then must have weighed it, surely.

Mr. Shulman: Wrong! He sentenced them in the next sentence.

Hon. Mr. Wishart: Yes. Well, there may have been evidence read before we come to that to show the nature of his offence, and this was a report that was then eight months old apparently.

Mr. Singer: Mr. Chairman, I thought the member for High Park would appreciate a bit of additional information about the administration of justice in Halton county. The Attorney General could perhaps explain it to us. It touches on the administration of bail as well. This is a report that appeared in a paper, the South Peel *Weekly,* on Wednesday September 25, 1968, and it reads this way:

> A 22-year-old Mississauga woman was saved from spending the weekend in gaol, on a charge of horse theft, when two local members of Parliament helped her to raise bail near midnight on Saturday. Hilliard Chappell, Peel South M.P. and Bruce Bear, Peel North M.P., went to the Mississauga police station where Mrs. Garrett of Williams Fort Drive was being held after she had been picked up on a warrant sworn out by horse breeder William Porter of Durham.

Well, it goes on in this vein. Apparently what happened was that this lady had taken her horse to Mr. Porter to have it bred. Some dispute arose between Mr. Porter and this lady, and she came and took the horse away and took the foal away. Apparently this whole offence took place in the county of Halton, so somebody accepted an information from Mr. Porter. Along came the police and off she went to jail.

I think that it would appear reasonably obvious that she had horses to breed and that they were an established family in the community and they had a large farm and so on, did not enter into anybody's consideration. Off she went to jail and then we got mixed up in finding her a Crown attorney. There was not anyone available in Halton county, and finally the fellow in Owen Sound—I do not know how he got into it—but Owen Sound Crown attorney Ross McEvoy got into the picture and he said: Okay, we can let her out on bail of $1,000. Then they scurried around that Saturday midnight and they gathered together—and I gather the federal members of Parliament put the money up out of their own pockets—and $1,000 was duly produced. Everybody said: "Well that is fine. We do not think that this lady is really going to run away, this Mrs. Garrett, and we will release her on $1,000 bail."

Well now, its obvious, Mr. Chairman, it must be obvious to the Attorney General, that this sort of thing is quite ludicrous. First of all we are dealing with a civil complaint. What kind of agreement existed between Mrs. Garrett and Mr. Porter, and if they had a dispute, which apparently they had, should have been fought out in the civil courts. Why a justice of the peace would have accepted a criminal information on this I do not know, and then having done it, why the police would—

Mr. Lawlor: She did not pay the $2.

Mr. Singer: She did not pay the $2. Yes, I guess that was it. Why the police would have carted her off to jail, why there was such difficulty in finding a Crown attorney and why a justice of the peace would not have exercised some discretion and why they had to go all the way to Owen Sound, I do not know. I guess Ross McEvoy was sort of filling in for the whole of western Ontario that weekend. They raised him on the phone and he said, "Oh! $1,000 is a reasonable sum."

Why nobody bothered to apply these two tests that I have referred to several times I do not know. The whole thing is just ridiculous and it did happen and it was only through the involvement of these two members of Parliament that the lady did not have to spend the weekend in jail. It occurs to me that the Attorney General should pay a little more attention to some of the responsibilities that these justices of the peace have and these Crown attorneys have. That this kind of situation should take place in this province is really ludicrous.

Mr. Chairman: The member for Wentworth.

Mr. I. Deans (Wentworth): I just wanted to ask the Attorney General a quick question regarding the juvenile detention home, the temporary detention home in the city of Hamilton. The Minister will recall, I am sure, that I raised the question of the payment for the custodians. I want to know exactly how the home operates at this particular time. At that previous time a couple went in there and stayed for the entire weekend. The payment made to them was on the basis of, I believe, ten hours of normal pay. The remainder of the time that they stayed there during the 24-hour period was paid for at about ⅓ the regular rate, which meant they were receiving something in the order of 63 or 66 cents an hour. I want to ask the Attorney General—I know that some adjustment was made in that but I was not satisfied even at that time with the adjustment and how it was arrived at. How do you

rationalize that a person who is fully responsible for the operation of the place, regardless of whether they are for 48 hours continuously or whether they are there on eight-hour shifts on a rotating basis, should be paid anything less than the amount that is stipulated for the job that they are performing. In other words, if they are responsible for anything that goes wrong during the time that they are there, they should receive full pay for the job that they are performing. I wonder if the Minister would care to comment on what has happened in that case.

Hon. Mr. Wishart: Yes, I can comment on what has happened on that case as well as what has happened generally in the detention homes, of which, sir, there are quite a number. We had some discussion the other day and there are quite a number in the province. When we took over the administration of justice these, of course, were municipally owned and operated and we found all sorts of arrangements concerning staff and pay—no two alike—and some very strange—Hamilton perhaps being one. We made an adjustment, not a final adjustment as I understand it in the Hamilton case about which the hon. member inquires. We are trying to work out with the civil service some standardized approach and classification and rate of pay in all these homes. The situation is a little difficult and is taking a little time. We have to work with the civil service to classify and assess and evaluate the work done. In some of these homes the man and wife will be occupying the place as their home. Perhaps they will both be engaged doing part of the duties, sometimes on a part-time basis and they may be working during the day and at night performing some duty in the way of maintenance and so on. I can just say to the hon. member, we are trying to get the whole business together. It's a variegated situation which will take a little time and I think we are trying to reach, with the help of the civil service commission, a fair and proper situation in respect to all of them.

Mr. Deans: If I could, just very briefly? If it were to be decided, for example, that a certain sum of money would be paid for the services they would perform regardless of the number of hours involved, then it is one side of the coin, but when you are talking about paying someone on an hourly basis for the job that they are doing, it seems to me that the whole consideration of stand-by time—I think that is the name it is given anyway—does not apply. It would apply if, for example, I as a firefighter were on stand-by but were permitted to go home and stay with my family and live a normal life. But if I am required during the stand-by period to spend it in a place other than my home so that I am available at a moment's notice to perform a duty, it is no longer stand-by and this was the distinction I was trying to draw with the Attorney General some time ago and this is the distinction I draw now. If a person is required to be in a place other than his normal home, then he cannot be considered to be on stand-by even though the operation may be lighter during that period of time—or at one period of time than another.

The situation might be that two shifts might involve a twelve-hour period or these shifts of eight-hour periods, then you would have to pay a full hourly rate for every hour on the job. It was in this area that I was concerned. I would not like to see it go back to the way it turned out in that last case.

Hon. Mr. Wishart: It won't go back. I think if I recall this is a husband and wife case, isn't it?

Mr. Deans: Yes.

Hon. Mr. Wishart: I recall the name but I will not mention it here. As I say, we made a study. The hon. member raised a question and I think wrote me about the matter. We made an adjustment and I think a reasonably satisfactory one but it is not final, because we are looking at the whole situation, and every one of them in some respects appear to differ.

Mr. Lawlor: We cannot pass over the vote as far as I am concerned, without a word or two about legal aid. I think there is no necessity to go into any length on the matter at all. I have two reasons for not going into any depth. When we went over the revisions in The Legal Aid Act together in committee last spring, I think the Attorney General elicited a promise from that if I made a fairly lengthy and investigative type of statement at that time and got the replies there would be no necessity in the estimates. I shall abide by that understanding between us at this time. Secondly, of course, it is an act of pure self-laceration. I want that understood. I mean, the self-sacrifice is all here. It is just something this House has never witnessed before on the part of a member. I mean, I bleed, because here is a whole area in which millions of dollars have been spent and I suppose we might go in it, but again, as I say, I think this year we have given it a fairly good scouting and threshed it out.

Now, what we have done, I think, should be brought to the attention of the House, on the part of the committee. We cut down on excessive remands, that is one of the things. The lawyers were abusing the system by getting their cases remanded and sending in their bills. But they have only one remand unless it is the other side that is at fault demanding them. We have covered it in that way.

We have placed severe limitation, although it is not spelled out either in the Act or the regulations, I believe, in so many words, of 70 cases that any one lawyer can take. It is going to be interesting to see how that works because some lawyers are quite competent to handle a good many more, some a good many less. But there were some who were bearing an enormous load and bearing it competently and not neglecting their clientele in handling cases. They were just good lawyers who could take a lot of work on and handle these cases and you could handle at least 25 or 30 cases a week, I should think, in the provincial courts under summary convictions without too much trouble.

But let us see how the work load is spread. I hope in the light of that fact that there are not people sitting in the jails waiting the appointing of legal counsel. This crops up all the time. I do not think we have it very clear. It is fuzzy information that we get as to prisoners simply not being able forthwith to get legal aid lawyers to attend upon their case. And I would think in the next few months I shall try and document that. I believe it is taking place and that people do sit for a couple of weeks, three weeks, waiting for a lawyer to show up. But we shall see. I have heard of it, other lawyers have told me this is the case, but I will not push it at the moment.

The question I am going to be asking the Attorney General is how these reforms that have been brought in are working in terms as far as can be determined of hard savings in cash, because the next reform was fairly crucial. That had to do with the affidavits that may be taken by the people who are doing the investigations under legal aid and who may take an affidavit from the individual that these are his assets. I think the people were misrepresenting their position previously. And it goes beyond that. The discretion of the officer involved can take account of the condition of the near relatives and maybe even further afield than that, but at least of the wife or of a brother who happens to be well off. The officer may also take account of what his general circumstances are and who he may turn to or would have turned to had legal aid never been brought into being. If there is this element, then there would be a cutback or he would be simply told he was not eligible for legal aid.

The other matter is one that you are very strict about now. If a matter is regarded as a summary conviction offence, then imprisonment or incarceration is not thought to flow necessarily from it. In the first instance he is not entitled to legal aid and my understanding is you are cutting back severely there. Whereas previously there was a bit of give and take as to who would get represented and whether they would be subject to a jail term or not. Now this is no longer the case.

Finally, in reference to section 66 of the regulations, we are requiring that a solicitor who is interviewing a client and who has a certificate to represent that client but who in the course of an interview comes to the conclusion that this client is really not entitled to legal aid by finding out some facts as to his financial position which apparently were not known to the referring officer, then he may and should and is obliged to inform the legal aid director that this man really is not eligible and ought not to be given free legal aid.

It bothers me, you know, because of the privileged communication aspect between solicitor and client. And while you may say that this is external to that relationship, once a lawyer starts speaking with a client I would think that there is not too much that is really external to that relationship. You cannot tell what bearing some comment a man might make might have upon either your conduct of the case or the presentation of evidence that may arise in the course of a trial. No doubt, I want your assurance that this has been thoroughly thought out, and that that particular regulation will not infringe on the privilege between a solicitor and his client.

With that, as I say, and as an act of self-inflicted wounds, I sit down.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. Lawlor: Does the Minister care to reply to that?

Hon. Mr. Wishart: I might make a few remarks, Mr. Chairman, to demonstrate the effect of our controls and our watching the programme of legal aid and how effective it has been. I think perhaps a few figures, which I might give, would be helpful. In the fiscal year 1968-69 we budgeted for $6.7 million.

We did have to go back in that year for an additional amount from the Treasury Board of $332,000. We had not had too much experience when we budgeted that amount, but I think that is a fair commentary on the fact that we had to go back for that amount only out of a budget of $6.7 million.

I think the figures I could offer from the detail I have before me in connection with legal aid is the average cost per case. We have the whole business of legal aid tabulated with the cost of the cases and they are classified as to the type of case and I can give you the average cost per case. I think these are very interesting.

Armed robbery, theft, break and enter, and possession of stolen goods are classed together. The average cost, the fee and disbursements for that type of case under legal aid, was $300.51. The impaired driving, $154.07. That is the average cost of those cases under legal aid. Other motor vehicle offences, $100.93. Narcotic cases, under legal aid, $243.90. The assault cases averaged $156.14. Cases of fraud or false pretenses were $172.33—that is fees and disbursements.

Mr. Lawlor: Fraud runs high.

Hon. Mr. Wishart: Fraud. Well, to defend a fraud case, and have it defended under our public supported plan of legal aid, a publicly financed plan, it is mainly by the public, is $172. I think it is not a bad figure at all. Homicide, that would be murder, capital offences or non-capital, costs $1,382.39. A divorce—and now we come to the civil side—divorce cases were handled at an average cost of $400.71, and any lawyer, I think, will, or any member of the House will say that that was not a bad figure at all. It is less by at least a fifth I think—

Mr. E. R. Good (Waterloo North): Uncontested?

Mr. Sopha: Is that uncontested?

Hon. Mr. Wishart: That includes contested and uncontested. Even the uncontested ones —I think, most lawyers charge more than that, just for fees. For other domestic matters of all kinds, the average was $57.29. Motor vehicle negligence actions, civil actions, motor vehicle negligence—the average fees and disbursements $224.52. Consolidation orders and things of that nature cost $63.47 and all other types of cases, which were not under those headings I read, averaged $117.71. And then an interesting item, Mr. Chairman, where advice was sought by persons with respect to their problems as to whether they had a court case, and for advice in all sorts of matters; the average charge was $35.16 for advice. So I think legal aid is working very well. There is the occasional individual who abuses it, but I think we are able to catch up with abusers very well. I have a great deal of detail on the legal aid plan and the hon. member raises a question about the maximum number of cases which a lawyer may take being 70. That is not a hard and fast rule. It is a sort of signal for enquiry to make sure that the —well, as the hon. member said—some lawyers could handle more than that and handle them well, but when you see the number creeping up to that point or beyond that point, it triggers some inspection to see just what is going on and perhaps it is all right. In the statistics I have, we find lawyers handling 35 cases, 41 in the course of a year, 49, 28, 23, 55 then when you come to one with 178.

Then you begin to look and see what his average cost is, and you begin to examine that very thoroughly. This is why these statistics are obtained, and when you find 105 cases, you likewise check. That is why some abuses then come to light in some of those cases and we then thought it wise to put a limit, so that when they pass that or reach that, you can examine the situation to see if it is in order.

May I just deal with the other point? I think we debated this quite thoroughly in the House at the time. The amendment—the regulation—was proposed to put a duty on the lawyer acting under legal aid, that if he found that a client had come to him, and had obtained a certificate entitling him to legal aid, and then in the course of the case, it became apparent to the lawyer that he had misled or not told the truth or not revealed facts which he should have concerning his financial condition—now this has nothing to do with the case he is being defended for, or the case that is being carried for him by the counsel—we felt there was a duty on counsel, since public money is paying his way, simply as a matter of duty in any event, since it is not a matter of solicitor and client within the case, not a part of the case that there should be a duty on counsel to say to his client: "Now look here, from what you have told me it is quite apparent you should not be having me at public expense as your lawyer, certainly not altogether. You should be paying some part of this and it is my duty"—we put it in the Act—so then he is in a

position to say to that client: "I am required by law to inform and state the true facts." We should do something about it, and I think it is a good provision. I would defend it.

Mr. Lawlor: Is the cost per case—there are other jurisdictions, as in Britain, in which this is operating. Have you got any comparative figures as to what the cost in any other jurisdictions are for the handling of individual cases?

Hon. Mr. Wishart: We have looked at them, but really they are—at the moment they just do not compare. There is no way of comparing them. Their billing basis is so different. Their procedures of their—their administration of their legal aid are so variable and so varied from ours that it is impossible at the moment, at least, to make a reasonable comparison. Perhaps as we get on with our plan, and we get some more information, I may be able to compare some areas, but I have not anything to answer the hon. member on that at the moment.

Mr. Lawlor: Just one point occurs to me that I wanted to mention to the Attorney General about the operation of legal aid in general. It has come to my attention that, well let us put it this way—if you look back at a report at the inception of legal aid, three or four years ago, when it was being talked about—called milestones to legal aid—then I remember, I think it was Linden, saying that "with the coming of legal aid, you would get the formation, the coalescence, and the beginning of a criminal Bar with young people coming in" and this would give an enormous impetus because it was felt that somehow the criminal Bar as distinguished from the civil Bar was languishing, that there were just a handful of individuals who took an interest in criminal matters. Now some of them are very distinguished individuals and some of them very slovenly individuals. You take your choice in this business as the criminal lawyers appeared on the scene. They tell me that legal aid has—and I would like to hear what the Attorney General thinks about that—worked in the opposite direction. One of its defects, or one of the bad things that have flowed from it, is that instead of having a distinguished concrescence of a criminal Bar, you have got the dissolving of whatever criminal Bar we previously had, and that the criminal lawyers are now out of pocket and are looking for other kinds of work to do as in the municipal field, and so on. The reason for it, apparently, is that with 1,100 young fellows in the city all interested in practicing some aspect of criminal law, mixing it up with the civil work, that you tend to spread it out in a way that you do not get that degree of concentration, that degree of brilliance, that degree of accumulated experience at the criminal Bar which goes along with highly talented criminal practitioners, and that you get fair representation but you do not get brilliant representation. You do not get those outstanding men at the Bar, the criminal Bar, whom we have had in the past years, nor are you likely to get them. This is a kind of a secondary side effect of the development of legal aid that had not been anticipated. Would the Attorney General care to comment?

Hon. Mr. Wishart: Yes, Mr. Chairman. Professor Linden I am afraid was wrong. What he hoped for, and what would have been a good result which he prognosticated, did not come about. It is true that the criminal work has proliferated out and been spread out among the Bar generally. I do not think it has decreased or deteriorated the quality of the outstanding criminal lawyers, and I do think that perhaps out of this experience will come certainly some stars of tomorrow in the criminal Bar. I think morally it would be a greater number than we have today who will make a name for themselves because they are getting experience, but generally it just has not come about the way that Professor Linden thought it might. It developed a very outstanding group of criminal lawyers, but we have only had this going now within our third year. I think you will see that as time goes on, many more persons perhaps will be specializing or concentrating on criminal work because they will have gained experience which they perhaps quite certainly otherwise would not have gotten to the same extent that they get it under the legal aid plan. Look at the average number of cases that these young chaps particularly are handling. They are getting a very broad experience, and I think this is all for the good even though we do not develop—and I do not think perhaps we would want just six or a dozen very outstanding criminal counsels. I think it is better to have a good, well trained, well experienced number of lawyers in the criminal field, but I have no doubt that out of that experience will come a very substantial number of outstanding men.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I was going to ask of the Minister how we are progressing with the elimination or the wiping out of old records of an individual who may have a criminal record of

long standing. Before I actually ask the Minister to reply to that, I would like to point out that the select committee on youth did make a recommendation concerning this, and I hope that there is some type of action both on the provincial and federal levels. While I am on my feet, I would like to give an example as to what the state of Michigan is doing on this. I think it is worthy of note. I will read the question that the individual asked of the newspaper, and then the comment as to how he can have his record eliminated. Question: "Seven years ago when I was a punk freshman at the University of Michigan, I got caught stealing—pulling a prank. I was convicted of simple larceny for stealing a street sign we were going to put up in a dorm. The arrest has caused me some grief and I think cost me a possible job. Is there any way to get this off my record?"

Answer: "It is possible under a 1965 Michigan state low that anyone convicted of a crime as a minor under 21, except for those receiving life sentences may petition the court after five years to have the conviction set aside. Based on circumstances and what you have done in those five years, the judge decides if the record should be erased. You need a lawyer to file the petition. Now if the judge decrees to clear you, police and fingerprint records will be turned over to you."

Is there any consideration given to this, Mr. Minister?

Hon. Mr. Wishart: Yes. Ottawa in particular is resting on this matter and studying this matter. I am sure the hon. member is aware there has been commentary in our newspapers and in our law journals and in our discussions at Ottawa about this. I would point out to him that in the United States under their constitution the state has criminal law in its hands and can make a law such as Michigan passed in 1965.

We cannot do that in Ontario because the Criminal law is federal. We can only endeavour to express a view to Ottawa and I have not made any conclusion nor have I expressed a view to Ottawa on this. I think perhaps with respect to juvenile offenders and with very minor offences, there may be a good argument why they should not bear that black mark; but when you consider a more serious offence—say fraud, or assault with violence—I wonder how the hon. member would feel if he were an employer and someone came to him for a job in his office handling funds when five years previously he had been convicted for theft. If the record is wiped clear I suppose that the person would have no difficulty getting bond. But should the bonding company and the employer know or should you completely wipe out all evidence of a weakness of character or at least of a previous offence which must have resulted from either stress or circumstances or a weakness which gave way to stress.

I do not know whether this is altogether wise. At any rate, it is a matter which Ottawa is considering. It is a matter on which we will make some representation, but I do not know that I am in a position today to express a final answer to that problem.

Mr. B. Newman: If I simply could make a short answer to the Minister's comments, Mr. Chairman. The Minister was making a case for specific individuals for which you probably would be in doubt as to whether you should wipe out his record. By the same token, there are a lot of other individuals for which you could show the other side of the coin. I think we should maybe think a little more seriously of those whose record you could expunge at the present moment or within a reasonable period of time. There is no reason why someone should carry for 20 years or for the rest of his life some minor indiscretion that was committed at a period of time when he really did not know better and maybe could not have known better.

Hon. Mr. Wishart: In the case of an assault that was not aggravated assault that might very well be. The problem is where do you draw the line. I mean, somewhere you must decide that if you are going to do this you must decide what offences are of the nature that can be forgotten and the record expunged and what are serious enough that the person must bear the record of them through life or for at least a long period of time.

Mr. D. M. De Monte (Dovercourt): If I could just point out to the hon. Minister, I had a client who went down to a farmer's property and took a Christmas tree in 1941. I think the value of the Christmas tree at that time was something like 35 cents. He still has the record today, Mr. Chairman, and I suggest this is the type of record that we should expunge as fast as we can. He has never committed another offence since then, Mr. Chairman.

Mr. Chairman: The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, I would like to ask a few short questions regarding the matter

of legal aid. In December of last year I asked the Minister whether he agreed with Crown Attorney Dolphin that legal aid was being abused and at that time the hon. Attorney General said no. If the Crown attorney did say that, the Minister said he did not agree with it. Consequently there must have been a change of mind on the part of the Attorney General because last spring Bill 124, an Act to amend The Legal Aid Act of 1966, was brought in and as the legal bills committee we dealt with it.

My understanding was that the purpose of this bill was to tighten up The Legal Aid Act which has been done. Last May I asked a question regarding investigation into abuses by certain lawyers of legal aid and why these investigations were being held *in camera.* I was given, of course, the answer that the cloak of professional privilege of lawyers enables them to be heard through the Law Society and if criminal charges materialized, such charges would be made public and would be held in the open. Now I have two questions. The first: how many lawyers have been investigated for alleged abuses under legal aid and have any criminal charges been laid because of this?

Hon. Mr. Wishart: I cannot be completely exact as to the number of lawyers. I think it is 12 who have been investigated and brought before the Law Society and the discipline committee and disciplined. No criminal charges have been laid.

Mr. Good: The 12 investigators have all been disciplined?

Hon. Mr. Wishart: Correct. I could check and get the hon. member the exact figures.

Mr. Good: My understanding as a layman is: in no way are these disciplinary measures ever made in public?

Hon. Mr. Wishart: Yes, they are.

Mr. Good: When and by whom?

Hon. Mr. Wishart: The decision is made public and published in the *Ontario Weekly Notes* which is a law journal but which is a public document. I have seen the copies repeated in the newspapers. They read the notices which appear there. I cannot recall the exact details of some of those now, but I remember a lawyer being disciplined and being required to pay back a very substantial sum of money, I think it was $2,300.

Mr. Good: But no criminal charges?

Hon. Mr. Wishart: No, no. We did not feel it was a criminal offence that we could succeed in convicting on.

Mr. E. W. Martel (Sudbury East): Why not? Is that not theft?

Hon. Mr. Wishart: No, it was not theft.

Vote 206 agreed to.

On vote 207:

Mr. Chairman: Probation Services.

Mr. S. Lewis (Scarborough West): I have a couple of questions of the Minister, following up our conversation the other evening about juvenile and family courts. I would like to ask him first how he arrives at the case load for probation workers in juvenile courts? Let us take Metropolitan Toronto as an example rather than all of Ontario. Secondly, has there been any increase in the number of probation officers at juvenile and family courts, and if not, why not, since I gather the number of cases is increasing?

Hon. Mr. Wishart: I have the case load for all the probation officers of the province and the hon. member asks how do we arrive at it. By using the approach of the Canadian Welfare Council and making five units equivalent to one report. Then, using that approach, we determine the case load of all our probation people across the province. That is the way we arrive at it. The hon. member who asked, did we have any increases in probation officers. We have not. We have tried, however, to get a more efficient organization of our work and one of the things that relieved us of some of the work was that we used to do work for the federal parole board, on a voluntary basis. We found that, without additional persons, we could not carry on that work so we have had to give that up. It is not really a responsibility which was ours and had we been able to carry it on or had the federal government paid us sufficiently to secure more people, we could have done so, but we have not been able to work out that arrangement yet, so that work, which I thought was worthwhile, but which we could not find within our abilities to do with our staff, we had to abandon.

Mr. Chairman: On vote 207?

Mr. Lewis: Am I to understand then, that the Attorney General is saying, that having been relieved of the federal parole work, your probation officers at the juvenile and family court level are by and large managing?

Hon. Mr. Wishart: Yes, they are managing, but I must be frank, I would like to see them with less of a work load, less of a case load to carry, and I hope we will manage this before I get into these estimates again.

I have to admit that in the circumstances within which we are working, we have adjusted our work, we are getting, I think, a very excellent effort from them all. We are managing, but I would like to see them less burdened, because I think perhaps we could achieve considerably better results than we are now.

Mr. Lewis: Right: Again, the Minister is a very forthcoming Minister. I think we would all agree that you could manage rather better than you are at the moment. I would like to go back to your own report which I think is instructive in this regard. Your own report for 1967-1968 indicates that the Probation Officers Association of Ontario thinks that a figure of 60 units is the maximum which could be effectively carried. That is on page 3 of the appendix of your report, 60 units.

I ask the Attorney General to look, with me, at table 5 of your average work load per month of provincial probation officers in the same report for the year 1968. Unless I am wrong, only two of all the jurisdictions are named, and there must be 50 of them. Let me put it another way: 95 per cent of the jurisdictions with probation offices in the province of Ontario are significantly over the case-load which your own association regards as effective. I suggest that that is not just a matter of not managing, that is a matter, if I may put it to you in fairly tough language, of crippling your preventive services in the field of probation. And it is beyond me why this should be the case.

I note that Algoma has a work load of 90, Brant 96, Bruce 112, Cochrane 94, Grey 90, Hastings 111, Kent 116, Lambton 87, Lanark 80, Leeds and Grenville 88—you see them as well as I do—Manitoulin 89, Northumberland and Durham 101, Oxford 105, right on down through, all the significant areas of the province to Metropolitan Toronto juvenile and family courts which had a case load, or a work load of 86.

Mr. Chairman, when we talked at the end of last week about the undermining of the juvenile court system—without being facile about it—one of the dimensions which I was not able to allude to at the time, but which I would have liked to, was this probation aspect. That which makes the court procedure even more unbearable than it often is for juveniles and families, is the absence of any significant probation work. I should say, any significantly useful probation work, because, obviously, if you are so severely crippled by the inordinately large monthly work load, then you cannot get from your people what you require.

Of course, there is a difference between monthly work loads and standard case loads. I find this arithmetic juggling a wonder to behold, but perhaps while you are explaining to me, on the one hand, why 95 per cent of your probation service in Ontario is severely overtaxed, critically overtaxed, you could explain to me on the other hand, how you arrive at the figures in Table 1, which says that the case load is 24 in Metro Toronto court, whereas the work load is at a unit value of 86.

Hon. Mr. Wishart: First of all, while it is true that the probation officers would like to see 60 units set forth as their ideal work loads, I do not think that because they exceed that, that they are overworked. I am quite satisfied that it is not the number of cases, as shown in the report which I have before me and which the hon. member read, it is not the number of cases that are lessening our services giving probation, or the effectiveness of it; it is the methods that we are using, and we have been improving those, and there is room for considerable improvement, yet we spend a lot of time getting information which, quite often I have discovered, is of little use to anyone dealing with the person to whom the information relates.

If you look at the figures, it is significant that in quite a number of the cases, in quite a number of the districts the number of cases are down from last year, some of them have increased, but not significantly so, quite a number are less. While 60 units might be an ideal, I do not think it is by any means a figure that cannot be carried with ease, and I would think it could be much higher; true, in practically all of our areas the case load is much higher than that, but I do not think we should take 60 units and say that it is, because it exceeds that. To say that the probation officer is not capable of doing a considerably greater amount of work, is not entirely accurate. It is the method that we have been using which we are trying to improve, and I think we are making considerable headway in that direction.

Mr. Lewis: I am making a note of this as the Attorney General knows, because I have an objective to reach, albeit by a circuitous route. Can the Attorney General then, explain

to me how he arrives at 24 cases for the Metropolitan Toronto juvenile and family court, as the case load?

Hon. Mr. Wishart: I am not sure of that figure.

Mr. Lewis: That figure appears in Table 1.

Hon. Mr. Wishart: The other figures that the hon. member read I had, but let me see if I can get with him on that. I see 24, 1967-1968.

Mr. Lewis: Right.

Hon. Mr. Wishart: I think I see the problem now. The figures I have for Metro Toronto are 67 and 69.

Mr. Lewis: That is on the basis of units I think, the average month and workload per office, sir. I am talking about cases.

Hon. Mr. Wishart: Right. Then the cases are 49 and 50.

Mr. Lewis: No, that is for Metropolitan Toronto. I am talking about juvenile and family court as distinct from—

Hon. Mr. Wishart: Ah yes, 24 cases, and the unit figure is—I do not know whether the hon. member has the information I have.

Mr. Lewis: I do.

Hon. Mr. Wishart: But the 24 is in the clause emulating to statutory under the Criminal Code and revised statutes of Ontario and The Juvenile Delinquency Act. Then there is supervision under The Deserted Wives' and Children's Maintenance Act, The Child Welfare Act, and for the National Parole Board—my page unfortunately—

Mr. Lewis: Your pages are dim?

Hon. Mr. Wishart: Well it is not dim. Somebody has trimmed it so closely that I cannot make out the figure, and it is dim, but anyway, let me go on. I will get the figures.

Then there is the next column. investigations, pre-sentence reports, social histories, pre-release reports, and so on, and then the non-statutory matters, family counselling, preventive occurrence and counselling, so taken altogether, it builds up to the figures of 67 for 1967 and 69 for 1968. All those figure taken into account.

Mr. Lewis: Well I have a slightly different interpretation which I want to commend to the Minister. But first I would like to ask him if he does not view it as a sort of accelerating crisis in the province of Ontario, this lack of probation officers at the juvenile and family court level and what is happening in terms of case-loads?

Hon. Mr. Wishart: No, Mr. Chairman, I have to answer no. We did not ask for additional numbers in the probation services in these estimates. We felt that we could improve our methods and by dropping the work for the national parole board, we can carry the work before us and do it quite adequately and quite well. If that experience does not prove right we will be looking for more probation officers.

Mr. Lewis: Then I think it is time that I made a couple of remarks, Mr. Chairman, because the Minister may be surprised to find that we differ.

I think that the Minister is unduly and surprisingly sanguine about a very serious situation in the province of Ontario, and I am frankly astounded. His own report does not treat with such apparent frivolity—well frivolity is not the word—with such apparent ease the question of how many units a probation officer can absorb.

Hon. Mr. Wishart: That is not my own report—let me correct the hon. member to begin with—that is a report produced by the probation officers.

Mr. Lewis: Right, under your department.

Hon. Mr. Wishart: Oh yes, as I indicate, they set forth a figure of 60 which would be a beautiful ideal for them to achieve perhaps.

Mr. Lewis: I see. They set forward the figure of 60, the Probation Officers Association of Ontario. The report of the departmental committee on probation service in England and Scotland sets forth the figure of 50. Standards and guides for adult probation of the national council on crime and delinquency sets forth the figure of 50. I suppose these people are also utopian dreamers, all of those that are invoked by your own service to give a basis on which to work.

Hon. Mr. Wishart: I did not say that.

Mr. Lewis: Well I think the Minister is overly defensive. The Minister knows that the preventive services on the part of this government and on the part of his Cabinet colleagues are being so severely confined that you are systematically destroying one social

service after another. It is not only the members of the Legislature who feel that way, or the children's aid society, or the probation officers, or the juvenile and family court judges. It is the entire spectrum of informed social welfare opinion who think that for some reason this Cabinet has declared war on preventive services of all kinds in the province of Ontario. When you came to axe your budget you axed it most critically in this field and nowhere more critically than in the case of probation services. Mr. Chairman, may I point out—

Hon. Mr. Wishart: We did not axe the budget in this.

Mr. Lewis: You maintained a level. Let us take the Metropolitan Toronto juvenile and family court. Of 37 probation workers in family and juvenile courts—19 in one and 18 in another, or some such ratio—no increase at all despite the fact that they were shouldering work loads which are absolutely insufferable in terms of providing appropriate services.

I want to suggest to you—not that your department or branch has diddled the figures—but that there are some pretty glaring discrepancies in the figures. There happened to fall into my hands a document from the Ontario provincial probation services dealing with the April to June, 1969, statistics, where the case-load suddenly jumps from 24 per worker to 50 per worker. That is not the number of units—that probably means the number of units is over 100. But the case load jumps for that three month period and it indicates that something was very peculiar about the argument that it was only 24 through 1967 and 1968. It does not just jump to 50 in three months of 1969, but it is curious—

Hon. Mr. Wishart: How did they work out that figure I wonder?

Mr. Lewis: The figure is easily worked out by dividing the average number of probation cases at the month's end by the number of probation officers, and you get 50. It is something that your people happily avoided doing in all the other reports.

Mr. Chairman, you will know why they asked to do it. They asked to do it because the juvenile court judges in this province think that there is a crisis emerging. And when the Attorney General says that there is not an accelerating crisis I am surprised that he would contradict those who are most authoritative in the field. I read from, and I commend it to the Minister, the report of the probation and welfare committee of the Association of Juvenile and Family Court Judges of Ontario. It was submitted to their annual conference Friday and Saturday, October 3 and October 4, of this month. And what do your judges in the province of Ontario have to say?

Hon. Mr. Wishart: I would just like to interject here, if I might, if the hon. member will allow me. Juvenile and family court judges would certainly like to see more probation officers. One of the things we take exception to is the use of our probation officers in transporting people to places of detention, back and forth.

Mr. Singer: Can you not control that?

Hon. Mr. Wishart: I do not think that is a function they should be carrying on.

Mr. Singer: Can you not control that?

Hon. Mr. Wishart: Well we have cut that out.

Mr. Singer: Well you are the boss.

Hon. Mr. Wishart: We have stopped it, that is why I say—

Mr. Singer: But why do you stand here and object?

Hon. Mr. Wishart: Object?

Mr. Singer: Yes.

Hon. Mr. Wishart: I am just telling the hon. member that they would like to see more because that is what they want. They would like to see that service resumed. That is one of the things they want probation officers to do which I do not think they should be doing at all. And I just—

Mr. Lewis: With great respect—

Hon. Mr. Wishart: I would just point out to the hon. member, we have 257 probation officers now—in 1967 we had 238—and then in addition to that we have senior probation officers who are supervisors in probation, numbering 27. So we have a total of 284 persons in this province. I do not think there is any other jurisdiction that approaches us. And I do not think the public feel that we are neglecting this area.

Mr. Singer: The public does not know.

Mr. Lewis: Mr. Chairman, that is true—this is rather extended, I will get into it. The

public probably does not know, and I for one would view it as an abject situation that such a number should be prepared to handle the case as well.

This is a report which was drawn up for internal circulation among juvenile and family court judges by four judges. The Minister will know all: Judge A. Falzetta, who is chairman of this committee, Judge J. E. van Duzer, Judge E. W. Kendrick and Judge H. J. Slater. Under section 3, paragraph 4, they say the "attached statistics show quite clearly that even without natural increase in workload, many officers of the probation services are already critically understaffed for the proper discharge of their responsibilities.

"4. There is no way to avoid this increasing weight of duty upon the probation services in the critical regions without serious inequities in the disposition of cases or without serious impairment of efficiency." I want to talk after the dinner hour about the serious inequities in the disposition of cases.

Under the heading "The Gathering Crisis" —I ask the Minister to note the phrase used by his judges, "The Gathering Crisis"—they say that, "this committee seriously draws attention to the inadequacies which already exist in the probation service through no fault of present personnel, but as a result of restrictions in recruitment and parsimony beyond a reasonable level." The caseloads referred to are revealing to say the least, and clearly indicate a situation in need of immediate relief.

They add, "we repeat, most solemnly that the crisis point of the probation services of Ontario is here now, and if it is ignored or inadequately recognized, a large measure of the effectiveness of the Ontario system of justice will suffer.

"We are alarmed."

That is pretty strong stuff, Mr. Chairman, from an internal committee of judges. They are right to be alarmed, of course, because the recent amendments to the Criminal Code of Canada will add a tremendous workload to the already existing situation for the probation officers and there is absolutely no relief in sight because of the unconscionable cutback in preventive services which this government has undertaken. To demonstrate financially—economically—if no other way, Mr. Chairman, how unconscionable that is, I want to draw some direct parallels, albeit after the dinner hour, sir.

It being 6.00 o'clock, the House took recess.

No. 195

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, October 27, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, OCTOBER 27, 1969

The House resumed at 8.30 o'clock, p.m.

ESTIMATES, DEPARTMENT OF ATTORNEY GENERAL AND MINISTER OF JUSTICE
(continued)

On vote 207:

Mr. S. Lewis (Scarborough West): Does the hon. Minister (Mr. Wishart) want the floor? My political ardour has cooled over the dinner hour, albeit I did not attend the rambunctious ceremonial honouring the sportsmen. I, unfortunately, had other things to do.

Interjections by hon. members.

Mr. Lewis: I have a certain clairvoyance when it comes to dinners, Mr. Chairman, and I am rather pleased I spent mine as I did.

Mr. Chairman: Shall we proceed with the estimates?

Mr. Lewis: Right, vote 207. You will agree I have been nothing if not relevant. Mr. Chairman, you may recall, somewhat faintly, because of your habit of total retention, that at 5.50 or 5.55 p.m. I was discussing the matter of probation officers and the singular crisis which faces the province of Ontario. I was quoting at the time from the report of the probation and welfare committee of the juvenile and family court judges.

In the body of that report, just to pull the discussion together, to refocus on things, it is pointed out that Mr. Coughlan, the Director of Probation Services, informed his committee at the end of May and the end of July in 1969, as recorded in the minutes of a meeting.

> He will not get increased staff for some years as many of his officers are carrying case loads of 80 to 120 including counselling, etc.

He also said that transportation to training school had taken up in 1968, 1,500 man-days, or the equivalent of seven full-time officers. He referred to "other reductions that are being made in the probation budget".

Now, Mr. Chairman, I do not know how much more one can have in one's political arsenal to make a case. The Director of Probation Services in the province decries in a minute with the juvenile and family court judges that his counsellors have 80 to 120 cases, including counselling, that there are serious cuts being made in his budget.

He indicates the amount of the time that is being spent on travelling, something which I may say, in light of the former interjection from Downsview, some judges themselves decry. The Minister would be wrong to suggest that the judges were pleased with the situation, they are not.

And then, Mr. Chairman, you add to that the quite remarkable language of normally restrained judges—hardly the dispassion and lack of partisanship that they bring to the courtroom.

They talk about the gathering crisis; they talk about the alarm; they talk about parsimony beyond a reasonable level; they make reference with solemnity, that the crisis point has been reached and a large measure of the effectiveness of the Ontario system of justice will suffer.

It seems to me, Mr. Chairman, that the case is made. In this branch of the department we are witnessing a contingency of great moment. Some desperate remedy must be found for a desperate situation.

I come to yet another aspect I want to suggest, Mr. Chairman, and that is that the Minister will recall that at one point the judges said, "Unless there are more probation officers, there will be serious inequities in the disposition of cases".

Now, what does that mean?

I want to make a very carefully framed kind of allegation or charge, and I want to watch my words carefully, but I am absolutely certain it is valid.

I am certain, Mr. Chairman, as I stand here, that in a large number of juvenile courts in the province of Ontario, young people under the age of 16 are being sent to training school because of a lack of probation support.

There is absolutely no doubt in my mind that in the juvenile court in Toronto, for instance, a number of youngsters every year get shunted off to the training schools system

because there simply are not the probation officers to contain them in external society.

I can think of nothing more perverse, self-defeating, or destructive of individuals, than that sort of situation.

I talked enough to certain of the judges to feel that this is valid, and if the Minister challenges it then I would put a challenge to him. I would say let us sit down together and examine the transcripts of one of the juvenile courts over the last two or three months and he will see that where juveniles are coming before the juvenile court on a repetitive charge of some kind or another.

At the end of the hearing the probation officer will say to the judge: "Your Honour, we are sorry, my case load is just too excessive, I have not been able to handle it". Or, "Your Honour, I am sorry, perhaps this lad will have to go to training school, I cannot contain him in the outside community".

To have allowed your preventive services to have descended to such a level is to destroy the preventive fabric in correctional services. I do not see how that can be tolerated, Mr. Chairman. I do not even know how it can be tolerated in economic terms.

Suppose for the sake of argument—and I do not think I use figures which are unrealistic—I would assert that in the juvenile and family court of Metropolitan Toronto, at least one child a month is being shunted into training school for lack of probation service.

Now, the Minister of Correctional Services (Mr. Grossman) sits beside his colleague; if I took an average of $20 per diem for one of the better training schools, I think that would be a legitimate average. If you take $20 per diem—for one child a month in the province of Ontario over a one-year period, you are running up a cost of almost $87,000 a year to the taxpayers.

Now, you know, Mr. Chairman, if you were to appoint three or four probation officers to provide the kind of counselling support and relief which is required, you would not only salvage the individuals we are discussing, you would save a considerable amount of public money. You would not enter into this incredibly self-defeating business of always marshalling support at the critical stage when things are irretrievable, rather than doing it early on in a civilized society when it is still possible to maintain people in the community.

Let me try to summarize, Mr. Chairman, in brief, what this is all about: First, in the context of all available information, the caseloads, however they are tabulated—whether by cases per month or man-hours per month—are absolutely unconscionable for the probation officers in the province of Ontario.

Second, that the Minister's own figures for the years 1968 and 1969 show an almost meteoric rise in the number of cases which probation officers have to handle. It can lead to a disaster in this area.

Third, that the juvenile court judges themselves, in an unprecedented internal report, indicate that the crisis is upon them; the 11th hour is past and there does not seem an immediate way of retrieving it.

Fourth, that the director of the probation branch sees no relief coming from the Minister at all. Fifth, that it is costing the taxpayer absurd amounts of money to look after the youngsters, all of them under the age of 16, in a training school environment because there has not been the probation support for them. And because that is happening, that aspect of it is absolutely unforgiveable in human terms, quite apart from any other dimension.

Finally, Mr. Chairman, we have here, once again, an effort on the part of this government to dismantle that whole fabric of preventive services in this society for juveniles and families. What mental attitude drives you in this direction I will never understand. How you feel that this serves austerity in the long run, I will never comprehend. But the Attorney General albeit an intensely involved and committed Minister, is very much failing in this aspect of his department.

We say to him through you, Mr. Chairman, that the crunch is evident. If he is to retrieve it, he must do something dramatic and he must do it in the next fiscal year. It may well mean an arbitrary doubling of the number of probation officers in the province of Ontario as well as a dismantling of the juvenile court and training school system. This is how one rehabilitates correctional services for juveniles in the province.

Mr. V. M. Singer (Downsview): Mr. Chairman—unless the Attorney General wants to reply to the member for Scarborough West?

Hon. A. A. Wishart (Minister of Justice): I might do that now, Mr. Chairman. I expected that the hon. member for Scarborough West would berate me and tell me I am shirking my responsibility and failing. He has indicated something to this effect before. But as I have listened to him, I find that some of the things he seems so greatly concerned about do not seem to have so greatly concerned some of the persons who presented the

information to him that they would bring it to the attention of the Attorney General.

It seems rather strange to me that the association of juvenile and family court judges would, of their committee, prepare a report in which they use such terms as the hon. member used and which I noted: "the gathering crisis", "parsimony beyond reasonable level," "crisis point of probation services" in Ontario has been reached," "we are alarmed."

Mr. Singer: Try taking some of his better phrases.

Hon. Mr. Wishart: "We are alarmed".

Mr. Lewis: The Attorney General did not see this report?

Hon. Mr. Wishart: I was just about to tell the hon. member, that with all this concern and all this alarm, and all this study, not one judge, not one juvenile and family court judge, has ever said anything like this to me, not one delegation.

Mr. Singer: They are afraid of you.

Hon. Mr. Wishart: Not one delegation of these judges has ever attended upon me on this matter. Not one letter has any of these judges ever written to the Attorney General about this "gathering crisis".

Mr. Singer: Did the Attorney General get the report?

Hon. Mr. Wishart: And not one judge presented the report.

Interjections by hon. members.

Hon. Mr. Wishart: They did not present the report to me or to anyone in my department.

Mr. Lewis: Well, on a point of order, I suggest the Attorney General be cautious about the latter.

Hon. Mr. Wishart: Well, to my assistant deputy then, who has it in hand. Neither to my assistant deputy minister, who has this matter in his hand, or to the Minister. Now, it may have got to somebody—

Mr. E. W. Sopha (Sudbury): He knows as much about what goes on in the Attorney General's department as he does.

Hon. Mr. Wishart: Well, I do not take objection—

Interjections by hon. members.

Mr. Sopha: How much do you pay them?

Hon. Mr. Wishart: I have nothing to hide, and I certainly would not want to deny the hon. member any information that might assist him in this matter.

An hon. member: Nor does he you!

Hon. Mr. Wishart: No, he does not deny me anything, I am sure of that.

I might indicate to him that we have a study of our own—not just the study that is done by the probation officers association or the probation officers group themselves—which I think is likely to be quite subjective and not nearly as objective as we would like.

The hon. member mentioned that in their report that 1,500 man-days—perhaps that was in the judges' report 1,500 man-days were required to transport the juvenile offenders to training schools.

Now, we have cut that out. We have stopped that. We do not think transportation is a function for the probation officer. So we have saved, for proper probation work, 1,500 man-days.

This is just an indication of a change in our methods and a better approach to the matter of probation. We have saved 1,500 man-days. The hon. member says the "axe" was used, that the probation estimate was cut back. I would point out that it was not cut back, but it was not increased.

Mr. Lewis: In this day and age a non-increase is equivalent to a cut-back.

Hon. Mr. Wishart: I hold again in my hand a report which I have had occasion to refer to earlier in my estimates on another subject. The study is being carried on by the Centre of Criminology and we talked about it on sentencing. This is the report to the Attorney General, the annual report to the Minister of Justice, the Attorney General, for the year 1968-1969.

It was produced and delivered to me by Professor Edwards, the director of the Centre of Criminology and is dated October 19, 1969, and the second page tells us of the study which he is conducting for us—the matter of probation. Might I read part of it into the record:

> The study of the probation officer's role in sentencing is an examination of the effect of a probation officer's attitudes and background on his processing and interpretation of information and the preparation of pre-sentence reports. Some preliminary analysis of dialectic has been

done in order to test possible methods of analysis and to gain the general impression of this dialect.

I have discussed with Mr. Dick, the deputy Minister of Justice, some of the preliminary findings that are derived from this part of the study, since I believe that the possible implications have far-reaching consequences with respect to the Ontario probation service.

Follow-up studies of probation will seek to determine whether the kind of supervision given during probation in terms both of frequency of contact and of the type of supervising probation officer makes any difference to the adjustment of the offender during the probation period.

And then he suggested that he will have this report for us, the publication of the final report is dependent on several factors including the timetable of the University of Toronto Press. It is reasonable to think in terms of 1971 with respect to the appearance of these reports in published form, but this work is going forward.

We found, for instance, that in California, where a great deal of time is spent on the supervision of offenders, they are having grave doubts as to how much effect this has in reconstructing and rehabilitating the offender in getting him back as a useful member of society, so I think it is reasonable to say that I think it is natural and I think we have all observed that any group of persons, and I think in the civil service it may be the case, to feel that their work is perhaps the most important function, the most important that is being carried on and I do not blame them for that.

I think that is a good attitude to have, but there is a tendency occasionally too to seek to build up the personnel—we use the expression, "to build an empire"—and because Ontario has grown in population, to say automatically, "We want some more bodies, we want some more people, we want more people to do more work." This is a natural thing and I am not being too critical of it, but it is not objective. I think our study will be much more objective.

In this department, if we look at the very recent years and the growth of this department, the hon. members will observe that each year, up to this year, we have been adding and adding and adding personnel to probation services. Possibly last year the increase was not great. We have a department of which the total number of persons employed, in our whole department with a complement of 3,745 people, we are only asking for 57 new people, and I think that that is an indication that we are conscious of our obligation to the tax-payer—

Mr. Lewis: Too conscious!

Hon. Mr. Wishart: I am not going to speak of other areas in which we could have or perhaps have had great increases, but I think it a much better approach to say, "Let us see if we can improve our methods, let us see if we can do a better job." If I can be satisfied that by knocking out or getting rid of some of the unprofitable, the more or less useless, activities of the probation officers, and that they can do better and more properly the things they should be doing, then that is the way I propose to approach this matter. I am not going to be impressed, nor am I going to be persuaded that at this time, we need to vastly increase the number of our probation officers. I do not think it is necessary. From what I know of their work, I do not think that the work is suffering—I think that they do many things which are wasteful in time, some of the reports—pages and pages long, useless, a great deal of them—much of it misdirected, and I think if we can direct them into the right methods, we will have achieved much more in productive work that will be helpful to the courts, than to add a lot of bodies and let them go on in their old ways. I say this quite frankly to them, and to this House, and to the judges who have to deal with them, that is the way I propose to approach the matter, and that is it—I will not be led into another direction by any amount of castigation that may be handed to me in this House.

Mr. Lewis: Will the Minister permit a quotient of gentle castigation before we leave the subject, before we expend it?

Hon. Mr. Wishart: Let me add one thing further, I noted a remark from the hon. member, and he said children, young people, are being "shunted into training schools for lack of probation services". There is a presumption there that our training school programme is a bad thing. I do not agree. I would hope, as I said the other night, that we did not have to bring young people to the court. I do not like to see them coming to court, but I think when cases have to come to court that our training school programme is perhaps a very good thing for some of them.

As I was mentioning earlier this afternoon, there is a direction, an education, a discipline, a control which I think does much for many of these young people who go to training schools. There is no organization, I am sure, where we will ever find perfection so long as it is concerned with humans, who organize it, who direct it, who govern it. But I think there is a great deal to be said for our training school programme. I do not suppose that I will ever be able to have the judges who are engaged in juvenile and family court work quite satisfied with what we are doing.

Mr. Singer: If they are not satisfied and you said they never talked to you—how could they be?

Hon. Mr. Wishart: No, they did not. You did not talk to me.

Mr. Singer: How do you know they are not satisfied?

Hon. Mr. Wishart: The hon. member tells me he reads their report.

Mr. Singer: You accept his view, but you would not talk—

Hon. Mr. Wishart: No. He reads their report.

Mr. Singer: Very interesting observation.

Hon. Mr. Wishart: Does the hon. member not believe their report? Or believe that they made the report at least?

Mr. Singer: You said they were unsatisfied.

Hon. A. Grossman (Minister of Correctional Services): Nobody is completely satisfied—what difference does that make?

Hon. Mr. Wishart: I fail to get the hon. member's point.

Mr. Singer: I will try to make it a little more understandable.

Hon. Mr. Wishart: I am sure the hon. member will try. I say he will never satisfy all the judges no matter what we might do. But I think we have a probation service which I am going to direct into what I feel will be a more efficient, better method to achieve the better result.

Mr. Lewis: I think, Mr. Chairman, that we have joined issue. And that is fine, that is probably legitimate. But I want to answer the Minister in reverse if I can. I want to suggest that in this instance, I was making no presumptions at all. He may read into my remarks a presumption that training schools are unpleasant places but—

Hon. Mr. Wishart: "Shunted into a training school."

Mr. Lewis: Right!

Hon. Mr. Wishart: What must I take from that?

Mr. Lewis: What you must take from that is my assertion that for the lack of probation services, children are being shunted into an institutional environment and that that is necessarily wrong. You do not have to be a clairvoyant or a particularly sensitive human being, I think, to appreciate that is essentially wrong.

Hon. Mr. Wishart: That is the presumption I took.

Mr. Lewis: Right. Yet, it is not the presumption; it would be wrong if it were an organically beautiful institution. It would be wrong even then because in the balance of things, it is always preferable that young people remain in the community. There is nothing desirable, particularly when there is no reason for it, in people being placed in a "locked door" environment.

I am saying, Mr. Chairman, that if you took a systematic assessment of the transcripts of the juvenile courts in the Metropolitan Toronto area over the last several months, you would find a number of children being shunted into training school because the Minister says that he will not appoint additional probation officers. I would like to know how he explains it to the kid who ends up spending two years of his life in a training school because some probation officer could not maintain him in society.

Hon. Mr. Wishart: Isn't it curious, if that is so—

Mr. T. Reid (Scarborough East): It is so in hundreds of cases.

Hon. Mr. Wishart: If that is so, isn't it strange that the only way you can validate that statement, the only thing he says he can prove it with is that the judges have indicated it? But isn't it strange that the judges would not come to the Minister of Justice, would not write him a letter, would not express to him in any way that this is going on? This is a very strange thing to me.

Mr. Lewis: As a matter of fact, the Minister showed some small impatience with the

juvenile and family court judiciary towards the end of his remarks, I will come back to that. The use of the phrase "empire building" suggests impatience—am I wrong?

Hon. Mr. Wishart: Not about the judges.

Mr. Lewis: About whom?

Hon. Mr. Wishart: I said the civil service. I spoke of that. I used that expression.

Mr. Lewis: With great respect, it is hardly creditable that Dan Coughlan can be viewed as an "empire builder" when his total probation service between 1967 and 1968 rose from 238 to 249. In Metropolitan Toronto, it did not change by one officer.

It does not seem to me that the civil servants can be accused as "empire builders." As a matter of fact, they told the judges in private conference, according to this report, that there was no chance of the system being augmented in the foreseeable future. They were carrying out their responsibilities with an unnerving sense of self discipline. So one can hardly accuse them of it.

I would have thought that, as a matter of course, the Minister would be chatting with the juvenile court judges. I would have thought that simply as Minister of Justice he would, from month to month, or quarter to quarter, sit down with them and discuss their problems. It is obvious that the probation service is a seething problem for the judiciary in the juvenile and family court.

May I point out, Mr. Chairman, that when this conference was held earlier this month and the report was submitted with the statistical data attached, Mr. G. G. McFarlane, who is the Assistant Director of Probation Services in the Minister's department, was present to answer questions, and the Minister's department was very well represented, in fact it accumulated the information for the judges prior to the conference?

If the Minister is not getting the information then it is because of a breakdown within his own department, it is hardly because of the judiciary.

What the judiciary has done in their own very formal way—indicative of professional groups, if I may say so—is to use all the regular channels first. Professional groups, and I suppose judicial groups, are inclined to exhaust all the cocktail processes before they resort to more dramatic intervention; before they write a letter; before they demonstrate. Before they issue a release, they go through all the bureaucratic mechanisms, and that is what they have done in this instance.

They have obviously approached everybody who should be approached and they are getting nowhere. So, with a great sense of frustration, they are now writing reports which are, in their language, almost intemperate.

The Minister is right. It is very unusual, and there is no doubt it will reach the Minister's ears at some stage.

The Minister says that there was a great deal of excess work done by the probation officer; that there was time wasted, that he is trimming it way. One of the areas which is being trimmed, and which is significant, is the area of the number of man-days spent in transporting delinquents from one part of the province to the other.

May I read to the Minister from this report? I will, of course, send him a copy. I did not realize he would not have one. I mean, that, frankly.

This is what the judges say about that, and I really think it is interesting.

Hon. Mr. Wishart: They would like that, I know.

Mr. Lewis: Well, just let me read it to you.

Hon. Mr. Wishart: I know they want to speak to my office. I know they do.

Mr. Singer: How do you know that? They do not talk to you.

Hon. Mr. Wishart: I know.

Mr. Lewis: Let me tell you what they feel, in their own words. Will the Minister call some of them tomorrow? Can I give you their names and you will call them?

Hon. Mr. Wishart: If I get through the estimates, I might call them.

Mr. Lewis: Well, you can do it in the morning before we begin. Here is what they say.

> There has been much discussion of the advisability of using probation officers as escorts to training school for committed juveniles, as Mr. Coughlan brought out at the May 30 and July 25 meetings.

May 30 and July 25 meetings, 1969; Don Coughlan, the head of the probation service, meeting the juvenile court judges on the question of the problems in the probation service.

We know they met in May, we know they met in July, we know that they met in October. Your own department has prepared

the data; and you say to this House that you have no information on it?

Hon. Mr. Wishart: No, I did not say no information.

Mr. Lewis: Oh I see, marginal information.

Hon. Mr. Wishart: I said I did not get the judges' report.

Mr. Lewis: You did not get the judges' report. Well the judges were—

Mr. Singer: And none of them ever talk to you?

Hon. Mr. Wishart: That is right.

Mr. Lewis: —observing the proprieties! Maybe they will learn now. This is what the judges say, Mr. Chairman, for the Minister's interest.

> There are more judges of the juvenile and family court who believe that the officer makes the best possible escort because his first-hand knowledge of the client will be invaluable to the training school and can be passed on during his visit.
>
> Other judges are less concerned about this matter since the report may be forwarded to the training school without the officer's personal attendance. We raise the point here, however, simply to comment on Mr. Coughlan's statement that 1,500 man-days used for escort purposes last year was equivalent to seven more full-time probation officers.

And, Mr. Chairman, would the Minister mark the following?

> Since the time consumed was spread throughout the service, it would hardly represent a substantial effect in any one situation and is, therefore, quite irrelevant to the practical consideration of individual tasks of individual probation officers. To instruct that no escort duty be undertaken by probation officers would produce no real economy.

We can only—

Hon. Mr. Wishart: Let me interject there.

Mr. Lewis: Let me finish their statement, and then you can reply to it.

> We can only remark that if the decision against escort duties is, as it appears, to be, a serious attempt to introduce greater efficiency into the probation service, and thereby draw maximum value from the present staff, we are alarmed. As can clearly be seen in the context of the effect on individual situations, the statistics of 1,500-man-days is meaningless. This form of economy is, we suggest, what the popular press frequently refers to as boondoggling, the probation service is far too important to be subjected to such bureaucratic nonsense.

Now, the judges are pretty tough on that one. They have obviously thought it through, they know that the answer the Minister will give—cut out 1,500 man-days in this area—may or may not be useful, and you will suddenly reform the service. It seems to me that they have dealt with this pretty thoroughly. You wanted to intrude at that point.

Hon. Mr. Wishart: I just wanted to say that, I think, proves to the hilt just how subjective the judges' comment is, with great respect to their office. A probation officer in many parts of this province, particularly in the northern parts, who has to take a day to take a child to a training school and a day to get back—and they have to do that five, or six, or ten times a year—it means those case loads will be reduced, that they can save that time. It means five or ten or 15 case loads —that is what that time has put into their statistics, the travelling time in taking children to the training school. So that those case-load volumes that the hon. member was making so much of earlier this afternoon would be very drastically reduced. Because those trips, those travelling times are counted as part of the units which make up the statistics.

No one can tell me when I see a travelling officer leaving Sault Ste. Marie and coming down to a training school some distance away and taking a day to go and a day to get back, that he could not spend his time better doing what I consider a more important function as a probation officer in the city where he is employed.

It certainly does make a difference, and for the judges to draw that kind of a conclusion just does not impress me. I just will not accept it. It is not sense to say that you could spend 1,500 man-days and that that makes no difference. What kind of logic is that?

Mr. Lewis: Well it is logic, Mr. Chairman. It points out that you have in your probation system some 249 probation officers, and I suppose what the judges are saying is that if you had 256 instead of 249, it would not make—

Hon. Mr. Wishart: We have 284, plus 27 supervisors.

Mr. Lewis: All right, and I know the case loads of your supervisors: nil. Maybe one or two. They would only bring down your average so let us not enlist them.

Well now, I will put it in the Minister's terms. You have 284 probation officers. What the judges are saying to you is, if you had 291 instead of 284, it would make no appreciable difference.

No one denies that you make something of a case about applying those man-hours to things other than transportation, but you do not qualitatively affect your service by increasing it 284 to 291. You might if you increased it from 284 to 350, then you are talking about a substantive change, but seven out of 284! I do not know what the precentage is but it is miniscule, and it is not—well, it means exactly seven.

Hon. Mr. Wishart: According to that, it does, but I will not accept—

Mr. Lewis: Well, that is from the head of your probation service again. I do not know who in this department—I shall have to take the Minister's word, but the head of your probation service, who apparently does not report to you on things that are critical to you in the probation service, insists that it would be seven, and that is the figure I am—

Hon. Mr. Wishart: I cannot translate 1,500 days into seven.

Mr. Lewis: Well, let us suppose that some 250 days per man per year—is that about right, taking away the weekends?

Hon. Mr. Wishart: Many officers do a little more than that.

Mr. Lewis: Is that about right? Seven times 250? I do not know what it comes to, probably a little more than 1,500, maybe it should be 220, or 230 days a year. You know, it strikes me that that is almost exact? Almost exact!

Hon. Mr. Wishart: It does not impress me.

Mr. Lewis: What would you say, eight?

Mr. W. G. Pitman (Peterborough): Take off Saturdays and Sundays!

Mr. Lewis: Perhaps eight; maybe we are talking about nine? Come now, sir; you know as I know that we are talking about no significant change at all.

Hon. Mr. Wishart: You do your mathematics your way—I'll do mine my way.

Mr. Lewis: You are going to drive to me to distraction. He said 1,500 man-days, all right, you divide that by—well, somebody will do it for me—but it works out at 220-225 days per probation officer. Is that about right per year for seven? They do not work on Saturdays and Sundays or holidays. You did not even take into account statutory holidays. My colleague from Peterborough points out that it even includes three weeks holidays and he is dead on.

I think the point is made Mr. Chairman. It is a valid point. The judges are in this instance categorically correct. The Minister is marginally wrong.

The Minister applauds his reports. I applaud them too. All plaudits for the centre of criminology—may it live forever—but one does not require further documentation of the relevance or validity of probation services, or of supportive services generally for probation officers. And if you are going to wait until 1971 then you are visiting disaster on your probation services. There is simply no question about it at the juvenile and family court level.

This is not just a gathering storm. They point out that the crisis for probation services is here now, and if it is ignored or inadequately recognized the effectiveness of the Ontario system of justice will suffer. I think the judges are upheld in almost every single point and I must say, Mr. Chairman, that if I can—what was the Minister's term for the terrible abuse that was visited on him by members of the Opposition?

Hon. Mr. Wishart: Oh I said I might be berated; I think I said castigated.

Mr. Lewis: Berate! That fierce verb. If I may be allowed one further moment of berating, I would like to say to you, sir, via the Chairman, that it is really an unworthy argument to talk about the sort of vested interest of the probation service, and the possibility of building empires in a sort of self-perpetuating method which occurs.

Mr. Minister, you know, and we on this side of the House know, that what has happened to the probation service in Ontario is part of a premeditated cut-back in preventive services on the part of your government. It is true of the preventive clause under The Child Welfare Act and administered by the children's aid society. It is true under The Mental Health Act in respect to community facilities, both for the disturbed and for the

retarded. It is true here in the probation services. It is certainly true of education; special education in particular.

Hon. Mr. Wishart: Ask the taxpayer about it.

Mr. Lewis: I must say, Mr. Chairman, that the Minister is really taking the Neanderthal position. It does not fit in at all, you know. There are some pre-paleolithics over there beside you; but for the Minister to go back that far, is something that really staggers one—

Interjections by hon. members.

Mr. Lewis: I may have great difficulty, Mr. Chairman, in persuading the Minister. He makes an argument of such extraordinarily false economy, and the Minister knows it. If you are going to refuse the probation services at this end of the treadmill you are going to clobber the taxpayer at the other end, and it always works that way.

The amount of money you are paying for institutional placement means that you have no sense whatsoever of what is involved in saving taxes. As a matter of fact, the last paragraph of this report which you just must see and must read—I would leap across the floor and give it to you had I not wanted to use it myself—the last paragraph reads as follows:

> We again stress that successful, ultimum use of probation service in itself represents a major economy to the taxpayer. Breakdown of the service from whatever cause would involve a large new cost in social defence far greater than that of providing for natural increase in probation situations.

Now the judges' commitment to social defence is far more impressive, Mr. Minister, than your commitment as a representative of this Cabinet to social dislocation. That is really what you are creating by refusing the preventive services.

I know there are others who want to get into this debate. I think we try to make the case. This is the judges' report; this is the situation *in extremis* as the judges themselves see it. I am inclined to the view that they are a pretty sober group of men, not given to immoderation in language as the Minister is, as others of us are not. I would suggest to you that when you get this document read it very carefully, Mr. Minister. I shall promise to send you, sir, all the other documents which you have not hitherto seen because they, too, impinge directly on this crisis.

Hon. Mr. Wishart: With a very few brief words, I would like to review the hon. member's words where he used the expression "we are going to wait until 1971 to do something about this". I did not indicate that we were not going to continue in our progress in probation services until 1971. We are waiting for the report, until then, which I think will be a very valuable study and will carry out some of the thoughts we have in mind about our probation service.

This service was established in 1952. It was born then. I have some indication of the growth of it since 1962. I wonder sometimes why the judges did not mention the great effect it has had if it is so valuable; why they would not have made some reference to the great work it has done.

Mr. Lewis: I probably did not read that favourable part—

Hon. Mr. Wishart: You did not read the good parts? Let me say this: in 1962-63, the professional staff (that would be the probation officers) were 158 with clerical staff of 75. In 1963-64 there were 173 probation officers and clerical staff had grown to 81. In 1964-65, they were up to 197 probation officers and 90 of the clerical staff. In 1965-66, it was 205 probation officers and 94 clerical staff. In 1966-67, there were 215 and 99 on the clerical side. In 1967-68, the total was 266 probation officers and 126 on the clerical side. In 1968-69, it was 283 and 136 clerical staff; and this year it will be 286 probation officers with the 27 supervisors in addition, and 123 on the clerical staff.

So I can recite a steady story of growth, of extension. I think we have reached the point where we might well take stock and see what is happening here. That is what we are doing and I am quite prepared to say that there are some circumstances in the household, in business, in Parliament which require one to budget, to cut one's coat according to the cloth. I have heard this about education; I have heard this about health, but probation services cannot be the sole exception and that, I think, is our position.

Interjections by hon. members.

Hon. Mr. Wishart: I was told the other day in this House—"you should build more courthouses; you should build some more jails, you should build detention centres"—all the things that we would like to have. But at some point on some of our services we have to, as I say, cut the coat according to the cloth.

But that is not my main point. The main point is that I believe we can provide a very good, efficient, thorough-going probation service by a study and a revision of our methods and a more efficient operation. We see several places where this could be done.

Mr. Singer: Mr. Chairman, I have been very interested in this discussion. I think it was Admiral Farragut who said "Damn the torpedoes and straight ahead." I think if we can apply that saying to the Attorney General, he damns the statistics and just goes on and pays no attention to them. I feel sorry for the Attorney General; everybody picks on him and nobody talks to him.

Mr. J. L. Brown (Beaches-Woodbine): His judges will not talk to him.

Mr. Singer: Yes, his judges will not talk to him. I do not understand why he has not been able to establish some kind of dialogue with his juvenile court judges. The other day —it must be several weeks ago, early on in these estimates—I put forward the suggestion that emanated substantially from a casual luncheon conversation I had with a juvenile court judge, that he would just love the opportunity to come before an all-party committee of the Legislature to tell us some of the things he saw wrong, for instance about the Baxter report on family law, to tell us some of the things he saw wrong about facts that the member for Scarborough West has been referring to.

Somehow or other, this word never seems to have drifted up into the Attorney General's ears. I do not know why our juvenile court judges have never been able to establish any kind of a dialogue with the Attorney General.

At meetings nobody reports to the Attorney General. They write reports; they never get before the Attorney General so he can read them. They are read here in the Legislature and the Attorney General says, "Gee, I have never heard of this before, isn't that an unusual thing? Here are all these unhappy juvenile court judges and nobody bothers to tell me, the Attorney General and Minister of Justice."

I think there is something wrong. Mr. Chairman, there must be something wrong in the process of the administration of justice when nobody bothers to tell our Attorney General what is going on.

Now, Mr. Chairman, why does he resist so violently the sort of suggestion that was put forward earlier, that we establish some sort of a method within this Legislature whereby people like juvenile judges can come before us, an all-party committee, and tell us what they are concerned about.

Where people like probation officers can come before us and tell us; people like the governor of the Don Jail can come before us and express his concern about 70 people being in jail all summer without bail; people like Crown attorneys can come before us.

Apparently, Mr. Chairman, this is the sort of thing this government does not want to hear. How many times have we said in the course of these estimates, my colleague, the member for Sudbury (Mr. Sopha) and I over the ten years we have been here, that the time has come to get some co-ordination in government services, to begin to make some sense out of the money we are spending.

Mr. Whitehead said today in the paper that if there was a reasonable bail system established, and if the courts operated at reasonable hours, he would have saved $30,000. Now there is something that would commend itself to the Attorney General. Certainly it commended itself to the Treasurer this afternoon.

If we do not keep people in jail, if we can let them out and deal with them later, we are going to save some money.

How many times, as I say, Mr. Chairman, have my colleague from Sudbury and I suggested that the time has come to co-ordinate the whole system of administration of justice within the province?

I am not going to read again the remarks I made at some length in 1965, but the reference is here. On February 9, 1965, at about page 390 and going on at some length, I suggested a system whereby we could perhaps bring some better sense to our government expenditures in this particular type of service that we are talking about. We suggested then, Mr. Chairman, that The Department of Correctional Services could perhaps come under the aegis of a branch of the Minister of Justice or the Attorney General.

Look at these estimates. Here are probation services; we have $3,780,000 the Attorney General is asking for tonight. Then turn with me to page 39 of the estimates book and we begin to look at the figures asked for by The Department of Correctional Services beginning with the heading, "rehabilitation of adult offenders". There is some $32 million in there.

Granted, a substantial amount of that is spent within the institutions, but there certainly is a substantial amount of that spent for parole services.

Turn over the page and you come down to the bottom here. There is a whole substantial portion of this amount that is spent for the rehabilitation of adult offenders which is related to after-care of adult offenders.

Turn over the page again and we have a section devoted to the rehabilitation of juveniles, $11,729,000.

We have $11 million there and $32 million on the page before, that is $43 million, and the better part of $4 million in the Attorney General's department, $47 million, $48 million, all apparently directed in the same way, all apparently concerned with dealing with people who have come into difficulty with the law, some of whom have been put on probation, some of whom end up in our institutions, some of whom are being looked after by probation officers, some of whom are being looked after by parole officers.

What is the co-ordination, Mr. Chairman? What effort do we really get? What ability do we really have to understand if there is any possibility of melding together this variety of services? None at all, Mr. Chairman, none at all.

I think it is so typical unfortunately of this government that they cry "poor mouth" at one point. We are worried about the taxpayer's dollar, but we do not listen to those people charged with the responsibility of spending the taxpayer's dollar and find out from them how we can better spend it to produce a better result.

It occurs to me, Madam Chairman, that if we had a real examination of the way in which this is done, if we had an opportunity to listen to our probation officers, to our parole people, to the governor of the Don jail, to the juvenile and family court judges, and others who are only too anxious and eager to come and talk to their bosses, the legislators, and the legislators only try to speak on behalf of the people of Ontario—for once, Madam Chairman, we could begin to make some progress.

But when one sits here this evening and hears the Attorney General stand up and say, "I don't know what all the complaint is about, nobody ever comes and talks to me" one wonders really how concerned the Attorney General is about the job he has been charged with by the Premier of the province.

Hon. Mr. Wishart: Madam Chairman, of course the hon. member has a great propensity for translating words and enlarging upon statements.

First, the Attorney General did not say nobody ever comes and talks to me. I see juvenile and family court judges on many occasions, I see many different judges. The last annual meeting was held about three weeks ago. The Deputy Attorney General was there and spoke to them and got their points of view and related to them our policy and our direction. The assistant Deputy Attorney General, Mr. Russell, stayed throughout their entire meeting.

In the last four years they have met, the Deputy Attorney General has been there and has taken part in their discussions and has spoken to them, getting their points of view and relaying them to his Minister and relaying our direction to them.

All I did say was that this particular report to which the member for Scarborough West referred had not been brought to me, and that no judge had said to me—

Mr. Singer: That he was unhappy.

Hon. Mr. Wishart: No, not one, nor did he write a letter. If the hon. member for Downsview had been listening carefully, he would have heard the words of the hon. member for Scarborough West, that this was an internal report. That is the word he used, that is what it was, an internal report prepared by a committee of those judges for their own discussion.

Mr. Lewis: With your department in attendance.

Hon. Mr. Wishart: We gave them every assistance.

Mr. Lewis: And you answered their questions?

Hon. Mr. Wishart: Yes. We gave them information. But that report, as the hon. member for Scarborough West said, was an internal report prepared by—

Mr. Singer: What has that got to do with it?

Hon. Mr. Wishart: Well, if the member could just listen for a moment. They prepared the report for their own discussion.

Mr. Lewis: No, for discussion with your department.

Hon. Mr. Wishart: And we gave them the information and assisted them with getting it from our probation services.

Mr. Brown: Too bad you do not use it yourself.

Hon. Mr. Wishart: Well, I am using various reports, I am making studies of my own as well, that is what I have been trying to indicate to hon. members.

Interjections by hon. members.

Hon. S. J. Randall (Minister of Trade and Development): Leave me out of this will you, I am not going to cause any trouble.

Hon. Mr. Wishart: But for the hon. member for Downsview to get up and say that the Attorney General does not listen, nobody talks to him and all, and enlarge a thing into such a great tirade is ridiculous.

Interjection by an hon. member.

Hon. Mr. Wishart: I notice the hon. member for Sudbury was getting up when I took a moment to reply. One of the very excellent juvenile and family court judges is from his area, and I have talked to him on occasion. I have the juvenile family judge in my own city whom I see frequently. I think I know something of their attitudes and of their problems, and we try to meet them.

Mr. Sopha: Well, I just felt that the matter is becoming somewhat blurred. It strikes me that the issue here is not really in focus if we are talking about a report prepared under the excellent chairmanship of Judge Falsetta. But the issue is the experience that we have had in this civilized society in the efforts we have made to attempt to deal with a grave social problem.

In this amount of money that we are voting here, the main thrust, the expenditure of that money is directed toward young people because the vast majority of persons under the care of probation people are those that are of very tender years, Madam Chairman. You do not really see many middle aged or older people that are in attendance upon the probation services. Experience teaches one that it is the young.

There is no question about it; to bring the thing back into sharp outline, that the way in which they get into the hands of the probation people is the result of a very dramatic experience. Dramatic and frightening in the environment of the court room and the legal process which they undergo.

We attempt to persuade—it is encouraging to note that some of our words here have a persuasive effect. Last Thursday night we were talking about the necessity for the immediate removal of the prisoners dock, and on Friday way down in Nova Scotia, Mr. Justice Lubinski, one reads, ordered the prisoners dock removed from the courtroom, so he must have said to himself, "They have a grain of sense up in Upper Canada, once in a while," and he took the appropriate action. Would that we would follow his action at an early time. But I say the environment is frightening and dramatic, and it must be to any child of tender years, and I have seen many of them, and as my friend from Scarborough West says, "At the tender age of eight or nine years, mere children are exposed to that legal machinery, directed—no matter what they call it, under The Juvenile Courts Act—to the issue of guilt or innocence of the action which brings them before the judicial officer."

The Attorney General is a very humane and compassionate man, and appealing to a sense of humanity, he must surely agree with us that the method of approach is wrong. It is terribly wrong. We must decide, as civilized intelligent human beings, that it is the state of these children's health that brings them into that environment—and it is their health, not their criminal misconduct.

They ought to be treated as unhealthy individuals—unhealthy whether from physical ill-health or unhealthy for sociological reasons—unless of course you believe in the doctrine of original sin—which is the only other alternative you have to believe; they are there because they are stained with some sort of mental predilection that drives them into adversity against established customs—well there would not be one here that would put his hand up and would assert his adherence to any such doctrine. Let us face it, it is because of bad health, and if we recognize that, let us change our ways so that we treat these people in a clinical environment rather than in a courtroom environment—that we use our skills that we have developed in this society in many of the medical arts and social arts to establish to ascertain what has gone wrong with these children. Let us find out why they are engaging in the misconduct that is being complained of, instead of haling them into the courtroom as we do, surrounded with all the legal forms and surrounded in that environment by uniformed policemen who exhibit by their presence, of course, the majesty and the severity of the law, and thus effect a very profound and devastating chain of thoughts upon the minds of these young people.

Surely in 1969 we can persuade the Attorney General of this province that we

make a new beginning, that we get rid of that system of doing it. What would be wrong as an alternative in abolishing that type of proceeding, if these children were called into an informal office, and they sat down, and the matter was talked over? But more important than that, the advice of experts in the field of mental health could be sought to try to ascertain the cause of the deviation from excepted norms, and in having done that —and that is the important thing—we ascertain the cause, and then we begin the treatment of it.

I thought the debate was one that was very persuasive, and my friend from Scarborough West put it very succinctly and very articulately, that this is the point of no beginning, and it does not depend upon a report made by a panel of juvenile and family court judges, and it does not depend upon whether the Attorney General has read the report, and it does not depend upon whether some of the senior civil servants have been importuned in the corridor, over cocktails, or in any other environment—those things are corollaries and are ancillary to the main issue—and listen, believe me I have not read all the material, such as others in this House who are very skilled in this area, but I have certainly viewed with my own senses, the traumatic effects of a courtroom—lawyers are terrified with courtrooms—many of them get physically sick from being in a courtroom—being exposed to the things that happen there—adults are terrified of them.

What must be the feelings of an eight- or nine-year-old child, Madam Chairman, who is hustled in there, brought up to the front, just as they do it in the criminal courts? They are brought up to the front, the charge is read against them, and they go through all the legal ceremony that is connected with it. Ontario can lead the way, we can probably, when these estimates come around again, we can probably put a stop to that and we can mark a new beginning by making the thrust, the ascertainment of the state of physical ill-health. You do not find children in those courts that come from homes were the environment is sanguine, where they are encouraged to behave. You do not find that type of child. If he gets a good chance at home, his chances are very high that he will not be there.

If he is not afforded much chance, much assistance, encouragement or human affection, then he is the one that you find. The reasons are physical, sociological, psychological or psychiatric, and they are all using those words, they all testify to arts developed by mankind that are quite distinct from the legal arts, putting it that way, you see the legal arts have nothing to do with it at all.

The legal process has been thrust in; it has thrust itself in because it thinks in terms of right and wrong, good and bad, guilt and innocence. That is its language, but when you see it as a civilized human being and as a compassionate person, then you begin to see the light of dawn that that has nothing to do with it at all. Very little. Putting it at its highest, it has very little to do with it. And it is only a question of whether in Ontario we will get the thing in proper focus. All right, well let us start to get it into focus. Let us start in the beginning of the new year, that we substitute the courtroom atmosphere for the clinical. It is as simple as that. Find out what is wrong and begin to apply the curative process and we will give every support in this side of the House if somebody will take the intiative over there to do it and give the necessary directions and the necessary instructions to the people now in charge of this branch of the administrative process.

Mr. E. W. Martell (Sudbury East): We will do it for you, if you want.

Hon. Mr. Wishart: Madam Chairman, there is apparently much in what the hon. member for Sudbury says, much food for thought, and he always says it very eloquently and very forcefully and I would go along with a great deal of what he advocates. Just one or two things that I wanted to make clear. I do not want to leave the record uncorrected. He speaks of herding the juvenile into court in that courtroom atmosphere. There is none of that. When he speaks of the presence of uniformed policemen, I seldom have observed that in the juvenile and family court, seldom in my experience, and I do not know if that should prevail in the juvenile and family court and the hon. member's area. I would be surprised about the reading of the charge to the very young offender. I may mention that: Those two features, I think, are not very common. We try to avoid that and I would hope that all our courts take that approach to dealing with the juvenile offender, particularly young ones. I did not want to leave the impression—I am sure the hon. member may have observed some cases of that—that that is the general situation in the juvenile family court, because it is not. I think otherwise what he says, that this is perhaps a clinical situation, more than a question of guilt or innocence, has a great deal of truth, and that is the approach which

we are seeking to find in the studies we are making with the federal authorities. We have been discussing this now for some time. It is perhaps not related particulary with what the hon. member said for probation services, but I go back to that, that we are looking at that better approach on the hope, and I think it will come about in this whole matter of the juvenile offender.

Madam Chairman: Vote 207; the hon. member for Sudbury East.

Mr. Martel: Well I am going to get into this very briefly, Mr. Minister. I do not know much about how the courts proceed, but I have had experience with children for a good number of years and much of what has been going on before me. People who spoke before me seem to have hit the nail on the head and that is: If we can get to the children and determine where the problem lies at an early age, and without the fear of physical punishment and so on, it is quite possible to change quite rapidly the pattern of a child who is going astray. The thing that amazes me out of all this is that the Attorney General agrees with us, as he realizes this is the solution too. There is a great reluctance for him to take a brand new step. I do not care if anyone, or under whose jurisdiction it comes—

Hon. Mr. Wishart: We have to observe jurisdiction to some extent, but the Juvenile Offenders Act is at present a federal statute. I have repeated and repeated in this House that we cannot change it. That it belongs to the federal people. Now there are some things we could do perhaps, but they are peripheral.

Mr. Lewis: The Child Welfare Act is not peripheral—

Hon. Mr. Wishart: Well, compared with the main Act that we have to administer, yes.

Mr. Martel: Mr. Minister, has the federal government ever infringed on provincial jurisdiction on any of the fields of the front benches over there? On many occasions they have infringed and they really do not appeal to us as to whether it is acceptable in this province or not. I think that with regard to something that is as important as children, and the development of good citizens, if the federal government wants to wait another ten years, we cannot wait ten more years. Neither can these little kiddies, and when I say kiddies, I mean eight, 10, 12. I think—I think the member for Sudbury said it—that we should start in 1970 on an imaginative programme, which would do the very things we are discussing here tonight. I can assure you that it would not be very long until the other provinces would probably follow suit and the federal government would be left standing with egg all over its face because it did not move. I would encourage the Minister to take this bold action, and maybe he could convince some of his cabinet colleagues to stand behind him in doing this. If we are serious about it, we can no longer wait for the federal government to move. As I understand it, listening to the member for Downsview and the member for Sudbury, they have been pleading this sort of case for 10 years. Can we afford to wait another 10 years? And how many young people will be sacrificed during that 10 year period if the Minister does not take bold measures to bring this to a head. I would certainly encourage him to take this step.

Vote 207 agreed to.

On vote 208.

Mr. Singer: Madam Chairman, on vote 208—

Madam Chairman: The hon. member for Downsview.

Mr. Singer: I wanted to say a few words about the role of the official guardian, and the public trustee generally. It is only a few years since we raised the point in this House about the handling of trust monies by these two officials and the ridiculous rate of interest that was paid. Because of some publicity that attached to those remarks, the interest rate was slowly brought up. I do not think it has yet caught up with the rate of interest paid, by either the government of Canada or the Government of this province for bonds that they sell, but there has been somewhat of an improvement.

However, I think the time has come, Madam Chairman, that we should have a searching examination of the offices of official guardian and of the public trustee and begin to seriously ask ourselves whether or not these offices, whose origins are buried in antiquity, are properly serving the people of the province of Ontario in this day and age. The Deputy Attorney General is familiar with the case that I had to deal with in my own office which revolved around the handling of a small estate. The beneficiaries of the estate were all infants, young infants in fact.

It was a very difficult case with which to deal. The father of these children had com-

mitted suicide, and he died having left a will. In the will he had appointed his brother, who was a bankrupt at the time of death, and his father-in-law as his executors. The father-in-law, the father of his wife, really was not completely sympathetic either to the deceased or to his children. In fact, thereon hangs another very unfortunate tale, because prior to the deceased's unfortunate demise, his wife had left him and had gone to live common-law with another man. Out of that union several other children were produced and there was considerable doubt as to who really should have the responsibility for looking after these infants. The fact is, Madam Chairman—

Mr. Sopha: So it fell to you.

Mr. Singer: I attempted to wrestle with it, but at every turn, my hands were tied and I was unable to proceed. So I did what I thought was a reasonable and natural thing. I approached various law officers of the Crown and said: Now here is the situation. Here is an estate. It is a small estate—there was perhaps $20,000 or $30,000 in it. It should be used for the benefit of these now orphaned children, and unfortunately, it is being wasted, because nobody really has the responsibility of looking after it.

I suggested, Madam Chairman, that it would seem logical to me, that either the official guardian or the public trustee should at this point step in and take over in the interests of those infants who had nobody else to look after them.

Well you have just no idea the excuses that these two officers found for not participating. The essence of it seemed to be, Madam Chairman, that the original concept of the official guardian and the public trustee relate to matters substantially concerned with private litigation, and if somebody had been prepared to litigate and there was an interest of an infant at stake, then the official guardian would have come in. And if there was an estate without a will, the public trustee might have come in. But, in this case, we had a will and we had executors named in it, although the executors were not overtly interested in protecting the interests of the infants, and so at the time, the file left me. I may say, Madam Chairman, that I was unable—I batted my head against this brick wall of tradition for a long, long, long period of time, and finally was forced to give up whatever little I was able to do in complete frustration.

At that point, Madam Chairman, I was completely able to understand why there is not an official of the province of Ontario who is available and eager and anxious to step into this kind of situation. I may say, Madam Chairman, that in certain conversations I had with the Deputy Attorney General, who is familiar in detail with these facts, that he expressed great sympathy. He did speak to those officers of the court of the province of Ontario and indicate to them that perhaps it might be wise if they took some role. Certainly it was from no lack of sympathy or concern of the Attorney General that this matter went awry. However, it would seem that the law, as it presently is written and the tradition on which it is based, prevents either of these departments from entering into this kind of a situation.

We are asked here to vote some $2 million for the continuing function of these departments. I would urge upon the Attorney General as strongly as I can, a re-examination of the role of these two important offices, and the redrafting of part of the legislation in any event so that when situations like this arise—I do not know how many times they arise—but I know of at least the one case that I have been telling you and I would suspect there are more. When situations like this arise, when an officer of the court or a solicitor has attained knowledge of this sort of thing and finds himself unable to cope with it, there would be a public official who can step in and safeguard the interest of these infant children.

In the particular case, Madam Chairman, one of the assets of the estate was a house, and the house stood vacant for months. The windows were being broken—it was being vandalized; that was the word I was looking for. The plumbing was bursting and people would say, "What are you going to do about it?" The furniture was disappearing, I do not know what eventually happened to the house, eventually, I presume, it was sold and in due course the assets were distributed. But the length of time that elapsed from the date of death until eventually the sale took place, wasted, I would guess, many thousands of dollars that were represented in the real value of that house.

Eventually, I think, a purchaser was found who paid a price for it, but it was not the house that it had been many months before. Using this only as a sample, and I quickly hasten to advise the Attorney General this file is no longer in my office and I have severed my connection with it, I say I think there is a lesson to be learned there. I would hope that there will be a thorough-going examination of the continued functioning of these

offices with the idea in mind that under proper circumstances, where either the official guardian and/or the public trustee become aware of the matter, whether litigation is underway or not, that they not only have a right but a duty to interfere, to protect those persons who are unable to protect themselves.

Hon. Mr. Wishart: Madam Chairman, I would like to say a word about this. I seem to recall some word that came to me about that very difficult and complicated case at the time the hon. member was engaged on it. I would like to ask him if he eventually went to court to give a decision after the litigation?

Mr. Singer: To my knowledge there was no litigation and it was placed into the hands of four other solicitors. I lost track of it.

Hon. Mr. Wishart: The official guardian did get into it?

Mr. Singer: Yes, he did; and unfortunately, Madam Chairman, the contribution at that time was to see that the father-in-law was appointed as executor. To my mind, he was the last person in the world who should have been the executor.

Hon. Mr. Wishart: It was, I know, one of those unique and extremely complicated and difficult cases. However, what I wanted to say was this—I think there is merit in the suggestion, it was about a year and a half ago that we undertook a study to see if we could recommend the appointment of an official, which we have called a public guardian, to deal with situations such as this and others; to complement the services and functions of the official guardian and the public trustee. That study was undertaken in conjunction with the Canadian Mental Health Association and The Department of Health, I believe, I do not know if that is right. We expect that report soon. We think we will be able to find and recommend the appointment of some official who can step in and act and solve in an efficient way and in a prompt way some of these situations.

Mr. Singer: The Attorney General reminds me of another very important aspect when he mentions The Department of Health, because I have here—and I am not going to bother to dig them out and refer to them in detail—one or two instances of complaints by persons who were confined for a period of time in mental institutions. They have come out and said somebody has disposed of their assets and did so in a ridiculous fashion.

There was a case before the courts and the justice of the Supreme Court; it was a fairly recently reported case. The justice of the Supreme Court said, "It would appear to me that what was done by those in charge of the assets of the person who had been confined was completely ridiculous." He said, "However, that is not what I am being asked to try; I am being asked to try the question of whether or not the person involved was rightfully or wrongfully detained. In my opinion, that person was rightfully detained and no law was broken in that regard."

But he did go out of his way at that point, to express in no uncertain terms his opinion of the manner in which the estate of that person was handled. I am sure that must have come to the Attorney General's attention.

Hon. Mr. Wishart: Yes, Mr. Chairman, I will mention that. I want to mention very briefly the matter of the change in the interest rate. It was low and it stayed low for a number of years; it was raised from four to 6.5 percent as of April 1, 1967. Now that is not as high, I know, as interest rates are today—I am informed the rate is 6.5 per cent. But I just want to point out that in administering those funds, the public trustee particularly, the funds which came into his hands are there by force of statutory law. He is not permitted to invest in as wide a variety of investments as you may choose yourself.

Interjections by hon. members.

Hon. Mr. Wishart: But there is a good reason why, I think, that this type of investment is somewhat more restricted than the trustee's in whose hands you place your funds.

I want to make some comment about that judge's remark about the case; I believe the hon. member is probably referring to the Fawcett case.

Mr. Singer: Yes.

Hon. Mr. Wishart: I want to say this, that with great respect—

Mr. M. Shulman (High Park): Mr. Chairman, on a point of order, I think these remarks are very important and we do not have a quorum here to hear them. I wonder if you would care to get us a quorum.

Mr. Chairman: In the absence of a quorum, I would direct that the bell be rung for a period of four minutes.

There now being a quorum, we shall proceed.

Mr. D. M. De Monte (Dovercourt): Mr. Chairman, on a point of order.

Mr. Chairman: The hon. member for Dovercourt has risen on a point of order.

Mr. De Monte: Does it mean, when you ring the bell in order to constitute a quorum, Mr. Chairman, that we must leave the other committee that is sitting now in another part of this building?

Mr. Chairman: It does not mean you must, that is, that you are compelled. When the bells ring, however, it is a signal to all hon. members within hearing range of the bell to answer the summons, which is to take your place in the Chamber.

Mr. De Monte: That is correct, but if that means that by that act of coming up here there is no quorum down there, what happens? Do we ring a bell for a quorum down there?

Mr. Chairman: This will be entirely up to the committee chairman.

Mr. Singer: He does not have a bell.

Mr. Chairman: On vote 208, the hon. member for Sudbury.

Mr. Sopha: In the light of the mischievous activities thrice perpetrated today by our friends on the left, might I ask the House leader, through you, whether he might consider that in view of the committee meeting dealing with important business given to it by order of this House, that in respect of a quorum the number of members in both places be counted.

Hon. R. S. Welch (Provincial Secretary): Mr. Chairman, I have the wording of such a resolution ready to discuss with the leaders of the other two parties tomorrow. I do not think anyone anticipated that this sort of nonsense would be going on all day today.

Mr. Shulman: On a point of order—

Interjections by hon. members.

Mr. Chairman: Order!

The hon. member has every right to speak to a point of order.

Mr. Shulman: On a point of order, Mr. Chairman, the total number of members—

Interjections by hon. members.

Mr. Chairman: The hon. member indicated he wished to speak to this point of order.

Mr. Shulman: Yes, sir. The matters that are taking place here, as are matters in the committee, are of great importance. We have between the two areas less than 20 per cent of the members of the House contributing to these debates.

Surely the Whips, particularly the Whip of the party which is most deficient and which I face at this moment, can get enough of their members to come down here to participate in the debates so that we have more than 14 members in this House.

Mr. D. H. Morrow (Ottawa West): Mr. Chairman, we get a little tired of listening to the member for High Park, that is why we do not attend the debates so regularly.

Mr. Shulman: Mr. Chairman, most of them will not be here to hear me after the next election.

Interjections by hon. members.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman, I point out to you that on a resolution presented in this House and accepted by the members of this House, certain members of the Opposition parties agreed that there would be—and I will quote some of the words: "Our intention to fulfil the object of the standing orders.

"I hope the members will give the standing orders every chance to work. I think, though, we are operating under the pressure of time"—and such other words as that.

Mr. Chairman, I submit that when the bells are ringing for four minutes, it should be taken into consideration that when we have 20 members present, we need not necessarily have it ring for the full four minutes.

Mr. Chairman: On vote 208. Order.

The hon. Attorney General was answering questions.

Interjections by hon. members.

Mr. Chairman: Order. The hon. Attorney General.

Mr. Lewis: We deal in amity over here.

Hon. Mr. Welch: We await the evidence.

Hon. Mr. Wishart: Mr. Chairman, when we—

Mr. E. Dunlop (York-Forest Hill): When we were so rudely interrupted!

Hon. Mr. Wishart: When we were interrupted; yes.

I want to deal very quickly with the comments of the judge in respect to the Fawcett case where he criticized the actions of the public trustee. I want to say with great respect to the judge, I want to say it here in this House, that he was completely wrong. He did not have the facts, he did not know whereof he spoke.

I made a study of the matter after his comment was published and found that the public trustee had exerted himself early in the matter consistently and continuously in attempting to dispose of the property, to take care of it while he could dispose of it.

He sought all the relatives of the gentleman who owned the property that he could find. None of them was interested in taking any action in paying the taxes or preserving the property.

But the public trustee was in no way and in no instance at fault. The judge was not aware of these facts, and the examination which I made of the matter revealed that the public trustee's actions had been most thorough, most competent, and that he had conducted himself in a very proper and thoroughly efficient way.

The judge was wrong. He did not have the facts, and without knowing them he should not have commented as he did.

Mr. Singer: Mr. Chairman, I am quite prepared to accept what the Attorney General says because I do not have that deep knowledge of the facts concerned. But I say that if, in fact, the Attorney General is giving us the information as a result of his research, then I think it was incumbent upon the Attorney General, reasonably soon after that judgment was published, to advise the people of Ontario that in his, the Attorney General's, opinion the judge's remarks were, in fact, wrong.

The case did not turn on that, so that particular point could not have been the subject of an appeal. The facts of the case went off on a different point and related to a different kind of a claim. It was by way of obiter that the judge made these remarks.

Hon. Mr. Wishart: It was obiter, yes.

Mr. Singer: But I would think that there must be, Mr. Chairman, a responsibility on the various Ministers of the Crown when the performance of important civil servants becomes a question of criticism by our courts, and that criticism sits unanswered until almost by accident it comes up here in the House. Perhaps that allows the impression to continue for too long a time.

The Attorney General says there was another part of the story, and I would think it was the responsibility of someone on the government side to—very shortly after that pronouncement was made by the judge, albeit by way of obiter—have said, on behalf of government: These are the facts and in our opinion the public trustee acted in a completely proper and logical way.

Hon. Mr. Wishart: Mr. Chairman, I would not take serious issue with the hon. member, but perhaps there is some merit in a correction. I felt it would come up in the estimates. I made a very thorough examination of the matter right after the comment. I do not think it perhaps always adds to, what shall I say, the administration of justice for the Attorney General to come out in the newspaper and make a controversy out of something a judge has said.

Now I think it is quite proper to say it in this House which is perhaps a higher court than the one in which the judge sits. And I did feel it would come out here, and I would seize an opportunity to make that comment. I hesitate to get into an altercation in the newspapers with judges.

The public trustee sought the opportunity to go to the judge, place the facts before him, and have the judge corrected. We felt even that we should not ask—we should not encourage that sort of thing. So I have taken the opportunity here to set the matter straight.

Mr. Chairman: The hon. member for York East.

Mr. A. K. Meen (York East): Mr. Chairman, I had the opportunity and the pleasure last year to serve as a member of the public accounts committee of the House and, at that time, had the opportunity to discuss with the department of the Attorney General the operation of the official guardian and the public trustee services.

One point that came to our attention was the way in which the funds which the public trustee and the official guardian get into their treasury on behalf of the various beneficiaries —be they minors, or be they declared incompetents. The way in which those funds were handled seemed to me to depart basically from the philosophical—I suppose that is the best word—from the philosophical nature of a trust which we, as lawyers, have come to recognize over the years.

I personally observed at that time that it seemed incongruous that the public trustee, of all people, should take the money of a beneficiary of that trust and pay that beneficiary an interest rate—a fixed sum. I must say I had understood it to be a good deal lesser amount than the Attorney General has told us tonight to be the current amount. It was at one time, I believe, around four per cent, and indeed until quite recently, I believe, was of that order.

Well that first of all sounded iniquitous. But what I am getting at is not so much the interest rate, because I have done a little calculation here tonight, and six and a half per cent sounds pretty realistic. But if you look at the way all other trust companies and trustees generally operate under our Trustee Act, and the related Acts, you find that they are allowed an opportunity to charge on the basis of the size of the capital investment, one quarter of one per cent per annum as a capital administration charge, and five per cent of revenue.

That is the only money subject to their being able to substantiate inordinately high expenses in the case of administration of certain estates; that is the only money they are entitled by our courts to charge the beneficiary of that trust; and ultimately, therefore, the beneficiary receives the capital of that account, less only the one quarter of one per cent per annum—and less only five per cent of all of the income that comes in each year.

Now when the public trustee and the official guardian were paying something on the order of four per cent, it seems to me they must have been creating quite a surplus in the account. I congratulate the Attorney General now on the increase of that amount to six and a half. I just ran off one example to compare these two for the benefit of the committee tonight, and I just pulled out of the air an estimated estate of $50,000 that might be under administration.

On the normal method of administration, that is the one quarter of one per cent, there would be an annual charge of $125 against that estate. And if we assumed that the estate could be invested at an average yield by today's market of eight per cent—and I do not think that is unrealistic—that would be a further $4,000 against which five per cent would yield another $200 for income to the trustee, so that the trustee would be entitled to a total administration fee in that estate of $325; thereby yielding a net to the beneficiary of the estate of the $4,000 earned, less the $325, or a net of $3,675.

Well at four per cent—if you take the other way, the way the public trustee and official guardian departments have been operating in the past—that beneficiary would only have received $2,000 and would have been short-suited by some $1,675, if the calculation had been handled in the other method.

However, by today's arrangement, six and a half per cent would yield by my calculation, if I am right, $3,250; which is not too far off the basic figure, as I mentioned earlier, of $3,675. It is still a little short. But it is not bad, and it is a vast improvement over the other arrangement.

However, I am touching on two points:

(a) I am congratulating the Attorney General in bringing this rate up to something far more realistic; but (b) I am also pointing out that it would appear at the present time that the Attorney General's office has not yet been able to implement a recommendation which our committee made at the end of our sittings last year. And for the record, and with your concurrence, Mr. Chairman, I would like to read this complete recommendation. It is recommendation six appearing on page 3 of the report of the public accounts committee of 1968:

> A complete review should be made of the present policies of The Department of the Attorney General concerning the public trustees branch and the accountant of the Supreme Court as regards the range of authorized investments, the rate of interest paid, and the scale of fees charged. Your committee is of the opinion that the rate of interest paid to trusts under the control of the public trustee is too low—

Well, I might add in parentheses, Mr. Chairman, that I do not think we would say that today, having regard to the present disclosed interest rate which the Attorney General has told us about tonight. And going on with the balance of this quotation:

> —and having regard to present-day conditions, should give recognition to the fact that income is as much the property of the beneficiary of the trust, as is the capital. We also recommend that the public trustee be entitled to management fees on the same basis as that of other trustees.

That is the philosophical basis I was touching upon here, and I am glad to see that the hon. member for Lakeshore (Mr. Lawlor) is here. He is the philosopher in the House, it seems to me. Perhaps he would have some thoughts on this point, although he was not a member of that committee.

I think it is time we took a look at the way in which these funds are administered. I suspect that there may be a better way to do it, although I can imagine that there may be some complications which only those on the inside could really appreciate.

Mr. Chairman: The hon. member for High Park.

Mr. Shulman: I would like to pursue this subject the member for York East has brought up and the member for Downsview has mentioned, that apparently has been discussed in previous years, which is the interest rate.

I find it very hard to understand, although even accepting the fact that interest rates have now been brought up to 6.5 per cent, why the public trustee cannot at least pay the rate paid by Canada savings bonds. Taking no trouble whatsoever, they could invest the money in that type of capital riskless investment. They could do much better, of course, in grade A corporate bonds. Will the Attorney General explain why the public trustee at no time, and that includes now, has paid the going rate on investments?

Hon. Mr. Wishart: The public trustee, I suppose, could invest if it were possible, funds in Canada savings bonds, if they were available all the time, and I know they are liquid. Many of these funds come in for very short periods, very short term and have to be paid out again, almost within a matter of weeks, sometimes, a very short term. I am told the average stay of a patient in a psychiatric ward of a general hospital is 25 to 28 days.

Mr. Shulman: But 30-day money gives 7.5 per cent.

Mr. Wishart: The average stay of a patient in Ontario psychiatric facilities is approximately five weeks, so that there is a considerable turnover of monies which come into the hands of the public trustee. I think that taking all the circumstances into account the rate of 6.5 per cent now is a reasonably satisfactory return.

Mr. Shulman: May I suggest it is a reasonably unsatisfactory return in comparison with what is available? The public trustee could put the money he has at his disposal, or a good portion of it, in the money market, in 30-day money, which at the present time is paying 7.5 per cent, so obviously there is something wrong somewhere. Where is this extra money going?

Hon. Mr. Wishart: What does the hon. member mean by the money market?

Mr. Shulman: The trust companies and the banks! Goodness gracious, where is the Minister of Financial and Commercial Affairs (Mr. Rowntree)?

The trust companies and the banks in this country maintain what is called the money market, and there is a fixed rate of interest which is paid out on money in sums over $250,000. This can be arranged through any of the big brokers or through any of the big trust companies. And at the present time, even 30-day money is getting considerably more than the public trustee is paying.

I would also like to point out for the benefit of the Attorney General that a great deal of this money that the public trustee has, he is going to have for many, many years. For example, all the infant wards in the Ontario Hospital, and I was going to bring that matter up next. There are some areas there where money will remain in for a lifetime, perhaps 50 years or more, and of course, in the money market, you can get much higher rates of interest for a longer period of time.

Hon. Mr. Wishart: What kind of security would the public trustee take if he gave that money?

Mr. Shulman: The public trustee has a note back from the bank or from the trust company, for example, the Guaranty Trust Company, and that is reasonable, unless the whole country is falling apart.

Hon. Mr. Wishart: No, that is not the type of investment, I think, in which the public trustee invests.

Mr. Shulman: Well, he can quite legally, under the law.

Hon. Mr. Wishart: No, he is governed by statute.

Mr. Shulman: Yes, right, right. And that is perfectly legal investment under the statute.

Hon. Mr. Wishart: No, the hon. member is mistaken. It is not so.

Mr. Shulman: Would the Attorney General tell me what in the statutes says it is not proper, or legal?

Hon. Mr. Wishart: The Public Trustee Act provides for government bond investment, and the hon. member's suggestion may have merit, but there is the element of security and there is the present statutory direction as to what investment the public trustee may take with money that comes into his hands.

True, I suppose the hon. member could argue that the statute should be changed.

Mr. Shulman: No, no, I am quite content with the statute.

Hon. Mr. Wishart: But it is not there now.

Mr. Shulman: Well, then let me just pursue this a little further, and I do not want to belabour it. Let us suppose we stick just to government bonds, or to government guaranteed bonds, like Hydro bonds, which I am sure the Minister will agree are quite proper. Why does the public trustee not pay the going rate? This is what I am trying to get at. Let us suppose we stick just to government bonds. Why can the public trustee not pay the rate paid by the government?

Hon. Mr. Wishart: He would still be entitled, surely, to something for administering them.

Mr. Shulman: Yes, but not so much, surely, Nobody charges that much.

Hon. Mr. Wishart: Well. I do not know whether the hon. member can get his money in with a private trust company and get the going rate on a government bond today or not. He can get a guaranteed investment certificate which today, I believe, will pay eight or a little better on some of them. But this is a fluctuating rate limited over a period of time and under certain conditions. You cannot take the money out, and so on. There are restrictions and limitations on that sort of thing. I suppose the public trustee could invest in government bonds, but he would be turning them over continuously.

Mr. Shulman: Yes, well, we are no further ahead, Mr. Chairman. I would like to leave it like this: would the Attorney General be willing to look into this matter? Because, not just today, but if we go back over the last 20 years the public trustee has never paid the going rate, at any time. He has never paid close to it.

Hon. Mr. Wishart: Well, I should have told the hon. member that we do have a committee which was set up as a result of the recommendations mentioned by the hon. member for York East, to review those recommendations and to see how far we could go to implement them. That study has been under way for some time. The members of the study group are Mr. Allen Russell of The Department of the Minister of Justice and the Attorney General; Mr. Henry, the official guardian; Mr. Holmes of the Treasury Branch; Mr. MacIntyre of the Treasury Branch; and Mr. Parfitt of the department of the Attorney General.

Mr. Shulman: Well, that is a bit of a mystery, too, Mr. Chairman. May I enquire why you have set a committee up to study the recommendations made by another committee? I mean this is really carrying committees to absurdity.

Hon. Mr. Wishart: Oh, no! To see how far we can implement them and to bring them forward for implementation insofar as that is possible. Not every recommendation, with great respect to every committee, but not every recommendation they make can be implemented. We have to see that what we bring forward and recommend to government for adoption is proper, legal, feasible, practical, and these are the practical people who are doing the work of bringing those forward.

Mr. Shulman: Well, Mr. Chairman, may I suggest that these practical people should not have taken so long to go over these very good suggestions which came out of that committee?

Hon. Mr. Wishart: If the hon. member had a little more experience in how these things have to be done, in the amount of work that is necessary in order to accomplish them, he would not, perhaps, indicate such impatience.

Mr. Shulman: I am looking forward to having that experience in the near future, Mr. Chairman. Well, there is another matter I would like to bring up in reference to the public trustee. I have a letter here from a Mrs. Grace Inge, a very dedicated woman who runs the Happy Halfway House in Belleville, Ontario, a home for mentally retarded children, many of whom are wards of the public trustee. She has written to me about this problem of funds that are held by the public trustee, and I will just quote from her letter.

> What happens to the money that the public trustee is supposed to keep in trust for the wards of the Ontario Hospital? I have had as many as ten patients at one time but have never received one penny for the extra necessities, never mind the luxuries of life, to which we, in this society are accustomed. I understand there is such a fund for these poor children and as they grow into adults, inasmuch as they are unable to ever look after their funds. Why can none of this be released?

Now I ask the Attorney General, through you, sir, surely these poor children and these poor adults should have some of those funds at least for the benefit of some minor luxuries in life, and by God there are darn few luxuries they can indulge in.

But it is not just Mrs. Inge. I have also questioned at Plainfield and other homes, but the trustee never releases any of these funds. Now obviously there is something wrong here. Would the Attorney General look into this matter or does he have any knowledge of this matter?

Hon. Mr. Wishart: Well I would say this, there are no funds created just for—

Mr. Shulman: No, perhaps the Minister misunderstood.

Hon. Mr. Wishart: The public trustee administers assets of people—

Mr. Shulman: Right, oh yes! Perhaps I did not make myself clear.

Hon. Mr. Wishart: They are not for luxuries. They are for the maintenance and the usual requirements that are necessary—requirements of people who are in, among other things, mental institutions. And he administers their property for their benefit, and the capital and the interest is theirs. And if there is a question as to how much they should receive the court will make an order. I do not know what the good lady means by luxuries.

Mr. Shulman: If you will permit, I will explain.

Hon. Mr. Wishart: Well, she does not explain it in her letter. I do not know what she has in mind. There are a lot of things that some people might regard as luxuries that others might regard as necessities. But the public trustee administers funds for the benefit, this is my answer, generally for the benefit of those persons whose property he has in hand.

Mr. Shulman: Mr. Chairman, through you, sir, to the Minister, the problem is that the public trustee in these cases releases the funds only to the limit of the actual hospital bill each day. Now, for example, if we take patients at the Runnymede Hospital where there are, I believe one or two similar cases, these patients may not get funds to pay their laundry. And if you do not have funds to pay your laundry, you are not allowed to wear your own clothing and must wear these rather shapeless and horrible hospital gowns.

Surely this is a reasonable expenditure? The public trustee seems to be working within too rigid a rule and will not release the money. I do not think this is a great luxury in life, to be able to wear something other than hospital gowns. The same thing applies, for instance, about buying writing paper. These are areas where funds should be released and the restrictions should not be as stringent. I do not wish to belabour the subject. I am now going to ask the Attorney General if he will look into this matter and, at his leisure, let us know.

Hon. Mr. Wishart: Yes, I would be glad to look into it, Mr. Chairman.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, just a point on the actual financing, if the Attorney General will forgive me, just to keep the department honest, so to speak.

On the official guardian, the amount called for in the estimates, 1967-1968 year, was 546,000. You actually spent a little less than that, $517,000. In the next fiscal year, the year before this, you requisitioned $596,000. I do not care particularly at the moment; I will pick this up next year as to what you actually spent out of that increased amount. But there has been a vaulting change this year from $596,000 to $865,000 over the course of one fiscal year. Why is this so?

Hon. Mr. Wishart: Yes, the figures that I have indicate to me that $210,000 of that increase in the official guardian's estimates is the increase in the divorce jurisdiction, the services of children's aid societies and other recording agencies which the hon. members are familiar with and aware of. There has been a very large increase in that field and it is a growing matter. So, $210,000 out of $269,000 is in that item; $43,000 is the normal increment and increase in salaries from $317,000 to $360,000. We have nothing in for travelling expenses at all, maintenance from $65,000 to $81,000, an increase of $16,000. That makes up the $269,000 increase.

Mr. Lawlor: That divorce jurisdiction doubled the amount from previous years, really? There was $210,000 on that item last year.

Hon. Mr. Wishart: It is exactly double.

Mr. Lawlor: Exactly double. Just one other item arising out of that, Mr. Chairman. If you read public accounts, the last public accounts, as of March 31, 1968; at page B18, there is a reference of moneys that go out to the children's aid societies. I noticed in that

one that the total amount going out to children's aid societies was $294,000. The city of Barrie in the county of Simcoe got $176,000 of that money. Metropolitan Toronto got $55,000. What is the explanation of this?

Hon. Mr. Wishart: I am trying to get that. I have not got the public accounts book just in front of me. But I can hardly believe that to be correct.

Mr. Lawlor: It is on page B18.

Hon. Mr. Wishart: I will check that immediately if I can. Could the hon. member give me the page?

Mr. Lawlor: It is on page B18, Mr. Chairman. It says at the top, number 1; the second item down says "Services of children's aid societies and other reporting agents". The next item is children's aid societies and it starts to break them down; it does not—it goes to some—

Hon. Mr. Wishart: Yes, it does give that figure. I have to see it with my eyes to believe it. I will have to check it. I will undertake for the hon. member to check that out and see how that can possibly be. I think something must be missing. Perhaps not in the figure, but I think there must be other children's aid societies besides Barrie's in the county of Simcoe.

Mr. Lawlor: It is very curious when you consider it is less than a third.

Hon. Mr. Wishart: Yes, I would think that is probably the explanation, but I shall check it. It would be that it is not only the city of Barrie in the county of Simcoe, but a number of other societies. I will check it and find out.

Mr. Lawlor: Turning to page B15, if the Attorney General will, on the official guardian's branch the sum total amount of the levy was $669,000. Then it has less reimbursements of expenditures of $151,000, leaving them with a deficit of $517,000. Where do you get these moneys coming in; does it come from the federal government? What is your source of funds for the reimbursement of expenditures? Does it come from the families of these children?

Hon. Mr. Wishart: The official guardian operates his office on a cost basis and if he makes a surplus he pays that in to the consolidated revenue fund. If there is a deficit, he is reimbursed out of consolidated revenue and that figure of $151,719.01 is the amount received from consolidated revenue to make up his expenditures.

Mr. Lawlor: You will notice just down below when you come to the public trustee that, apparently, the consolidated revenue fund reimburses them 100 cents to the dollar; reimburses to the tune of $1,097,000. Is that the way that works?

Hon. Mr. Wishart: All that the public trustee takes in is paid into consolidated revenue total.

Mr. Lawlor: Everything he needs—

Hon. Mr. Wishart: His expenditures are paid out of the consolidated revenue fund.

Vote 208 agreed to.

On vote 209:

Mr. Singer: Mr. Chairman, I am not going to make the long speech I have made in other years about the retrograde systems, insofar as land registration services are concerned. But I do believe that having made this speech for a number of years and having been unable to detect any improvement, I would like our annual report from the Attorney General as to when he thinks the situation is going to improve a little.

The Minister of Health in Ottawa, the hon. John Munro, made a speech about lawyers and a lot of people took exception to many things in that speech.

Hon. Mr. Wishart: Did the member not take exception?

Mr. Singer: There is one paragraph here in which he referred to land registration systems with which I agree. If the Attorney General wants me to comment on other portions of the speech, we will perhaps get to that later. But at this point I want to read this paragraph the hon. John Munro put forward. He says, and he is talking about lawyers:

> Yet often these same people are deriving a substantial amount of their income from archaic laws still on the statute books which hold permanent the status quo. Just look at our real estate laws as a prime example where silly but costly title examination procedures add to the already too-expensive price of buying a home.

I have illustrated on many an occasion the fact that the work done in connection with the searching of the title and the relationship with the fees charged for that, to my mind, bear very little real relationship, particularly

when on a particular deal you can get four different lawyers operating independently, doing the same work and charging the same sort of fee, which is eventually paid by the person who is buying the house.

Mr. Lawlor: That is a "Singer sabotage".

Mr. Singer: It may be, but I do not think, really, we lawyers need that kind of protection. I would hope that the day is coming closer, Mr. Chairman, when it is going to be very simple to search a title and even the layman—the member for Lakeshore used the word "sabotage" there—would be able to search his own title and inform himself reasonably well as to the situation before he enters into a real estate transaction.

Hon. Mr. Wishart: Mr. Chairman, just to inject a few words, the main answer which I would give is that the land registration system is a part of the study being carried on by the Ontario law reform commission on the whole field of property law.

We anticipate that report, we are told by the chairman of the commission, in the 1968-69 fiscal year—1969-70 year. So we should have that and there will be, I am sure, recommendations relating very definitely to the subject which the hon. member for Downsview has raised. In the meantime, we are moving in considerable areas of the registry office system into land titles by application and approval.

The other thing I am prompted to say—this is my own observation and I think the hon. member for Downsview and the hon. member for Lakeshore will perhaps bear me out in this if they have in their areas both land titles and registry offices, as I am sure they do—I have never noticed a tariff of the law association make any distinction on the tariff fee for purchasing or acting for the vendor of property, whether it was land titles or registry office.

Mr. Singer: That is right, I have never noticed it in York county.

Hon. Mr. Wishart: No.

Mr. Lawlor: Just a little windfall.

Hon. Mr. Wishart: Sometimes there is just as much work in a way under the Torrens system, I have found, as in registry, but that is by the way. The main answer is that I am sure our law reform commission will give us some very worthwhile recommendations.

Vote 209 agreed to.

On vote 210:

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to bring up the topic of the fire college at Gravenhurst. The members from the Windsor district did meet with the various volunteer fire services in the Essex county area and a series of recommendations were put to us that we thought should receive the consideration of the hon. Minister.

One was concerning the courses for volunteer firemen. They made mention that the short courses had been discontinued. This put the fire services of these various small municipalities at a disadvantage by the fact that volunteer firemen no longer had the opportunity to take some of the courses. One of the specific courses that they did mention was the need for what they called a pump course; it is part 2 of the fire operations course. They would like to see that course reactivated.

They would like to see some consideration likewise made to the volunteers taking these various courses so that they would not suffer any financial hardship. Permanent staff officers from various municipal fire departments taking these courses are not penalized financially for taking the course, whereas the volunteer quite often has to give up a week or two of his gainful employment to take the course and to serve the community. They did not think it was really fair to ask them to suffer the financial hardship as a result of trying to become a better citizen. They made mention of the request or the need for possible facilities on a regional basis, rather than have everything concentrated in the one area. They did mention that quite often, in the attempt to take courses, they were told the courses were completely taken up; they had a full enrolment and that recruits from other counties were given preference in a lot of instances over the local person contributing services to a volunteer fire service.

These are a few of the recommendations made by them to us, to those of us who met with the volunteer fire services in the Essex county area. I would ask the Minister for his comments concerning the recommendations made by this group.

Hon. Mr. Wishart: First of all, I would like to ask—the hon. member mentioned a committee that met—

Mr. B. Newman: With the various members of the volunteer fire services in Essex county.

Hon. Mr. Wishart: This was recent, I take it?

Mr. B. Newman: Actually, it was January 14, 1969.

Hon. Mr. Wishart: Was anything sent on to my department?

Mr. B. Newman: I do not know if they did that at all.

Hon. Mr. Wishart: I am interested in any event in the suggestions which were made for the pump course. That course was not discontinued, it is still available. I am not certain how it affects the volunteer members. If they are treated on a different basis, I would be glad to look into that.

I think what happens is the volunteer firefighters are compensated by their municipality and encouraged to take the course and expenses or something are paid to them for coming down, I do not think they do this entirely on their personal or individual basis. I could look into that. I do not know any more about it than that, but that is my impression.

As to the suggestion that we set up regional colleges—that is what it would amount to—

Mr. B. Newman: Or courses on a regional basis.

Hon. Mr. Wishart: Yes, perhaps courses could be set up; although this would be very difficult. Almost, I think, you would have to move the personnel; you would have to find some place where the course could be held if you moved into other areas.

Perhaps in an area as large as Ontario something of this sort might be considered if what was contemplated was setting up a permanent duplicate or facsimile, of the present college. I just think that would be impossible. I think we do have to centralize because that is where the facilities are; where we can get the persons to give the courses. To carry them to regions presents some difficulties which occur to me. I could look into that and see if it were possible but that is all I can promise the hon. member at this time.

Mr. B. Newman: I thank the Minister. Is there another reply there?

Hon. Mr. Wishart: No.

Mr. B. Newman: May I also make mention that they did discuss central communication on a regional basis and would the Minister have any comments to make concerning that?

Hon. Mr. Wishart: I have something in my material which I can give the hon. member, which may be helpful to him. I have this under the heading of regional fire schools and what I would give to the hon. member I read from the material before me.

> There were 105 fire fighters trained in three regional fire training schools which are conducted in the municipalities of Chatham, for fire fighters of the county of Kent; Barrie, for the county of Simcoe; and Sudbury, for the district of Sudbury.
>
> Each group consists of a five-day, 40-hour course of study in the basic skills of firemanship. Lectures are presented in the classroom, and practical training is provided on the training ground, using the firefighting apparatus and equipment of the office—

that is the local office:

> —classroom and fire training ground facilities which are made available by the municipalities involved.

So we do have a programme to that extent and this could perhaps be extended to other areas.

I am told that we do rotate these into different areas each year.

Mr. B. Newman: Mr. Chairman, I made mention of the central communication on a regional basis. Are there any steps being taken toward that?

Hon. Mr. Wishart: I am not sure I understand the hon. member—central communication on a regional basis?

Mr. B. Newman: Where, in the case of several fires in a given area, all of these services would not rush to the one fire location. They could be staggered and sent into the two or three different areas.

Hon. Mr. Wishart: There is a programme of co-ordination in the counties on this.

Mr. Chairman: The hon. leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, this vote contains the money used to finance the Emergency Measures Organization in Ontario. The Attorney General has heard our views on this in years gone by, and I thought perhaps this would be an occasion when we could review the situation as it applies in Ontario at the present time.

I think it was 1950, long before most of us were in the Legislature, even the hon.

member for Downsview, that the cold war reached a period of crisis in which many seriously thinking citizens felt that there was a reasonably good chance that we were going to be needing bomb shelters and special measures to protect ourselves against a third world war. It was when the Emergency Measures Organization statute was passed in Ottawa, and Ontario entered into the programme on behalf of this province.

We have all heard the story told many times about the decision taken by the government of Ontario to carve themselves a government bunker up at base Borden, which I suppose still exists, and is still fully serviced with all the facilities and supplies, in the event that the administration would have to be carried on under those circumstances of ultimate security.

We know about the great stockpiles of special directional signs which are going to be rushed on to the public thoroughfares in the event of an atomic attack which will direct our citizens, in the most direct means, out of Metropolitan Toronto to goodness knows where. I presume somewhere up into Huron county so that they will be protected in the event of a nuclear holocaust.

I think it was about five years ago that the emphasis of the government of Ontario changed away from protecting our citizens from the threat of atomic war to providing something like a third force in the community. Something like a citizens' police, or militia, which would provide a structure in which citizens could serve each other in the event of some other catastrophe or holocaust, probably natural in its source.

The possibilities were put forward by the then Attorney General. I can recall the events of perhaps another Hurricane Hazel or some great fire in which a large community, or a large section of the people in the province, would require some special instruction and assistance when normal communications would be destroyed and perhaps electrical power would be down and the roads impassable, in which case Emergency Measures Organization would fulfil a function.

I have been very impressed, as a matter of fact, with the quality of the people who have gotten into the Emergency Measures Organization over the years. I cannot help but feel that they must be frustrated, not because there has not been an atomic war or some natural holocaust that would call them into service, but for the fact that surely they must agree with many citizens that we have various emanations of the nation and the province now which are well designed to look after these emergencies. The chances of the Emergency Measures Organization being called upon to fulfil a truly useful service seem to be decreasing rather than increasing.

Still, we are called upon year by year to spend significant sums of money for EMO. I am never sure, when we see we are voting $1,306,000, whether this is the total bill or just the provincial share. I presume it is the total amount of money available for the organization as it applies in the province.

I would say to the Attorney General, as strongly as I can put it, that he should surely be considering ways in which he can phase out the expenditure that goes to support the efforts of these citizens who are well motivated and, in many cases, well trained, but whose function seems to be very difficult to pin down.

I realize that they have communications exercises and that many people, particularly those involved with the EMO and those in receipt of a stipend in relation to it, take it very seriously. And why should they not as long as the governments of the day, both here and in Ottawa, are prepared to maintain it as richly as this, with the expenditure of more than a million dollars of public funds in this year alone?

In my view the chances of this being called into service are practically nil. And I would think, as the years go by, particularly with more training for our police forces, both municipally and in the province, that we already have people with good means of communication independent of public means who could maintain the services that might possibly be called upon that the emergency measures people have been trained to give.

I would suggest most strongly that this vote is no longer required. The Minister knows in the past that it has been our habit to move its reduction. He might be pleased to know we do not intend to do that tonight or during these estimates.

But surely the time has come when there must be a thorough review of this programme. It should not just sit on the books year after year, either federally or provincially, simply because it was considered a proper reaction of government in the days of the worst—we hope the worst—of the cold war.

I would ask the Attorney General to comment on this. Surely he can give us some indication of a change in the government's plans.

Hon. Mr. Welch moves the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, tomorrow we will carry on with the consideration of these estimates, to be followed by the estimates of The Department of Lands and Forests, and then the estimates of The Department of Revenue.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:00 o'clock, p.m.

No. 196

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, October 28, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, OCTOBER 28, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: I am sure we are pleased to have a great many students in our galleries as visitors today—in the east and west galleries, students from Bishop Ryan High School, in Hamilton.

Statements by the Ministry.

Hon. J. P. Robarts: Mr. Speaker, it is my privilege at this time to table the second report of the inquiry into civil rights conducted by the Hon. James C. McRuer.

The hon. members will recall that it was in May, 1964, when Mr. McRuer was appointed to examine, study and inquire into the laws of Ontario affecting the personal freedoms, rights and liberties of our people in the province. He was asked to determine how far there may be unjustified encroachment by the government, by the officers and servants, by divisions of the provincial public service, boards, commissions, committees, and other emanations of government or bodies which exercise authority under or in administering the laws of the province. He was further asked to recommend such changes in the laws, procedures and processes which he might consider are necessary and desirable to safeguard the fundamental and basic rights, liberties and freedoms of the individual from infringement by the state or by any other body.

On March 5, 1968, I had the pleasure of presenting to the House the first report of the Royal commission in three volumes. That report dealt with statutory powers in the administrative process, the administration of civil and criminal justice in the province and safeguards against the unjustified exercise of statutory powers. The members will be interested to learn that in the interval since that first report was tabled here, we have implemented 60 per cent of the recommendations and the remainder are under close study. Indeed, all present legislation that is being introduced here is being measured against the standards set by Mr. McRuer before presentation to the Legislature.

The second report, which I table here, which is volume four of the total report, considers such important subjects as safeguards against unjustified encroachments or infringements on the rights of the individual; supervision over the exercise of administrative and judicial powers; an ombudsman; and a bill of rights for Ontario.

Included is a discussion of the implication of the entrenchment of a bill of rights for Canada. The consideration of this topic is particularly relevant to the present constitutional discussions between the government of Canada and the provinces. The hon. members will recall that during the first federal-provincial constitutional conference, held in February, 1968, the Minister of Justice and Attorney General of Ontario (Mr. Wishart) withheld expressing the views of Ontario on the entrenchment of a national bill of rights, to await Mr. McRuer's evaluation of this fundamental subject. We now have Mr. McRuer's report and I look forward to a full discussion of his findings in this Legislature, among the people of Ontario and at forthcoming constitutional conferences.

I am confident that the hon. members will find the depth of the analysis by Mr. McRuer, and the incisiveness of his comments and recommendations contained in his second report, to equal and perhaps even surpass the eloquence and exhaustiveness of his earlier report.

I would further add, on behalf of the people of Ontario and all members, our appreciation to Mr. McRuer for this most searching investigation into, and report upon, subjects which are a part of the life of each and every one of us in this province.

Mr. McRuer now has in preparation the third and final report. In it he will weigh the recommendations of the first three volumes which dealt with the institutions of the Legislature and the government of Ontario as they apply to the various boards, commissions and tribunals established by this Legislature. I would add that the commissioner does not expect to complete the final volume of his monumental report for some time.

Copies of the second report are on the members' desks.

I would just like to add a word of personal appreciation for what Mr. McRuer has done in these years. In my own opinion some of the results flowing from his report could be as important historically as anything this Legislature has done in the last five or six years.

I recommend this report for your reading. It is a beautiful piece of English, among other things, and certainly everybody in this province owes a debt of appreciation and gratitude to Mr. McRuer.

Mr. Speaker: Is there any comment by either of the Opposition parties with respect to this?

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, since you have brought this to my attention, I did not know how you wanted to handle it under the new rules.

Hon. Mr. Robarts: I was not going to sit down because of this gimpy leg.

Mr. Nixon: I had thought that perhaps you were going to make use of the question period for reaction to statements.

Mr. Speaker: I think both cases. In other words, there is an opportunity for a brief statement by each of the Opposition parties.

Mr. Nixon: Right. I appreciate that and certainly I join with all members in expressing appreciation to Mr. McRuer in the publication of the second report.

I notice that the Premier indicated that the final report might be some time in its completion. I do not know why this would be; whether or not considerable research has to be undertaken before it can be brought to a completion, but in thinking back to the beginnings of this report you might even call it the silver lining to that black cloud of Bill 99 back in 1963 or 1964. It is quite interesting to recall the evolution and the fact that this, which the Premier has called one of the most important developments in the province in the last six years, has come from that very lowly beginning. I think it is an important document and one that will have significance far beyond the boundaries even of Ontario. I see that it has recommended an ombudsman, and this is certainly something of considerable interest as well.

I am delighted to receive it, I know it is an important contribution.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, despite the high regard in which it is well known we hold Mr. McRuer, the immediate impact on receiving this report, I would think, is a little disappointment. We had pressed, any number of times in the past number of years, for an ombudsman and that is being denied to us. We will take the new volume on its merits and having seen, no doubt, the good reasons that will be put forward in this regard, bring our own thoughts to bear. I am personally somewhat disappointed in this regard.

The second thing is to mention the special judicial council. It seems to perform in an ambit, with relation to the operation of the courts—the same function as a sort of legal ombudsman but it has a separate distinct identity. I commend Mr. Justice McRuer as a fine artist in the fine work he is doing, but I wish he would go, in some instances, just a little further.

Hon. R. S. Welch (Provincial Secretary): I did not want to interrupt the discussion on such an important document as this, but in the arrangements for the trial procedures, statements by the Ministry were deliberately repositioned in order to avoid comment so that there would, in fact, be the one-hour question period. Before any precedent is established under the new rules, I thought that I should just draw that to Mr. Speaker's attention.

Mr. Speaker: Mr. Speaker is glad, eventually, to be advised of these matters. He has no views one way or the other because it is a matter for the House to determine. We have had one statement by the Prime Minister which we have dealt with in the fashion with which previously we have dealt with statements by the Ministry. I believe the Prime Minister has a further statement. We will deal with it in the other manner, and postpone comment until the oral question period. After today, perhaps, the party Whips or the House leader will advise me what the consensus is, and we will follow that course then. The hon. Prime. Minister.

Hon. Mr. Robarts: Mr. Speaker, some adjustments are inevitable. I think there is consensus that Ministerial statements be placed first in order that the hon. members may have an opportunity to ask any questions they may wish, perhaps during the oral question period.

This next comment I wish to make, sir, concerns the tabling of the final report of the

interdepartmental committee on government at the district level in northern Ontario.

This is the final report of this committee and I think hon. members will recall that during the Cabinet tour of northern Ontario in September, 1968, I announced the formation of this committee of senior civil servants. At that time I indicated that from the committee's report, "It may be possible to evolve a policy or formula which will be applicable with appropriate local modifications to all the districts of Ontario."

In suggesting that such a formula might be developed, the government was guided by several considerations. The first was the particular circumstances of the 11 territorial districts of northern Ontario, including the geography, dispersal of population and the concentration of the economy particularly in the resource and recreation industries.

A second and major consideration, of course, was a recommendation in the Lakehead local government review. This was done by Mr. Eric Hardy. It proposed that a district municipality be established for the territorial district of Thunder Bay. This suggested district municipality would have responsibility for certain services now provided by special-purpose boards or, in territory without municipal organization, by the various provincial departments. The commissioner, Mr. Hardy, also recommended in the Lakehead review that insofar as possible, the legislation providing for the creation of the Thunder Bay district municipality be given a form which might permit its extension to other district municipalities.

A third consideration was the report of the Ontario committee on taxation or the Smith committee as it has come to be known. The Smith committee suggested the reform of local government structure in northern Ontario utilizing types of local government which would be different from anything we have in this province today.

In addition to the work of the interdepartmental committee, we have been devoting considerable attention to two areas where there are special circumstances: namely, Muskoka, where the residents are considering proposals for a district municipality for the district of Muskoka; and part of the district of Sudbury, where possible changes in the municipal structure are being studied. This interdepartmental committee report is not directed to these two areas that I mention, but nonetheless I think the report itself may be helpful in the discussions in both Muskoka and Sudbury.

By establishing the interdepartmental committee, the government hoped to add another voice to the current discussion on the future of local government in northern Ontario. We also sought to examine some of the proposals already made, from the point of view of the various departments, and to focus attention on the questions which will have to be dealt with before meaningful reform can be undertaken.

I believe this is a most appropriate time to inject this element into the discussion between the people of northern Ontario and Queen's Park, that has been so effectively spurred by the recent northern development conferences which have been held in Timmins, Sudbury and Thunder Bay. In those sessions we emphasized the desire of this government to bring Queen's Park closer to the people of the north.

The report of the interdepartmental committee sets out neither pat answers nor solutions worked out at Queen's Park to the problems of the north. Indeed, it may well reflect the reality of today's world that there are no pat answers to many of the challengers which concern us. Rather, this report sets out the basic dilemmas which have to be grappled with in attempting to create a stronger municipal structure in northern Ontario. By doing so, it provides the kind of material which will enable northerners themselves to study the problems and to come up with their own recommendations for action.

The report makes certain suggestions for change. Its major recommendation is that the residents of northern Ontario should have a prolonged opportunity to discuss among themselves, and with representatives of the government, the kind of municipal structure they think will be most appropriate in the future for their own area.

To stimulate this discussion the committee set out three alternative proposals for government structure in the territorial districts. The first alternative was originally recommended in the Lakehead local government review. It would have a direct responsibility for a number of human betterment services and would operate through a council of municipal representatives and representatives from the areas without municipal organization. It recognizes the problems of the residents in the small, more remote communities, by suggesting that local service boards could be established by mutual agreement with the district council to meet the need for certain local services.

The second alternative favours the division of northern Ontario into administrative regions defined by the province. Each region would have a regional co-ordinator of services who would be a provincial employee reporting directly to the Minister of the department designated for this operation. The co-ordinator would have the responsibility of providing local services in the territory without municipal organization. He would co-ordinate the activities of the field staffs of all provincial departments and of all local governments throughout the entire region. Representatives of municipalities and of the areas without municipal organization would serve on regional committees in an advisory capacity.

The third alternative proposes regional governments on the scale of the present territorial districts south of a line drawn some 25 miles north of the Canadian National Railways northern line. In representation, organization and responsibility for services, it would be similar to the first alternative I have mentioned. However, there are significant differences. For example, representation on the district or regional council would include elected or appointed representatives from Indian communities. In addition, members of the provincial Legislature would have formal liaison with the district council. The organization for the administration of regional services would include personnel to provide advice and assistance on planning, public works and public relations. Regular liaison would also be established between the district council and those provincial departments which would continue to provide direct services of a local nature.

This is a very brief outline of the alternatives presented in the report. I am confident that the members of the House and residents of the territorial districts will study it and will participate in discussions about its proposals. I think it is imperative that as many people as possible do so and enter into the discussions.

As was emphasized at the northern development conferences, the government of Ontario has a very sincere desire to enter into a vigorous dialogue on the whole range of questions related to the further development of northern Ontario. Only by discussing these matters can we mutally determine the kind of local government institutions in northern Ontario which the residents want and which the area requires.

Sir, I must emphasize that this report is for discussion. It contains suggestions for three approaches which might be considered. But until they are fully discussed with the residents of northern Ontario; and until all their ramifications have been considered, and until there is some discernible consensus as to what is the proper course of action to follow and what the people of the area want, this government will not take any action to change the structure of local government in the north.

We shall seek out opportunities to discuss these proposals and I am quite certain there are other proposals which will come forward from northern Ontario itself, stimulated by this report. We will welcome submissions and we will welcome full and complete debate on what might be suggested. I would like to emphasize that because we have had difficulty explaining our position in the whole area of the development of regional government. I want to make it very, very clear indeed, that the government will not act on these matters before discussions and dialogue have taken place and before we have had an opportunity to find out where the areas of agreement may be. We will take no action until we have fully consulted with, and have the concurrence of the people who will be affected in whatever may present itself as the best course of action. Basic to the whole approach, of course, is our desire to proceed as rapidly as possible with anything that it is possible for us to do to speed up and continue the development of our great natural resources and the great areas in the northern part of our province.

Mr. Speaker: The Minister of Municipal Affairs.

Hon. W. D. McKeough (Minister of Municipal Affairs): I might say something to indicate the government's concern about the unfortunate fire and explosion which occurred at Malton in the town of Mississauga last Saturday afternoon. We understand that a resolution is *en route* to the government requesting government assistance. The government considered the matter this morning.

The policy of the government has been to provide financial assistance to victims of storm, flood and other natural disasters in areas of the province. This has usually been done on the request of the municipal council in which the disaster occurred. The practice has been to match, dollar for dollar, the funds raised by public subscription and municipal contributions. I think where this policy began was probably with Hurricane Hazel. It was used to good effect in the community of

Glen Williams in the county of Halton. It was used in Mountjoy.

As recently as a year ago it was used in three municipalities in my own county, which I am somewhat familiar with, I think in the town of Wallaceburg. There the people raised, as I recall, about $14,000 by public subscription. The municipality put about $9,000 toward this amount for a total of $23,000. The government added to that amount a further $23,000, making a total of $46,000, which was available to assist those people who unfortunately had suffered severe flood damage.

In the past, Mr. Speaker, this policy has been considered to be in effect for a natural disaster, an act of God, if you will. Whether this particular explosion and fire fit into that category, I am not sure just at this moment. We have the matter under active consideration. We will not make a firm commitment until such time as we receive further representation from the municipality. I think we would want to have further clarification as to such details as the cause of the explosion; whether there is liability; what the implications are of the litigation which may well take place and the insurance settlements which may be made.

The allocation of provincial assistance will have to be considered, I think, in the light of those circumstances, but in spite of those reservations, Mr. Speaker, I want to assure the House and assure the council of Mississauga and the people involved that the government is concerned. The Department of Social and Family Services has been in touch, and offered whatever assistance was necessary. I understand that it was not necessary at this moment in time—and we do stand ready to provide whatever assistance we can to alleviate the sufferings of a number of families in that immediate area.

Mr. Speaker: Any more statements by the Ministry? I think it might be well if, before we call the next order of business—so that once again I do not infringe on the members' time—I make certain comments with respect to our new procedures, which may perhaps be of assistance to all the members, and particularly to the chairmen of the two committees which are now sitting concurrently.

May I first point out that when there is a lack of a quorum in the House—in the committee of supply here—the bells are rung for four minutes. If it is a division, of course, the bells ring for a longer time because arrangements have been made to allow the members to come back from the office complex, and therefore I leave that with the members. But a four-minute bell which stops indicates that a quorum count is indicated and if there is no quorum then, as you all know, the Chairman reports to the Speaker. The bells are again rung for four minutes so that the members in the committee can easily ascertain whether it is a quorum count or a division in the committee of supply or the committee of the whole which may be sitting in here.

I think that if the members will bear that in mind it will cease to cause the difficulty which we had yesterday because, with a quorum of 20 in the House and seven members in the present standing committee and five members in a quorum in the next standing committee to consider estimates, it would seem to me that we should, without too much difficulty, be able to maintain our quorum in each of the committees sitting.

I took the opportunity last evening of listening to tapes both from the House during the question period and from the committee of supply, and the standing committee dealing with supply. The tapes are there for the standing committee; they are very good. There is some background noise, but the reception is good, by and large, particularly of the leader of the Opposition who has a good voice for recording—the technicians tell me—and comes through very well.

I am pleased to advise the members, and I do so with particular reference to the hon. members for Windsor West (Mr. Peacock) and Brantford (Mr. Makarchuk), that, as I said yesterday, we have found it impossible to obtain any commitment from at least some firms of court reporters, but our present *Hansard* administration is set up so that we hope tomorrow we will be able to start at least some sort of a typewritten *Hansard*, from the committee. Certainly by the end of the week it should be working. I have made arrangements that a master copy of what goes on in the committee of supply here and what goes on in the standing committee dealing with supply will be furnished as soon as it comes from the typewriters to the chairman of the committee.

As you all know, a master copy now goes to Mr. Speaker's office and one to the press. I am having another master copy given to the chairman and that will mean that the members will be able, within a matter of hours—while the sitting is still going on, I would anticipate—to contact the chairman. He will deal with wherever the copy will be; but it will be there and the members will be

able to look it over—or the Minister or the chairman will—and see what actually was said. I think that this will help immeasurably when we have these committees operating efficiently and well, as I hope we will very shortly.

I would also say that I have arranged for the same situation with respect to the oral question period. There will be an extra copy which will be in Mr. Speaker's upstairs office here which will come down, usually, about two hours after the question periods. It will be there for any member who wishes to check it, or any Minister who wishes to check what was said so that he may be prepared for the next day, without awaiting either the printed *Hansard* or the master copy which is normally in the Speaker's office. It will be available and the members will have the opportunity of seeing in print what has been said.

As I listened to the tapes for the question period yesterday, I would say to the hon. members that it was a very good afternoon. I noted a tendency on the part of some members to preface their oral questions with rather long explanations of fact or otherwise, which I do not think are necessary. I would hope that we would watch that, and it will then give many more opportunities for questions.

I would like to say with respect to the question which the hon. member for Rainy River (Mr. T. P. Reid) attempted to place yesterday that Mr. Speaker was quite incorrect in the reasons he gave for not accepting it. I say that after having read what I said previously.

I said that in accordance with the new rules I would not deal with questions that should be on the order paper—only those which had not a measure of urgency and public importance. Therefore, when dealing with that question, I should have advised the member that my ruling was on that basis, which it was—that it was not a matter of urgent necessity, and that it was not in my opinion a matter of urgent public importance.

I apologize to the member for saying one thing at the beginning of the period and the second thing later, but I remain firm after listening to the tape that it was a proper ruling. Otherwise, I think that the question period went exceedingly well.

If there are suggestions with respect to the new *Hansard* proceedings, particularly from the members who will be dealing with it when it starts operating later this week, I would appreciate it very much if they would contact me privately and not take up the time of the House. If it is at all possible to adjust to do what we all want to do, I can assure them it will be done.

Oral questions.

Mr. Nixon: The papers today contain an announcement of a federal-provincial conference called for early in December. I wonder if the Premier can give us further information about the conference and Ontario's participation in it.

Hon. Mr. Robarts: Mr. Speaker, this is the continuation of a series of conferences we have had. Next week various ministerial groups are meeting. You will recall that there are committees of Ministers set up to deal with some specific subjects. These committees will meet next week in Ottawa then in December we will go back into a formal federal-provincial conference which will be in the same vein and the same type of meeting we have already been conducting. I think we go back to the meeting last February, the one in the spring. Prior to the December meeting, I will be making some comments in the House about the agenda and so on, and perhaps later on as the date comes closer, and as our preparations for the conference are complete, I will have some other observations to make in this regard.

Mr. Nixon: Supplementary questions: First, since it is an open conference, might we expect an invitation for the Opposition to attend as observers?

Hon. Mr. Robarts: I will once again take this up in terms of what the conference will permit. The member will recall we had discussions about this before, I will be delighted to make arrangements—if I can do so within the conference framework—to have representatives from the Opposition there. I think it has worked well in the past. It is a concept with which I am in agreement. I think it makes our debates here more meaningful if all sides of the House are aware of discussions and can understand the reasoning behind the decisions and positions that might be taken.

I do not think these constitutional questions should be considered in any partisan fashion at all. I think they are basically Canadian questions, and I think they should be considered in a Canadian context, but not in a context of partisan politics. On that basis I will do everything in my power to ensure that this Legislature has full information, and the conclusions we come to will be in the best interest of all concerned.

Mr. Nixon: Further supplementary question on the conference: The Premier has indicated that he has himself read the second report of the McRuer Royal commission and commended it to us not only for its contents but for its style. I wonder if this means that he is now prepared to accept the position for the entrenchment of a bill of rights in the Constitution of Canada.

Hon. Mr. Robarts: Mr. Speaker, I just suggest before we get into any such discussion that the hon. leader of the Opposition might read what Mr. McRuer had to say on that subject.

Mr. Nixon: I have read it. Has the Premier read it?

Hon. Mr. Robarts: I find myself not too far away from the position taken by Mr. McRuer in this report.

Mr. Nixon: We'll look for an improvement.

Hon. Mr. Robarts: I am not, I might say I do not want to admit it; I would have to say that I have not read this report from cover to cover, but I have had an opportunity to peruse it and in due course I will, of course, read it thoroughly.

Interjections by hon. members.

Hon. Mr. Robarts: People are very kind to one, Mr. Speaker, when one is laid low. Certainly my personal library has increased by quite a few volumes during the period I spent in the hospital, and I have not yet had time to read all the books that were sent to me, but in due course I will work my way through.

Mr. S. Lewis (Scarborough West): The member for Armourdale (Mr. Carton) did not send you any?

Hon. Mr. Robarts: He did not send me any books, but I will say that he sent me one of the more amusing cards I received, and I enjoyed it very much.

Mr. Lewis: The Premier would not care to table it?

Hon. Mr. Robarts: No, I do not think I would care to table it, but it was not pornographic, Mr. Speaker.

Mr. Nixon: Mr. Speaker, following the statement made by the Minister of Municipal Affairs, might I ask him if he is simply waiting for a formal resoluton from the council of Mississauga, and particularly from the mayor, Mr. Speck, or has there been communication already?

Hon. Mr. McKeough: No, the resolution is on its way to us, as I understand it, and I propose to talk to Mr. Speck later today to see what assistance we can provide. I think there are some complications in terms of the litigation that perhaps we had better have a look at. But we will suggest to them that if they wish to set up a local committee, and see if local funds can be raised, and if the municipality puts money with this, I think there is a very good possibility that my colleagues will agree that the province should similarly match these contributions.

Mr. Nixon: As I understand it, there is no formal designation of a disaster area, but there is a procedure that has developed in the provincial government to provide this assistance, if it does not require any particular motion or the coming into force of any particular Act.

Hon. Mr. McKeough: It is an agreed-on procedure, and normally these matters come to Cabinet from the member involved, and the government agrees to proceed or not to proceed.

Mr. Nixon: When the Minister mentioned bringing the matter to the attention of some other Ministers, he neglected to mention the Minister of Trade and Development (Mr. Randall) who is responsible for housing. I think this is one of the problems up there—that there are about 18 families that are presently homeless—and there was an indication that Mr. Speck was asking for special assistance along that line. Is the Minister bringing this matter to the attention of the Minister responsible for housing, or has he?

Hon. Mr. McKeough: Well, it is not because I have not talked to Mr. Speck. I am not familiar with that particular situation, but I am sure that the Minister of Trade and Development may well be, and that is the sort of thing that we will get into. With Social and Family Services, these people apparently have been housed now, one way or another.

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: Thank you, Mr. Speaker. If the government truly wishes to help those who suffered a disaster, what conceivable justification is there for making it contingent on public philanthropy or municipal penury?

Surely the government should make the grant outright to those in need.

Hon. Mr. McKeough: Well, I would just say, Mr. Speaker, that we are asked continually for help from various segments of our society. Some of it, I think, is deserving; others of it, perhaps, is a little bit compulsive. We believe, and I think this has worked rather well, that if the local people and the friends and neighbours feel that there is something that needs to be done, they will band together, rally together and offer their help. If they do that, then that is a good time for us to get in as well.

Mr. Speaker: Supplementary. The member for York Centre.

Mr. D. M. Deacon (York Centre): I understand the government is considering the possibility of damages being recovered by other means, through legal action, and so on. Would it not be possible for the government to proceed now on the same basis as they have in other cases of disaster, but make it subject to agreement on the part of those receiving assistance to indemnify the governments for any amounts they receive from such claims?

Hon. Mr. McKeough: Well, that may very well be a suggestion which will be made to us by the council in Mississauga, which probably by this time has some idea of what insurance coverage there was. I think the Attorney General's people will, in a few days, have some idea of liability and so on, but I do not preclude the suggestion which you have just made.

Mr. Deacon: Mr. Minister, another supplementary. I just want to be sure that the government does not hold up assistance.

Mr. Speaker: Order. Is the hon. member asking a supplementary question or making a statement?

Mr. Deacon: Could the Minister assure us he will not hold up assistance to these people while they consider whether there are going to be damage claims satisfied by the insurance or by some other means?

Mr. Speaker: The hon. member for High Park has a supplementary.

Mr. M. Shulman (High Park): Surely the situation here is unique enough. The disaster is obviously serious enough that the government should take immediate action. I am asking, will the Minister not assure us that regardless of whether these people are able to raise money on their own, that you will give some financial aid?

Hon. Mr. McKeough: Mr. Speaker, I can only say that at this point we have not been specifically asked by the municipality, so far as I know, for any financial assistance. When we find out what assistance we are being asked for, I think we will be in a better position to answer some of these questions. I recognize the seriousness of the disaster itself. I draw your attention to a similar type of explosion in the community of Windsor, probably four or five years ago. No such assistance was requested at that time. There was a loss of life, and I believe several people lost their dwelling places in that particular instance. I do not think it is the function of government to go rushing in and offer assistance when we do not really know what is needed, at this point in time.

Mr. Speaker: The member for Grey-Bruce has a supplementary.

Mr. E. Sargent (Grey-Bruce): This is only supplementary—

Mr. Speaker: Order!

The hon. member can only ask a supplementary.

Mr. Sargent: I would like to ask the Minister—

Mr. Speaker: Order!

The hon. member—

Mr. Sargent: A supplementary to that.

Mr. Speaker: No, but it must be to the Minister who is answering the questions. The member said the Minister of Energy—

Mr. Sargent: What is the overall liability to the rest of the people of Ontario insofar as this time-bomb which is laid beneath our streets is concerned? What is the blanket coverage by the people of Ontario insofar as millions of dollars' liability is concerned?

Hon. Mr. McKeough: The question to be answered, Mr. Speaker, surely—

Mr. Sargent: Does the Minister mean he has not got it now?

Hon. Mr. McKeough: Perhaps he could tell me what the coverage is in Owen Sound?

Mr. Sargent: I tried to find out a long time ago.

Mr. Speaker: Order!

The hon. member has answered his question.

The leader of the Opposition.

Mr. Nixon: Mr. Speaker, I have another matter I want to put to the Minister of Municipal Affairs. This is very important, but in a different sense and it has to do with the disenfranchisement of a number of voters in Toronto and the Metropolitan area in the coming municipal election.

Is he prepared to take any action that would delay the closing of the voters' list for the Toronto elections in view of the fact that 90,000 people, it is estimated by competent authorities, have been left off the list under the present method of enumeration?

Hon. Mr. McKeough: Mr. Speaker, I have received a letter about this from someone today—Stephen somebody or other, I do not know, representing some party. He is some sort of a television personality. I had the opportunity of pursuing the letter just for a few moments. I was interested of course to look at today's papers where Mr. Norris, who is the clerk of the city of Toronto, has some knowledge in these affairs, some expertise—

Mr. Nixon: So does Mayor Dennison.

Hon. Mr. McKeough: I think that he indicates that the leader of the Opposition has exaggerated this somewhat.

Mr. Nixon: What is the Minister going to do about it?

Mr. Lewis: Just extend the deadline.

Hon. Mr. McKeough: It is not very easy. It requires legislation, it requires an amendment to The Voters' List Act, and the question has been asked—

Mr. Nixon: A very simple amendment.

Hon. Mr. McKeough: I am delighted to know that. That makes life much easier.

Mr. Nixon: Might I ask the Minister if he is prepared to bring forward the amendment, which we agree to support, and I would presume it would be supported on all sides, because we want to know what he is going to do about it.

Hon. Mr. McKeough: Mr. Speaker, of course this is the Attorney General's legislation. Let me say this, this is not a new problem. It seems to have just come to the attention of the Liberal Party, but it is not a new problem. They have wakened up to—

Mr. Nixon: Does the Minister mean he has known about this?

Hon. Mr. McKeough: We recognize it, the government recognizes it, and I think this is one of the reasons that a select committee on election law was appointed.

Mr. Nixon: So the Minister is going to do nothing?

Mr. V. M. Singer (Downsview): We are not looking into municipal law.

Hon. Mr. McKeough: No, and if the hon. member for Downsview would pay attention —and he does know this of course—at the same time that a select committee was appointed to look into provincial election laws I appointed a committee composed of clerks and treasurers and others—people from my department, people knowledgeable in this field—and asked them at the same time to look at the municipal election procedures and laws including The Voters' List Act—

Mr. Singer: Even though it is the Attorney General's statute.

Hon. Mr. McKeough: —including The Voters' List Act and a host of other Acts. Mr. Norris, as a matter of fact, serves on that committee. That committee, I think, is ready to report. They would like to report after they have seen the provincial report.

I think it is important, and they feel it is important, that the two procedures should be as closely aligned and co-terminous, if that is the word, as they can be.

I personally hold the view that we may well come, both in federal and provincial and in municipal elections, to a position where people more easily can be sworn on election day. I would point out to the leader of the Opposition that these people, be they 90,000 —which is a gross exaggeration—or something less than that, that these people are not disenfranchised.

If tomorrow they find they are not on the list, they can see the clerk of the municipality. If they are on the assessment roll they can still be added to the list and can be for some little time yet.

Mr. Nixon: Would not the Minister agree that a simple amendment to the Act, which could go through this Legislature quite readily, would resolve the question for the time being while we wait for the report

which will set the matter straight on a more permanent basis?

Hon. Mr. McKeough: Mr. Speaker, I would just say this. I can see a number of things by which simple amendments to Acts would facilitate the business of the people of this province, but we have spent so much time on supply that simple amendments do not become very simple any more.

Mr. Nixon: The Minister has the responsibility to bring forth legislation. He has done nothing about it. As a matter of fact, Mr. Speaker, if I might put another question to the hon. Minister, supplementary to the first, does he not recall giving a commitment to the people of Toronto that he would bring forward legislation that was agreed would be supported on all sides that would permit a payment to the Toronto Transit Commission for assistance to old age pensioners?

Now, how about that commitment? Why is he not dealing with these matters?

Hon. Mr. McKeough: We would love to. I wish the hon. leader of the Opposition would talk to the member for Downsview and tell him that had he kept a little bit quieter last week, we might have got on with the business of this province.

Mr. Nixon: Mr. Speaker, is the Minister saying that the new rules require the passage of all estimates before any legislation is dealt with? This, of course, is patently absurd—almost as absurd as the Minister.

Mr. Speaker: Supplementary question?

Mr. Singer: Point of order: I would like it to be conveyed as clearly as I can say it to the Minister of Municipal Affairs that his fatuous attempts at humour are meaningless. If the government would only govern—we would get somewhere.

Hon. Mr. McKeough: Point of order. If in any way I have offended the member for Downsview and implied that he wastes the time of the House, I would certainly withdraw that.

Mr. Speaker: The hon. member for Hamilton Centre has a supplementary.

Mr. N. Davison (Hamilton Centre): Would the Minister, if he is going to bring in an amendment to The Metropolitan Act, also bring it into the other large cities so that we can have the same opportunity of having this for our senior citizens?

Hon. Mr. McKeough: We are talking about The Voters' List Act.

Mr. Davison: We are talking about the old age pensioners.

Hon. Mr. McKeough: I am not sure. I think the member is talking about Hamilton.

Mr. Davison: Yes.

Hon. Mr. McKeough: You will find that most of the large transit companies are governed by private legislation of one sort or another. Probably a series of amendments might well be necessary. As they are requested they will be dealt with.

Mr. Speaker: The hon. member for Scarborough East.

Mr. T. Reid (Scarborough East): In view of the Minister's remarks that a number of eligible voters left off the voters' list does not seem to him to be significant, is the Minister aware that in poll No. 14, ward 1, in Scarborough there are 212 registered voters and 60 names have been left off?

Hon. Mr. McKeough: Mr. Speaker, I did not say that the people left off did not represent a significant number. I think what I probably meant to say was that the Liberal Party significantly is being left behind again.

Mr. Speaker: The hon. member for Windsor West has called for a supplementary question.

Mr. H. Peacock (Windsor West): Yes, Mr. Speaker, I have a supplementary to the subject we have moved to, namely the amendment of the special Acts, the Minister indicated, to provide special fares to senior citizens. I wanted to ask him if under the powers which he has to amend those special Acts, he could not also deal with the request of the city of Windsor for intervention in rolling back the fare increase by the Sandwich, Windsor and Amherstburg Railway Company?

Hon. Mr. McKeough: The two subjects are really not related, Mr. Speaker. As the member knows, Windsor would like to run this bus company. They are going to have the opportunity and the members from Windsor are going to find it very difficult to blame anyone other than Windsor, because this is Windsor's responsibility not ours.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, by way of a supplementary question to the erudite Minister of Municipal Affairs, could he tell us

when he made the sudden discovery that The Voters' List Act belongs to the Attorney General and not to him, and the basis on which he made that discovery?

Hon. Mr. McKeough: Perhaps, Mr. Speaker, we might well ask what kind of a question that is?

Mr. Singer: Why does the Minister try to slough off his ineptitude?

Hon. Mr. McKeough: The Voters' List Act is the responsibility of the Minister of Justice. I am sorry that the member for Downsview did not know that.

Mr. Speaker: I would think there have been sufficient supplementaries on this question. Has the hon. leader of the Opposition any further questions? The hon. member for Scarborough West.

Mr. Lewis: Mr. Speaker, I have a question for the Prime Minister. In view of the precedent-setting amendment to The Energy Board Act which requires Cabinet approval where one Canadian firm acquires in excess of 50 per cent of the shares of another Canadian firm, will the Prime Minister extend that basic principle to the American acquisition of Canadian companies?

Hon. Mr. Robarts: Mr. Speaker, I think probably when the amendment is completed it will apply to any company. If it happened to be an American subsidiary that was acquiring the shares of a Canadian company, it would be exactly the same thing. In other words, this is not limited to a Canadian company acquiring shares in a Canadian company.

Mr. Lewis: By way of supplementary, then, Mr. Speaker, I am really asking the Prime Minister—possibly I did not phrase it well—will he extend the principle under that Act to other acquisitions of Canadian companies by American companies involving in excess of 50 per cent of the shares, as reflected in many other transactions currently in Canada outside the energy field?

Hon. Mr. Robarts: The point is this: there is a public interest in view of the fact that there are so many customers of what is a utility-type company. Now, certainly it is not intended by this government to apply this principle to all types of companies, whatever they may be.

Mr. Lewis: Another supplementary, Mr. Speaker. In view of the fact there is also a public interest in the preservation of Ontario's economic autonomy, what constraints or regulations will the Prime Minister consider over American control and ownership of Ontario companies?

Hon. Mr. Robarts: Mr. Speaker, I think the government has made its position clear in this regard on many occasions. It has nothing to do with the original question dealing with this particular transaction. I think the government's position is clear. We do not exercise restraints on the purchase or sale of shares between individuals or companies of other companies, and our policy in this regard remains as it always has been.

Mr. Lewis: One final supplementary: At the very least, Mr. Speaker, would the Prime Minister consider confining the EIO grants under this government to Canadian companies only, rather than a majority of funds to American companies?

Mr. Speaker: I would think this is not a question supplementary to the original question. Has the hon. member a further question?

Mr. Lewis: I move to the Minister of Trade and Development, Mr. Speaker. In light of press reports today that the mayor of Scarborough has now indicated that the Malvern plan must await Scarborough's priorities—perhaps indefinitely—until money is forthcoming from the province, can the Minister tell us: (a) how he reconciles that with the assurance he gave the House that Malvern would be a fact in 1970 and, (b) what specific financial offers have been made to Scarborough for servicing Malvern?

Hon. S. J. Randall (Minister of Trade and Development): Mr. Speaker, I notice a sadistic grin on the member's face. He hopes Malvern does not go ahead.

Mr. Lewis: Let me assure the Minister that was a Cheshire grin—not sadistic.

Hon. Mr. Randall: That is what the member thinks. If I had one like that, it would turn milk sour.

Mr. Speaker: Perhaps the Minister would now answer the question.

Hon. Mr. Randall: Mr. Speaker, let me assure the hon. member that there are a great many statements being made by municipal politicians today, and this is not an unusual situation with election a month or so off. I would say, if there is any difficulty in

financing the Malvern project, that we have already taken steps and had discussions to assist in any financing required to keep the programme on schedule as it is at the present time.

Mr. Lewis: By way of a supplementary, has the Minister ever made a specific offer in writing with the number of dollars attached?

Hon. Mr. Randall: I told members during my estimates we offered above $1 million to run the major cuts for the water, the run-off water up to Malvern, over a year ago, and the money is there whenever Scarborough calls on it.

Mr. Speaker: Any further questions? If not, the hon. member for Grey-Bruce has the floor.

Mr. Sargent: Mr. Speaker, before I ask the Treasurer (Mr. MacNaughton), I would like to ask the Minister of Energy and Resources Management, if he will recall, in the estimates of this department, last year one of our citizens with a gun stood off the gas people who came across his land because of the fact he did not want a gas line going through his property—to potentially blow up his property.

He had no guarantee that it would not blow up his property, so he had to accede, let them take over his land. Can the Minister tell me: What protection does the homeowner have against such a tragedy happening again?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, there are safety provisions under our Act. There are provisions for regular inspections and testing. Although this was a very tragic occurrence that happened over the weekend, it does not happen every day, or even every year. Therefore, it is some indication in view of the amount of supply of gas in this province that there are proper procedures being carried out.

If our investigation in this matter shows that there have not been proper procedures carried out by the companies involved, we may very well make some changes in our legislation regarding the safety and installation of gas lines.

Mr. Sargent: A supplementary to that, Mr. Speaker. In this takeover by Consumers Gas of Union, is the Minister going to see to it that, in the new contracts being drafted, that people will be protected at every local level in this regard, financially and otherwise?

Hon. Mr. Kerr: Well, Mr. Speaker, the so-called takeover, as the member puts it, would really have nothing to do with our safety regulations as far as whether there are one or two companies.

Mr. Sargent: Does the Minister not think now is the time to pinpoint the problem?

Hon. Mr. Kerr: Yes.

Mr. Sargent: Thank you.

Mr. Speaker: The hon. member for Grey-Bruce must now resume his seat because, with the new procedure, there is one question. The member for Thunder Bay was on his feet some time ago.

Mr. T. Reid: Mr. Speaker, I have a supplementary.

Mr. Speaker: Supplementary? Yes.

Mr. T. Reid: Did the Minister meet with Mr. Oakah Jones today to discuss either the explosion at Malton, or the question of the possible purchase of shares in other gas companies by Consumers Gas?

Hon. Mr. Kerr: Well, Mr. Speaker, Mr. Jones attended our committee meeting this morning. There were informal discussions before we sat down to commence the meeting, and also afterwards. At that point, I asked him what happened in his opinion, and he said I knew about as much as he did about it right now at this point. He is waiting for the investigation to be completed, and certainly I am up to date on what is available now. I think the member asked did we discuss the takeover.

Mr. T. Reid: I was wondering if the Minister discussed with Mr. Jones the proposed purchase, I understand, of another gas company?

Hon. Mr. Kerr: We did discuss the bill, that is all.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): I have a question of the Attorney General.

As a result of representations made by the Moose band of Moosonee with regard to alleged brutality by an OPP officer against an Indian guide, will he be in a position to tell the House the results of any investigation that he has been able to make in this regard?

Hon. A. A. Wishart (Minister of Justice): I cannot, Mr. Speaker, give results yet. I

can say that immediately after the interview with the chief of the band, accompanied by Chief Plain and Omer Peters—I think it was the chief—I took the matter up with the commissioner of the Ontario Provincial Police, whose officer was involved, and brought the matter immediately to the attention of the Ontario Police Commission. I wrote then to fortify my oral instructions and directed an investigation into what I said I considered a very serious matter—and the matter is going forward. The action was followed up.

Mr. Speaker: The member for York Centre.

Mr. Deacon: Mr. Speaker, a question of the Prime Minister on his statement about northern Ontario and the report he gave us:

I notice he made a statement that no changes in the municipal structure will be made without the concurrence of the people affected. Does this mean that he will ask for ratification by referendum by all the people affected to get a majority approval?

Hon. Mr. Robarts: No, Mr. Speaker, I do not think so. Although perhaps the member could take that from what I said. But it is not what I intended. We do not really govern by referendum in this province. What we really want to do is to have full consultation.

We recognize that you will never get complete agreement from all people on almost any given subject. I was trying to make it clear to the people involved that we have no intention, as I have said many times, of proceeding to place regional government in this province without reference to the wishes and desires of the people involved.

That does not necessarily mean that we are going to have referendums covering whatever courses of action may appear to be necessary—but what we do want is full discussion and full understanding, and we want the ideas of the people involved. I am quite certain that they will not all agree with one another either. The government does not intend to submit all these matters to referendums.

Mr. Deacon: Mr. Speaker, by what means does the Prime Minister propose to determine whether he has concurrence for any plan for changing over the local government?

Hon. Mr. Robarts: Mr. Speaker, as one meets with the groups of people concerned, one can detect in dealing with them where there is some consensus as to what might be done.

Mr. T. P. Reid (Rainy River): By way of supplementary, does the Prime Minister intend to hold a series of meetings across the north to discuss this document?

Hon. Mr. Robarts: Mr. Speaker, we have already had three meetings; this is only one other aspect of the total problem.

Mr. Sargent: It did not do any good either time.

Hon. Mr. Robarts: I do not know how one can assess that, but in any event we have no plans at the moment to hold meetings to discuss the recommendations in this specific report. As I said in my remarks there are three proposals made here for purposes of discussion. They will be examined by various interested groups in the north and no doubt they will make comments upon them to us.

We receive here over the course of the year many delegations from the north which spent a good deal of time studying these problems and submitting their points of view to us. I would hope that as they make their submissions to the government in the course of the next year they will look at these proposals, modify them according to their own ideas and wishes, and comment upon them. That is really what I have in mind.

Mr. T. P. Reid: By way of supplementary, would the Prime Minister not agree that he is not following through on this? He set up a series of meetings to ask people what they want and then he comes and says, "This is what we think you want," and then he lets it go at that. Does he not think that the government should hold formal meetings across the north, as it did originally, to get the people's ideas on this?

Hon. Mr. Robarts: Mr. Speaker, if that course of action appears to be necessary we might very well do it, but what I am pointing out to the member is this: There are a series of exchanges taking place on a continuous basis. What the member is asking is whether the government is going to hold a series of meetings across the north to deal with this specific report. That is his question, and my answer to that is no. That does not mean we will not hear all the various views on it and that we will not have many meetings with various groups—the Northwestern Ontario Chamber of Commerce, the Northeastern Ontario Chamber of Commerce, and so on. We meet every year and deal with a whole host of subjects.

Mr. T. P. Reid: They are not the only people involved. By way of further supplementary, can the Prime Minister inform the House when the members will receive a copy of this report and has the press gallery already received it?

Hon. Mr. Robarts: I presume the press gallery has received a copy although I do not know. There are copies available.

Mr. Nixon: That would be a safe assumption.

Hon. Mr. Robarts: Would the members think that we would not give such a report to the press when it is tabled in this House?

Mr. T. P. Reid: I feel that we should be the first ones to see this report.

Hon. Mr. Robarts: There are copies available to the member right now. They are in his post office box, I am informed. This one happened to be put on the members' desks. When I tabled this one it was put on the desks before—

Mr. T. P. Reid: That is discrimination.

Hon. Mr. Robarts: The member calls it discrimination. It is a matter of administration as far as I am concerned. I will try very hard to remember to put one on his desk the next time I table a report.

Mr. Lewis: Will the Prime Minister amend the human rights code?

Mr. Speaker: Are there any further supplementaries for this question?

Mr. E. W. Martel (Sudbury East): By way of supplementary, do I understand the Prime Minister to say that further meetings might be held and there would be a greater dialogue between the members and the committees that might be set up? I am just wondering, in relationship to the meetings that were just held in the north, if provisions could be made for members of the Opposition to get back and forth to this type of meeting in a more convenient manner, to participate in the dialogues that will take place in the future.

Hon. Mr. Robarts: Mr. Speaker, the hon. member and I had a conversation in Sudbury—

Mr. W. G. Pitman (Peterborough): He lives there.

Hon. Mr. Robarts: The hon. member for Sudbury (Mr. Sopha) was there and I had a discussion with him. As a matter of fact I think that we must have close liaison with the members of these areas, and I think we have, but I just do not understand what it is that the hon. members want.

Interjections by hon. members.

Mr. Martel: What I am trying to get at, Mr. Speaker, is: Would it not be possible for the members of the Opposition to have transportation and so on provided, as it is provided to others, to attend these meetings, and not have to leave a day ahead of time by automobile and so on to get there in time, and back to the House?

Hon. Mr. Robarts: Mr. Speaker, we have provision for allowances to members who move back and forth from their ridings to the seat of government in Toronto, and I suppose that—

Mr. Pitman: Do not be facetious.

Hon. Mr. Robarts: —and I suppose that if it concerns the member's riding—

Interjections by hon. members.

Hon. Mr. Robarts: —there are financial arrangements in the various statutes for transportation back and forth.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Premier.

Is the Premier familiar with, and disturbed by, the dismissals at St. Monica House in Kitchener?

Hon. Mr. Robarts: Mr. Speaker, I am afraid I am not familiar with the point the hon. member raises, and therefore I cannot be disturbed by it because I do not know what it is. Perhaps the question should be directed to the Minister of Social and Family Services (Mr. Yaremko).

Mr. Burr: Mr. Speaker, as a supplementary question, would the Premier not like to hear about St. Monica House? I eliminated all the background in order to give a simple question. Will the Premier investigate the dismissals at St. Monica House?

Hon. Mr. Robarts: Mr. Speaker, I really do not know anything about it. It sounds as if it would come within the jurisdiction of the Minister of Social and Family Services and I presume he is discharging his responsibilities in this regard. It has not been brought to my attention that this is a matter of such

import that I should institute an investigation of it. There are means whereby it can be investigated so that at the moment I have no intention of instituting such an investigation.

Mr. Burr: Mr. Speaker, in a question to the Minister of Social and Family Services yesterday—

Mr. Speaker: The hon. member is not entitled to make a speech. If he has a further supplementary question of value he may ask it. Otherwise the floor is that of the member for Waterloo North.

Mr. Burr: Will the Premier accept my assurance that this is a very serious matter and should be investigated?

Hon. Mr. Robarts: Yes, I would be delighted to accept the assurance.

Mr. E. R. Good (Waterloo North): A question to the Minister of Municipal Affairs.

What advice could the Minister give to the thousands of people across the province of Ontario to make the appeal of assessment meaningful in areas where assessment has just been done at market value? Where assessments have gone up six or eight times, the appeal does not mean anything unless they know what the mill rate is going to be, and that, of course, will not be set until next spring. Thousands of people are feeling that the appeal process is useless. What does the Minister plan to do about it in those areas where reassessment has been done?

Hon. Mr. McKeough: We might discuss this when we discuss Bill 205.

Mr. Good: Mr. Speaker, by way of supplementary, does the Minister realize that the limits of appeal of 14 days will have expired long before we get to Bill 205?

Hon. Mr. McKeough: I would suggest to the member that there was a very excellent story in the *Globe and Mail* two or three weeks ago written by a man named Wallace Beaton who described the situation in York county, which has been reassessed. He suggested, as I recall, that if your assessment had increased by more than six times, you were probably going to pay more taxes, assuming the same mill rate or percentage of that mill rate. If your assessment had increased less than six times you were going to pay less taxes. I think this is a fairly simple calculation for anybody to make.

Mr. Good: Mr. Speaker, then the Minister is referring all these concerned people across the province of Ontario to the *Globe and Mail* for advice rather than to his department.

Interjections by hon. members.

Hon. Mr. McKeough: Mr. Speaker, we are not talking about—

Mr. E. A. Winkler (Grey South): It was not a question.

Hon. Mr. McKeough: No, it was not a question, as my friend from Grey South says. There are appeal procedures, the same procedures which have been in effect. There has been some reassessment and the people can proceed. I agree that they can be improved and that is what Bill 205 is all about.

Mr. Speaker: The member for High Park.

Mr. Shulman: A question to the Minister of of Public Works, Mr. Speaker. In view of the survey of the Minister's department which shows that a number of the employees have resigned in recent weeks because of poor working conditions, what steps has the Minister taken to improve the employees' working conditions?

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, I know of the survey, but I have not heard that it was due to poor working conditions.

Mr. Nixon: Has the Minister got spies in there?

Hon. Mr. Simonett: I think we have, yes, but we do not mind spies in there because we have nothing to hide. Everything is open —all but some of the printing for some of the members and some of the Opposition. This question, about turnover in our department, has been asked before by the hon. member, and as far as I can see for the number of employees, the turnover is normal You would expect this in a department of this size. Some of these people, I suppose, are able to go out and better themselves. I have not heard, personally, of any dismissals, so I would think any employee, if he has an opportunity to get a better job or what he thinks is a better job, it is his business whether he moves from Public Works, or from government, and goes outside to get a job. In fact, I feel that if this is happening perhaps this is healthy in a department because I would hate to think that I ran a department with a group of people that no-one else wanted. In fact, there are many people talking to our employees all the time trying to hire them away.

Mr. Shulman: Mr. Speaker, by way of supplementary. Has the Minister seen the survey which was taken by his deputy and which shows that in the month of August alone, five employees resigned giving as their reason, "dissatisfied with working conditions"?

Hon. Mr. Simonett: Yes, Mr. Speaker, I have seen the survey, but I think that five is a little misleading; it was seven.

Mr. Speaker: The hon. member for Dovercourt.

Mr. Shulman: May I ask a supplementary. If in one month—

Interjections by hon. members.

Mr. Shulman: If in one month seven employees have resigned because they were dissatisfied with the working conditions, is the Minister doing anything about the working conditions?

Hon. Mr. Simonett: No, Mr. Speaker, I think our working conditions are excellent, but as I said earlier, any employee wants to better himself. There is no doubt that anyone who leaves his former employment it is because of something being wrong with the working conditions. It might not be the premises, it could be the salary, it could be a lot of things. In other words, he is able to go out and better himself and I think we should allow this in the province of Ontario.

Mr. Lewis: Would the Minister consider resigning to improve the working conditions?

Mr. Speaker: The hon. member for Dovercourt.

Mr. D. M. De Monte (Dovercourt): A question to the Minister of Energy and Resources Management, Mr. Speaker. Did the Minister meet with the members of pollution probe this week? What officials were present and what assurances were given about the stacks at the Hearn hydro plant?

Hon. Mr. Kerr: Mr. Speaker, as an article in this morning's newspaper indicated, we did meet with representatives of pollution probe. There were also officials and representatives of Ontario Hydro at that meeting, as well as representatives from the air management branch, and I think if the member will refer to this morning's article he will see that this organization was convinced that there was some advantage in building a higher stack at the Hearn plant.

Mr. De Monte: By way of supplementary, Mr. Speaker, was there any discussion with the members of pollution probe about the unpublished figures as to the content of sulphur dioxide in the air? Are there any unpublished figures as to sulphur dioxide content?

Hon. Mr. Kerr: To my knowledge, this item was not discussed at that meeting. However, I was out of the room. The meeting lasted for about two hours, I was out of the room for about 15 minutes so I cannot say for sure, but certainly not during the time I was there. I am not sure of what the hon. member means by, "unpublished figures."

Mr. De Monte: Mr. Speaker, by way of supplementary, are the stacks at the Hearn plant high enough to disperse the sulphur dioxide?

Hon. Mr. Kerr: Not entirely, that is why we intend to build one higher.

Mr. Speaker: The hon. member for High Park has a supplementary.

Mr. Shulman: In this discussion with pollution probe, did the Minister give consideration to putting in the Monsanto process which would completely eradicate the pollution?

Hon. Mr. Kerr: I take issue with the hon. member's statement that it will completely eradicate pollution. However, the Monsanto scheme was discussed quite thoroughly.

Mr. Shulman: May I continue?

Mr. Speaker: The hon. member for High Park has a supplementary.

Mr. Shulman: Inasmuch as it is being considered, what has the Minister decided?

Hon. Mr. Kerr: There has been no decision yet on that particular issue.

Mr. Speaker: The hon. member for Dovercourt has a supplementary.

Mr. De Monte: I am wondering, the hon. Minister says it does not completely eradicate the sulphur dioxide content. Can the Minister inform this House by how much it reduces the sulphur dioxide content?

Mr. Shulman: Ninety-eight per cent.

Mr. De Monte: Is the Minister going to answer that question?

Hon. Mr. Kerr: Mr. Speaker, it has been alleged by the company that it will, as a result of experiments at a pilot plant, eliminate sulphur content something over 90 per cent, but as the previous question indicated, it does not completely eradicate pollution.

Mr. Speaker: The member for Sudbury East has a supplementary?

Mr. Martel: Mr. Speaker, will not the same thing occur, though, when you say it is going to disperse it or dilute it, that eventually you reach a point when it does reach the ground, that over the years it will accumulate because it cannot run off and that it will eventually reach the proportions we have in Sudbury where even the waters are jeopardized because of the runoff of sulphur dioxide which the soil can no longer take; will this not occur here as well?

Hon. Mr. Kerr: One of the arguments for the higher stack is that, as the hon. member indicates, it diffuses the fallout, then it lands with less concentration within a particular area. The member's statement regarding accumulation is correct, that is right. If there is an accumulation of sulphur dioxide and assuming that it will accumulate, that it does not ever go away or dissolve, this of course, is the feature that we are worried about.

Mr. Martel: What worries me, it is in the Sudbury area now—

Mr. Speaker: I would think that we have almost exhausted this question, and the hon. member for Dovercourt, being the original questioner may have a supplementary question.

Mr. De Monte: All right, I will ask it by way of an additional question, Mr. Speaker.

Mr. Speaker: The hon. member is not entitled to ask an additional question. Members can only ask one question at a time until all other members have had an opportunity. Therefore, the hon. member for Peterborough has the floor.

Mr. De Monte: I was wondering, Mr. Speaker, by way of supplementary, if the hon. Minister had looked into the amount of sulphur dioxide that is removed, and how much it would cost to install the equipment?

Hon. Mr. Kerr: Is the hon. member referring to the Monsanto system?

Mr. De Monte: The Monsanto, yes.

Hon. Mr. Kerr: The figure is $78 million for the Hearn plant.

Mr. Lewis: That explains it.

Mr. Speaker: The hon. member for Peterborough.

Interjections by hon. members.

Mr. Speaker: Has the hon. member for Essex South (Mr. Paterson) a supplementary? No? Then the hon. member for Peterborough.

Mr. Pitman: I would like to direct a question to the hon. Minister of Municipal Affairs. Has his department investigated the activities of Whiterock Estates and particularly its "Own a Piece of Canada" programme, particularly in view of the implications it has for his policy of suburban development areas in rural parts of Ontario?

Hon. Mr. McKeough: Mr. Speaker, I do not think we would be prepared to say that we have investigated the situation. The member is aware that a great number of the lots, I suppose all of the lots, were created either before the ten-acre exemption was removed from The Planning Act and that a further number were created since that time, probably smaller than ten acres—half acres from what I read in the papers, or one-acre lots—due to the fact that some of the municipalities involved have not imposed subdivision control. In the last six months we have imposed a number of orders.

Mr. Pitman: What kind of orders?

Hon. Mr. McKeough: Minister's orders on Cavan, for example, in February; on Emily in May; on Cramahe, and Percy in October—a week or so ago. In terms of investigating, I do not know what we can do beyond that. Certainly where there is subdivision control, new lots will have to go through the normal routine to see if they do meet the standards which various departments and agencies in local municipalities think should be enforced. There were a great number of lots, however, created prior to the ten-acre exemption being removed and before the Minister's orders which were placed on the townships.

Mr. Pitman: Mr. Speaker, I wonder if the Minister can assure anyone who has bought these lands that they will indeed have a subdivision. They are advertising believing that they will have year-round home sites and that they will have roads right to their door. Are services assured to the people who

bought from these companies? Does a subdivision plan come to your office before action is taken in terms of building?

Hon. Mr. McKeough: From what we see in the papers, the lots are not on plans of subdivision. They are lots which have been created and which will not be coming to us. Of course, many of those municipalities do not have any form of zoning bylaws. The purchasers will have to go to the municipalities for building permits but there is not much hope there of holding up the permit.

I hope that the people who purchase these lots take the sort of concern, which you have just expressed, into account in terms of servicing which may be required in the future. I can tell you this, that the advertising that is being done in the paper is being done by Whiterock Developments and that it is not an incorporated company.

Mr. Singer: Mr. Speaker, is the Minister suggesting where there is no zoning bylaw and official plan, the municipality can arbitrarily withhold the issue of the building permit? What was the significance of his remarks about the issuance of the building permits?

Hon. Mr. McKeough: No, I did not mean to suggest that. I said that the only control the municipality has left now was the issuing of the building permit and that that was not of much help.

Mr. Singer: Would not the Minister agree with me that it should be made abundantly clear that a municipality has to issue a building permit if the applicant complies with the building bylaws?

Mr. Pitman: Mr. Speaker, will the township have to provide roads and services for those people who have bought those lots? Will the township in which that development is taking place, be forced to provide roads and services for all those lots that have been sold by Whiterock or Whiterock Estates, whatever the name of this group of corporations is?

Hon. Mr. McKeough: I would think not. My legal friends would have to help me out with this. I do not think a ratepayer can particularly—

Interjections by hon. members.

Hon. Mr. McKeough: —take a municipality to court for not providing the services.

Mr. Pitman: The final supplementary. May I assume, then, that these people may well be buying a piece of land to which they will have no access and on which they will not be able to build?

Hon. Mr. McKeough: I am certain that could happen anywhere in the province, but I would hope that the people who are buying these lots are going to a solicitor and making sure. Any solicitor is going to make sure that, presumably, there is access to the particular lot. That would seem to be rudimentary as far as a person buying land is concerned. Whether, in fact, there will be services supplied to that lot, of course, is something else again.

Mr. Speaker: The hon. member for Essex South.

Mr. D. A. Paterson (Essex South): I have a question for the hon. Minister of Highways.

In view of the fact that there has been another serious accident at the very busy New York Central overpass north of Amherstburg on Highway 18 and, due to the conditions in that area, that the victim and his car were not found for nearly 12 hours, can the Minister do something to expedite the difficulties he is encountering with the federal Department of Transport and the major manufacturer in that area, to resolve these problems and get ahead with the reconstruction at this particular site?

Hon. G. E. Gomme (Minister of Highways): Mr. Speaker, the latest correspondence I have from the federal Department of Transport is that the company is going to change from a coal operation to some other type of heat. It will make quite a difference in the project that has to take place there but we are following this plan up as fast as we can.

Mr. Speaker: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question for the Minister of Municipal Affairs.

Has the Minister's legal department carefully studied the development agreement between Hamilton and Wentworth with an eye to assuring the province's protection; and is the Minister completely satisfied that all of the clauses in that agreement do indeed provide adequate protection for the moneys that are being put up by the province of Ontario?

Hon. Mr. McKeough: I do not know, Mr. Speaker that we have specifically seen the agreement. The agreement was to have been concluded by a certain date at which time it

would come to us, October 15, I think. As I understand it, the agreement has not as yet been concluded; it was not concluded by that date, and there is a 60-day extension. To my knowledge, we will not see the agreement until such time as there is an agreement and there is not one at the present time.

Mr. Deans: Would the Minister not agree then, by way of supplementary, that the function of the department becomes nullified if it does not see the agreement prior to the signing of it, because then it has no power over those clauses that are contained within it and therefore is not protecting the province's interest?

Hon. Mr. McKeough: In fact, there is no agreement to see at this point.

Mr. Deans: Of course there is; I have a copy and would be glad to make a copy available to the Minister.

Mr. Speaker: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Municipal Affairs.

Would the Minister reconsider his decision in the matter of restraining the Sandwich, Windsor and Amhertsburg Railway's decision concerning increases in its fare structure until the preliminary discussions regarding the future operations of the system have been concluded by the city?

Hon. Mr. McKeough: Mr. Speaker, I think I have answered this question three times and in each case I have indicated, and do so again now, that I have no such authority.

Mr. T. P. Reid: Mr. Speaker, I have a question for the Minister of Trade and Development.

Will the Minister inform the House if his department is carrying on talks with the federal department of Regional Economic Expansions in regard to the EIO programme and their programme in northern Ontario, and working out the details so that these two plans may be taken advantage of by northern Ontario?

Hon. Mr. Randall: Yes, the officials from ODC have been in Ottawa in the last ten days discussing the merging of the two programmes and I think we are going to find a satisfactory solution.

Mr. T. P. Reid: May I ask by way of supplementary, did the Minister or his department not make any kind of initiative or have contact with the federal department before they brought out their plan and caused the current mess?

Hon. Mr. Randall: Yes. I think I mentioned that I had a long conversation with Mr. Marchand and suggested a number of alternatives to the federal government. However, they went ahead with their programme. I read it in the newspaper the same as you did, and since that time we have been working with their officials; we have met them in northern Ontario. We have pointed out the complications that may arise, and I think we are finding a solution to the difficulties so that nobody in northern Ontario who wishes to locate or expand their plant there will have any difficulty in taking advantage of both plans.

Mr. Speaker: Has the member for Scarborough West a supplementary? If not the member for Grey-Bruce may ask another question.

Mr. Sargent: A question to the Provincial Treasurer, Mr. Speaker.

1. Is the Minister prepared to introduce legislation in Ontario to parallel the American legislation of a merger tax on corporate consolidations?

2. Is the Minister considering the setting up of a commission to study tax loopholes whereby wealthy people avoid paying taxes in the province of Ontario and to report the magnitude of this and how it affects the revenues of the province?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, the government intends to discuss corporation taxation with the federal government in line with our white paper policy to consolidate taxation administration where possible, and the matter that was proposed by the hon. member could be considered in that context.

With respect to the second part of his question, I can only presume he is concerned primarily about personal income tax or perhaps capital gains. In any case, I would hope he and the members will be aware that we are pursuing these fundamental considerations with the federal government in association with tax reform. We will continue to do so following the publication of their white paper, which we now have been advised by telegram will be available on November 7. Many of these considerations will involve an examination of the federal proposals as contained in

their white paper, so that we can march a parallel course as much as possible.

Mr. Sargent: By way of a supplementary, Mr. Speaker—

Mr. Speaker: Order!

The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 24th order; House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL AND MINISTER OF JUSTICE

(continued)

On vote 210:

Mr. M. Shulman (High Park): If I may continue on the discussion which was begun by the hon. leader of the Opposition (Mr. Nixon) on the Emergency Measures Organization, I would like to join my voice with that of the previous speaker, and suggest this is an absolute and complete waste of money.

It is $1 million, sir, which could be far better spent in many other areas of The Attorney General's Department, and I would like to suggest, as we have last year and I am sure other members have before, that this is one organization that could be very easily wiped out—and no one would know the difference, because all of their functions can be carried by other departments.

Last year, during the debate on EMO, I supplied the House with information as to who were the important members in this House as far as the EMO went—and decided there were only two to be saved. I have here the complete list of priority in case of disaster as to who is to be saved in the whole province. I thought it might be of some interest to the Chairman to find out where true value lies in the minds of the EMO.

Mr. S. Lewis: (Scarborough West): Where does the Chairman lie?

Mr. Shulman: The Chairman does not lie at all, I am sorry to say, the Chairman is not listed here.

But there are 13 orders of priority here—pardon me, 17 orders of priority. It is the second order of priority that intrigues me most, because this is the city politicians. EMO has decided in its wisdom that the mayor and the board of control are not worthy—I guess they are beyond redemption, is the way it goes. Their names are not on here, but those to be saved in the second priority are—and this intrigues me and I am hoping perhaps the Attorney General will explain how these particular names were chosen —let us see, one, two, three, four, five, six to be saved, Alderman Michael Grayson, Alderman H. Bruce, Alderman T. A. Wardell, Reeve J. Mould, Reeve J. P. MacBeth and Miss True Davidson. These are the six municipal politicians who are to be saved, and no others.

Even down to priority 17, there are no others. These six are in the second priority. And I would like to ask the Attorney General how did the EMO decide who was to be saved among the city politicians?

Mr. P. D. Lawlor (Lakeshore): How did True get on the list?

Mr. T. P. Reid (Rainy River): Or more impartant, where do we come in?

Hon. A. A. Wishart (Minister of Justice): Mr. Chairman, when we adjourned last evening I was about to take up first the comments of the hon. leader of the Opposition, and to deal with emergency measures in the context of his remarks.

I have to begin by saying that the emergency measures programme, of course, as we all know, is a programme designed, directed and formulated by the federal government. It is a national policy. It was designed some years ago when the federal government felt there was greater danger of a nuclear attack, or some sort of destruction that would occur from a very concentrated war situation.

And the provinces were asked to join in that programme, to contribute funds to it, and through our system of government to engage the municipalities so that they might contribute to the programme.

Well, we were glad and willing to do that—all the provinces agreed. And I think it was a proper course to follow. We organized under federal supervision and direction again—the municipalities to set up groups of people who would train for disaster situations, the evacuations of people, the application and supply of medical services, medical supplies, food, water, sewage, fire protection,

police protection, government. Government in the round—and with all those figures included.

So we have, through the years, borne our share, as we have been asked to do. It is significant that, of late years, the total programme has been shrunk to some considerable degree—considerably less this year than the year before, and it seems to be dropping. There is a direction which it has taken—more concentration on natural disasters, such as fire, flood, earthquake, explosion, than on the danger of nuclear destruction.

Our estimates have fallen as the federal government has shrunk its programme—and they have asked us to do this, and to meet their direction, which again I think we have no choice but to follow.

We may protest—some of us may feel that there is no longer any great need for this type of thing, an emergency measure programme. That the money could perhaps be spent better in some other direction. We have raised a question that, even within the programme, the emphasis might well be placed on other parts of the programme. For instance, for some years—I think it was cancelled last year—there was a programme of training firefighters and funds were made available for the purchase of pumpers, fire pumps, to which the municipality contributed a small amount, the province a certain percentage, and the federal government money. That was cut out completely at the sole direction of the federal government, and I thought it was a very valuable programme.

Mr. R. F. Nixon (Leader of the Opposition): What reason was given?

Hon. Mr. Wishart: Economy—and they did not think it was part of an emergency measures situation.

We thought it was. We thought if we could spend the money very wisely and very well that way, we could get a very large degree of municipal support and co-operation. But it carried no weight with our friends at Ottawa, and we don't have that now in our programme. The hon. member said the figures were difficult to follow, as to what our share is, when we showed the total amount for emergency measures. I would like to take just a moment to deal with those.

The matter is broken down. The total amount which we are asking in this programme is $249,000. The total altogether, including the gross of the federal contribution, and the provincial contribution, is $1,306,000. As I say, our share is $249,000. The various items are as follows, within that gross: the salary figure this year is $325,000 against $387,000 last year, a reduction. But of that $325,000 our share is $81,000, the province's share. The travelling expenses last year were $32,000—

Mr. Shulman: On a point of order, Mr. Chairman, there are only 14 members in the House and we do not have a quorum.

Mr. Chairman: Since there is the lack of a quorum in the Chamber I would ask the attendant to ring the division bells for a period of four minutes.

There now being a quorum we can properly proceed. The hon. Attorney General was in the process of providing answers to some questions, I believe?

Hon. Mr. Wishart: Yes, Mr. Chairman, the travelling expenses last year under emergency measures were $32,000, and are $18,000 this year. The share of the province of Ontario is $4,000.

Maintenance was $67,500 last year. This year it is $35,000, of which the share of the province is $9,000.

The municipal projects—and this is the large area in which we assist, encourage, inspect, support, and to some extent, direct municipal efforts under the overall supervision of the federal people—last year were $1,136,500. This year $928,000. And to that the federal government contributes $773,000, leaving the province's share $155,000.

Those four items which I have mentioned specifically make up the total of $249,000, or the province's share. Now I can only say that that is $157,000 less than last year so there is a very considerable cut in those figures, and I do not think it is for me to comment on the overall federal approach to this subject.

All members are free to do so if they wish. I simply say that, as a province, we are asked in a national project to assume and carry out the responsibility which the federal people think we should, and we do it, and we have done it, for a number of years.

There are lots of views, I know, when this kind of money is being spent. There are a lot of views that it could be spent in different ways, to more effect.

As to the question of the hon. member for High Park, I do not know who prepared the document from which he was reading. I do not think it means that there is any priority on who will be saved, and who will

be abandoned to the devil. I have not any knowledge of that at all.

I think what the document was designed to do was to indicate some persons who were involved in Emergency Measures Organization from the point of view of municipal government in this particular municipality of metro apparently. And that those persons, being the persons who are carrying out for the municipal authorities the Emergency Measures Organization arrangements, are mentioned in the document.

But certainly I am sure he is being a little facetious when he says who selects these eminent persons to be saved, while others take their chance. I just treat it in that way. I really could not answer it in any other terms.

Mr. Shulman: I guess the Attorney General has not seen this particular document.

Hon. Mr. Wishart: No.

Mr. Shulman: It is a fascinating piece of work. Actually it does not say who is to be saved, or abandoned to the devil. These are the people to be warned, the emergency warning list, and—

Hon. Mr. Wishart: Oh well, that is clear. If the hon. member had said that, then that becomes immediately clear to me. That is exactly in line with my answer.

He said who says these people are to be first taken care of. No, those are the people then that are involved in emergency measures. They are the people who are taking part, and probably have some area of responsibility, in emergency measures. And if there is a disaster, you have to know who to notify. Who is to be notified about fire? Who is to be notified about police? Who is to be notified to get medical supplies? Who is to be notified of the various other things which you would need to supply in an emergency situation.

These are the people in the municipal government who have that responsibility. They, therefore, are to be notified, and they put the wheels in motion to make sure the emergency is dealt with.

Mr. Shulman: Yes, unfortunately the Attorney General is partially correct because those people he is referring to are down at the third and fourth level of priority. We have a list here—first priority, second priority, third priority, and these various people that have to do with police, rescues and fire planning are down at the third priority. But there are these mysterious names that are in the second priority—and, if Mike Grayson is involved with emergency measures in any way, I will be very surprised—

Hon. Mr. Wishart: In the army we used to have a term for that called a chain of command.

Mr. Shulman: Ah, except that this is not a chain of command.

Hon. Mr. Wishart: I think it is.

Mr. Shulman: This is not someone to phone someone to phone someone else. This is a list of people who are to be phoned. Here is the first list to be phoned; here is the second list to be phoned; here is the third list to be phoned. What I am asking the Attorney General, and again ask, is why were these three Toronto politicians shown? And if his answer is that they—

Mr. V. M. Singer (Downsview): Well, they are probably on the Emergency Measures Committee of Metro.

Mr. Shulman: Ah, if that is his answer—is that your answer?

Hon. Mr. Wishart: I think so.

Mr. Shulman: I think so.

Hon. Mr. Wishart: That is the chain of command. You have the committee and there are certain people who have different positions just like the military arrangement. There is the captain, the lieutenant, the sergeant-major, the corporal and so on, and the message goes down the line.

Mr. Shulman: I believe the Attorney General is misinformed, but before pursuing this further I will check with city hall and see if any of these three aldermen is on the emergency measures committee and then I shall come back and we shall have some more fun with this document.

Hon. A. B. R. Lawrence (Minister without Portfolio): Not very much fun!

Mr. Lawlor: Mr. Chairman, just to check some figures here, the Attorney General says there is considerable cutback. I notice the 1967-1968 figures were $488,000, but you actually spent $446,000. The next following year it jumped to $1,623,000. This year it has dropped about $300,000. I take it that first year was your own figure exclusive of any money that came in from the federal government at all.

Hon. Mr. Wishart: Yes, what year is the hon. member—

Mr. Lawlor: 1967-1968 fiscal year.

Hon. Mr. Wishart: Yes.

Mr. Lawlor: One other question connected with this.

Hon. Mr. Wishart: I would just like to clear that. In that year, we budgeted for just what Ontario spent. As we set the budget up now, it shows the gross for the whole programme and then the Ontario figures—at least, my figures are indicated as I read them, separately.

Mr. Lawlor: Yes, in the previous year, too, you had an item for public information courses at conferences which has been omitted from this year completely, so that the public dissemination of information about emergency measures has apparently been cut back, or cut out of the estimates, is that correct?

Hon. Mr. Wishart: Yes, I think this is true. I think one has to be quick to admit that the federal policy seems to be designed toward having a nucleus organization—a hard core, as it were—of well trained and informed people in the municipality, and there did not seem to be much response to the public meetings, courses and information conferences, so that they just cut it out. It is out.

Mr. Lawlor: Just one other question, then. In the public accounts it seems that year after year in the spending, an institution like the House of Stone, which received $6,878 in the 1968 year, appears again and again. Do you continue to deal with the same institutions in your purchasing time after time, such as this institution, and what precisely is it supplying?

My second question—I may as well get it all done at once while I am on my feet—is this: I notice there is an item in of about $10,000 payable to the Receiver General of Canada by the emergency measures.

Hon. Mr. Wishart: Mr. Chairman, on a point of order. What the hon. member is doing, and I appreciate his interest in raising the questions, is reviewing the public accounts, matters which would be dealt with, or perhaps have been dealt with, by the public accounts committee. They have nothing to do with the estimates of my department for the coming year, and if I could get the public accounts before me and perhaps satisfy him, I am quite sure I could. But I am not in a position to do so at this moment. Perhaps in a very short time I could get the information, but really, what the hon. member is doing, Mr. Chairman, I think is out of order.

Mr. Lawlor: Mr. Chairman, if I might have a word on this. Out of order or not, it has certainly been done *ad nauseam* in the course of these estimates. It is simply a question of the way you put it. I am instancing certain cases in the past in which moneys have been spent, and the only opportunity to see where they were spent is on this particular occasion, except in the public accounts committee, and it is perfectly legitimate if I tie it in with this year's spending. Do you intend to send any money to the Receiver General out of this year's estimates as you have in the past—that is what it comes to?

Hon. Mr. Wishart: For what item?

Mr. Lawlor: I do not know. What did you do it for in the past?

Hon. Mr. Wishart: Well, this is the point. Look at my estimates for this year and ask me a question on them and I will answer, but the only answer I can give, if the hon. member wants to put it in the terms he has —"Are you going to send any money to the Receiver General"—I do not know. I am not aware.

Mr. Lawlor: Have you made any arrangements to pay any money to the House of Stone in your current estimates?

Hon. Mr. Wishart: No, I have not. Perhaps an item may arise. I may become expansive and speculate. Perhaps an item may arise in the course of the year where the House of Stone will have an account which I should pay. They make uniforms.

Mr. Lawlor: Yes.

Hon. Mr. Wishart: Perhaps in emergency measures we will need to employ their services and purchase their products, but I cannot answer the hon. member yes or no, at this moment.

Mr. Lawlor: Mr. Chairman, surely this is the whole point of the estimates. The Attorney General proposes to spend in the region of $1.3 million. I try to pinpoint the areas where he proposes to spend this money, where he has spent it in the past, and how legitimately he spent it in the past, so therefore, "how legitimately" is right now. He simply

says he cannot answer this question. Why is he asking for the money at all, then?

Hon. Mr. Wishart: Mr. Chairman, perhaps I can help the hon. member by saying my experience in the past has been that in the emergency measures programme, the one we are discussing at the moment, we have had occasion to acquire a certain number of uniforms. The programme, as I have pointed out, has shrunk—there is less money being required this year—but we have reckoned some figure, probably for this; I cannot say that we actually have. As for the Receiver General, we purchase certain radio equipment which the federal government supplies in this programme, at cost, I understand, or thereabouts, and we have probably estimated some figure to make up our estimates in line with past experience. Anything we will be purchasing will, of course, be done in the usual way by the calling of tender, and if we need to purchase uniforms, the House of Stone may or may not get the order. That is the best I can do at the moment to answer the hon. member's question.

Mr. Chairman: Is there anything further under the emergency measures vote?

Mr. J. E. Bullbrook (Sarnia): I wanted to ask a general question. I was intrigued by the reply of the Attorney General previously to the hon. member for High Park. As I understood, he was saying in effect that we might have the privilege, as members of this House to take issue with the federal posture in connection with this total organization. The Minister, as the Attorney General, would not do so. Am I correct in that assumption?

Hon. Mr. Wishart: No.

Mr. Bullbrook: Well, would the Minister clarify that for me?

Hon. Mr. Wishart: I said any member of this House, and I include myself, is free to express his opinion about this whole policy. I have made representations to the federal government about the programme with letters and in interviews with the persons at the federal level. One of the things I mentioned, for instance, is that fire pumper programme. We had considerable discussion about that. We were quite vehement in putting forth our views that if they were going to continue anything, that was one of the most valuable things. But our view did not prevail.

Mr. Singer: You could call it a Machiavellian plot, could you not?

Hon. Mr. Wishart: Then we might adopt it.

Mr. Singer: What? You might adopt it?

Mr. Chairman: Anything further on emergency measures? Is the emergency measures programme carried?

Mr. Shulman: No, I think we are in the middle of the vote. We started on the vote and the leader of the Opposition started on EMO, which happens to be in the middle of the vote as far as the list goes.

Mr. Nixon: On a point of order, it was generally agreed that it was in order—

Mr. Shulman: There was no agreement made.

Mr. Chairman: May I just say for clarification, I do not recall that we had agreed to do it by programme or not.

Mr. Shulman: We have discussed two items so far under the vote—

Mr. Singer: Okay, go on, go on.

Mr. Chairman: I was under the impression, so far, that we had explored the fire safety services, and I do not think I put it to a vote.

Mr. Singer: No—fire safety. I want to talk on fire safety.

Mr. Chairman: Just wait if you will, please. I do not think we put it to a vote. I was just enquiring whether there was anything further under emergency measures. If there is, the members are quite free to discuss it. If not, we will move to another programme.

Mr. Shulman: May I have the floor, please?

Mr. Chairman: Would that be coroners?

Mr. Shulman: Related.

Mr. Chairman: Right.

Mr. Shulman: But certainly this is not a closed vote. I mean, it is not—

Mr. Chairman: No, I do not mean to infer that in any way; not in any way.

Mr. Shulman: I would like to turn to a rather serious matter, Mr. Chairman, and this came up in last year's estimates and has to do with car safety. I was coming under the coroner part of the vote, and it refers to the programme of research that is being done in, and through, the coroner's office up until April, 1967. In last year's estimates, I asked the Attorney General about this programme of car research and it was being run, if you

will recall, at that time by Dr. John Porter. I would just like to quote, so there will be no misunderstanding in the Attorney General's mind as to exactly what was said last year, because what was said, and what the facts are, I now have proof, are quite different.

On page 5230 of last year's estimates, on July 5, 1968, I asked the Attorney General as follows:

I would like to ask him about Dr. Porter and the automobile research project. At what stage is that project? When can we expect Dr. Porter to publish his results? If the project has gone, ask him why and ask him to reflect. Perhaps he has made a mistake, and perhaps he should reconsider, and start that project going again, and the other projects which were of so much value.

And the Attorney General replied, and I am paraphrasing him briefly, that the project was carrying on. Again on page 5234, I quote, and I was again asking the Attorney General:

He did make a comment about Dr. Porter which I found rather intriguing because I called Dr. Porter at the time that I made my original comments in the House. But at that time, you may recall that the Attorney General had said, or indicated, that the work was being expanded and Dr. Porter was to carry on. Unfortunately someone had forgotten to tell Dr. Porter.

As of the date that I talked to him, which, as I said, was early in April, he had not received a single item of the material that the Attorney General referred to from the day which I was discharged. However, I was delighted to hear that now—and I presume that this must have occurred recently—Dr. Porter's duties had expanded and he is now looking into these cases all over Ontario.

There is only one thing that puzzles me, Mr. Chairman. Dr. Porter's job was to go to the place of the death—of the accident—immediately after it had happened and examine the automobile, its position, the body and its position, so that, after the post mortem was done, from his personal knowledge of the material facts, he would be able to correlate suggestions which would improve the manufacture of automobiles.

I would like to ask the Attorney General how many different localities Dr. Porter has travelled to to view these particular accidents? I find it rather difficult to see how he travels to any of them because by the time he got up there, surely, the automobile would be scraped up and dragged away. It seems either there is a misunderstanding or else Dr. Porter's job has been changed somewhat, and instead, different coroners across the province are mailing what they are finding in the accidents and he is trying to correlate from that.

The Attorney General replied to me and I would like to quote that, it is on page 5236 of the estimates. The hon. Mr. Wishart speaks as follows:

Mr. Chairman, I think there is one item I should mention in reply to the remarks. In the Porter research project, I should inform him that while that was enlarged, I did not say it was being done by Dr. Porter entirely. It is being carried on now by TIRF which is the Traffic Injury Research Foundation, and all the reports from across Ontario are being reviewed by that organization in conjunction with The Department of Transport. It is enlarged in that sense.

And at that point, I said: "That is a different matter entirely". And that was the end of the discussion. I was quite satisfied because I had no reason not to believe what the Attorney General was saying.

However, following the conclusion of the estimates, I wrote TIRF and they answered. Unfortunately, the facts which the Attorney General related to this House were in no way true. TIRF is not, has not and at no time has indulged in such a project. Let me read to you from TIRF—Traffic Injury Research Foundation of Canada—

Investigation in depth of fatal accidents: This research application was not approved.

Would the Attorney General care to comment?

Hon. Mr. Wishart: Yes, Mr. Chairman. The research programme which Dr. Porter was carrying on while the hon. member for High Park was coroner was abandoned insofar as having Dr. Porter alone do it. We did not proceed with that at all. The local coroner, wherever the accident involving a motor vehicle was concerned, would do the inquest. We thought it proper that if there was any information relating to car safety, or steps which might be taken to improve them, they should come in from all across the province.

The people from TIRF—the Traffic Injury Research Foundation—did see my department, my officials, including the commissioner of the Ontario Provincial Police, and we offered certain assistance to them. But their requirements were so detailed, requiring so much time to be spent at the scene of an accident, that they were impractical for us to carry out in that way. Now, they indicated that they were carrying on certain research; that they would be glad to have us go all out with them in the way they had designed it. We found it not possible to accept and adopt the programme they would like us to carry on.

So we are not making any special project of research, and we are not directing any one coroner to do it. Dr. Porter is not doing it alone as he was doing it under the former coroner for Metro Toronto. I think my words today will be found consonant and consistent with what I said one or two years ago.

I would add that the TIRF organization still does get statistics from us which are taken from such information as we get in matters of motor vehicle accidents. We do not accept, as I say, or adopt the programme which they would like us to carry out, which is a very expansive and a very detailed programme, which we felt was completely impractical for us to do with our police at the

scene of the accident or with the coroners, even.

Mr. Shulman: Well now, Mr. Chairman, we are getting down to the truth.

Hon. Mr. Wishart: The member got down to the truth long ago, if that is the implication. It is just exactly what I said before.

Mr. Shulman: Let me just read the Attorney General's words back to him again.

Hon. Mr. Wishart: No, the member does not need to.

Mr. Shulman: Through you, Mr. Chairman, and I quote again:

> In the Porter research project, I should inform him that while that was enlarged, I did not say it was being done by Dr. Porter entirely. It is being carried on now by TIRF—

Hon. Mr. Wishart: That is true.

Mr. Shulman: Well, that just was not true, and here are the facts in front of you. TIRF says it was not true. Is the Attorney General still going to get up and say it was being carried on last year by TIRF when it was not?

Hon. Mr. Wishart: TIRF, I say, still gets the statistics from us. I say we do not adopt their full programme. We assist them, and I do not know what all TIRF does. Their title indicates they are a Traffic Injury Research Foundation. Surely they are doing some research in Ontario. We are assisting.

Mr. Shulman: Well now, this is interesting. The Attorney General does not know what they are doing. Last year he was a little more certain.

Well, let me ask a little further, because I think he has got himself into a little further difficulty. When did the Attorney General last send any statistics to TIRF? Careful, careful, or he is going to be in trouble.

Hon. Mr. Wishart: The last I recall of me or my officials of my department sending information was during the past summer. I do not know the date.

Mr. Shulman: And what, may I ask the Attorney General, was sent to TIRF last summer?

Hon. Mr. Wishart: I do not know at the moment.

Mr. Shulman: He does not know. Well, I would suggest to the Attorney General that he pursue this a little further.

Hon. Mr. Wishart: Mr. Chairman, the details the hon. member asks are these: Their employee, one of their men comes in and asks to see certain files. He takes certain information from them which we are glad to make available.

Mr. Shulman: This is a different matter. He comes in. The department did not send them anything then?

Hon. Mr. Wishart: Well, if the hon. member wants to play with words.

Mr. Shulman: It is the Attorney General who is going to have to do a little playing at this point.

Hon. Mr. Wishart: If the hon. member wants to play with words, I am just not going to be interested. How does it matter whether we send it or they come to get it?

Mr. Shulman: Because neither occurred, that is why. And the Attorney General is in trouble. He has been misinformed by his staff.

Hon. Mr. Wishart: I tell the hon. member that their gentleman comes to our office, looks at our records, takes such information as he sees fit to take, and that is our assistance to him.

Mr. Shulman: Even if we accept all this at face value—and I think the Attorney General has been sadly misinformed, to put it most kindly—what a sad comedown from the research projects that were going on, and the great work that was being done. I do not claim credit for that. It was being done by a lot of men in that department, and it has now come to a sad end.

All right, what is The Attorney General's Department doing in that department? They do not do research any more. If they did, a lot of people would come in and look at the records, according to the Attorney General, which is a long way from what he said last year.

They do do one thing. I have here a copy of the *Ontario Gazette* and it intrigues me; the coroner's office has now become expert in one particular field and that is bureaucracy, Mr. Chairman. With your indulgence, I would like to read regulation 310-6A, because it has overwhelmed me with its wordiness. I would like to quote this exactly because it shows what occurs there.

They are busy collecting useless pieces of useless paper. The quotation reads as follows:

Regulations made under The Anatomy Act, 1967:

In accordance with section 8 of the Act each school shall keep the following records:

1. Every certificate for anatomical dissection of an unclaimed body in form 2 received by the school.

2. Every certificate for anatomical dissection of a dead body in form 3 received by the school.

3. A copy of every receipt for a body in form 4 completed by the school.

4. Every notice of disposal of a body in form 7 completed by the school.

5. Every identification tag in form 8 attached to a body received by the school.

6. Every request to bequeath a body in form 11 received by the school.

7. The burial permit required in connection with the disposal of a body under The Vital Statistics Act.

8. An anterior-posterior photograph, and a lateral photograph of the face of each unclaimed body received by the school.

9. A complete set of fingerprints of each unclaimed body received by the school.

This is a subsection:

3. Every local inspector shall require that a donated body information report in form 1 is completed and kept on file in his office.

4. Where a local inspector has caused an unclaimed body under his control to be delivered to a school, he shall complete and forward to the school a certificate for anatomical dissection of an unclaimed body in form 2.

5. Where a local inspector has been notified under subsection 2 of section 5 of the Act of a body received for the purposes of anatomical dissection, the local inspector shall when he has obtained the particulars he requires to complete and forward to the school a certificate for anatomical dissection of a dead body in form 3.

It goes on and on, you would not believe it. This is every time someone donates a body, Mr. Chairman.

6. Every inspector shall require the professor of anatomy or his agent of a school to which an unclaimed or donated body has been delivered to complete in duplicate a receipt for a body in form 4 and retain and return a copy of the receipt to the local inspector.

7. Every local inspector or coroner as the case may be shall ensure that there is completed and filed in his office a report of an unclaimed body in form 5 in respect of any unclaimed body under the control of the local inspector or coroner as the case may be.

8. Every local inspector or coroner as the case may be shall complete and forward to the clerk of the municipal corporation a report and warrant to dispose of an unclaimed body in form 6 in respect of any unclaimed body to be disposed of at the expense of municipal corporation under section 11 of the Act.

9. The professor of anatomy or his agent of a school shall complete and forward to the general inspector a notice of disposal of a body in form 7 in respect of every body to be disposed of by the school.

10. Every local inspector shall ensure that there is attached to the neck and to a toe of each donated, and of each unclaimed body, an identification tag in form 8 before the body is delivered to a school.

11. Every local inspector or coroner as the case may be shall complete and forward to the general inspector a report of delivery or disposal of a body in form 9—(a) for each donated body and for each unclaimed body authorized by the local inspector to be delivered to a school, and (b) for each unclaimed body requested by the local inspector or coroner as the case may be to be disposed of by a municipal corporation.

12. Every local inspector or coroner as the case may be shall complete and forward to the person in charge of a public morgue or private morgue as the case may be for the municipality in which the body is found, an order for storage of the body in form 10.

13. Where a person wishes to bequeath his body to a school, the person or where the person has died the executor or next of kin to the deceased shall complete and forward to the school a request to bequeath the body in form 11.

14. The general inspector shall submit to the Minister of Justice and Attorney General, on or before the 30th day of March in each year, an annual report for the preceding year.

15. The general inspector shall ensure that a register of all bodies reported under the Act and this regulation is kept.

Mr. Chairman, I would like to ask through you, sir, to the Attorney General first of all: who in the world thought up this maze of regulations to pile up paper in your office? And secondly, why in the world has this been done?

The anatomy schools are extremely upset by the vast amount of unnecessary work that has been thrown upon them. I have taken the trouble to contact two. Thirdly, inasmuch as the system was working very well before, and there had been no problems, why has the Attorney General ordered this bureaucratic confusion to be set up? Finally, please Mr. Attorney General, really nobody needs all of this nonsense. Can you change things back the way they were before, and save everybody filling out all these forms?

Hon. Mr. Wishart: Mr. Chairman, the former chief coroner for Metropolitan Toronto, now the member for High Park, was not aware during his time of office of the necessity for certain things being done. He seems not to have learned or recognized any need today. We believe that when a body is donated for research purposes, for dissection, medical research or whatever or where an unclaimed body is found, it should be treated with respect—

Mr. Shulman: Fifteen forms mean respect?

Hon. Mr. Wishart: —it should be treated with respect for the relatives and for purposes of identification. Often there is involved the matter of an investigation of crime, particularly with an unclaimed body. So the utmost detail is necessary when that body is dealt with.

Even in a donated case—the case of a donation of a body, where the body is cut up, dissected, and parts used for various types of research—we think it is proper that the relatives have some assurance that certain things were done with care and with attention, and that there be a record of what disposition was made of the body.

One of the things in the requirements that the hon. member read was burial. How the body was disposed of, whether by cremation or burial, where and when. I think these things are proper, and an unclaimed body—particularly if the question arises even later, and sometimes this may happen, as to how that person came to his or her death—it is important, and extremely important, that there be the utmost detail of record of the state, the condition, the photographs and all the rest. The hon. member did not. Things were not in a good state under his regime—

Mr. Shulman: Not for the Conservative Party anyway—

Hon. Mr. Wishart: Not in a good state. We have improved them, and certainly it is nonsense for him to suggest his attitude is unchanged. I do not think he perhaps understands the need for respect to a deceased person or the relatives. He says, return the situation to what it was before. I just repudiate it, Mr. Chairman, and that is all I have to say.

Mr. Shulman: Mr. Chairman, that is not all I have to say—

Hon. Mr. Wishart: No?

Mr. Shulman: —because apparently the Attorney General of this province is not aware of the difference between respect for a body and piling fifteen different forms on top of it which is what he is doing here—most of them duplicates. How in the world he can get up and make these pious comments and think this—we are about to lose our quorum, I think—can be justified by his very pious comments is just nonsensical.

I think it is typical of the Attorney General, the Minister of Justice—and again I hate to use that word justice, because he personifies it so badly—of this province. He thinks that if we have lots of paper, lots of forms, this makes up for doing good work. He says it was a terrible situation in the coroner's office before. We were actually doing research there. We were trying to find the causes of disease, we were trying to prevent death. I cannot understand the Attorney General, he thinks this is very bad. He thinks it is great to have people working in his department who will say: "Every time there is a bequeathed body, we want that form filled out in—what is it—not quintuplicate; "fifteen tuplicate"—how does it go? In any case, 15 forms, many of them duplicates or triplicates, filed in 15 different places. He has got a big department, lots of space to file it. I guess you can microfilm it after a while, but it is waste, and that is the problem with your department—lots of waste, lots of movement, lots of effort, lots of pious comments, very little action.

Let us turn to something else in this particular department. I have an editorial here dated April 1, 1969, from the Oakville *Journal Record* and it is a lengthy editorial and

I will not take the time of the House by reading it, but it is about the situation regarding coroners in Halton. I would like to point out that they are extremely disturbed in Halton and in the Oakville area about the number of car accidents and car deaths which are occurring. They have been extremely upset, because the Halton Crown attorney who was there for many years, Peter McWilliams, who although a Conservative, was a very competent and dedicated man, had the practice every year of issuing a report: (a) of the inquests which had been held, and (b) of the auto deaths that had occurred, analyzing them and sending this work not only across the province, but to many areas outside of the province so that these causes of death could be concentrated upon.

For example, one of the most striking facts that he discovered was that over 50 per cent of the fatalities that were occurring in the auto accidents in Halton County were due to alcohol.

Hon. Mr. Wishart: That is part of our research.

Mr. Shulman: Yes, that is part of your research; I am very pleased to hear about that research. Perhaps then, I should quote from an article here which was printed after Mr. McWilliams left the department. I am rather pleased, and I would like to be sure that it is on the record, that the Attorney General said that this is part of his research. Now I will quote this article:

> Oakville: For seven years former Halton county Crown attorney, Peter K. McWilliams, QC, compiled detailed annual reports on all fatal accidents in the county.
>
> Each report took weeks of digging and compiling considerable information obtained from police pathologists and witnesses, according to McWilliams. "The detailed study was my own idea," McWilliams said, "and is designed to fight the ever-increasing number of traffic fatalities by analyzing each accident and getting at the causes."
>
> McWilliams said he never received any encouragement from the Attorney General. "In fact I was discouraged."

This is what the Attorney General claims is his research; I am sure that he is not so proud of it now.

Hon. Mr. Wishart: We cancelled it. We cancelled Peter McWilliams' function in that area. Information is available that we do not think a Crown attorney should be drawing up reports of coroners' inquests. That is not his duty.

Mr. Shulman: Oh, dear!

This has nothing to do with coroners' inquests, this is auto fatalities, many of which do not involve inquests at all. The Attorney General is so confused, let us try again.

Mr. Chairman, Peter McWilliams was probably the last competent Conservative in this province to hold any office, one of the few—there may be one or two still left around, but they are hard to think of. There is one in housing, Bradley; no, you got rid of him too, I forgot. Sorry, I guess there are not any left.

Anyway Peter McWilliams, who was a very competent Crown attorney, compiled statistics in Halton county about the auto accidents. These statistics were published to try and cut down the number of traffic fatalities. The Attorney General finally got up and said, "That is part of our research."

Peter McWilliams says he was discouraged from doing it by the Attorney General. Just now, the Attorney General has admitted that as soon as McWilliams was out, they cancelled it. It is the same thing as happened here in Toronto, because this department is so badly run, is so unaware of the modern possibilities of what could be done through the coroner's office to cut fatalities, that it automatically strikes down any effort to do anything in these fields, even when it comes from a good Conservative like Peter McWilliams.

I fear for your two members in that area, because the people in Halton are waking up. There have been a series of local editorials. One of them I have here is headlined, "Wishart Blunder". However, I will not read that one at the moment, I will save it for a little later.

Hon. Mr. Wishart: No, read it now, it might not turn out to be a blunder.

Mr. Shulman: The second one is called, "Halton Coroners," and what it is bewailing is really our Attorney General's attitude in the field of coroners and inquests and auto fatalities. They say he just does not understand, and they are so right, and the people are becoming aware of it all across the province, and I am going to try once more—we try periodically, Mr. Chairman—and maybe he will come to.

Mr. Chairman, through you, sir, inquests and reports can do a great deal to lower the

number of auto accidents and the number of auto fatalities. It has been the custom in more than one locality in this province, the custom which began before this Attorney General took over, (a) to order an inquest be held in every auto accident which involved more than one person—and this was a rule that was brought in by the last good Attorney General we had, Kelso Roberts—and (b) that reports should be published so that other jurisdictions could benefit from these matters.

Mr. Chairman, I think the remarks I am making have some importance and I think I should have at least 20 members in this House to hear them.

Mr. Chairman: Is the member suggesting there is not a quorum?

Mr. Shulman: I am suggesting there is not a quorum, and asking you to count.

Mr. Chairman: In the absence of a quorum I direct that the bells be rung for a period of four minutes.

Mr. Shulman: Four Conservatives in the House again.

Mr. Chairman: The hon. member for High Park.

Mr. Shulman: We do not have an Attorney General now, though, Mr. Chairman.

Mr. Chairman: I am sure that the Attorney General will soon be in his seat to listen to the remarks of the hon. member for High Park.

Mr. Shulman: The Attorney General has lost his smile.

Hon. Mr. Wishart: Just lost interest.

Mr. Shulman: He never had much interest, Mr. Chairman, that is the whole problem with this department.

Well now, we were referring to the problem of the Attorney General and coroners. Mr. Chairman, I was referring to an editorial in the Oakville *Journal Record* of Tuesday, April 1, 1969. It is a lengthy editorial, but I would like to read the last paragraph in it because it pretty well sums up this specific problem, and I quote:

> Following a particularly well-publicized inquest that took place in Halton in May, 1966, Ontario chief coroner Dr. H. B. Cotnam, at the conclusion of the two-day hearing into a highway fatality, said, "It is my hope this hearing will set a precedent for others, that we will investigate into highway accidents. Let the facts come out as they may, but let the investigations go deep enough to bring out all the facts. I hope that this is the beginning of a trend to better and more detailed hearings into things of this nature." It was not, not even in Halton county where former Crown attorney Peter K. McWilliams showed how the coroner's inquest can effectively bring forth facts about the causes of highway deaths. Highway death has its causes. Queen's Park, by not trying to learn them, is guilty of negligence.

Well, it is not just Queen's Park. It is not just an amorphous mass. It is not just the people sitting opposite me, because I happen to know that many of the members sitting opposite me in the Conservative Party are truly interested and would like something, too. But it zooms in on one man.

There is one man responsible. He is the Minister of Justice in this province, and he has got up and said, "We stopped those things. We stopped those reports," and this is what the problem is.

This whole department is run so badly. The emphasis is on the wrong things. It is on producing paper, it is not on doing the good things.

Let me give you an example, Mr. Chairman. I have here the Toronto Conservative paper for April 23, 1969.

Mr. J. B. Trotter (Parkdale): Which one?

Mr. Shulman: There is only one, thank goodness. The heading is:

> INQUEST DISAPPOINTS CORONER
>
> Gananoque: Coroner Dr. Kenneth Grey yesterday said he was disappointed with Monday's inquest into the March 16 drowning death of three Kingston residents here. He said there were many unasked questions at the inquest.
>
> The jury was told how Mr. and Mrs. James Nairn, both 54, and Mrs. Helen Blasco, 45, died when the Nairn car plunged off the front of Howe Island Township ferry into 50 feet of freezing water.
>
> But the jury failed to ask why the car ran off the boat, he said, and no mention was made of the proposed Howe Island bridge alternative to the ferry service. Dr. Gray said he did not try and draw out answers because he preferred to remain neutral.

I am ending the quotation there, Mr. Chairman. What a misunderstanding of an inquest.

The coroner is there to try to get the answers. But to sit there dumb, to realize, even worse, that the questions are not being asked!

I can understand a coroner who does not understand, we have some of those unfortunately, not many, there are a few. I can understand a coroner who does not understand, but a coroner who does understand—and this man did—and sits there and then after an inquest says: "Gee, they should have asked those questions, but I did not feel I should because I should remain neutral."

This shows a complete misunderstanding of the whole coroner system.

Another striking example we could talk about all day is the Nobrega inquest. There is no use going into that, a more mishandled inquest could never occur.

Again, the Attorney General came forth and uttered his pious words, "We will have an investigation" and he had the police investigate the police. The old story. We will investigate ourselves and see if everything is okay.

It is like when they have a Royal commission that involves the Conservative government. We will have one of the Conservative judges investigate whatever it is. I am sure he will find everything is okay as he always does.

That is what happened in the Nobrega case and that is what happens so often.

The coroner's system is run badly and the Attorney General will not listen.

There is another matter, even worse, and these are the inquests that are not held. During this past year there have been half a dozen occasions in the House when I and other members have risen asking why inquests have not been held into mysterious deaths, often involving someone being refused from a hospital. Invariably the Attorney General gets up and says that in the wisdom of the coroner it was not necessary. And, of course, that is not the proper answer.

Here is a striking one and it has come up before. It is the woman whose body was found on the Viola McMillan property. I have been asking and asking why is this inquest not held? There is one reason not to hold an inquest and that is because charges are being laid. But no charges were laid in this case. The deceased's name was Dorothy Davis; her husband has appealed repeatedly, what is the mystery, who are you covering up for, what are you hiding? Why will you not hold the inquest? Why are no charges laid?

The Attorney General gives no answer. We do not know. I honestly think he does not know. I think he is just not informed. I do not think he is a bad man, he just does not know what is going on in his own department.

Now, Mr. Chairman, I appeal to you. I realize the Attorney General is reading a book there and is not too interested in this matter. He is leafing the pages, but it is a shame and it should not be a political matter. Whether or not the coroner's system is run properly should not be a matter for benefit to the Liberal Party or the NDP or the Conservative Party. It is a matter of simple, plain humanity and I would like to take the Dorothy Davis case as an example.

Here is a family that is distraught. I have received a series of letters from them. I have not had one in some months, I guess they finally gave up last May. But I had a series of letters saying they do not know what happened to the wife, or in some cases the daughter, Dorothy Davis.

The parents and the husband are both very upset. "We know the body was found on the Viola McMillan property, but no one has ever told us why or what. They refuse to hold an inquest. They will not tell us why they will not hold the inquest."

I say to the Attorney General, this lowers the system of justice and lowers the reputation of everyone attached to the system of justice in this province. I ask you once again, I plead with you, please do something about this. This is a disgrace.

Hon. Mr. Wishart: Mr. Chairman, if I might perhaps deal very briefly with some of the points that the hon. member for High Park has raised, and I think, I shall ignore the political connotations of his speech, I certainly do not want to make any remarks that might be constructed as political. I do not feel that they have any part in our discussions here on the estimates in this subject.

In the matter of research, I would like to add a word to what I said. We did draw in our efforts in some areas of research, particularly in the motor vehicle cases where death or injury occurred. A great deal of the research, a good deal of the information which was necessary to determine the cause of these occasions was obtained by The Department of Highways in its investigation with respect to its own studies as to construction of highways and how they might be improved, safety measures. Also by The Department of Transport.

Now, as to death occurring on highways, and the direction of the former Attorney General the hon. Mr. Kelso Roberts, that every highway death, every accident causing death on the highway should be investigated, I simply have to say that I disagree with that policy.

There was a period in the term of my predecessor, the hon. Mr. Roberts when there were a good many highway accidents causing death and serious injury. He felt in his wisdom that he should send out a direction that there should be an inquest in every case. I think perhaps he would agree with me today that that is not necessary now. A car runs off the highway and runs into a telephone pole or tree with perhaps a single occupant—

Mr. Shulman: That was accepted at all times.

Hon. Mr. Wishart: —perhaps a single occupant. There is nothing much to be gained from an inquest.

Mr. Shulman: And they were not held by him then either. You misunderstand again.

Hon. Mr. Wishart: Two cars collide on the highway. Autopsy, yes, Mr. Chairman; perhaps if there was drinking to be determined, a police investigation; a mechanical investigation to determine if it was failure of the vehicle, brakes or some other portion of the vehicle. An autopsy, yes, but an inquest, not by any means in every case necessary.

And that is simply a matter of policy. It is not policy to hold an inquest into every death occasioned by a motor vehicle accident on our highways. The autopsy does a great deal, and then the police investigation.

The particular case that the hon. member was referring to in the latter part of his remarks, there was a very thorough police investigation carried on—

Mr. Shulman: Never made public.

Hon. Mr. Wishart: No.

Mr. Shulman: The family still does not know.

Hon. Mr. Wishart: A lot of police investigations are not made public. They may be still going on.

Mr. Shulman: How many years does it go on?

Hon. Mr. Wishart: It may go on for years.

Mr. Shulman: And the family should be informed of the progress.

Hon. Mr. Wishart: A great many police investigations are not made public while they are being investigated, or even for some considerable time.

Mr. Shulman: Telling the family is not making it public.

Hon. Mr. Wishart: I make no apology. I merely explained to the hon. member that for good and sufficient reasons people are not informed of certain—

Mr. Shulman: That is the purpose of an inquest.

Hon. Mr. Wishart: An inquest might determine the cause of death, but an autopsy will do the same thing insofar as research into the cause of death is concerned. We simply do not call for as many inquests as used to be called for in the days when the hon. member had some part to play in this area. I think the public accept this and understand it.

Many municipalities actually were complaining of a great many unnecessary inquests. They were unnecessary, because there seemed to be an attitude that every death in well known circumstances had to be the subject of an inquest. We do not follow this as a matter of policy. Those few brief remarks I would say in response to the hon. member's somewhat passionate remarks.

Mr. Chairman: The hon. member for Quinte.

Mr. R. T. Potter (Quinte): Mr. Chairman, the lawyers seem to have had their day in court. Today, it appears, it is the coroners' day. I would not want anyone to get the idea that the member for High Park is the only coroner in this House. I, too, was a coroner for some 20 years, and I too, am no longer a coroner in Ontario. Now I must admit I was not a chief coroner. Then, as now, I was just one of the Indians.

I would like to point out, though, that during those 20 odd years—I am afraid I cannot agree with the member for High Park —I did not feel that we did not hold enough inquests. I felt that we held too many, and too many times our Crown attorney overruled me and ordered an inquest when I knew—and we found out eventually that again we were going to have an open verdict, that John Jones came to his death as a result of injuries suffered in an accident at such and

such a time at such and such a place, and that no blame was attached to anyone. Frankly, I got so sick and tired of having this type of inquest and this type of report. I felt that there was a great deal of time and money wasted in these cases. As the Attorney General has stated here today, the suggestion that we have an inquest into every automobile accident, to me, is just ludicrous. I think that there is a place obviously for inquests where we want to determine the actual cause of death of an individual. I think when it is obvious beforehand, and that nothing is going to be gained there is not any point in having an inquest.

The one thing that did disturb me then, and it still disturbs me, is the fact that coroners in Ontario are appointed on a county basis. I have discussed this with the Attorney General before, and I think he is sympathetic to what I have to say.

In many areas we have a coroner appointed for one county where an accident is over the line in another county. The coroner might be within five or ten minutes of the accident, but he cannot act because he is not appointed for that particular county.

I had this happen with an airplane accident right up in my own home—on the shoreline. I could not act as a coroner, but we had to bring a coroner from 30 miles away because it was in the wrong county. And I would just like to suggest that perhaps the Attorney General and his department would give consideration to making the appointment of coroners in this province as coroners for the province of Ontario, rather than coroners for any specific county. I am sure that they do not need to worry about someone from down in Hastings county trying to usurp the responsibilities of a coroner up in Sault Ste. Marie. It would be advantageous in many cases, and it would save time as well. I ask the Attorney General if he would give this consideration.

Mr. Chairman: The hon. member for Sarnia.

Mr. Bullbrook: Mr. Chairman, I will try to be brief in view of the fact that we want to try and conclude these estimates as soon as possible.

I want to talk about the inquest involving Angelo Nobrega. The reason I bring it up—we did digest this to some extent in the House—is that the Attorney General had made a statement in connection therewith. The concern that I want to express is this: This particular inquest took place in the city of Toronto, under significant public eye. I just invite you to consider the circumstances if it took place in Wawa. Really, if the coroner conducting this particular inquest had been so ill-versed and so ill-advised up there, and this matter had come to its logical fruition—in other words, if the jury had been asked to decide upon the guilt or innocence of someone in connection with a murder charge during the course of a coroner's inquest, I would guess we do not stretch the imagination in saying it probably would be about as significant a miscarriage of the law, and perhaps justice, as one might concede.

Basically my point is this: The Attorney General had suggested that there was going to be an investigation in connection with the conduct of the inquiry. I am not sure, frankly, whether that investigation by some—criminal investigation officer—I think it was the Ontario Provincial Police. I am not sure whether Dr. Cotnam had made that comment. I am not sure whether that took place, and whether you have reported to the House, of which I am not aware. If you have, you might set me straight in this connection.

But basically what I want to know is: I would appreciate very much, Mr. Chairman, knowing what specific instructions have now been given to coroners, so that the people of Ontario, and especially the Attorney General of this province, might be secure in the understanding that they recognize the responsibilities that they carry out during the course of an inquest. That is the first question.

I want you to also comment on the attitude of McRuer in connection with complex inquests, and the possibility that a medical practitioner need not necessarily be the only person vested with the responsibility to carry out these inquests. You also have the comment of Mr. Leal, made concurrent with the Nobrega fiasco, that he sees the need for—perhaps in some complex inquest—persons of legal training to conduct the inquest itself.

Now those are basically the three questions that I put forward. I want to shorten this matter. But let me say this, in shortening the matter, I do not mean to minimize, in my opinion, the significance of what happened during the course of that inquest. Frankly, had that been written in a novel, one would not accept it. One would have said to himself: It is too far removed from the possibility of reality. And can you imagine us, in the province of Ontario, in 1969, bathed in the

light of self satisfaction, and to a great extent sometimes self aggrandizement, about how justice is administered in this province?

Having a coroner so far removed from the most essential understanding of the responsibility of his office, and so ill-advised purportedly by an assistant Crown attorney employed by this department—

Mr. Shulman: And a police officer.

Mr. Bullbrook: I was going to get to that —and a police officer. But I say frankly that I do not impute to the police officer the same degree of responsibility and knowledge that I do to the coroner and the assistant Crown attorney. These people must of the very essence of their job, of their function, of their responsibility, know what they are doing. To put this boy in the traumatic situation of using the word "murder" as a result of a leading question put to him during the course of that inquest is iniquitous, as far as I am concerned. We must have here a direct commitment from the department, as far as I am concerned, without equivocation, that there will not be, within the powers that the Attorney General has, a possibility of a recurrence of that type of situation. Perhaps some comments from the Attorney General as to whether he considers the possibility that Mr. McRuer suggests, of transferring, at times to a commissioner or a magistrate, the responsibility in connection with complex inquests.

Hon. Mr. Wishart: Mr. Chairman, I agree to a very considerable extent with the remarks of the hon. member for Sarnia. I did make a statement to the House immediately after the Nobrega inquest was held. I disagreed with the instruction of the coroner to the jury and in no uncertain terms.

Following that we made a complete investigation into that case and obtained the full transcript, discussed it with the Crown attorney, with the chief coroner, examined the whole matter, and considered the question of whether it would be wise or proper or advisable or necessary to have another inquest, a complete new procedings. But having examined the thing very thoroughly, our conclusion was—and I am sure we were correct in this—that no miscarriage of justice had occurred in spite of the wrongful charge, which I do not condone for a moment, and that there was nothing to be gained by having another inquest.

The chief coroner and the Crown attorney, having been instructed of our views in the matter, carried out our direction with respect to this sort of thing. As the hon. member knows, there was a good deal of publicity, a good deal of editorial comment. There were my own remarks in the House, and I go along with the hon. member in saying it was a bad performance by a coroner in this inquest.

I suppose occasionally we are going to fall short of the best in this type of thing. The great thing about this type of procedure is that you do have citizens, sensible people, I think, who sit and hear the evidence, and no matter how they are charged, even if it may be wrongful, as even sometimes judges do before juries, they generally reach a pretty honest, proper verdict.

There is an appeal, of course, when a judge makes the wrong charge to the jury; in this case, we review the matter, and I think the main question which must be determined is if any miscarriage had come about by reason of the coroner's remarks. And we decided there was not. I regret, as much as the hon. member for Sarnia, the way in which it was conducted.

As to considering the coroner system and the whole matter of coroners' inquests, I have long had views that there is room for improvement there. Mr. McRuer has made some recommendations. I would have hoped he might have even gone farther than he did.

The member for Quinte who spoke a moment ago mentioned that he was directed by the Crown attorney in his day; that the Crown attorney had the choice as to when there would be an inquest, not simply the matter of whether or not there should be an inquest.

That was the case when I was a Crown attorney. That only goes to the question of whether there should or should not be an inquest. The question as to who should preside at an inquest, I think, would be an important thing. With great respect to my friends in the medical profession, we occasionally observe the failure to appreciate, understand and enforce the reasonable rules of evidence as to what is relevant, as to what should be admitted and what should not be admitted.

Sometimes this failure, I do not say it leads to wrongful verdict, but it brings in things which are damaging, which are not helpful, and quite often have no bearing on the matter which the inquest is seeking to determine. I have had for a long time a good deal of thought that we should have, perhaps, in certain types of inquests at least some judicial person presiding.

We are working on this whole matter and I hope we may, taking into account Mr. McRuer's recommendations and our own studies and our own views, perhaps produce something which will be an improvement on the system we have.

Mr. Bullbrook: Mr. Chairman, if I may just carry this forward for a moment. I attempted to preface my remarks when I opened this matter by saying that we had discussed it before, and I recognize the Attorney General took quick issue with the whole thing, I was not inferring that he agreed at any time with the procedure. The Attorney General has just hit the essence of my concern. He says he is working on it.

Recognizing that he cannot disclose the policy to us, could he advise us, for example, what he has in mind? I, as a lawyer, express concern, by way of example, that counsel is not permitted access to the witnesses at the time. The Attorney General will recognize as well as I do some of the implications of the fact that witnesses do not have counsel available to them. I am wondering if he could give us some idea of what he might have in mind in connection with rectifying the situation.

Hon. Mr. Wishart: I have in mind, in short, a whole new Coroners' Act. In fact, before Mr. McRuer's report I had one prepared, dealing with evidence, the right of counsel, cross-examination, how it should be conducted and all.

Mr. Singer: And the presiding officer?

Hon. Mr. Wishart: This would be one of the provisions; this is what I am working on.

Mr. Singer: Mr. Chairman, my colleague, the member for Sarnia, has opened the Nobrega matter and I caught in the remarks of the Attorney General that his subsequent investigation, or the subsequent investigation of his officials, led to the Attorney General's conclusion that no injustice had been done.

We have said often in this House that it is not sufficient that justice be done, that justice must appear to be done. I do not think I am overstating the case at all—that the whole effect of the Nobrega incident was that justice did not appear to be done, whether, in fact, it was done or not. There was a subsequent inquiry, a private inquiry, which led the Attorney General to the conclusion that he has told us about.

But you take the Nobrega incident and you take the John Bennett incident that I was talking about earlier in these estimates, and the Shirley Hunter incident, which we will, perhaps talk about a little later, and one has to express grave concern about the method that we have, to determine in a manner that will let the public believe that justice is being done, that these matters are being properly investigated.

It is unfortunate, Mr. Chairman, that these matters all seem to revolve around the actions of policemen. These three particular incidents revolve around the Metropolitan Toronto police force. Let us say at this point that in my opinion the Metropolitan Toronto police force is one of the best, if not the best, police force in Canada; they do outstanding work.

One only has to look at what has happened recently in the guilty plea in Whitby just today; I think of five men who were charged with kidnapping. Without attempting to prejudice or even discuss the case of Constable Goldsworthy, who was murdered, there has been an arrest and charges made. Certainly, it would appear to me that outstanding police work was done in both those instances, and in many others.

So let it not be construed by anyone that I am attacking the Metropolitan Toronto force or their method of carrying on.

But what does bother me, Mr. Chairman, is that we so often get left out on a limb when we begin to wonder whether or not the police constable who shot the Nobrega boy did, in fact, act reasonably and properly in those circumstances. Now, I do not know. I do not know and I do not think the public knows.

Along the same line, as I say, in the John Bennett incident, the fact that John Bennett did not answer his subpoena, meant the inquiry of the police commission came to an end. I do not know again, and I do not think the public knows, whether or not those responsible for that incident of the imprisoning of John Bennett for a few days, improperly, could, or should, have been laid at the door of the particular police officer or jailer, and/or somebody else, and the public. I will come to the Shirley Hunter incident a little later—and that is the same sort of thing. Because Shirley Hunter did not come forward, as I read in the papers, and say: "I want the Metropolitan Toronto Police Commission to conduct an inquiry," apparently no inquiry was held.

All of which leads me to this conclusion, Mr. Chairman—and we have had enough of these incidents within the last two months to

indicate that we have got to go off in a new direction—that the action of police officers is called into question, as a result of something that has happened related to their specific use, whether it be an incident like the Nobrega one, or the Bennett one, or the Hunter one, we have to create some kind of machinery—judicially controlled, which will hold a public hearing. Because, Mr. Chairman, I say, and without any recrimination at all, it is no longer sufficient that the Attorney General stand in his place and say, in this incident—and probably he is quite correct—that the investigation satisfied him that justice was done.

I think it is of the utmost importance that the people of Ontario must be satisfied, and they are not going to be satisfied by the fact that a series of errors took place, as in the Nobrega inquest, or a lack of enquiries occurred as in the Hunter incident, or in the Bennet incident. I say that this slops over two or three particular items in the Attorney General's estimate.

I say we have got to do something better, Mr. Chairman, and I am going to leave it just with the trite saying again: "It is no longer good enough that justice be done, justice must appear to be done". We must bend every human effort that we can as legislators, and the Attorney General must lead us in this regard to make it appear that justice is being done.

Hon. Mr. Wishart: I just want to speak very briefly particularly to the Nobrega thing again. I want to pick up the expression which the hon. member used—a series of errors in the Nobrega matter. Having read the whole story, and investigated it most thoroughly, there was not a series of errors. There was one very serious error, but not a series of errors. And the great saving feature of a coroner's inquest is that the public are part of the procedure. The coroner's jury are the public and they hear the whole story, as I investigate it. They heard every word. The charge had that error in it. By and large it was very carefully worded, very carefully considered, very properly given—except for the one statement to which I took serious exception.

I am not going to comment on the Bennett matter again. We discussed that in these estimates. I do not condone the mistakes the police made. It was one of those things that would occur, perhaps once in a lifetime—two men of the same name, two men who had some record, apparently. It was confused, mistaken identity—we have discussed this. Surely it is something that should not happen —not likely to happen—again.

The Shirley Hunter matter, the hon. member says he is going to discuss further—I suppose in our next vote. Well, I will perhaps have something to say at that time about that matter.

Mr. Singer: More in sorrow than in anything else I think, the Attorney General missed the point of what I am trying to say. I was not asking him to justify the Bennett incident, or to justify the Nobrega incident, or to justify the Hunter incident—or to explain them away.

What concerns me is the fact that we appear to have no ability under our present legal setup of carrying on a public form of investigation in order to assess, not the criminal responsibility, but the source of the negligent responsibility; perhaps to assess whether or not there has been administrative misbehaviour or malfunction which has allowed something to happen in the process of the administration of justice that should not have happened. The Nobrega incident is the best example that I can think of in this regard. I repeat, in my opinion, there were a series of errors.

It was not just the particular wording of the charge. It was not just the action of the policeman who spoke with the jury and made certain suggestions. It was the fact that my colleague from Sarnia put so well. It was the fact that the system which we have to investigate what happened, on that evening broke down—broke down because we had a coroner who did not know his job properly. It broke down because there was no one really to sit in reasonable judgment, and in impartial judgment. No one of judicial means who was able to sit and to say: "Yes, the policeman acted in an ordinary, reasonable and logical way in accordance with his training, and in accordance with the disciplinary rules of the police force".

I do not think anybody in their wildest dreams would imagine it was a question of murder, or not murder. But the concern that the public has when a policeman, apparently in the course of performing his duty, unfortunately shoots someone and the person dies is: "How did this happen?"

And I do not think the public is that unreasonable, that they would condemn an incident of this kind, if the evidence came out that in the particular set of circumstances for the protection of the public, the action the

policeman took was necessary—or for protection of the policeman himself, the action that he took was necessary.

But I say none of those things became apparent to us, and all that we are left with, unfortunately, is the Attorney General saying: "There was a further investigation and I am satisfied that there was no injustice". Now that may be. It may be that the Attorney General's conclusion is exactly correct. And I say I do not know what his investigation revealed, and I am not even asking him to say that, but I am saying that there should have been a forum whereby all of these matters could have been brought out, and that forum should have been presided over by a judicially trained person, and not the police commission.

I think you have got to separate them. My concern—and perhaps I did not express myself well enough the first time I was up—is that you have got to bring in someone who is reasonably independent of the people who are under investigation. And in the B nnett case when you asked the police commission to investigate their own policeman, to see whether the right thing was done insofar as Bennett was concerned, a big question mark arose in the minds of those who read about these incidents. And they wondered whether or not the investigation is going to be impartial.

Now they have no reason to wonder—but that is the natural suspicion. It does arise, and when the investigation does not in fact take place because Bennett disappeared, the question mark continues to remain. Again in the Hunter one, and again in the Nobrega one.

So really, Mr. Chairman, my plea is a very simple one. In light of these three incidents, is the Attorney General not prepared to tell us that he is going to set up some kind of machinery where, when this kind of incident takes place, there can be a type of forum of inquiry conducted by an impartial person, someone who is not connected with it—an impartial person of some kind of legal or judicial training who is going to conduct the hearing in public where the press can inform the people as to what has gone on, so that the people can believe that justice appears to be done?

Hon. Mr. Wishart: Mr. Chairman, I could perhaps add a little to what I said before. The hon. member has now gone beyond the Nobrega inquest to what body should have reviewed the action of the policeman. I want to repeat that the Nobrega inquest was a public inquiry in the sense that the jury was made up of citizens of the public. It was open to the press, and surely it was in the bright light of public opinion. The press revealed all that evidence, as to the inquest itself. It was debated and discussed in this House by members, which is perhaps the best forum in which it could be discussed, for the benefit of the public. I have said that I have some improvements in line for the coroners' system, the inquest system. I would leave it at that.

Then we go to the question—in the Bennett matter, the policeman who was involved in the Nobrega fatality, and perhaps the Shirley Hunter case, which I understand is going to be mentioned again — as to whether you set up another body to review the actions of policemen when you have a system charging your boards of police commissioners with the responsibility for directing and administering the police force. What I take it the hon. member is asking me is: "Would you consider setting up another body to review the actions of the policemen, or the individual?"

Mr. Singer: That is exactly what I am saying.

Hon. Mr. Wishart: I do not think this is the way to go.

Mr. Singer: All right, we have a central disagreement on that.

Hon. Mr. Wishart: I think when you have a police commission, boards of police commissioners, charged with the responsibility to direct the police force under the supervision of a chief—or a chief commissioner in the case of the Ontario Provincial Police force—that that body, the local board of police commissioners, is the first body to accept and discharge that responsibility to the satisfaction of the public, on which the public has its representatives.

Where do you stop? This seems to be an American idea, which has come across the line, that some citizens group now—

Mr. Singer: No, I did not say citizens.

Hon. Mr. Wishart: Well, it almost seems as though you related that to me, and I do not accept that thought. I do not accept that point of view. I think you expect the people who are selected, chosen, who are elected, to form those boards of police commissions to discharge their responsibility to the satisfaction of the public. And if they do not, change it. We have the power—

Mr. Singer: All right.

Hon. Mr. Wishart: —the public has the power, and between us I think we can surely arrive at a body which will do a responsible job. I do not see the point of setting up another body to take out from under their control the men, the personnel they direct, and say: "Now we will judge whether your employee did his job, his duty?"

Mr. Singer: That is not what I said.

Mr. Lewis: He did not suggest a vigilante squad.

Hon. Mr. Wishart: Well, some other body —say than the police commissioners — to review the conduct of the policemen, is what you said.

Mr. Singer: Well, Mr. Chairman, I think I could give this better treatment under vote 211, unless the Attorney General wants to do it now.

Hon. Mr. Wishart: No.

Mr. Singer: I will wait until 211 because I have several more theories, and I will let it go for the moment. But it is obvious, Mr. Chairman, that the Attorney General and I have a very serious disagreement on this thing. And I think those three incidents speak for themselves.

Mr. Lewis: You should settle it in the corridor.

Mr. Chairman: The hon. member for Sudbury East has been waiting to gain the floor.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, the Attorney General and I have had considerable correspondence on coroners' inquests. I am not a lawyer, but when I see the recommendations that are coming out of coroners' inquests, and the refusal to implement the recommendations, it seems to me that the whole purpose of an inquest goes down the drain.

Now, the Minister and I disagree on this as well. The Minister says it is to find out why. I would hope that he would possibly move ahead and go the one step further—that we should be attempting to eliminate similar instances occurring in the future. There seems to be an impasse here. The Minister does not want to seem to take that extra step into line.

Interjection by an hon. member.

Mr. Martel: Of course it has changed. That is what it is all about, change. I do not think we have to retain the *status quo* for ever. I think it imperative that when recommendations are made by responsible people—as I just heard the Minister say a few moments ago—if we come to a responsible decision, and make recommendations, I think that these recommendations should be carried out. Not to go this step seems to me to be a waste of taxpayers' money, plus a lot of time and effort.

It is not too difficult to understand what killed a man when a crane falls on his head, as happened in Sudbury. What is important is that the recommendations of this jury be implemented, so that the same incident does not occur in the future.

In the case I am speaking of, only two days prior to one man getting killed, a piece of machinery fell and barely missed another man. Two days later, another man was killed. Yet this same piece of equipment is still in use. It has been repaired, patched up, it is 50 years old. But nonetheless, the same incident is going to occur again, and it is going to cost a life.

I could go on to the case, Mr. Chairman—and I am sure the Attorney General was aware—of the Pocquette and Brown incident in Sudbury where the train got away. Two inexperienced men, really, were handling trains carrying the slag away. There are some changes being made. There is a question of guilt. I know it does not arise, really, in an inquest, but there is a question of guilt here. Because some four months before, the unions had attempted to negotiate or discuss this problem with the company, and they refused to. A couple of months later two young men are dead.

You know, it was a foregone conclusion that something was going to happen and I I realize we do not prove guilt. But this is the sort of thing that I think we have to implement the recommendations to ensure that the incident will not occur. And this is why I differ so drastically with the Minister on this position—and his reluctance to move from it.

I am sure everyone in this building would like to see the recommendations implemented, if they are going to save even one life. It is worth the implementation of those recommendations.

Before I sit down I want to digress to another point.

Hon. Mr. Wishart: Could I just deal with the matter of recommendations. We take the

recommendations of coroners' juries very seriously. They are reviewed. They are sent first of all to the department of government, to the municipal body with which they are concerned, to the federal government, and to the department of this government—to anyone that we feel is concerned with the industry, the employer, and so on. They are reviewed every month to see how they are dealt with. We take them seriously.

But I have to say this; not every recommendation of the coroners' jury is right, or is practical, or can be achieved. They are not always wise. They are not always completely understanding of the matter, and they do not always appreciate what is entailed in carrying out a recommendation.

You may get a recommendation that because there has been a traffic accident at a level crossing, or maybe just two highways, there should be an elevated crossing built there—or a subway or something of that sort. Not all of these are practical or necessary.

True, if at every place that a road crossed a railway track you were to elevate the road, or put the track overhead, you would avoid these accidents. Then probably someone would run off the elevated part, I suppose. Not all the recommendations are practical. But we take them very seriously. We examine them. We see that they are forwarded, and they are reviewed.

Now, it is not strictly the function or part of the coroner's jury to find—I think the hon. member used the word—guilt. That is no part of their function. And while it might be reasonable, perhaps, for a company, or an employer to talk with his people about measures of safety, certainly we have safety laws; we have these in The Department of Labour, The Department of Mines, if it is a mining company, and other departments with respect to other bodies which are carrying on activities in this province. I do not presume that the particular coroner's jury, the way the hon. member said it, sounded as if it had gone to the company. Why do you have your labour organization? You have a safety organization, the mining company has The Department of Mines, you have the labour people and if there is negligence, you have the law at which there is a right of action for negligence. All these things converge upon the situation. We take the recommendations of juries quite seriously but not every one can be adopted.

Mr. Martel: I just want to straighten the Minister out. I realize we are not going to determine guilt, for that is not part of it. I was equating an incident which occurred in the Brown death, for example—where the union did go to the company and recommend some improvements in the braking system of operating the trains and so on, and the company refused to meet—with recommendations which are made and which are not implemented and the same fatality is occurring again. I am trying to equate it this way by showing examples of what actually happened; I am not trying to prove guilt or anything, but what can happen if recommendations which are sound recommendations are not adhered to. This is my concern and in the incident I make mention of, Brown and the other young man were killed. If the company had had the foresight to meet and to resolve this difference, we would not have had this fatality where two young men were killed. This is the point I am making: If jurors' enquiries and recommendations are handled in the same manner, we can have a similar incident occurring and this is what I am trying to guard against and am so fearful of. This sort of repetition is a danger and I think the Minister has to agree that if it comes in the case I mentioned, the first case, the union had gone and asked them to repair a crane—

Hon. Mr. Wishart: What happened with the jury's recommendations? Did the company not take some steps then to improve the situation?

Mr. Martel: They are undertaking the steps now.

Hon. Mr. Wishart: Yes, that is the point I am making. The point is that I cannot control the situation where employees, whether they have a body such as a union representing them or not, go to an employer and say, "This is a bad situation." Albeit they may be entirely right, they have, as I say, certain courses they can follow. They can complain to The Department of Labour; if it is a mining company they can complain to The Department of Mines and so on. I am saying, when the coroner's jury brings in a recommendation, I think you will probably find that we do get action in most cases, but some of them, as I said, are not practical. But in most cases, there is action followed.

Mr. Martel: But there are cases where they are not. If I could spell the gentleman's name, his name is E-I-K-U-K-E-V-I-C-I-U-S. They recommended a crane be replaced. Two days before the man was killed a piece of equipment had fallen from this crane and it was drawn to the company's attention. Two

days later the man was killed and the same sort of thing occurred. The crane it was recommended should be replaced but it is still there. The same thing is happening at the Falconbridge Nickel Company holdings, where a jury's inquest has insisted on a change in the type of bucket on the end of a machine and it has not been changed. This is the sort of thing I am leery of.

Let us go on now to another inquest—the Jeffery Mo inquest. The Minister will recall that some time ago he announced that investigations into fatalities at the Inco holdings would be done by the provincial police, which I was very grateful of. Unfortunately in this inquest or in this fatality, the provincial police were notified at 6.30 and arrived at 9.05 and once again the body had been removed by the company employees or by a police force.

There were no mine officials there and there were no provincial police there and it is disturbing that after your instructions had gone out that this would occur, but what is even more interesting, Mr. Minister, is that, and I sent some material to you, there are three glaring mistakes in the evidence that was presented and I have asked for a full-scale investigation and I am wondering if this is moving ahead.

Hon. Mr. Wishart: I believe it is. I would have to check my file, but I recall to a degree our correspondence. On the question of the removal, I will check that for the hon. member and let him know. On the question of the body being removed after a fatal accident, there is no requirement that a body must remain where it is for any particular length of time. Sometimes there is even the question of whether death has occurred at all or whether there is life still there, whether the body should be taken and examination made to see if life is still in the body and if something can be done. There is no rule that the body must remain on the spot where the accident occurred. But, if there was a question of great delay in coming to the scene, we would have some concern.

Mr. Martel: As I say, I was concerned because there was a two-and-a-half-hour delay. Creighton is not that far from Sudbury, a matter of 12 to 14 miles. I respect the fact that there might be some possibility of the man having still been alive, but when a scoop tram turns over on you, it is highly improbable. The scene was disturbed without official representation, either from the provincial police being there or the mines inspectors, who arrived at 9.30. A further 25 minutes and no one really has first-hand knowledge of the actual scene, since the company does not allow union representatives to be near or to see the site of an accident. In fact, I have union officials who have been warned or threatened with being fired if they came around the site of an accident. This is very disturbing because I think they too have a right to see it because they are trying to put safety forward to their own men. How can they do it if they do not see the site?

You leave distrust always in the minds of the men if they are not entitled to see the site actually how it occurred, or if anything has been tampered with after the fatality has occurred. It leaves a great question mark and it is something that I had hoped would have stopped when the Attorney General insisted and ruled the provincial police would go into these.

But when you come to the evidence in the transcript, it is disturbing because there are some glaring irregularities in the questioning that went on as we have pointed out to the Minister. When you put the whole thing together, it leaves a pretty bitter taste in everyone's mouth in that community.

I think maybe this is what the member for Downsview was concerned about. We have got to cut this off, too, so that this bitter taste is not left in anyone's mouth and there is not suspicion there always. It is a very serious problem.

The other one I want to mention very briefly is another fatality. I understand the young man who was 17 was killed underground. I have some material from Mr. Wilson of your department on it. Has anything further developed in this case?

Hon. Mr. Wishart: Which is that?

Mr. Martel: The Spencer case. The young boy was 17. He was working underground, which is contrary to The Mining Act, and was killed.

Hon. Mr. Wishart: I do not recall that.

Mr. Martel: Well I know I have had—

Hon. Mr. Wishart: I think Mr. Wilson is on it. Is that not a matter for my colleague, either the Minister of Mines (Mr. A. F. Lawrence) or the Minister of Labour (Mr. Bales)? I do not think that I am pursuing that from the point of view of The Attorney General's Department. If the hon. member will bring it to my attention, I will check it again, but I do not recall it.

Mr. Martel: Does the Minister want to comment?

Hon. Mr. Wishart: I would say on the question of allowing people to come from the work force to the scene of an accident, be they union officials or be they members of the union—and I presume every employee of the company is a member of the union—I do not know whether I could go so far as to say that there should be a right. If an accident occurs and it is apparently a fatal accident, there is a right, or there should be established a right, for the executives of a union or an employees' organization to come to the scene. I think that is impugning and implying that the company officials are going to do something that is deceptive, to destroy the evidence, to change the situation.

I do not like to act on that basis for one thing. The other thing is I would think that in almost every case where someone is injured, there are usually witnesses.

Mr. Martel: Not underground.

Hon. Mr. Wishart: Not always underground, but why then would you bring the executives of the union down to see that situation?

Every comrade and fellow that is working beside the man, if they are witnesses, are members of his union. I do not think the fact that they belong to an organization should make any difference. I think the evidence will come out in the coroner's inquest, and in any other investigation it is going to be the sworn evidence of persons who knew something about the man.

I do not like to have to premise legislation or rules on the basis that somebody is going to be acting in a dishonest, deceitful way.

Again I hesitate to bring in my own experience, but I was a Crown attorney. In those days the inquest was conducted in the sense that it determined its course and looked at the questioning. I was in an industrial city and I cannot ever recall having the suspicion or finding the fact that the persons involved, destroyed or altered the evidence. I do not take that too seriously.

Mr. Martel: Mr. Minister, you did not work with International Nickel. The real concern is, and I do not want a whole stream of union officials coming down there, but underground, many men do work alone, and both the Mine Mill and Smelter Workers Union and the United Steel Workers of America are concerned about this.

The treasurer for the Mine Mill union was threatened when he wanted to see the site of an accident. He was told if he went there he would be fired. There is suspicion, you know. It has been known for cement to be added to an area after the incident occurred.

All they want, Mr. Minister, is to see that nothing is tampered with. They are not going to conduct their own little investigation. But they are really concerned that nothing has been tampered with, because they are of the opinion—and you can check this and your whole staff can check it—that matters are being tampered with. At least it is their opinion.

Hon. Mr. Wishart: I would like to ask the hon. member this. I recall a case—in my own experience again, not a coroner's inquest—but of a person falling down a set of steps that lead from a beverage room, and being killed. The proprietor of the building immediately put a guardrail or a door across the top, which was unguarded before.

He was quite right, but he did not suggest he did it before the accident. If he had tried to say that, he would have been damaged much more than he was. He was severely damaged in money for negligence.

Now, is the hon. member suggesting that if a person dies, or is injured, or dies underground, and if cement were added to the situation, the evidence is then given that the cement was there prior to the death?

Mr. Martel: I am told that this is the case.

Hon. Mr. Wishart: Well now, I would want to be very careful. I mean it is one thing to say that the situation was remedied by firming up the roof of the shaft or the whatever the man was working with or beside. To say that is one thing. To say then that evidence is given that it was done and was in existence at the time of the death is another. I would want to be very sure, and I would want the hon. member to be very sure that that is what he is saying.

Mr. Martel: What I am saying is that there is a definite fear among the men, that top officials from both unions, not just one, from both believe that in cases evidence or the scene has been deliberately altered. All we are asking for—

Hon. Mr. Wishart: The scene should be altered immediately if there is danger.

Mr. Martel: Oh?

Hon. Mr. Wishart: That is a different thing from saying that it was in that condition, that improved condition, at the time of death.

There is nothing wrong with immediately shoring up, removing as much of the danger as possible, this would be quite proper. One is under no obligation to retain the danger situation until an inquest which takes place maybe a week or ten days or two weeks later. As long as the evidence can be given as to what the situation was at the time of the fatality, that is what is imporant.

Mr. Martel: Right. The question though, Mr. Minister, is: Is the evidence exactly the way that it is being given? Does it outline the conditions which were in existence at the time of the fatality? This is the concern the men have. This is why.

The next closest man is two minutes' walk away. Why should the company object so strenuously or the companies object so strenuously to someone seeing it? You are going to remove that area of doubt, or suspicion, by just allowing this to occur. This is one of their fellow workers, and I do not think they were infringing on company right.

Hon. Mr. Wishart: I do not want to belabour this point.

Mr. I. Deans (Wentworth): Why not?

Hon. Mr. Wishart: Well, all right. A man is killed underground. Who removes him? Not the president of the company. His fellow workmen. They are the men who come and get him out of there. They see the situation, they give the evidence. Who takes him up? Just the foreman carrying him out? I do not accept it.

When a man is killed, when an accident occurs, there are workmen around. They come to get him out, to clear up the situation. They see, they can give evidence.

Unless the hon. member is saying to me that the situation is changed, the danger is removed, and then evidence is given that that is the way it was at the time of the accident, I cannot see anything wrong with changing the situation.

That is what he was saying a moment ago, he wanted the jury's recommendation to bring about the removal of the danger.

Now, the only question here is whether the evidence is falsified. If that were so I would be very much concerned.

Mr. Martel: I will ask the Minister just one question. The next time he tours Sudbury, will he take the time to sit down with the top personnel from the major unions in Sudbury. I will make the arrangements, and we will discuss this problem.

Hon. Mr. Wishart: I have sat with them. I guess it is two years ago or thereabouts in Sudbury. I have had them visit me in my office, not of recent date. I would be glad to meet them anywhere.

Mr. Chairman: Vote 210.

The hon. member for Scarborough Centre was trying to get the floor previously.

Mrs. M. Renwick (Scarborough Centre): Mr. Chairman, the Minister was kind enough to bring jury recommendations into the House on three infant deaths between December, 1968, and March, 1969. I wonder if the Minister would tell if he has taken any action on those jury recommedations?

Hon. Mr. Wishart: Can the the hon. member tell me which three she is referring to?

Mrs. M. Renwick: I am referring to Carol Ann White, the infant who suffocated, who was the child of a mother on welfare, and shared the bed with the mother and her sister. The second one was a case of an infant strangulated by a harness in bed after giving up the crib to a younger child. The third one was the child of the mental defectives where the conception probably took place in the mental hospital on Queen Street, and the father, mother and infant were keeping house with another mentally defective person. All persons obviously had been discharged from 999 Queen Street. I would be interested in each jury recommendation separately, Mr. Minister, because they are such different problems, and the jury recommendations, of course, were different, although the first and the latter had a correlation.

Hon. Mr. Wishart: I will have to look them up and see, and I shall get the answers for the hon. member.

Mrs. M. Renwick: Thank you, Mr. Chairman. The Minister may not be aware but the case of the child of the mentally defective persons has now run a risk of being repeated unless steps are being taken otherwise. In the health committee, Dr. Miller testified there was a pregnancy in the Brockville mental hospital. My concern, Mr. Chairman, is a simple one. If a pregnancy occurs in a mental institution, surely the only way

out is not to discharge the two patients, the father and mother, thereby letting them deliver the child outside the institution and then begin to care for it.

I asked Dr. Miller in the health committee, would this child be born in the institution or would it be born outside? He said that, of course, remained to be seen, but you can understand Mr. Chairman, my point is that the easy way out for this delicate situation in the institution is to somehow discharge the patients about to be parents and then the child would be born and no one would have the responsibility until, of course, it comes back possibly to the Attorney General as an inquest.

The first case interests me very much, Mr. Minister, if you would comment on it. Perhaps you might have discussed it with the Minister of Social and Family Services (Mr. Yaremko) because the recommendation there was exactly what both the public agencies and the private agencies are crying out for, co-ordination between the two to be initiated by government. This was a mother and child that simply got lost between a public health agency and a welfare office and did not know that she could ask for a crib.

Now, Mr. Chairman, an 18-year-old mother on welfare takes what is given, by and large and has not the sophistication to ask or demand a crib for an infant, and I think if the Minister would take an interest in that problem we might get a different correlation on the fact that in welfare offices, Mr. Chairman, it is a well known fact that a layette and crib are available to any infant from welfare, but if the administrators are going to leave it up to the instigation of a young mother who is already coping with a difficult problem, and not have it offered by the organization, the whole thing is self-defeating.

The other question I would like to ask the Minister, Mr. Chairman—I tried to catch your eye when the Nobrega case was under discussion, Mr. Chairman, and unfortunately there was a backlog of speakers, I guess, on our own benches—but I would like to ask the Attorney General, if he does not have any knowledge of it, whether he would seek knowledge of a report that the Minister of Correctional Services (Mr. Grossman) did approach the priests in the Portuguese community and ask those priests to speak against participation in the demonstration for Nobrega that took place at city hall?

I think that this is a very important question because the report that has come back is that the priests intimated that persons going to demonstrate were in fact communists, and the objection is that the men in charge of that demonstration are not, were not, communists, and if this was the approach that was used by the priests at the instigation of the Minister of Correctional Services on behalf of the Attorney General, then I think there is an answer to it for us as to why.

Hon. Mr. Wishart: I have no knowledge of any such thing. The Minister certainly was not acting at my request. If he did what is suggested—alleged—he did not do it on my behalf with my knowledge. I would suggest any question on that matter be directed to whatever Minister is concerned. If it was a question of trying to prevent a communist demonstration he perhaps had other reasons for approaching the priests.

Mrs. M. Renwick: Mr. Chairman, I was not suggesting that someone was trying to suppress a communist demonstration. I was suggesting that perhaps someone was trying to suppress a demonstration about what they considered a social injustice.

What I would say to the Minister is that I will be glad to question the Minister of Correctional Services but since it deeply involves the Minister's own department—

Hon. Mr. Wishart: No, it does not. I repudiate that entirely. If a Minister of the Crown has reason to go to people and suggest they do not demonstrate about something, it has nothing to do with me unless I have knowledge of it, or asked for it, or urged it. I take no responsibility for that whatsoever. I have no comment to make about it. I would let the Minister answer for his own actions.

Mrs. M. Renwick: I thank the Minister. Through the Chairman to you, sir, would you comment as to whether you feel—not just in Toronto, but it is something which seems to be inherent unless they are trained and taught and educated otherwise, and certainly I speak specifically now of Toronto—that the attitude of police forces by and large to the downtown communities is quite a different attitude than that to the other communities?

Hon. Mr Wishart: I have no knowledge that the police attitude is different to one group of the community than another or from one community to another.

I suppose between communities, depending on their size and their sophistication, the types of people, their employment, their various factors, and I suppose the association they

have with the police forces—and I think this would be particularly true of small towns—I think perhaps there is a different relationship. On the other hand there is a different relationship, there is a different training, there is a different sophistication about the police force. They have to have wider experience in the larger urban communities, but I do not think there is a different attitude person to person. If there is I am not aware of it.

Mrs. M. Renwick: The Minister then is saying, Mr. Chairman, and would he correct me if I am wrong, that he does not really think there is any different attitude in policemen who go to the doors of people in Rosedale and those who go to the doors of people to the south of Rosedale in a downtown area.

Does he not think there is any difference in attitude? And I would say with all due respect that if the Attorney General is saying this then the Attorney General is naive about what is really happening out there in police forces in Toronto.

Hon. Mr. Wishart: I could not be so naive, Mr. Chairman, to indicate that there would not be a different attitude by a policeman depending upon the area of the community in which he was doing duty because there should be.

Mr. Deans: Why should there be?

Hon. Mr. Wishart: I hope that the hon. member is not so naive as not to think that in some areas of some communities it is not safe for one policeman to walk alone.

Mr. J. L. Brown (Beaches-Woodbine): Why?

Hon. Mr. Wishart: Because of the area. I am not talking about this community but it is a well-known fact that in many areas of many large communities policemen do not walk alone. They have to take a different attitude toward that situation. Certainly there can be a different attitude during a situation in an area known to be the habitat of persons who break the law.

The policeman has to be aware of that, and naturally you would take a different attitude. I do not think a policeman has a different attitude ordinarily at all, but certainly there are situations. Every situation is different. Do you mean to tell me that the policeman's attitude is to be the same when he goes to the picnic of the agricultural fair? It is quite a different attitude.

Mrs. M. Renwick: Mr. Chairman, I think the Minister is taking it to the extreme when he is holding up on one end motorcycle gangs which of course, I was not holding up, Mr. Chairman, at any time. I was not criticizing the police force *en bloc* or *en masse*. However, I do think that what is very important is that an educational process, as well as all the technical skills of policemen, be something which is directed from this level of government. The attitude in dealing with people who live in houses with money is quite different than the attitude toward people living in houses without money. It may well be that these are also more difficult communities to police in some aspects and they do walk in twos, but certainly the Minister must not forget that in those same areas we have policemen doing volunteer duty with youth movements and so on in the parks, who are not afraid to walk into those parks and conduct those activities.

It is not such an area to fear that they are afraid to participate in the community, because there is some very fine work done in Regent Park, as example, by two police officers, but I do question that the Minister would not take a look at what is really happening, which is that the attitude in downtown Toronto by police forces, largely speaking to poorer people, is not with the same deference or dignity that is accorded to those people that are in different circumstances.

Mr. Brown: One law for the rich and one for the poor.

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans: I do not intend to speak on the coroner's area of the vote and if anyone else is going to speak of coroners I wish they would continue so that I could get it out of the way. I want to say to the Chairman, who did not catch what I said, that I was not going to speak about coroners, I wanted to leave it free to anyone who did want to speak on it.

Mr. Chairman: I must point out to the hon. member I caught his last few words; that he wanted to complete it and get it out of the way. I attempted to do that with one programme earlier and there were objections, so I do not intend to try it again.

Mr. Deans: In which case, I want to speak about the fire service, the fire safety services and offer a little bit of a respite from the coroner angle for a while. I want to talk to you about it in the vein of the

service that is not available to the airport and the area of the city of Hamilton. I want to talk to you about whether or not the fire marshal's office should not have been more concerned than it obviously is at the present time about areas where there is a considerable—

Hon. Mr. Wishart: Could I ask the hon. member, is this the federal airport?

Mr. Deans: It is after a fashion; it is a civic airport.

Hon. Mr. Wishart: Civic, or run by The Department of Transport at Ottawa?

Mr. Deans: It is owned by the city of Hamilton and it is rented for the sum of $1, I believe, by the city of Hamilton, so it would be a civic airport, I think. It is hard to tell. I am not going to try and make that distinction.

Hon. Mr. Wishart: It has some bearing on whose responsibility it is.

Mr. Deans: It may well be, but what I want to talk about is not so much the problem of providing the service on the airport facility itself. But I think that when an airport facility becomes more widely used, as this one has in the past six or eight months, the danger to the community at large is considerably increased.

The prospects for this particular facility in Hamilton are that they will become used increasingly over the next year, and they are moving toward that now. Yet it is serviced entirely by a volunteer force. The airport facilities have at their disposal, within the airport itself, an old truck that I think probably came out of the First World War. That is my opinion; it may be Second World War, but even at that it is pretty old.

The area of Mount Hope is a community that is serviced very very well by volunteers, a general varying of the service of volunteers. Now that it has this potential hazard in its midst it requires more assistance in looking after the potential dangers.

I read an article, and I do not have it with me, in which they discussed how the city of Hamilton would be able to provide assistance in the event that there was a fire in that area. I question very seriously the validity of that position because the area of the city of Hamilton which is immediately adjacent to the airport has only three fire units, and those units are to take care of the needs of something in the order of 100,000 or 120,000 people. If there was a fire in that area, even a fire in Mount Hope, they could not very well draw out of the Hamilton area the necessary facilities and units to take care of any major eruption, and leave the remainder of the city without anything to fall back on.

Now, I think before this service was permitted to be inaugurated, before they permitted it to start, the fire marshal should have had some say in whether or not the services that are available are adequate. They are obviously not adequate, and if they are not adequate then—

Hon. Mr. Wishart: Does the hon. member mean to say that he thinks before the airport was established the fire marshal should be consulted?

Mr. Deans: Yes. First of all, I think that is what probably does happen at this particular—

Hon. Mr. Wishart: I am not sure it does—

Mr. Deans: I would hope it does.

Hon. Mr. Wishart: That is why I was asking if it was a federal airport. We have had a lot of discussion in the last few days about the location of one here. I do not think they will consult the fire marshal; they do not seem to consult too many people.

Mr. Deans: Maybe we should discuss that then. I was not going to talk about it that way, because I assumed, and probably wrongly assumed, that in the setting up of an airport the proper protection of the residents of the area would be paramount in the thinking of the government in Ottawa.

Obviously it is not, and before any permission is granted to establish an airport facility in the first place, it must surely be at least viewed by the fire marshal and his opinions sought in regard to whether or not it is safe. But this was not what was concerning me. That is a point that, if it is not being done, ought to be done—that the fire marshal of Ontario ought to have complete control over the fire services in the province and should have a very definite say in whether or not any industry, for that matter, is permitted to locate in an area, any hazardous industry. I am talking of hazardous in terms of something like the liquid gas industry, for example.

That before they are permitted to establish in an area, the fire marshal of Ontario should have something to say in whether or not the present fire services available for the area are adequate, and if they are not, to withhold

permission to allow the establishment in the one case and, in the second case, the airport facility.

But what I want to say about this particular one, is that it was already there. The airport has been there for years. It was used at least during the Second World War, and had been used for flying clubs and whatnot. It had not been used commercially, though, for a number of years.

It was decided, and the decision was made by the city council, of Hamilton—and their decision stands—that it would be used as a commercial airport. At that time, when this change was made, from what was obviously a relatively low hazard area, to what becomes a fairly habardous area, the fire marshal of Ontario should have been contacted.

He should have been requested to review the facilities with regard to fire safety, and he should have had some power vested in him to refuse, if need be, the use of the facility until such time as proper fire safety regulations and equipment were installed. Now if this is not the case, it certainly now ought to be.

Hon. Mr. Wishart: It is really a suggestion, and there may be merit in his suggestion. This requires a change in our legislation. While we have it in The Police Act as a requirement, and we can require a municipality to provide police protection, we have no comparable provision in The Fire Act.

Recommendations had been made to my department, from time to time by the, I think it is, the Ontario Firefighters' Association. And by, I think, perhaps the fire marshal, who is listening, I believe, to this discussion. They will agree with me that we have not seen fit yet to take the step to compel a municipality to provide a certain standard of fire protection. We have left it to the municipality. It becomes purely the responsibility of the municipality to provide such protection as they see fit. So what the hon. member is suggesting here is not presently in our legislation. Perhaps even without going so far as to say that the municipality must provide a force to fight fire and equipment and so on, to the standard required by government through the fire marshal, whatever that might say, I suppose you could have legislation to the effect that before certain types of establishment are built into a community, such as an airport, there could be some control.

But at the moment I just point out to the hon. member that the fire marshal will have no authority under the laws at the moment to exercise the control and authority that you suggest.

Now there may be perhaps merit in his suggestion, and we have been looking at the recommendations which are made to us from time to time, and we meet the people from fire forces all across Ontario and their association, and of course we have had continuous discussions with the fire marshal.

Mr. Deans: What I say to the Minister is that there is obviously some sort of Utopia where everyone is provided with full-time fire services—as they are provided with full-time police services. I can recognize the nature of the job being what it is, and that this is a rather costly expense for many municipalities, and that the manner in which it would have to be done would require many more fire units to be available than perhaps would be necessary under anything resembling normal conditions.

But I think that there are certain industries —and we will assume for a moment that airports constitute an industry—certain undertakings that are much more hazardous than others. And I think that someone has to have control over the location of these things.

I do not think it can be left to the municipality to make up its mind, because the kind of competition that exists between municipalities to encourage industrial growth tends to perhaps obscure temporarily the hazard of permitting something to develop. I think that there has to be someone at provincial level who has the power and the authority to make the decision in the cases of certain kinds of industrial endeavours, and I think we could probably go on and take the time and go through them and spell out what they are.

I do not intend to do that, but I think that it is 6.00 o'clock.

It being 6.00 o'clock, p.m., the House took recess.

No. 197

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, October 28, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, OCTOBER 28, 1969

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL AND MINISTER OF JUSTICE
(continued)

Mr. Chairman: Before we proceed with the estimates we have some special guests with us in the east gallery this evening. The ladies are members and friends of the Peterborough New Democratic Party Ladies Association.

On vote 210:

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Very briefly, I want to sum up what we were dealing with prior to the supper hour.

I think it becomes even more important as we look into the area of the coming together of regional governments, where we are going to find small municipalities coming together with much larger municipalities; and where there will have been established departments and department areas that were covered by volunteer forces. Much of the regional planning that takes place will then be considered in the sort of overall picture of the entire region, as opposed to the small municipalities that previously had control over what happened within their own area.

I think that the whole idea of categorizing the various industries into high and low risk, and then making those industries that fall within the high risk category make some application through the department of the fire marshal of Ontario for permission to build in that area under the existing fire protection regulations, would be very necessary. I think it becomes even more necessary as I look into the next five or ten years of development through the whole of this province. I commend it to the Attorney General for his consideration.

Hon. A. A. Wishart (Attorney General): Mr. Chairman, a word further to what I said before dinner. I have had an opportunity to have a brief discussion with the fire marshal in the recess hour but there is, as I pointed out, no legislation presently existing in The Fire Protection Act which places upon the municipalities the responsibility which gives the government authority to require a municipality to maintain a fire fighting force as to personnel or equipment or any standards.

We have representations made that we should do this. We have looked at it, but every time we pass legislation which takes away from the municipal level—the local government level—some authority and places it on the provincial government, we hear a cry of resentment or distress, "You are removing from us the right to run our own affairs!" There is some validity to that argument.

We do, in The Police Act, say you must maintain a police force for the protection of life, limb or property, but certainly we have no policy at the moment to say that we will move in that same way to fire protection. Possibly there is some merit in the hon. member's suggestion but I think with the advent of regional government, which is coming in gradually in Ontario—particularly in southern Ontario—there is a possibility of some change in our legislation. It must not be forgotten.

The very instance that the hon. member presents to the House, that into a community comes a large—let us call it an industry in this case—an airport which increases the assessment, not only of that property and the construction there, but the valuation, the assessment, of all the properties surrounding. This enables the municipality to acquire the funds which it may need to increase its fire protection facilities. It is an open question; it is one that I do not repudiate at all. I will take the suggestion under consideration, and see what we might do towards accepting some suggestions that are put forward.

Mr. Deans: I thought that was final before. It has occurred to me as I was listening to you—for example, in the case of the development of the airport on Toronto Island and the many pronouncements of The Department of Trade and Development regarding the building of some island community there. Unless, in the consideration of the development of the airport, there was also considered the safety and protection of the people who are going to have to live in this community

then, of course, we would really be negating our responsibility—or neglecting it is perhaps a better word.

I think that while the authorities in Ottawa might well insist on some form of protection within the confines of the airport proper, they would not be at all concerned with the community that has arisen around the airport. I ask you to seriously consider the difficulties in the present Toronto force, for example, in dealing with that kind of problem. This can happen all the way across the province; while airports are a good example, there are many industries that are just as hazardous and could create real potential danger to the community at large. It is in that context that I would like to have it considered.

Mr. Chairman: Vote 210.

Mr. V. M. Singer (Downsview): Mr. Chairman, in the question period the other day, I drew to the Attorney General's attention the report of the enquiry into the collapse of flats at Ronan Point in Canning Town, in London, England, as an example of the sort of enquiry that might well be embarked upon in relation to the recent gas explosion in Malton.

As I said at that time, I do not know whether the Attorney General is familiar with this report or not, but this was drawn to my attention by some Toronto solicitors a short time ago. They commended it to me as a possible model for the type of enquiry that might, in fact, have to take place in this province from time to time. I had intended to bring it to the Attorney General's attention just as a general matter, but I think it has more particular importance at this time.

Very briefly I think, Mr. Chairman, I should outline the facts. At approximately 5.45 a.m. on May 16, 1968, there was an explosion in flat 90 at Ronan Point. Flat 90 was one suite of a large block of apartments.

A Miss Ivy Hodge had got up very early in the morning to make herself a cup of tea and had struck a match to get the gas burning. Because of a faulty coupling within her apartment, which was one of a very new block of apartments, an explosion took place. Not an unusual explosion if that was all that had happened, but as a result of the explosion one of the bearing walls of her apartment blew out and it brought down with it successively from the high level in which her apartment was situated, all the way down to the ground, a whole series of bearing walls. One corner of the apartment building was almost completely shattered, and there are some pretty fascinating pictures here showing the effects of this, Mr. Chairman.

The end result of this particular explosion was that four people were killed and 17 people were injured. The investigation which took place—and I commend this as well to the Attorney General—took place very quickly after the explosion and made certain substantial recommendations. As I say, the explosion occurred on May 16. On May 17 and 21, the Minister of Housing and Local Government had given instructions for the holding of a public enquiry, first, the day after, and then five days after the explosion took place. The explosion was investigated; the whole series of facts was investigated by Mr. Hugh Griffiths, QC, one of the leading counsel in England and with him were two engineering commissioners, Professor Sir Alfred Pugsley and Professor Sir Owen Saunders.

I understand, Mr. Chairman, these were two of the outstanding authorities on engineering in Britain. This report is available to anyone who would like to see it, and as I say if the Attorney General has not seen it I would be glad to lend him my copy.

Hon. Mr. Wishart: I have seen the report, Mr. Chairman, and I have some familiarity with the matter. I have not read the report.

Mr. Singer: With this background the committee started to sit and I was looking actually for the date on which they brought in their report. It was some time in 1968, yes, on October 14. They very quickly ascertained that the reason for the explosion was, I think, a used coupling that had been replaced by a friend of the lady who had wanted a cup of tea in the morning. It was not replaced very well, and as a result there was a gas leak which, when she struck the match, caused the explosion and under normal circumstances it would have been a very minor thing.

What interested the enquiry was why the whole corner of this comparatively new apartment building collapsed, and a great deal of their investigation was directed to engineering techniques and advice and accepted custom. They called leading engineers and architects from England and from northern Europe to come and testify, and the fascinating thing that they discovered was that accepted engineering practices for constructing this kind of a building were, in fact, wrong. That municipal specifications were based on the wrong premise; there had been a series of miscalculations which did not correctly gauge

the strength of bearing walls and the effect on one wall if another one collapsed.

The end result, Mr. Chairman, was the recommendation for the changing of building bylaws and so on in order to minimize or eliminate the possibility of this ever happening again.

Now, this is the sort of thing that I think should be done in this case. I think that the type of gas explosion that took place out in Malton is unusual enough in its character. Fortunately, it would appear that the loss of life was minimal—as I understand it, perhaps only one person was killed, and as I read the newspaper stories that is a very fortunate occurrence. I do not know if there were many injured, there were a few people injured. There was certainly substantial property damage, and I think we are very fortunate that the injury and death toll was not far, far greater. I think that it warrants this kind of a different type of investigation.

By a strange coincidence, Mr. Chairman, there is an editorial in one of the daily papers today, *The Telegram,* and I think it is sufficiently in line with the theory I am putting forward that it is worth reading the whole of it into the record. The lead editorial, headed "Make it Safe", says:

> Saturday's natural gas explosion and fire at Malton was the latest in a series of disasters great and small that have been attributed to natural gas since this highly useful, but dangerous, fuel was first piped into the Toronto area in 1954.
>
> Newspaper clipping files are thick with reports of explosions, fires, deaths, and injury involving natural gas. For almost 15 years it has become increasingly evident that systems used to distribute the gas, and techniques employed to render it safe, are not wholly adequate. Yet, there has never been a full enough and determined enough public enquiry to investigate natural gas hazards and to recommend measures to make its use as safe as our present technology will allow. There have been inquests and investigations. All have dealt with individual accidents and their causes. None has been adequate to let the public judge whether everything is being done that can be done to prevent the recurring mishaps.
>
> The Malton fire should trigger such an enquiry. Its extent and its ferocity, killing one person and injuring many others, levelling nine stores and a house, and destroying or damaging 27 automobiles, drew attention in a frightening manner to the destructive potential underlying Metro's traffic arteries. An investigation by The Ontario Department of Energy and Resources will not satisfy fully the public interest. Neither will an investigation by the Mississauga police, a probe by the Ontario fire marshal's department nor an inquest into the death of Mrs. Jean Perigo. What is demanded is a Royal commission enquiry under a supreme court judge with widest terms of reference to investigate not only the Malton fire but the whole question of natural gas safety.
>
> Such a public probe should not be regarded in any sense as a witch hunt directed to the gas company or any other individual or organization. Ultimately, the gas company will benefit from a complete airing of the hazards associated with its product and the measures required to control them. The whole community has a stake in making truly safe the distribution of such a valuable fuel as natural gas. Many specific and vital questions have arisen from the Malton fire. They can be answered to public satisfaction only as a part of a full public enquiry. Among them is why it took four hours to cut off the gas supply to the fire, and whether the same time lag would apply in any other mainline gas fire. The next one could take place in a much more heavily populated area.

That, I think, is an excellent summary of the argument that I am now putting forward. I think there is much more at stake, Mr. Chairman, as the editorial points out, than just an inquest into the death of the lady who was killed in this accident.

Mr. S. Lewis (Scarborough West): Which paper was that?

Mr. Singer: That is the *Telegram,* a lead editorial in today's *Telegram.* I think there is much more at stake, really than just an enquiry by the energy department to determine whether the coupling was properly put together or whether there might have been a weakness in the pipe that had escaped discovery. I think there is much more at stake than whether or not the fire marshal was able to do the job; whether there were enough people on guard; whether the fire trucks arrived on time, and so on.

I think the time has come, Mr. Chairman, when we must embark on the kind of far-reaching enquiry that was used in the United Kingdom to investigate the collapse of the flats at Ronan Point. They started off with little more than we had to start off with.

Mr. Lewis: Less!

Mr. Singer: Much less! They started off with an explosion in the kitchen of a one-roomed apartment, where the lady had gone to have a cup of tea at a quarter to six in the morning, struck the match and boom! Up went her apartment. Well, not her apartment; the whole of her apartment was not destroyed but all the bearing walls down one side of the building, this huge apartment building, disappeared.

We are lucky to the extent, Mr. Chairman, that there has not been this great toll of death or injury, but I do not think we need many more warnings. I think it is now incumbent upon the Attorney General to embark, not in every instance, but to embark on an occasion such as this one, on this kind of an enquiry.

It would be my suggestion, Mr. Chairman, that he should select either a judge or a leading counsel of the province of Ontario as a chairman of the commission and to appoint with him and the dean of engineering or the deans of engineering of one or more of our universities, to get together with one of our outstanding engineering consultants.

Mr. E. W. Sopha (Sudbury): I am glad I came in. Were you speaking about me?

Mr. Singer: No, he is a legal consultant. I am sure the talents of my colleague from Sudbury could well be used as counsel to the commission. But more seriously, sir, to put those people to work and to put them to work with the least possible delay so that they could conduct the kind of enquiry that was conducted there. It is very interesting to note, Mr. Chairman, as you read through this not very long report—it only runs for 65 pages—but it traces, step by step, through—no, Mr. Chairman, you need not shudder, I am not going to read the 65 pages. It traces step-by-step through 217 numbered paragraphs exactly what happened. One of the things which impresses me very much, Mr. Chairman, is that once the commission was appointed and once they started to sit, they put up with no nonsense.

The first hearing was on May 30, so they were appointed by instruments of the Minister, the responsible Cabinet Minister, on May 17 and 21. They had their first hearing on May 30, and turned down an application made on behalf of the North Thames Gas Board to postpone the opening of the enquiry in order to give more time for the preparation of expert evidence. They were not to be delayed in their pursuit of enquiry. They quickly assembled the facts, they got down to business and five months after the event had happened, the report was in and it was a good one. It resulted in a re-structuring of all the building bylaws in the United Kingdom and I expect the effect was to re-structure building bylaws in northern Europe as well.

Now I cannot commend this procedure to the Attorney General too highly and I think this is an incident that demands this kind of unusual action. I would hope he would accept this advice and I would hope he would move very quickly because, as this editorial says, it is not going to be enough if we nibble here and nibble there and I do not think that we are looking for any particular scapegoats. I think we have got to find out what is going wrong in the way we are attempting to ensure the safety of the public and let us do it now so that we can make the necessary corrections before we have this kind of an explosion in a densely populated area which is going to result in mass loss of life, fantastic personal injury and very substantial property injury.

Hon. Mr. Wishart: Mr. Chairman, the hon. member for Downsview has, I think, a tendency to create a perhaps more serious picture or paint a more serious picture than actually exists.

It is true this was serious enough and I do not make light of it in any way. There was loss of one life; there was a situation which we would certainly want to make certain could not occur again. I think the thing we want to do by whatever means possible, whether it is by Royal commission or by the most thorough investigation, is to find out the cause, find out the circumstances which brought about this explosion and to prevent it happening in the future.

I am not at all certain, however, that this can only be done or can be done in the best way, by a Royal commission of enquiry. We have, as was stated in the House earlier this week, an investigation going on under The Department of Energy and Resources, as the Minister of that department (Mr. Kerr) has stated. The fire marshal of The Department of the Attorney General is carrying on an investigation and I am sure it will be most thorough and I am sure it will be most complete and, as I say, the objective we must keep in mind is to find out what conditions brought about this situation and make sure that they do not occur again. I repeat, I am not certain that the best way to do that, the most efficient way, is a Royal commission of enquiry.

I recall that the Herron Bridge collapsed at Ottawa, that was a matter of some loss of

life. There was an inquest there at which we engaged engineers to give expert evidence to examine the situation. Acres and Company, I believe, were the engineers, and from that type of enquiry which happened to be an inquest enquiry came a very thorough study of the whole matter and recommendations as to what should be done, indicating the cause of the collapse and indicating what should be done to prevent it happening in the future.

Collingwood Shipyard disaster was also a matter where we had an inquest. We engaged professors of forestry to give expert evidence on the stresses and strains which that type of timber structure could bear, and from that came recommendations, findings which enabled us to say what was the cause of the disaster and how it should be prevented in the future.

I am not at all certain, of course, that I would suggest that an inquest is the proper enquiry here. There was one death, cause of death seems very apparent even without any enquiry, but I think the enquiries which we are carrying on may achieve the result of determining what was wrong here; what was done that should not be repeated; how should this be avoided in the future. I am not adverse to the idea of a Royal commission.

We have had several of those in my time in this House and I think they have all given us valuable results in their studies and their recommendations. I would like, of course, to discuss this with my colleagues particularly with the Minister of Energy and Resources Management. If that seems to be the most efficient way to go, the quickest way to go and the way to get the best examination in this matter, I certainly would accept it. At the moment, I just cannot say I feel that it is the only, the best way to go.

Mr. Singer: I thank the Attorney General for what he said and I appreciate that he is not going to give a snap answer. Without denigrating at all the value of coroners' enquiries or specially advised enquiries or the ability of the energy department to make investigations, without taking anything away from the fire marshal's office, I think that this explosion was unusual enough that we need something more than is presently available to us within our stock source of investigative art. I hasten to emphasize to the Attorney General that I am not talking about an ordinary Royal commission where we ask Judge X to investigate.

I would think that the chairman of the commission should be a legal person, whether you take a judge or whether you take a senior counsel; that is certainly up to the government to decide. But I think that he should only be the chairman of the commission and he should be surrounded by two of the most outstanding engineering authorities that we can find in this province because this is much more than an enquiry into the legalities of a situation. This, I think to be effective, has to be a most serious searching and all-embracing engineering type of enquiry because, as the Attorney General says, as to the unfortunate lady who was killed there, it was pretty obvious why she was killed—she was in the middle of the explosion, and that is why she was killed. The ordinary type of coroner's enquiry is going to be of little use.

As I say, I would commend this suggestion very heartily to the Attorney General. His reaction tonight is quite helpful. I would hope that he would pursue it at the earliest possible opportunity.

I emphasize again the quick reaction that came from the British government—within a day of the accident. Subsequently, four days later, Mr. Hugh Griffiths, QC, and two professors were off and enquiring, and a few days later they said to the gas board, "No, sorry we are not going to give you any adjournment, we are starting our enquiry, and you have got to come and explain your position immediately." Within five months of the date of the accident this very important report came forward and that set in motion the amendment to the various building by-laws, the change in engineering procedures, the changes in architectural procedures which were for the general good of the English public, and the future safety of those people who are going to live in apartment buildings. Speed is very important, and I would hope that whatever is done by government is done very, very quickly. What concerns me is if we have Energy doing one little bit, and fire marshal doing another little bit, and then Mississauga police and an inquest doing two more little bits, that it is going to be very hard really to get down to the real root of the problem. While we will have four interesting, and I would imagine quite honest, reports, we are not really going to have advanced the cause of public safety by very much.

Mr. Chairman: The hon. member for Scarborough West.

Mr. Lewis: On this subject, Mr. Chairman, without prolonging it in any way, I would like earnestly to reinforce what has been said, from perhaps a slightly different vantage

point. I have never entirely understood why the Minister resists some suggestions, albeit, as he talks he comes around to seeing the implicit logic in them. But I have never quite understood why, instinctively, he resists some suggestions which are so patently useful—they should have been embraced intuitively by government the moment the incident occurred.

I have a feeling, Mr. Chairman, that nothing, absolutely nothing that is done by energy resources management, or by the Ontario fire marshal's office, or by the Mississauga Police Force, or by any inquest, will serve to correct the deficiency which will characterize them all.

That deficiency, in simple terms, is that the public sense of security about what occurred, and understanding about what occurred, will never be fully appeased. And it is absolutely fundamental, Mr. Chairman, it seems to me, in this kind of situation that the public anxiety be responded to by a public enquiry. I am less concerned about the constitution of a commission or the nature of the enquiry.

In this party, I think we are profoundly concerned that an enquiry be made—something which is sufficiently public that your entire spectrum of opinion, three or four months hence, feels that the problem has been explored, dispassionately, expertly, thoughtfully explored, and that it has not been done by an internal process of examination which is then tabled in the Legislature. It may satisfy some of the more technical amongst us, and some of the more esoteric amongst us. But it never really appeases the sense of public feeling, and, Mr. Chairman, without overdoing it, I would suggest to the Minister through you, sir, that it was a terrifying explosion.

I have no particular embarrassment in saying that I am absolutely terrified by natural gas because I have watched too much the pattern from 1954 to 1969, and these isolated incidents accumulate in intermittent disasters. I suggest to you, sir, that it is a new enough phenomenon, since 1954; it is a significantly important enough phenomenon that at this point in time—using the Minister's logic of last night—there is value in taking a very sober look at all the safety aspects of something which is such a potentially catastrophic element in this society.

I urge upon the Minister that nothing would accrue to his kudos more, or to his Cabinet-mates more, than to have a frank and public enquiry, bringing to testify all the people in the field who have some knowledge.

Let this incident at Mississauga act as a catalyst to a full exploration of all the dangers inherent in the transmission of natural gas, and in the safety features which society specifically, and the public collectively, have to understand.

Maybe I am wrong, but I really think there is an almost irresistible logic in that kind of argument in public terms. I suggest that that is what we are now engaged in; we are now engaged in the sensible and thoughtful process of finding a vehicle for making a full public exploration. I would urge that upon the Minister—he has a Cabinet meeting this week—he is the most persuasive member of the Cabinet—

Mr. Sopha: And they have their spies in there too.

Mr. Lewis: And we have access—yes, I wanted to say, Mr. Chairman, that because we have access to what occurs in Cabinet, we will check out what the Minister says.

Interjections by hon. members.

Mr. Lewis: I would not wish to name—

Mr. P. D. Lawlor (Lakeshore): We have even got spies in the Liberal Party.

Mr. Lewis: I would not wish to name the member of the Treasury bench who reports to us regularly.

Interjections by hon. members.

Mr. Lewis: Bob Welch, if the shoe fits.

Hon. R. S. Welch (Provincial Secretary): I have not intended to mark you with a burning cross.

Mr. Sopha: The spies are in Winnipeg this week.

Mr. E. W. Martel (Sudbury East): They are paid there, too, Elmer.

Mr. Sopha: They are the marshmallows not the waffles.

Mr. Lewis: We do a great deal of waffling ideologically, from time to time with the member for Sudbury. But on this issue, we are unequivocal. I suggest strongly to the Minister that all of this has some sense. He should raise it this week, and enter the House Friday morning with such an enquiry in his pocket.

Mr. Chairman: The hon. member for Sudbury.

Mr. Sopha: Forgive me for intervening, I was home at my constituency today, and I might have missed something that is very trenchant and germane—if I remember of the California Legislature. Of course, I would have written to the Speaker, and my letter would be published in the journals tomorrow, that I was home in my constituency.

Now I should like to ask the Attorney General, in order to set my understanding straight, if a fire occurs because of a gas explosion, whether it be natural gas or propane, is the fire marshal ruled out in investigations? Is the investigation by Mr. Kerr's people? Do they have the initiative?

Hon. Mr. Wishart: Yes, we both have.

Mr. Sopha: Both have full initiative? Why should that be so?

Hon. Mr. Wishart: Well—

Mr. Sopha: Why the fragmentization? In a not-so-hypothetical example, the first man up in a bunk-house, being an inveterate smoker, lights his Zippo lighter and an explosion occurs. Fortunately no one is killed; six people are injured, some of them seriously. The only investigation in that example of which I am aware was by Mr. Kerr's people from North Bay. I never saw the fire marshal, or saw any report ever made by him, I really wonder—do they between and among themselves sometimes decide—

Hon. G. A. Kerr (Minister of Energy and Resources Management): Are we interested in the Zippo lighters?

Mr. Sopha: No, you are interested in the propane gas that exploded? I hope you are—I am sure you are. Your man from North Bay was, but I am almost positive in that example that the Ontario fire marshal was not concerned at all. It becomes apparent in that example, just to go on so that will be an underlining here, that nobody took on the duty to inspect or maintain. There was confusion about inspection and maintenance—no corrective action was taken by anyone. I would think that it would follow that there would be some form of charges laid if there is a manifestation of default and negligence. But in that case, the explosion in a bunk house at Levack, other than a report made about it, the origins, nothing was ever done. It is left to the civil courts where all this eventually, I suppose, will be aired; but that is just an example of what goes on in the province.

My friend from Scarborough West is terrified of natural gas. So am I; I am doubly terrified of propane, which is a little-understood product. This has probably been hashed out before but I wonder why—and I give it out as an idea—why ought there not be one agency in the government with the duty to inspect? Just one; not two or a multiplicity, so that when an explosion occurs, one agency is immediately activated. It starts its investigation faster than forthwith to determine the origin of it, and to suggest corrective and preventive measures in respect of it.

I wish that explosion at Levack could be looked into and perhaps I could be told whether the Ontario fire marshal was on the scene. I have seen no report from him but certainly Mr. Kerr's people were there; the man in North Bay can inform you of the origins. I say no more of him except, with the public, to wonder aloud about those matters that I have raised.

Mr. Chairman: The hon. member for Lakeshore.

Mr. Lawlor: Mr. Chairman, I wish to join my colleague in making some overtures to the Attorney General in regard to some form of enquiry, not specifically directed to the Malton situation which is only an indication of the situation as it exists.

Let me put it in hyperbolic terms. Sometimes I think that we float on a sea of natural gas. Sometimes in walking through this city with its mains, and so on.

Hon. Mr. Wishart: I think that is true.

Mr. Lawlor: Some of the balloons may spout, but you and I, Mr. Attorney General, would not be reckoned among them, I am sure.

The gas fumes come up between the cracks in the pavement, so to speak. In other words, what I am saying, is that the problem of natural gas being rather novel in our society, and that the extent of its mileage increasing year by year, particularly with the second loop coming over the top of Lake Superior, and because of the volatile nature of the substance as, say, compared to coal, or even oil, its flashpoint being dependent upon temperature and chemical content and a host of things, the use of natural gas should be examined very closely. But this is an ongoing and cumulative problem and a danger that is facing us in this society, and it is time, with this warning before us in the past week, for us to take a hard look at it, and to see whether the range of our devices and

technical know-how, and the actual equipment, is up to scratch.

That would be the purpose of the enquiry. I would not think a Royal commission would be necessary, but a board, a task force of some kind, with high powered technical assistants, to prevent the recurrence of this sort of thing. It has happened in isolated spots throughout the civilized world, I remember in Quebec not so long ago and, the other instance that has been mentioned, in Britain. We have had our harbinger, let us not be accused in this Legislature a year hence of having sat docile while some major apartment block is blown to smithereens in the heart of the city causing great devastation and damage.

The substance is dangerous. It is cheap, it is necessary for commercial and industrial purposes, and I certainly in no way would speak detrimentally of it, but the fact of the matter is, nevertheless, that it must be given surveillance; it must be hedged about with technical equipment and the right sort of government investigation, to render this thing innocuous to the greatest extent possible.

My impression is that this is not the case presently, that it is simply not done, and the very plethora of investigative agencies involved here, all running, not necessarily at cross purposes, but in trajectories that no doubt cross at some point at infinity, the very indication of this shows that you are not oriented to focus in on a situation of this kind, and it is high time you did.

The fire marshal's department should act in close conjunction with The Department of Energy and Resources Management in this particular regard. They should come together in this, hire themselves some experts, let us have a full investigation, let us foreclose the possibility of future ills.

Mr. Chairman: The hon. member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, if I could get the attention of the Attorney General I should point out to him that what the hon. members are saying is that natural gas is a source of a good deal of the energy used in this province and that it is a volatile substance, especially if it comes in contact with an open flame. Up at Malton there was a terrific explosion when, obviously, this natural gas came in contact with an open flame.

The members are concerned that we conduct ourselves in such a way in the future so that this will not occur again and they are asking you to appoint a committee to investigate and determine what this is all about so that it will not happen again. I said it in less than a minute and I hope we can get on to the next vote.

Mr. Chairman: The hon. member for Peterborough.

Mr. W. G. Pitman (Peterborough): I promise, Mr. Chairman, I will not go over that ground again.

Mr. Chairman, I would like to bring to the attention of the Attorney General a problem which is not unlike the one which the member for Scarborough West has placed before him with considerable ability. It revolves around a letter which I wrote to the Attorney General on May 8, 1969. I have not received a reply to that letter as yet. That may be my fault, it is not in my files and perhaps it is in the Minister's, but it relates to a request which I placed before the Minister for a coroner's inquest in the case of an accident which took place very near Peterborough, where a school bus was hit by a train.

In this unfortunate accident one youngster was killed and several were injured and I know the Minister's immediate reply is, "There was a criminal charge laid," and this is quite true, there was a criminal charge laid, but I understand the problem which exists, in terms of the individual who was the bus driver, was that we cannot place this man in that situation. However, I do appeal to the Attorney General that there is a major problem involved here. There are, in this province, more and more school buses driving more and more miles every day. Since that accident there have been, in my particular area, at least five other accidents involving school buses.

I think we are involved here in a major problem where, very much as the member for Scarborough West is terrified of natural gas, a great many parents are terrified at the fact that their children mount a bus every morning and they are dependent upon the skill of the bus driver; they are dependent upon the safety features of that bus, they are dependent upon the reliability of the bus routes, and the parents of the young people who are on that bus were particularly anxious that there be a coroner's inquest, so that all these matters might be brought forward.

I will not take up the time of the House to go into this in any detail, but the point to be taken, I think, is that we must allay the

fears of parents and young children who are travelling by the hundreds of thousands every day on school buses. This can only be done, I think, by examining very carefully every accident which takes place involving a school bus and I think there has to be a degree of concern that the public know what happened in every one of these cases. And this is the reason why I requested this particular coroner's inquest.

I would be very interested in the Minister's reply. As I say I did not receive the letter, if the letter was mailed, but I am particularly anxious to know if it is possible to have a coroner's inquest, even though there has been a criminal charge laid against the bus driver in this particular case.

Hon. Mr. Wishart: Mr. Chairman, I am very glad to reply to the hon. member, and I will perhaps start with his remarks. I would like to make some comment very briefly to some of the other members who have spoken on the matter.

With respect to the collision of the bus and train, if a letter was written to me and I take it there was, it has gone to some member of my department. If the hon. member has not received a reply, I apologize, he should have. I shall check the matter out, but his main question was why an inquest has not been held. The fact is that when we lay criminal charges, if an inquest is designed or planned, the inquest does not proceed, even if it is underway. If criminal charges are laid, the inquest is delayed until criminal charges are completed, that is partly due to the fact that the trial procedures must be by themselves, there must be no extraneous comments nor extraneous evidence which would not be admitted in a criminal trial.

If an inquest is planned, it would be delayed whether it had been commenced or whether it had not been commenced, so there would be no inquest until the criminal hearing is concluded. We may then, or we may not then, proceed with an inquest. Usually when criminal proceedings take place, all the relevant facts including most of the facts, if not all the facts relating to the death, the condition of the body, the medical evidence, and so on, are produced in the criminal hearing and there may be something left for an inquest and there may be something for a coroner's jury to recommend, but the inquest would not follow, in any event, the criminal proceedings.

I would like to just go back briefly if I may. The hon. member for Lakeshore supports the idea of a very thorough enquiry into the Malton matter. He suggests that perhaps a Royal commission enquiry is not necessary, but some sort of board. I think I like his thinking, even if we do both float on a sea of gas.

The hon. member for Sudbury enquires as to why both enquiries by The Department of Energy and Resources management and the fire marshal are necessary. The reason is that they both approach the matter from different angles. Energy and Resources management are concerned with the transmission of gas and the methods and the equipment that is used to convey gas efficiently and safely to the consumer. The fire marshal is concerned with safety, too—not only safety but from the point of view of fire and explosion whether there might be a possibility of arson or someone trying to start an explosion. Even if we had it all under one head you would still need those same persons or same officials approaching the enquiry.

I thank the hon. member for Scarborough West for the compliment that I am the most persuasive person, but I deny that I resist all the suggestions which come from over there. I thought I had accepted a good many of them and I am not averse to accepting the ideas that come from over there tonight. We shall certainly, I assure the House, look into this matter. I would certainly want the opportunity to discuss it with my colleagues and see what action we could decide upon which would satisfy the public and satisfy my colleagues as well.

Mr. Lewis: We would be pleased to make representations to the Cabinet—

Hon. Mr. Wishart: I will make them for you.

Mr. Sopha: Mr. Chairman, it strikes me that some of the Attorney General's answers are of a furious nature and for this reason there is in this government a great reluctance for one part of the government to criticize another part.

Now the reasoning of the Attorney General, wherein he lays stress on the fact that The Department of Energy and Resources Management has the responsibility for the settling of standards, safety specifications and so on, is the exact reason that the policing arm of the government ought to be an independent body. That is the exact reason that the fire marshal ought to have the responsibility, in the case of a tragedy, of determining what went wrong. Because the danger is that with Mr. Kerr's department having the responsibility for all those things, that there will be a

tendency, a human tendency, to exalt themselves to look at the explosion from a subjective point of view in order to protect themselves in case they went wrong.

The fire marshal ought to be the individual in this department. The police force of the government, that is what the department is, the police force! If there is a fraud over in the Frost building you are not going to make Charlie McNaughton investigate it. If there is a theft of money I would hope that you would send for Eric Silk and ask him to find out who has got the million that has disappeared.

The same reasoning applies to an explosion of a volatile substance in respect of the responsibility of ascertaining what went wrong. The public confidence, I dare say, would be somewhat endangered if it knew that an independent arm of government came onto the scene in order to ascertain the causes of it, and not the very one that has the responsibility for safety specifications, being The Department of Energy and Resources Management.

And that, Mr. Chairman, was what was furious about the Attorney General's response and I became fortified and encouraged all the more that the public clamour will insist that there be some part of this government, in the light of these tragic events, that is a "Johnny on the Spot", exercising an independent objective initiative in determining causes in order that they will not happen again.

You will see we are entitled to defer, the public is entitled to defer, since there is a little more of the chaotic in respect of these things than we had thought, and I do not exalt in finding that out. It is not a cause for exultation, it is a cause for sadness that that is so.

Finally let it be understood that we appreciate on this side of House that this independent enquiry can emanate from no better place than The Attorney General's Department. This is the police arm of the government. That is exactly one of its most important responsibilities, policing in many areas, and I could go to bed, a lot of families would go to bed, feeling much more safe in the presence of what the courts have called dangerous substances. Natural gas, gas in all forms, is called a dangerous substance and of course liability follows automatically. A lot of people would go to bed more safely thinking that Mr. Kerr, who has the responsibility for the standards, does not also have the responsibility of being a judge in his own cause.

That is what he is. He is a judge in his own cause. The investigation and determining of cause and origin ought always in our system to be exercised by someone independent and objective. That is the way we do it with liquor. One agency sells the booze and another agency is the independent policeman. That is why the liquor licence board and the liquor control board are separate arms of government; exactly why!

Mr. Lawlor: Anyone who drinks in the House should not be allowed to talk about drink.

Mr. Sopha: I do not think anybody should.

Many interjections by hon. members.

Mr. Sopha: I do not want to be distracted from the major thrust. I cannot resist the temptation to say that is exactly what is wrong with the Ontario Water Resources Commission and I say that for illustration. It is the setter of standards and the judge for its own cause, and its functions ought to be separated. Well for heaven's sake, in the name of God almighty, before there is another tragedy, let us separate these functions.

I have the utmost confidence that the sensible, intelligent way of doing it is give the total responsibility to the fire marshal, and no one else, and if he has not got experts in the use and characteristics of volatile substances then let him hire them on his staff. They become important enough in our cultural, commercial and social living that he does not need to run to Kerr's department to get information as the Attorney General suggested, and he did suggest that they work together. They do not need to work together.

To put it in a nutshell, to use the modern jargon, in simplistic terms, it is not a case after the explosion that the fire marshal calls up the head of The Department of Energy and Resources Management and says: "What went wrong?" That is not the proper approach at all. The fire marshal has the investigatory arm, he is in there independently and ascertaining through his own devices, through the use of his own expertise, his own people, what is wrong. And if it means condemning of some people in some other arm of government, well that is par for the course. If you cannot stand the heat in the kitchen it is time to get out.

In this system of government there is a great reluctance, a great fear in those Treasury benches over there, that one of them will criticize another, that another department will come under the gun. It will be the subject

of scrutiny. I never saw such a bunch of "Caspar Milquetoasts" in all my life as the occupants of those benches. Down in Ottawa they are warring with each other all the time. They would only say behind their hands about one of their fellow members over there that he missed church two Sundays in a row. There is a great reluctance. It is part, of course, of the syndrome of nervousness that is overtaking them in the light of recent events and the decline of public estimation for their absent skills. But, there it is and I make that point and I leave it open to challenge. Let whosoever may—it is about time Kerr got into this argument, I would think—whosoever on that side wants to, get up and challenge the principle on which I put it.

Hon. J. H. White (Minister of Revenue): Mr. Chairman, I object to the hon. member's use of the name "Kerr" instead of "the hon. Minister." I think that is a mistake. As a matter of fact it is quite out of keeping with the hon. member's approach to such matters.

Mr. Sopha: I have the highest respect for George Kerr, and he will not think me offensive or think any the less of me because I called him Kerr, Mr. Kerr, or George Kerr. In fact, his leader over there does not a give a damn what I call him. That is what the leader of the party said.

Mr. M. Shulman (High Park): I would like to follow up the remarks of the member for Sudbury in that there is one aspect of this of which perhaps some of the members of the House are not aware. That is the recommendations of the fire marshal are all too often not followed by other departments of this government. I would like to give you one or perhaps two specific examples which one of the good government people was kind enough to bring to me.

15 Overlea Boulevard is now occupied by The Department of Health, with several hundred people from The Department of Health in that particular building. Before it was filled by the employees of The Department of Health, the fire marshal examined that building and said it was not safe. Despite his recommendations, the Minister of Health, went ahead and put all of the employees in there at great risk to their lives.

The fire marshal was sufficiently upset about this that an employee of the fire marshal's office contacted the architect who built the building and that architect sent a letter, agreeing with the fire marshal that it was not safe for this number of people to be in there. It was only after this pressure was exerted that the fire marshal's recommendation was followed and a number of people moved out.

There is another building occupied by The Department of Trade and Development on University Avenue; the housing people are in there. The fire marshal condemned that building four years ago. The persons who work in housing in that building are aware of it; they have sent request after request that they be moved out of there, and nothing has been done. So it is no use sending the fire marshal; the government does not follow his recommendations.

Mr. Lewis: That finishes that.

Mr. Chairman: Vote 210. The hon. member for High Park.

Mr. Shulman: Mr. Chairman, if the Attorney General does not wish to make any comment on that matter, I would like to draw his attention to another potential mass danger.

Mr. Sopha: They are unassailable over here. They over-impeach them. I think that the Minister of Energy and Resources Management—

Mr. Lewis: No, they are just going to have to be defeated. There is no other way to deal with them.

Mr. Shulman: They are looking after it themselves.

Mr. Lewis: They are just going to have to come crashing down in 1971.

Hon. Mr. Wishart: It is so difficult; that is so difficult.

Interjections by hon. members.

Mr. Sopha: You are going to come crashing down in 1971.

Mr. Lewis: You have had it, you fellows.

Mr. E. A. Winkler (Grey South): You have been saying that for 26 years.

Mr. Lewis: Look at those disconsolate faces; look at them over there. Only the Attorney General is laughing to keep his spirits up.

Mr. Shulman: Mr. Chairman, we are all aware in this House, including the government side, that they are going to come crashing down in 1971. We are worried about the

next two years and that is why we are making this effort here tonight, because people may suffer in the next two years.

Hon. Mr. Wishart: Is that not sad?

Mr. Shulman: I would like to draw the Attorney General's attention, through you, sir, to a booklet that was published in April, 1969, called "Fire Safety in High Rise Office Buildings". I would like to quote from it, but at the beginning of the report it says "this report is a private, internal document of The Department of Public Works." It is not available for public use, so for that reason I shall not quote from it. But I would like to ask the Attorney General, knowing the poor contact there is in government, if his department has a copy of this; so that the various recommendations that are made in this booklet can be put into use in the Ontario government buildings and the other Ontario buildings; so that we shall not have a mass disaster here in this province.

Hon. Mr. Wishart: Is that a 1962 publication?

Mr. Shulman: 1969.

Hon. Mr. Wishart: 1969. I am quite certain the fire marshal will have that document.

Mr. Shulman: Is he here? Would you care to ask him? It might be of interest to see if he has.

Hon. Mr. Wishart: I will get the hon. member an answer if he is so determined to have one.

Mr. Shulman: I am very worried about the potential danger here in the province.

Hon. Mr. Wishart: I will get an answer. Yes, we have a copy of the booklet, the fire marshal tells me.

Mr. Shulman: Obviously the Minister has not read it. I trust that some of his subordinates have read it and I hope the recommendations in here will be put into effect so that we will not have more situations like we have at The Department of Health and The Department of Trade and Development where the fire marshal's recommendations are not followed.

Mr. Lewis: Do your subordinates ever talk to you from any branch?

Mr. Chairman: The hon. member for Sudbury East.

Mr. Martel: I have a short question to put to the Minister on the fire marshal. I would like to know who is responsible—and it is a specific case—for allowing the burning of creosote ties and old rubber tires in a hotel in Ontario in this day and age? How does the fire marshal's department allow the burning of creosote ties to go on?

Mr. R. M. Johnston (St. Catharines): We have to keep warm some way.

Mr. Martel: All the creosote sticks to the chimney. I have been trying for a year and a half to get something done about this and no one wants to answer. I get a run around from the LCBO; I get a run around from the health department, and I get a run around from your department, from the fire marshal. I would like to know who is responsible for bringing this to an end before the place burns down.

Mr. Johnston: Ask your colleague; he has all the spies out.

Mr. Martel: I am serious.

Hon. Mr. Wishart: There is nothing wrong that I can see with burning ties; that is timber, if it is cut into fuel size for a hotel, if they burn wood. I do not know the case particularly that the hon. member—

Mr. Martel: Not wooden ties, creosote.

Hon. Mr. Wishart: If the hon. member—

Mr. Martel: I have written the health department; I have written the liquor control board, I have written your department. You know, everyone is giving me the run around. A year and a half I have been trying to trace this down. The only Minister I have not gone to is the Minister of Highways (Mr. Gomme).

Hon. Mr. Wishart: Would the hon. member suggest it is an offence to burn wood that has been creosoted?

Mr. Martel: Yes, Mr. Minister. I have railroaded too long and have seen too many railroad bunkhouses where they used creosote ties burned down. The creosote stuck on the inside of the chimney and consequently led to a fire. The same thing is going to occur in this hotel and some people are going to lose their lives. I think it has to be stopped.

Mr. Chairman: Vote 210. The hon. member for Grey-Bruce.

Mr. E. A. Sargent (Grey-Bruce): Will the Minister advise on this vote how much money

is being spent on electronic devices and acquiring of capital assets in this field for training all along the line of electronic devices?

Hon. Mr. Wishart: I do not think my figures in this estimate go into that detail of how much money is being spent on electronic devices. I might be able to get a breakdown for the hon. member, but I know I have not got those figures in the estimate. I could only promise to see what I can discover for him and give him an answer as quickly as possible.

Mr. Sargent: Mr. Minister, my concern is that repeatedly in this House we have tried to ascertain from the Minister, from the government, the extent of wire tapping, eavesdropping—

Hon. Mr. Wishart: This will come—

Mr. Sargent: Just a moment.

Hon. Mr. Wishart: We are on the wrong vote, Mr. Chairman.

Mr. Sargent: No, just a moment. Your public safety vote said—

Hon. Mr. Wishart: Mr. Chairman, on a point of order, we are talking about something altogether different from what this member is talking about. I do not think it comes in this vote—

Mr. Sargent: It depends on how the Chairman interprets it. Under the next vote we have supervisory of police; this vote calls for public safety, investigation, advisory training and research devices. Now in the area of this—

Hon. Mr. Wishart: Research services? Research services, yes.

Mr. Sargent: Investigation, advisory, and so on. I mean this is a very wide interpretation, Mr. Chairman.

Mr. J. E. Stokes (Thunder Bay): You are bluffing, Eddie.

Interjections by members.

Mr. Chairman: I do not know what vote it is in, but I can only tell the hon. member that I cannot find it in this book.

Interjections by members.

Mr. Sargent: My concern is public safety; this is a vote for public safety, is that right?

I am very concerned about the expense that the public is being served, or disservice to the public, insofar as the electronic device wire tapping is going on. The Minister does not know, he says, how much money he is spending on this type of capital acquisition.

Hon. Mr. Wishart: I could answer the hon. member, as a department of government we do not spend any money on electronic eavesdropping or wire tapping, if that is what he is enquiring about.

Mr. Sargent: How do you do it without equipment?

Hon. Mr. Wishart: The hon. member is aware that certain police departments do this but, as a department of government, we do not; we do not engage in this. There is nothing in this estimate for that at all.

Hon. A. B. R. Lawrence (Minister without Portfolio): You are safe, Eddie.

Mr. Sargent: Could I have the Minister's assurance that if we are not going to discuss it under this estimate we can discuss it under another estimate?

Hon. Mr. Wishart: Yes, but I have answered his question.

Mr. Sargent: I do not go along with that at all because someone has to provide the funds to buy this equipment and it is under your department.

Hon. Mr. Wishart: The police department of the municipality which carries it on is supported by the municipality, not by the—

Mr. Sargent: No, at top level insofar as the Ontario Police Commission, you do—

Mr. Shulman: This is not an Ontario Police vote.

Mr. Sargent: I know it is not, but the thing is that somewhere along the line he is going to dodge the fact that any part or parcel of the acquisition of this material, these devices—

Interjections by hon. members.

Mr. Sargent: Is that your ruling?

Mr. Chairman: I just cannot see where it comes under this at all.

Mr. Sargent: I will bow to the Chair. There is a chance I can talk on this later then?

Interjections by hon. members.

Mr. Chairman: I mean there is nothing in public safety for it.

Mr. Sargent: You had better believe it is public safety.

Mr. Chairman: I think perhaps the hon. member could try under another vote, but not in here.

Mr. Shulman: I have one brief matter I would like to bring up under inquests.

In centuries past there were things called star chambers; and star chambers, of course, were courts where the public was excluded. It is rather strange to find such a thing can still occur here in Ontario and I am referring to closed inquests. I did not think we would ever have such things but they are now occurring in Ontario. To make things worse it is next to impossible to get a transcript of what went on at such an inquest. There was one occurred here last year; let me see, what was the date? August 7, 1968, in Simcoe, in the town of Simcoe in the county of Norfolk, into the death of a Mrs. Beryl Marguerite Higgins. It was a closed inquest, the public was not allowed in for reasons which I have never been able to discover.

It took close to a year to get the transcript of evidence. I had to raise the matter repeatedly here in the House, but that is not the important thing. The important thing is, is it the policy of the Attorney General to allow the coroner's office to hold inquests from which the public are barred?

I thought one of the great points he made about the inquest was this was the public expressing their will through the jury. Surely this is going against the very principle which the Attorney General has stated if he blocks the public from coming in?

Hon. Mr. Wishart: I would say that practically all our courts are public, open to the public. There are occasions when any court may be closed if it is considered to be in the public interest that the inquiry should be *in camera.* I take exception to the hon. member's statement that he had to raise the matter repeatedly in this House.

Mr. Shulman: Five times, to be exact.

Hon. Mr. Wishart: I would be glad to see that. I do not accept it.

Mr. Shulman: The Attorney General just has a poor memory.

Hon. Mr. Wishart: Any time that the hon. member has ever written me for a transcript of an inquest or enquiry—or any other member—they have always received it. And they did not have to ask five times for it.

In any event, to answer the hon. member's question, there are times when any court may be closed if it is considered by the person presiding that it is in the interest of the public that it should be. Usually, before an inquest is conducted *in camera*, the consent and advice of the Attorney General is requested and obtained.

Mr. Shulman: Then let me ask the Attorney General—in this past year has his advice and consent been given to holding any inquests *in camera*?

Hon. Mr. Wishart: I cannot say, standing here, that in the past ten months this has happened; it may have, it may not. If the hon. member has a specific case and wants to know if I was consulted about it, if he gives me the names of the case, I will enquire and find out.

Mr. Shulman: I find it hard to understand how the Attorney General cannot remember whether or not there has been any.

Hon. Mr. Wishart: The Attorney General has far too many things to do to remember every single incident that he does.

Mr. Shulman: That may be the problem with the department, Mr. Chairman. In this particular case—

Hon. Mr. Wishart: You do not have to remember everything; as long as you do them right at the time, you can forget them.

Mr. Shulman: Well, this one was done wrong, I am sorry to say, in addition to many others. The name was Higgins. Perhaps the hon. Attorney General would care to look into this matter and explain why he gave consent for the—

Hon. Mr. Wishart: What is the case?

Mr. Shulman: The deceased?

Hon. Mr. Wishart: What is the case?

Mr. Shulman: Goodness knows why—

Hon. Mr. Wishart: What is the case, what is the specific case the hon. member is asking about?

Mr. Shulman: The particular case is Beryl Higgins.

Hon. Mr. Wishart: All right; I shall get the hon. member—

Mr. Shulman: And if it was held *in camera*, I would ask if he gave permission. If he did not give permission, how can it occur that it be held without his permission when he has just said exactly the opposite?

Mr. Chairman: The hon. member for Scarborough West.

Mr. Lewis: Mr. Chairman, I have only a moment to take with the Minister. I must say that I am astonished that he could forget Beryl Higgins, astonished! But I will leave it at that; I will not press him on it.

I have one small point to raise under this matter of public safety, Mr. Chairman. It is of some significance to many of us. It concerns the safety of one of the corporate monoliths at the corner of King and York Streets.

The Minister will recall the events of last weekend which were reported fully in parts of the press. I was wondering whether the Minister would provide 24-hour protection around the clock for its official government publication, the Toronto *Globe and Mail*, to prevent it from undue harassment by student radicals and other incendiary foreign elements. I want to make a plea for this apex of the establishment, and suggest to the Attorney General that it is not something to be treated lightly. He should respond with passion when the very centre of this society is attacked by the neo-Maoists, by the labour-socialist alliance, and by the Guevera Trotskyites. I think, sir, it commands your attention under public safety.

Hon. Mr. Wishart: Mr. Chairman, we protect all our citizens with an even hand—

Mr. Shulman: Some more even than others.

Hon. Mr. Wishart: If they are in danger and we feel that they need protection—

Mr. Lewis: Just so long as the lunatic fringe falls within your purview.

Mr. H. Peacock (Windsor West): You might even ask if any of them were CYC members.

Hon. Mr. Wishart: There is a very efficient service which protects them.

Mr. Lewis: I may say that I think the demonstration was led by the Minister of Trade and Development.

Hon. S. J. Randall (Minister of Trade and Development): If I was, I did not get paid.

Mr. Chairman: On vote 210?

Mr. Lawlor: I have one final question to ask on a financial aspect of this vote, touching largely the coroner. I have written down for my footnotes last spring: "Has the Attorney General gone mad?" Now I am going to find out.

In the 1967-68 year for the coroner's office you requisitioned $106,000. You actually spent $159,000. You spent more than you asked; you had to get some warrants.

In the next year you asked for $164,000. This year you are asking for ten times as much—you are asking for $1,520,000, the bulk of which seems to be in coroners' inquests. Can you give us a fuller explanation for this added burden?

Hon. Mr. Wishart: Mr. Chairman, the short and simple answer to that question is that in the previous year, prior to the takeover of the administration of justice, coroners' inquests were carried out by the municipalities.

Mr. Lawlor: Yes, but you were on last year.

Hon. Mr. Wishart: No they were not in last year's estimates. They were under item "courts administration", last year. Now we have them in their proper bracket of, "coroners' inquests." So that accounts for it.

Mr. Lawlor: I see. Without looking that up, has the figure jumped to any great extent?

Hon. Mr. Wishart: No, it is exactly the same as last year.

Mr. Lawlor: I see. You will admit the overall vote here has gone up considerably; if you take public safety as a whole, as I calculated it, you ask for $3,859,000 and you are asking for $5,345,000 this year, which is about $2,500,000.

Hon. Mr. Wishart: My figures, I think, indicate that our estimates have increased by $86,000 out of a total budget of one million, seven hundred odd thousand, and most of that is due to an increase in salaries, a natural annual increment.

Mr. Lawlor: I am not going to dispute it.

Vote 210 agreed to.

On vote 211:

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans: Mr. Chairman, very quickly on vote 211: the Minister will recall the long

debate we had in The Police Act, the many hours we spent in this House, into the early hours of the morning, in the spring of the year, discussing the amendments that the Attorney General had brought forward.

At that time we in this party had brought to his attention what we thought would be abuses in the permitting of the senior officers to form their own association. Now in the intervening time I have taken some time to speak with people who are knowledgeable in the area and it has been brought to my attention that these abuses are indeed happening, they are occurring in the way that we suggested they would.

Immediately upon the Act being brought into force, the Metropolitan Toronto force, for example, applied to have a sizeable number—I believe around 80—but a sizeable number of civilian force, reclassified as being in a confidential capacity. In other areas of the province there have been very subtle pressures, of the type that we suggested would occur, put on the senior officers to remove themselves from the bargaining unit as it is presently constituted and to form, for themselves, a bargaining unit solely of senior officers.

I am interested in knowing whether the Attorney General is investigating and keeping a very close watch on how the Act is being administered in this particular section, and whether or not the kinds of abuses that I feared were going to happen, that we on this side of the House suggested—that kept many of us up until 3.30 in the morning on one particular occasion, attempting to get the Attorney General to change his views—are not indeed, occurring now.

Hon. Mr. Wishart: Mr. Chairman, when we amended The Police Act in this respect, the reason we put it forward as an amendment was because, not only for this year but for several years past, we had been urged by senior police officers, particularly of police forces, to bring about this amendment and what is occurring, what the hon. member recites, which he calls abuses, and which I do not accept, are exactly the things we expected would occur.

We have not had a single complaint. I have had meetings with the executive of the Ontario Police Association more than once these past few months, a number of meetings with their president, their secretary, their council, their executive, and they have not mentioned the subject at all to me nor have I had a complaint from any source. So, I would only say that the amendment, if it is working as the hon. member says, if certain senior members of the force and certain senior civilian personnel are forming an association, this is exactly what the amendment was intended to permit, and this is what is happening.

Mr. Deans: Certainly it was. It was intended that they would, of their own volition and free will, form an association if they so desired. This is not what is happening. The situation, as I see it from the discussions that I have held, is that the pressures are being put on the senior officers to form associations of their own, and that many areas—Hamilton is a good example—have withstood this.

Whether or not there is pressure in Hamilton I have not even tried to find out, because they are obviously not interested in forming their own association, but I do know that in Metropolitan Toronto, for example, there was an immediate effort made by the police commission to reclassify a sizeable number of civilian employees—the number escapes me.

Mr. Ben: What do you call sizeable?

Mr. Deans: I say the number escapes me, I had it and I have forgotten exactly what it was, but it struck me at the time as being a sizeable number of civilian employees, as being in a confidential capacity, and I think that this could well be applied to almost any police officer or any person on a police force. Everyone on a police force is confidential in some way or another.

Hon. Mr. Wishart: I do not think this has happened though, in large measure.

Mr. Deans: It was attempted—

Hon. Mr. Wishart: It did not happen in Hamilton.

Mr. Deans: No, I am talking about Toronto at the moment.

Hon. Mr. Wishart: It did not happen in Ottawa, although I have not heard that it happened in London.

Mr. Deans: It is happening in Toronto.

Hon. Mr. Wishart: Before we passed the amendment a great number of senior uniformed personnel were conducting their own association. It was expected that some senior civilian personnel would wish to do so.

Mr. Deans: I say again, would request of their own volition the right to form an association, or to become part of an association,

but this was not the case. They did not request—

Hon. Mr. Wishart: I have not had a single complaint.

Mr. Deans: Well you are getting one now. Consider yourself as having had one, mine.

Hon. Mr. Wishart: I mean from the personnel.

Mr. M. Makarchuk (Brantford): Mr. Chairman, I would like to rise and discuss with the Minister the matter of the police commission investigation of the Brantford police department that was carried out last spring by the Ontario Police Commission.

Since that report has come out and been released, it has caused a considerable amount of unease and suspicion in the city of Brantford, there has been a flood of letters; there has been doubt cast about the honesty of the police, and certainly a considerable amount of doubt about the capability of the board of Brantford police commissioners and the senior officers in the Brantford police department.

To bring this matter into perspective, Mr. Chairman, I should explain how the situation developed. It started when a policeman, constable Lolli wrote a letter, or made certain complaints, to the Brantford police chief. He had followed this up with a letter to the chief making allegations about misconduct on the Brantford police force.

According to him, nothing was done about this matter, so he wrote to the Ontario Police Commission and in this way he forced the hand of the local police commission and, consequently, they asked for an investigation by the Ontario Police Commission. An investigation was held of the Brantford police force and certain portions of this particular report were published in the newspaper. Complete copies of the report were given to the radio station, or a member of the radio station, and a member of the press, but city council members were denied the right to see the report and when they requested this, on one instance, they were refused the right to see it.

Anyway, what arose out of it, because of the publication of portions of the report in the *Brantford Expositor* wherein they implied that morale was low, that police were involved in criminal activities and so on, the people wanted to know what was being done about this matter.

Hon. Mr. Wishart: What report was that?

Mr. Makarchuk: This is the report of the Ontario board of police commissioners. Portions of that were published in the newspaper, in the *Brantford Expositor*. Anyway, it did indicate that certain matters were not proper with the Brantford Police Department and questions were raised by the public as to what was being done about this, and it seemed that nothing was being done.

There were some assurances that the problem would be looked after, but obviously the people were not satisfied. In any event, this was followed by a letter to the newspaper by one of the policemen, this is a letter by constable Ronald Stockdale. The reason he wrote the letter, according to his statement, he was frustrated, to the effect that an investigation was held into the operation of the police department. And following the investigation there was absolutely no action about it.

I will read the letter into the record, Mr. Chairman, to show what I consider is a very reasonable letter, and also what I feel is a very responsible position taken by a police officer, because in this case he was dissatisfied with what was going on. He tried the normal channels of communications to try and alleviate this particular problem and nothing was being done.

And he turned to probably the only source, or the only way he could bring about some action. He turned to the public, and I will read the letter. This is a letter to the editor, September 12, 1969, the *Brantford Expositor:*

"Sir:

On September 7, 1969, I forwarded a letter to the Brantford board of police commissioners, requesting that as a police officer and a private citizen, I have the right to see the original report from the Ontario Police Commission as it already has been shown to persons not connected with the police department.

My letter, in part, contained the following:

1. That our association representing every man on the department has asked for this report and has been denied it. Why?

2. The board stated it wrote the commission on February 11, 1969, thereby giving the public the impression it wanted the investigation. This was not so as Constable Lolli had written the Commission in January asking for an investigation, and this therefore gave the board no alternative but to request one.

3. The board received the full report from the commission on May 6; and it

was not until some three months later that it released its report of eleven pages to the local news media. In my opinion this time was used to draw up new rules and regulations and try and make the force look more efficient.

4. Citizens who took time to read the board's report use the term 'whitewash', and as a member of the police department for fifteen years, I can confirm that their remarks are quite correct.

5. The board agrees the morale is low, but states that this was greatly exaggerated by Constable Lolli and other officers. I put myself in the class of 'other officers' as I do not call it rumours or gossip when the administrators have been confronted with certain matters, and have taken no action. If at the time they thought they were rumours then action should have been taken against those officers repeating them.

6. The board states it is grateful to the commission for bringing light to certain conditions that might have otherwise gone unnoticed. They have escaped your notice for years and it was either intentionally on your part, because the administrators had covered up on certain facts. (I think if the board is grateful, then those thanks should go to Constable Lolli).

7. The board feels that the promotion system used has been satisfactory. If this was so we would not have this problem today. Promotions should be made on seniority with ability. Personal feeling and who you know should never enter the picture.

8. Evaluations on a police department should be discarded because they are based entirely on a personality basis. Also it tends to create a hidden quota system under which if you persecute the public and turn in a lot of tickets it will give you a better rating.

9. The board reports the chief is a veteran police officer with an excellent reputation. To this I agree, but I certainly question the fact he is respected and highly regarded by the men on the force. In fact I believe this is a statement made by the board and not the true opinions of the men on the department.

10. It is the duty of the board and the administrators of the Brantford police force to accept the responsibility of these conditions existing within the department. The public is not ignorant and surely the truth would be far better than covering up mistakes made by those in authority.

11. It costs $30,000 to train a first class constable and we have many dedicated men on our department whom we cannot afford to lose. If we have problems let's solve them now, not next year or six months from now, when perhaps some of these men have already left.

These are my own personal views and as a veteran police officer of 15 years and one who is very much concerned, I believe I have the right to know of the recommendations of the board, if any."

This letter was printed and, of course, the first reaction of the local police commission was that he got suspended for voicing what I consider is a justifiable complaint.

If a citizen has a complaint or sees a wrong and remains silent, then I would consider him something less than a citizen in this society. It is our responsibility if we see complaints about some matter to bring them to light.

Constable Stockdale's letter, of course, was followed later on by a letter to the paper by Constable Lolli. And it says:

Sir,

On Dec. 31, 1968, I forwarded a letter to the Brantford board of police commissioners concerning allegations against members of the Brantford police force. The board stated it had no jurisdiction to entertain my complaint.

On January 10, 1969 I forwarded a letter to the Ontario Police Commission outlining my allegations and requesting an investigation of the Brantford police.

These letters concerned allegations against policemen of breaking and entry, possession of stolen property (several cases), theft (several cases), extortion, bribery, and fraud.

An investigation of the police department was subsequently held by the Ontario Police Commission. Later eleven pages of a 39-page report were released by the Brantford board.

The abridged report did not detail the results of the OPC's investigation of my allegations. In the public interest it should be revealed what determination of the OPC made of these allegations and what action was to follow. I have to agree with Constable Stockdale the report has been a "whitewash".

The board made reference to me as a second-class constable because I have been on the Brantford police force for only

three years. I have completed almost nine years of police work.

It was a considerable surprise that the board would attempt to discredit me in such a manner.

I wish to extend my thanks to Constable Stockdale for his support.

Well, the same situation developed in the second officer's case. He was also suspended. I believe they were supposed to be tried by the chief, but I gather now they will be tried by the commission. They will come up for trial for infringement of The Police Act.

It is significant in the report when it was published that it admitted there were problems on the Brantford police force. But in no way did the report say who was responsible for these conditions. And it is as if the indescribable supernatural is running the police.

The other point is, of course, that these reports were handed out to members of the radio station, and a member of the paper. But certainly it was not handed out to city council, who are concerned about these things.

Now, some of the problems or one of the major problems involved in this, or of the issues involved in this report—and as I understand it this matter was raised with the Ontario police commission—concerns the fact that a certain policeman, on occasion, sometime in March 24 to 25, it is alleged, did break and enter the public utilities office in Brantford and walk off with about $416.38.

I understand there was a line-up in the police station of policemen and a witness went up and down the line and pointed this policeman out as the man who did this.

This was followed up by investigation by the Brantford police department. It was followed up by investigation by Constable Lolli, and also Constable Stockdale, who at that time was president of the local police association, and was going to defend the man. According to Stockdale, the more they investigated this matter the more they came to the conclusion that this man was guilty, and they forced him to admit in a pointblank confrontation that he did do this particular crime. The man admitted to the crime.

This was brought to the attention of the chief and the deputy chief, and they were witnesses to this event—that this policeman admitted to the crime.

But he also said: "If you charge me, I will squeal on the other people."

Well, as I gather, nothing did happen. The policeman was dismissed from Brantford police force in June, 1968, and that was the end of the case.

Now, this is one of the issues. I understand these matters were brought to the attention of the police commission, and I know that this matter has been brought to the attention of the public prosecutor of the province of Ontario, and I want to know at this time just what is happening in this situation—outside of the trial of the two policemen, which is coming up, I believe, tomorrow.

Does the Minister feel that the policemen do not have the right, in a case of this nature, when it seems they had legitimate complaints about the operation of the department. They tried the normal channels to bring about changes and nothing was done about it.

I understand the OPC was informed of this particular situation, and the OPC did not do anything about this matter. It was left to rest, and finally the policemen had to take other measures and for this, of course, they get penalized.

I would like to hear the Minister's comments in this matter.

Hon. Mr. Wishart: Mr. Chairman, first of all I would like to say that when the hon. member says this matter which he has recited at length—the breaking and entering or the entering and theft—has ended, it is not ended. I would like to disabuse his mind of that immediately. That matter is being investigated by the criminal investigation branch; the facts of the matter are in the hands of the Crown attorney. The case has not ended and whatever action is to be taken is still to follow. So let his mind be disabused of that. On the other question he asked, I do not think that you can run a police force with any semblance of discipline or efficiency if the members of the force, when they have grievances, can take to the newspapers and publish letters complaining about the situation of the force on which they are members. I do not think you can run a police force that way.

There are channels through which they make their complaints and that is the proper way to go. It becomes an offence under The Police Act or regulations which are part of The Police Act, to go to the press and start talking about the force of which you are a member, while you are a member of it.

I do not think you can condone that and conduct a proper police administration. But the main thing here is that there was an enquiry by the Ontario police commission; there was a report made—it was made to the Brantford Board of Police Commissioners. It

is for their action, if they see fit, to make certain portions of it or all of it public. That is their affair.

Certain recommendations were made in that report; some of these have been carried out. The serious offence which was charged is being investigated and is still being investigated and until it is disposed of, the matter is not at an end.

Mr. Makarchuk: Mr. Chairman, I agree a lot with what the Minister says, that the case has not ended and I am glad to hear that it is going on. What I am concerned about is the fact that this matter was raised, was brought to the attention of the Ontario police commission and nothing was done about it until such time as the officer—this is Constable Stockdale—went to the local Crown attorney and related the details. He immediately phoned your director of public prosecutions and then you started the investigation. Now where was the Ontario police commission? If they heard an incident of this nature related to them—and according to the constables this was related to the police commission—why was no action taken by the police commission? Now, again the matter of—

Mr. J. E. Bullbrook (Sarnia): The answer to that is—

Hon. Mr. Wishart: Matters come up to the Ontario police commission in a certain way. There have to be rules by which we act and by which these procedures are taken and the procedures which are to be followed are set forth.

The Ontario police commission does, of its own initiative, take off and start investigating a police force. When the matter has been brought to their attention by the chief or by the board of police commissioners or by some person who has, under the procedures, a right to bring the matter to their attention, they move into action This is the way things must be or there would be no order whatsoever.

Mr. Makarchuk: Surely, Mr. Minister, in this particular case they did not need any inspiration from anybody else? This is a rather serious matter that was laid before the police commission by the two constables in the investigation, and here I am—

Hon. Mr. Wishart: A court does not take off on its own initiative. It tries a case when it comes before it by the rules that are laid down in The Judicial Act or the Criminal Code or however the procedures are set forth. Then it makes its investigation and it hears the evidence. It hears the arguments, it hears the submissions on both sides. The court does not move of its own inspiration, but the police commission—

Interjections by hon. members.

Hon. Mr. Wishart: The police commission has certain qualities and powers which are similar to those of the court. It has certain judicial functions and there are certain procedures by which you approach the police commission and make your case before them and ask for an investigation. It does not become inspired to go off on its own initiative.

Mr. Bullbrook: If I might, Mr. Chairman, as somebody sitting in this House who is becoming very interested in this matter; give us the chronology of this. Tell us what happens, because if there was a complaint lodged with the Ontario police commission by two police constables, in connection with the conduct of a police force, I want to know of the validity of the Attorney General's statement, that they do not really have any responsibility to initiate — to shake their heads—

Hon. Mr. Wishart: I did not say that.

Mr. Bullbrook: All right, perhaps I paraphrased you improperly.

So we understand each other: there is an investigatory responsibility as well as quasi-judicial responsibility. Part of the problem that we face in this House is the fact that we wonder whether they should be vested with both responsibilities. That is neither here nor there at the moment. Please give us, if you would, either, through the member for Brantford, Mr. Chairman, or through the Attorney General, the chronology of this. I am very interested right now.

Hon. Mr. Wishart: That is what I was about to ask for.

If I knew the chronology, if the hon. member could say who went to the police commission and the chronology of the events. They have an investigative capacity and as I say things must come up to them, they must be reported to them in a certain reasonable way—and I do not know the chronology.

Mr. Bullbrook: I am sorry, Mr. Chairman.

The hon member for Brantford alleges a complaint was lodged by two officers—am I correct, sir?—of the police department, in connection with the general conduct of that police department, with the Ontario police

commission. What he is saying in effect is that there was no response to that initiative by the two police officers. I am interested in two things.

One: is it your opinion that they had no right to lodge the complaint; and second: should there have been a response; and, frankly, third, you brought up the question—when was there really a response in connection with this whole matter?

I think this is very interesting.

Mr. Makarchuk: Just for the record, Mr. Chairman, it should be noted that the investigation of the allegations was made between February 17, 1969, and April 23, 1969, by the Ontario police commission. A report was submitted to the Brantford board of police commissioners on May 6, 1969, and by September 12, 1969, this is June, July, August, at least three months later—absolutely nothing was done about this matter.

It was only then that this matter was raised by the two policemen in the paper and for raising the matter they were suspended and, naturally, will have to face trial. What I want to know is just where, when and how much time do the members of the police commission require before they initiate some action?

The other point I want to stress is the fact that nobody attempted to initiate some action, or nobody I know of. Maybe the Minister has some information, but the only action there was, was initiated when the policeman himself after he was suspended, went to the Crown attorney and related the tale again. The Crown attorney said he did not know anything about it and he called the director of public prosecutions.

Hon. Mr. Wishart: I think the hon. member recites reasonably well the chronology and complaints of sometime in February this year. On the report made in May by the Ontario police commission, he says "Absolutely nothing was done."

I do not think it is quite fair to say that. There have been certain recommendations adopted from that report and I recited to him that the Crown attorney has the matter under study with the assistance of the criminal investigation branch as to what should be done in the way of prosecution, charges. Now that is not to say that "absolutely nothing was done," and the chronology indicates that there was very prompt action. But I would think, on the general question asked by the hon. member for Sarnia, when a certain complaint comes up to the Ontario police commission, they have to weigh the validity of that complaint, the weight that should be given to it. And I would think that they would perhaps direct the matter back to the police chief, or through the local board of police commissioners, which would be their primary body to know of the matter, to study it.

Then, if it is persisted in, and it becomes a matter of whether serious weight should be given to these allegations and evidence indicates they have validity, then the matter becomes a serious matter and the board of the Ontario police commission takes it under consideration, conducts an investigation, makes a report, makes recommendations, and reports to the Brantford board of police commissioners which, in this case, said: "We want you to investigate this matter".

So I really do not quite seize upon what we are, where our differences lay here and our discussion.

Mr. Makarchuk: Am I to take from that statement, Mr. Minister, that the Ontario police commission did inform the Brantford board of police commissioners that this was a matter that had to be investigated and that they should pursue this matter further? Is that correct? Did the Ontario police commission make that suggestion, that recommendation, to the Brantford board?

Hon. Mr. Wishart: No, I do not think that is correct. I do not think it came down from the Ontario police commission to the Brantford board of police commissioners that the matter had to be investigated. I do not know exactly, but I would presume it came the other way, up to the Ontario police commission with a request for investigation. That is the way I would think it would have proceeded.

Mr. Makarchuk: One of the other problems, is the fact that the report agreed that there were problems on the police force, of morale, and so on. And, of course, you and the police commission, the Ontario police commission, are to an extent, according to the statement in the estimates and everywhere else, responsible for the efficiency and operation of various police forces in the province.

Now, obviously in the Brantford situation, it is not the indescribable supernatural that is running the police force. There must be people in there who are operating this police force and have been responsible for the problems that have developed in the police force.

Nowhere in the published version of the

report is there any statement attributing the problems on the Brantford police force to anybody. This may have been carried within the report itself and not published. Would the Minister indicate if this is correct?

Hon. Mr. Wishart: I do not know, I do not know. It would not necessarily be that they would pick out an individual; it could be that certain officers, certain members of the force, by their conduct, brought about a situation which needed investigation, which brought about a situation on the force, lowered morale, reduced discipline. I do not know whether the report points the finger, puts blame on any individual.

Mr. Makarchuk: Is not this one of the responsibilities of the Ontario police commission?

Hon. Mr. Wishart: Yes, it is, Mr. Chairman. Let me say it is and the Ontario police commission made a report to the Brantford board of police commissioners. The hon. member is asking me to say in detail what the report said. I say to him, I do not know.

Mr. Sargent: Is this on the same point, Mr. Chairman?

Mr. Makarchuk: Is this on the same point about police commissions?

Mr. Sargent: I have had a bellyful of Brantford police right now.

Mr. Makarchuk: I may add that a lot of people in Brantford feel exactly as you do. The only other point I wish to raise, Mr. Chairman, is what is a policeman supposed to do when he finds himself in a situation similar to what the policemen found themselves in in Brantford? Where they tried through normal channels to bring about some changes, some investigation in the police department, and they were blocked in every way and nothing was being done about it until such time as they resorted to a public measure. I considered the letters very reasonable. They did not go out on a limb, they did not make wild accusations or anything of this nature. And for their problems, for their troubles, what I consider their duties as citizens, they get charged, and of course they will be tried by, now not the police chief, which change I am glad to see, but by the Brantford board of police commissioners.

I would like to know what the policemen are supposed to do in a situation like that. Do they not have any rights, are they not citizens of this nation? Are you trying to make them something else—second class, third class, or something?

Hon. Mr. Wishart: They have citizens' rights, of course, but by reason of the fact that they accept the employment of the police force, which has certain disciplines and certain rules, they must obey. As they serve as members of that force, they must obey those rules. And if they break them they are not doing their duty, they are not carrying out their obligations. If they have a complaint they go to the chief.

Mr. Makarchuk: Well, this is what they have done in this case.

Hon. Mr. Wishart: All right, if he does nothing, if he ignores the complaint, they go to their own board of police commissioners.

Mr. Makarchuk: Nothing happened there.

Hon. Mr. Wishart: And if nothing happens they go, and I understand they did, to the Ontario police commission. Which in this case then conducted an enquiry and reported to the board of police commissioners of Brantford.

Mr. Makarchuk: And still nothing happened.

Hon. Mr. Wishart: And you say that nothing has happened, I do not think that is quite correct.

Mr. Makarchuk: Well, Mr. Chairman, there may have been some enquiries. A set of rules—

Mr. Chairman: The hon. Minister has the floor.

Hon. Mr. Wishart: At least this is happening; a criminal investigation is being carried forward under the Crown attorney and the criminal investigation branch.

Mr. Bullbrook: Mr. Chairman, might I continue in connection with this line, with the indulgence of my colleagues? Was this, Mr. Attorney General, through the Chairman, just what happened here? Was this an investigation under Section 49 of The Police Act? And if it was not, why was it not? Was this just an informal arrangement? If there was an investigation, it would seem to me, having regard to what was said by the hon. member for Brantford, that this moment in connection with this total picture, you might well have been in the picture.

The first question that I would like a response to, is: Did you order an investigation under Section 49 of The Police Act?

Hon. Mr. Wishart: No, this was an investigation made at the request of the municipal administration of the police. I did not order it. That is the first question and the first answer. Perhaps, although I am not asked this, I might point out that these men who brought their grievance forward were refused support by the police association, who refused to condone their action and the publicity—

Mr. Makarchuk: That is another point, Mr. Chairman, that can be argued as well.

Hon. Mr. Wishart: They were not supported by their own—

Mr. Makarchuk: They supported them before the report—every one of them.

Hon. Mr. Wishart: They have not been supported by the police association.

Mr. Makarchuk: Well, you got to them.

Hon. Mr. Wishart: Nobody gets to the police association, I am quite sure. They are a pretty independent body. They did not support the actions of these men.

Mr. Bullbrook: Well now, let me ask the hon. Minister this if I might, without unduly wasting the time of the House; because I do not think this is waste, really, I am interested in the internal aspect of a situation of this nature.

You say that there was no request by the municipality. As I read section 49, very quickly, you can act on a request from a municipality, but concurrent therewith you have certain responsibilities as the Attorney General. The other investigations, which are the entitlement of the Ontario police commission, are what you would call an in-house arrangement. Now, am I given to understand that during the currency of this total matter involving the Brantford police force, none of this was transmitted to you, and you did not see fit to order an appropriate statutory investigation under section 49? I am very interested in this.

Hon. Mr. Wishart: Mr. Chairman, section 48 of The Police Act—

Mr. Bullbroook: I am sorry, I apologize—48.

Hon. Mr. Wishart: This is the section which provides that the Ontario police commission or any member thereof designated by the chairman may investigate, enquire into, and report to the Attorney General, upon the conduct and performance of duties by any chief constable, other police officer, constable, special constable, or by-law enforcement officer. The administration of the police force, the system of policing any municipality and the police needs of any municipality, all these things.

Then subsection *a*, at the request of the council of any municipality, in which case the municipality, unless the Attorney General otherwise directs, should pay the cost of the investigation, including the cost of reporting and transcribing the evidence.

This request may be made by the municipality. It is usually made by its board of police commissioners through the police commission, and it becomes the municipality's request for the investigation and the Ontario police commission makes the report, in that case, to the municipality.

Mr. Bullbrook: Mr. Chairman, to the Attorney General, and most respectfully, please do not beg the question on this. Here we have a matter that was discussed in this legislature, that was almost provincially-wide addressed to you by the press. There is the very section of the Act that envisages your involvement as chief law enforcement officer.

I would respectfully request the information, without equivocation, and I do not give two hoots whether the municipality ask you or not, did the Ontario police commission advise the Attorney General of the complaints of the two officers in connection with the conduct of the Brantford police department? Did the Attorney General, having regard for section 48 of The Police Act, request the investigation?

Was there a report given to the Attorney General concurrent with the investigation? Collaterally, was there a report given to the municipal council concurrent with the subsection 3 of that section?

I want to know if that was done, and if it was not done, I want to know why it was not done.

This to me, and the reason I rise at this late hour, becomes absolutely fundamental and completely germane to so many debates in this Legislature, and that is, who runs the police forces in Ontario? We want to know.

Is it the Ontario police commission without redress, or in consortium with the Attorney General, or is it not?

I listened to the hon. member for Brantford and I must say, and I say it most respectfully, I was not that concerned. But the fact of the matter is that this matter propels itself into involvement by all of us. I am now most interested in this question.

Were you involved? Were you asked to be involved? What did you do? Did you order an investigation? Did they report to you? Did they report to the municipality? Five very important things that really translate themselves as to whether the Minister runs the police of this province or somebody runs it not directly responsible to us as the people.

Hon. Mr. Wishart: Mr. Chairman, I have already answered the hon. member that the request was made by the municipality, which is quite the proper way to proceed under this section 48. I cannot tell him standing here the date when matters came to my attention. I did not order the Ontario police commission to conduct the investigation. They had the right and the duty and the responsibility to conduct it under section 48. I assume that I have a report on file but this is not—

Mr. Bullbrook: Excuse me for a moment, on a point of order. Did you say they have a right to conduct an investigation on this without your request?

Hon. Mr. Wishart: Yes. "The Ontario police commission, designated by the chairman, may investigate, enquire into and report"—that is section 48.

Mr. Bullbrook: Is the Minister reading the same section I am?

Hon. Mr. Wishart: Section 48.

Mr. Bullbrook: Right: "The Attorney General may request"—?

Hon. Mr. Wishart: It reads:

> The Ontario police commission, or any member thereof, designated by the chairman, may investigate, enquire into and report on the conduct and performance of duty of any chief constable—

Mr. Bullbrook: Upon your request?

Hon. Mr. Wishart: Then subsection *a*, "at the request of the council of any municipality."

Mr. Bullbrook: Right!

Hon. Mr. Wishart: To continue:

> In which case the municipality, unless the Attorney General otherwise directs, shall pay the cost of the investigation including the cost of reporting and transcribing the evidence, or without the request of the council of the municipality—

Mr. Bullbrook: Right!

Hon. Mr. Wishart: Continuing again:

> —in which case the costs shall be paid out of the Consolidated Revenue Fund.

So they may investigate at the request of the municipality—and report to the municipality and file a report to the Attorney General. They get dates, and as to when the matter first came to my attention I would have to look at my files. I cannot tell the hon. member more than that standing here at this moment.

But the Ontario police commission is a body designed as the result of much discussion and debate in this House, of seven or eight years ago, as a result of enquiries which resulted in the Roach enquiry, the MacDonald report and the Roach report, to conduct police investigations and to keep them away from the political arm.

Mr. Bullbrook: The Minister keeps saying this—

Hon. Mr. Wishart: I know that is what I say, and that is what is so.

Mr. Bullbrook: It bubbles in my blood when you say this.

Hon. Mr. Wishart: Well you were not here, nor was I.

Mr. Bullbrook: All right. What is wrong with politics?

Hon. Mr. Wishart: You may read *Hansard* and find out what I say is so.

Mr. Sargent: I was there and it is all—

Hon. Mr. Wishart: Yes, and you know that they said get the police out of politics, and that is what they did.

In this House again, in June of this year, just before adjournment, members of this House said to the Attorney General, and said to the House, "Will you take some authority, will you assume some authority for the conduct." And it was agreed that we should and those are things we are doing.

But this Act, this section was not changed. I recognize that the sentiment of this House and of the public has come to the point where the Attorney General is expected to be the member of government responsible for police,

to report to the House and to be a member of the government assuming and taking that responsibility, which I accept.

Mr. Bullbrook: If I might say, one does not regard this as a victory, sir. I certainly do not. I am glad to see that you and I are congealed in our attitude as to the responsibility of that high office that you hold. I am really attracted to what you have just said. But when you talk about that section, really, it is completely red herring.

You talk about the request of the council of the municipality; that is nothing but a reference to the most archaic aspect of things. Because, let us face it, the majority of the municipalities that you are involved with have boards of police commissioners, or commissioners of police, really.

The councils of the municipalities are not involved at all in the direction of the police forces, except to appropriate, ultimately, the funds to carry on their conduct. The point I attempted to make, but you have answered it really in your final conclusion, was my main concern. That is, that you are the chief law enforcement officer and that you are responsible to the people through this Legislature in connection with all aspects of the police function, because we are—

Hon. Mr. Wishart: All aspects except two.

Mr. Bullbrook: Except—all right go ahead.

Hon. Mr. Wishart: Except two, and these I will always leave. When I came to this House this Act had been written as a result of the debate that I have mentioned. I have always said that although the commissioners of a force must report through the Ontario police commission to the Attorney General and also the police commission itself—although this Act does not say this at the moment we made some progress toward that position in June of this year—I have always maintained that whatever authority, whatever responsibility, is to be asserted by the Attorney General, the political finger of no member and no Minister shall reach the police in matters of recruitment or promotion.

Mr. Bullbrook: Fine, sir. If I might, Mr. Chairman, I want to close in this connection, because really the thrust of my argument has borne fruit and I say this in due humility.

But the fact of the matter is—I must say this and I said it before in this House—the Attorney General from time to time talks about, and so do members of boards of commissioners of police, the political implications of their offices, "We cannot have political intrusion upon us."

I recalled last May that we as politicians are doing nothing more than serving the people and really caring for their needs. And there is some type of repugnance that the Attorney General sees in the word "politics". I see none of it myself. Partisanship, yes. The reflection of individual rules and attitudes, yes.

But in the general aspect of political responsibility, in the true and literal interpretation of the word, I see no repugnance.

But I close in saying that this has been a worthwhile debate, because I think really we have come together.

Mr. Sargent: Mr. Chairman, on the remarks of my colleague from Sarnia and the member for Brantford, these are the nuts and bolts of the things that happen, to give the growing belief—

Interjections by hon. members.

Mr. Sargent: —to give the growing belief that we, the electors, really elected officials, have very little to say in what goes on in the administration of the law enofrcement of the province.

As we all know, in reading the American press, there is a growing fear in America that the new force taking over and running the American cities—that anyone running for mayor who has not got the support, or the rapport with the police department, cannot be elected mayor. That is in any major city of America. I have a growing fear that this is the case in the province of Ontario.

Mr. Sopha: Los Angeles?

Mr. Sargent: Cleveland, the mayor of New York, right across the whole bit—it is an accepted fact in America today. I think that we are not, Mr. Minister, beyond doing this, we are very close to it, at this level. I asked you last week about the fact that people in Don jail had not access to legal aid and you very definitely said this was not true—that they get all kinds of access. You yourself said that this was not a fact. But in fact 70 people were in Don jail in the heat of the summer—because they could not get bail or access to legal aid.

Hon. Mr. Wishart: No—not legal aid.

Mr. Sargent: You always have some way, since you have taken over—the government has a smooth approach to this. The bombastic

Attorney General before you laid a lot of eggs, and they brought you in now to smooth over the things and give us a snow job on the whole course.

I watched this thing with alarm; that you can get up there and you can say: "Well, we will look into this. So this is not a fact—and we do not know whether it is a fact." We find, as things develop, that you are giving us a bit of a snow job on the whole bit.

Because of the respect we hold you in, sir, you can get away with this thing, because you think that we can just take this for granted. That your word is always true. You can smooth things over, or you can twist them around if the fact is not there. You are misleading us. But the fact is that you are giving us a snow job—

Mr. J. W. Snow (Halton East): Would the hon. member refrain from using my name?

Mr. Sargent: Now, just a moment. Do not give me any of your smart stuff. This is important to the people I represent. I see what is happening to law and order in this province, and more important than anything else—

Hon. Mr. Wishart: Would the hon. member permit me to say just one thing—

Mr. Sargent: Yes, sir.

Hon. Mr. Wishart: I do not want him to have any reason to doubt my word, but he does seem to mistate what I said. I did say last week, that nobody in the jail, nobody in any jail in this province, is denied legal aid. But it is wrong to confuse that with the fact that these 70 persons were in jail for the summer months, because they could not raise the bail.

Mr. Sopha: Well, they were not getting much legal aid—

Hon. Mr. Wishart: You may have a lawyer. But the lawyer does not put up bail for you—the hon. member knows that. Now they had counsel and there was no—

Mr. Sopha: Well, the lawyer was not looking for a JP either.

Hon. Mr. Wishart: If the hon. member for Sudbury will allow me to disabuse the mind of the hon. member for Grey Bruce—

Mr. Sopha: I do not want you to confuse him.

Hon. Mr. Wishart: But I think the hon. member for Sudbury quite well knows that having counsel is one thing. Being able to get bail is another. He has had clients who are in custody awaiting bail, and I am sure he did not always put it up out of his own pocket.

Mr. Sopha: No. But it got a JP out of bed.

Hon. Mr. Wishart: There are many times when the accused cannot raise bail in front of any justice. Now I just want the hon. member from Grey Bruce to know that what I said was that nobody confined to custody is denied legal aid, and that is a different thing from being in jail because you cannot raise bail—

Mr. Sargent: Mr. Chairman, the Attorney General has pinpointed a phrase. That the whole piece I put to you was this: that many people—and I have been in Don jail, I go there quite often, I talk to people—

Hon. Mr. Wishart: I do too—

Mr. Sargent: Not as a customer. Not as an inmate. I could have been. I mean I am not any better than anybody else. I could have been there as an inmate. I do not say I could not have been. But I do say this, that these fellows in there—the staff, the part time psychiatrists, people I talk to, say these things happen.

But the Attorney General and the Minister of Correctional Services always have denied it. They say that this man does not know what he is talking about; and a lot of things I do not. But on this occasion, my feeling is, Mr. Minister, you are not giving it to us straight in this incident.

For instance, I have asked the Minister many times in this House, if there was such things as a quota system in force on the part of law and enforcement offices across the province. He said no way is there any quota system where officers had to get so many arrests, so many tickets, or so many fines, as part of their quota.

You said very definitely this is not part of the pattern in Ontario. Have you said that?

Hon. Mr. Wishart: In so many words, yes.

Mr. Sargent: Yes, you have all right.

Mr. Snow: It is the truth too!

Mr. Sargent: So, Mr. Minister, you said this. Now Constable Sid Brown—he is head of the—now here we go, this man is crazy, too—he does not tell the truth either.

Mr. Sopha: Sure, he is crazy. He is not on the Attorney General's Christmas card list, let me tell you.

Mr. Sargent: Mr. Chairman, a very short capsule on this man's background. He joined the Scarborough police force in 1953, before all the borough forces were amalgamated.

He protested against the traffic ticket quota system as a yardstick for measuring a policeman's diligence. He says that the system always seemed to be victimizing the public, so a policeman could have a good record. He says: "I did not have to write a lot of tickets to prove I was a good policeman." As a reprimand, because he would not go this route, he was transferred to No. 4 District in Cabbagetown where he walked the beat for 28 days, in the leggings of the heavy leather jacket of a traffic officer. He said: "There I was walking the same beat where cops used to warn about hanging around the front of stores."

Numerous policemen have told me in police forces across this province this is part of the game, and the Minister tells me—and this is one instance—this does not happen. How can you be so naive as to be the chief of Ontario law enforcement, and to say this is not a fact of life? We will leave that where it is.

We have in the estimates here a matter of great concern to me which is our freedom, and I have checked these public accounts here and I have seen no reference anywhere to a payout for moneys to purchase electronic surveillance equipment. But we all know that this is part of the framework of the police system in Ontario today, and it is not shown in our records that this equipment has been purchased.

Now somewhere along the line, Mr. Chairman, I think the Minister has to come up and level with us where does he hide these amounts to buy this equipment? That is number one.

Hon. Mr. Wishart: Mr. Chairman, I am sorry and I apologize to the hon. member. I was making some notes and looking at some material when he was speaking. I wonder if he would be good enough just to briefly repeat his question? I did not hear it.

Mr. Sargent: Mr. Chairman, in the courts of Ontario you have ruled on the legality and the admissibility of evidence gathered by electronic surveillance. Right?

Then you must know that this stuff is being purchased by the police of Ontario.

Mr. Peacock: It is not under this vote. It is under 214.

Hon. Mr. Wishart: What is the question?

Mr. Sargent: I would like to know where in the estimates the items or the moneys are, to buy this equipment?

Hon. Mr. Wishart: Mr. Chairman, we are all aware that certain police forces use electronic devices to intercept, to eavesdrop if you like, and get messages, particularly those that they suspect are passing through the criminal elements of our province, and the courts have accepted that evidence on more than one occasion and have said it is admissible.

We have asked the federal government to make a national law which applies to all of Canada, determining the conditions under which police forces, as well as other persons, may use the wire tapping or electronic eavesdropping devices. That legislation, we are told by the Minister of Justice, is in process of preparation; it should soon be available to apply to all of Canada, with the safeguards thrown around, as to whether the police must get the permission of a judge or an Attorney General, or some person in authority.

We do not, as a province, with respect to the municipal forces at least, make any purchase of electronic items. These come under the municipal budgets.

Mr. Sopha: Have they shown you the draft legislation?

Hon. Mr. Wishart: Insofar as the Ontario provincial police are concerned, if they have such items, it would be somewhere in their estimate. I do not have it segregated as a single item and I cannot give the hon. member any better answer than that tonight. If I can get the dollars for that information, I shall.

Mr. Sargent: I would appreciate it very much.

Mr. Sopha: Have they shown you the draft? May I ask the Attorney General—he spoke about the forthcoming legislation and I would like to know, because it is a matter of interest —whether the federal government consulted the provincial Attorneys General about the form of the legislation?

Hon. Mr. Wishart: We have been consulted on quite a number of occasions. We have had discussions as to the principles which we think should be followed. In fact, I think, if I may say so, I was one of the

first to say, some two or two and a half years ago, that we should have legislation in this field and it should be federal.

We have consulted and corresponded with the Minister of Justice on several occasions. I am going to Ottawa on Monday, Tuesday and Wednesday of next week to a constitutional conference and I trust I will have an opportunity, in fact I am sure I shall meet him there, because he will be at the conference and I hope to have another discussion with him on this very subject.

Mr. Singer: You might not have finished your estimates.

Hon. Mr. Wishart: Oh, I think you will let me go for that.

Mr. Singer: Oh, I do not know, you are saying some very provocative things tonight.

Mr. Sargent: I think, Mr. Chairman, it is very important for the people of Ontario to know the area in which this equipment is being used, insofar as in the city of Toronto, Ottawa, the whole scope of the deal, what type of equipment is being used, and how much money the Ontario citizens pay for electronic surveillance, bugging and wire tapping equipment. I would like those figures tomorrow if I could, sir.

Hon. Mr. Wishart: I think perhaps the hon. member has some point, but I would like to suggest to him that if the public are to be protected—and this is the basis upon which I put it—there is always—

Mr. Sargent: That is a matter of opinion.

Hon. Mr. Wishart: All right, this is my opinion. I would like to suggest to him that if the public is to be protected from the criminal, very capable and sophisticated criminal people, well heeled with money, who operate and who are always seeking to invade our society, then you must so equip your police forces so that they are able to cope—

Mr. Sargent: But there are criminals on the police forces too.

Hon. Mr. Wishart: Let me finish. You must so equip your police force that they are able to cope with the criminal people. The amount that we spend, the amount the police forces spend for those items, is a very small item, I will get the details.

Mr. Sargent: Let us have the whole thing.

Mr. Chairman: The hon. member for Sudbury.

Mr. Sopha: Mr. Chairman, there was another very provocative statement made by the Attorney General that bears some pretty searching scrutiny and analysis. Two or three times tonight he said that the Ontario police commission has no powers of initiative or, in fact, ought not to have any powers of initiative in supervising the operation of police forces in Ontario. He made it clear that they act upon complaints, they act upon requests for investigations under section 48. Was that a correct inference? From what he said, I think it is absolutely clear.

I want to ask, what would be wrong, within our system, with the Ontario police commission picking up a copy of the morning newspaper and seeing an item in it, in respect of the efficiency of the operation of police forces, deleterious practices, hints of improper conduct, and thereupon, exercising its own initiative under section 48?

What is wrong with that? That is what I would expect them to do. Do we never learn from history? That is exactly what bothered the murderer of Beckett, about the private army established by his great-grandfather, that is exactly why he started to put the arm on the manorial barons, and that is 900 years ago. Do we never learn?

What are these police forces, a private army, a private enclave in Ontario? I thought, when we constituted this body, that we were setting up an umbrella-like structure that would do exactly that, supervise and attempt to make uniform the operation of police forces in Ontario.

Mr. Singer: That was why we supported it.

Mr. Sopha: When we return to this, I think the House is entitled to a much clearer statement from the chief law officer of the Crown about the function of this body. And if that statute is not worded adequately now, to permit them to go in on their own initiative, then perhaps this Legislature had better reword the statute.

I just want to say, in closing, that in respect of the private armies in Ontario, I may be one of the minority, but I am part of a minority that is getting pretty tired of the legislative pronouncements of the chief of police, the various chiefs of police.

You can hardly pick up a newspaper in this province or country any longer that some chief of police is not telling us what kind of a law we need; you can hardly pick up a paper without reading that they are meeting in some solemn convocation some place and

advocating more stringent laws that will bereave me of my freedom.

If that is the way they want to do things, then perhaps they had better start getting elected and not look upon themselves as a private legislative body, telling us what we ought to do on their behalf.

Hon. Mr. Welch moves the committee of supply rise and report it has come to a certain resolution and ask for leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to a certain resolution, and asks for leave to sit again.

Report agreed to.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, tomorrow we will carry on with these estimates; and then the estimates of The Department of Lands and Forests, to be followed by The Department of Revenue.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:35 o'clock, p.m.

No. 198

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Wednesday, October 29, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, OCTOBER 29, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: Our guests today in the east gallery are students from Royal York collegiate institute, Toronto, and in the west gallery, are students from the Public Service Commission Language School, here in Toronto.

Statements by the Ministry.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I wanted to ask the Premier if there is a co-ordination among the members of his administration in an attempt to curb the pressures of inflation? The question is obviously based not only on the problems that we face in the province, but the fact that in the House of Commons, in the government of Canada, there does seem to be co-ordination in an attempt to ease these pressures, which can only be accomplished by a co-ordination of government policy. I wonder what we have in the province that parallels that?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, the whole Budget, as presented by the Treasurer (Mr. MacNaughton) earlier this year, was directed to the problem of inflation. We certainly indicated in the Budget that government spending was being curtailed. We have, for example, delayed the construction of certain units in our own office building construction programme, here at Queen's Park. The whole Budget was designed to restrain spending in order that we could set an example for other areas of our economy.

Therefore, I would say that we are very aware of the problem and the government, has co-ordinated its efforts, which was the member's specific question. All government spending is co-ordinated, of course, in the Budget. We recognize and our economists have pointed out to us, that public sector spending at the moment, in our country, is so great that it can have a considerable effect on the whole matter of inflation. I have no doubt when the next Budget is brought down, the same policy will be followed.

I have followed the Prime Minister of Canada's remarks with some interest as he approaches this. As I told you, I believe in answer to another question, we have met on several occasions with the committee the federal government established, which is endeavouring to induce voluntary restraints on price increases and wage increases. I have met with them personally, and our senior civil servants have also met with them in order that we may explore this avenue as well.

Mr. Nixon: Might I ask a supplementary question? Does the Prime Minister believe that voluntary restraints are going to accomplish the job as the pressure seems to mount? I am thinking particularly of the agreement with the steel workers and the steel industry in this province, which has indicated that any restraint there, as far as unions are concerned, certainly does not work, and putting on a large increase in the cost of steel indicates that a voluntary restraint there is unworkable as well. Is there anything else that we can turn to that will effectively assist the control of the inflationary pressures?

Hon. Mr. Robarts: It is my own personal opinion that voluntary restraints have little chance of success. On the other hand, I think we must explore every possibility in that area. The two major labour organizations in the country have said that they will not agree to the proposals made by this commission, and I assume that the increase in the price of steel simply follows from the settlements that were made with the union in that particular—

Mr. S. Lewis (Scarborough West): It is in excess of the settlement.

Hon. Mr. Robarts: Of course, the hon. member is bound to say it is in excess of the settlement because his is the party that supports union management, but nonetheless I do not comment on that one way or another. I say that if there are large wage increases, in my humble opinion, the price increases are bound to follow. I do not see how it can be otherwise.

There is some discussion going on presently about extending this beyond the area

of voluntary controls, but the problems involved in governmental control of prices and wages are truly enormous. I would think it will warrant the closest study before one automatically says we are going to attempt to put a freeze on prices, on the prices of all services and on wages.

I could go on, but I would point out that in my humble opinion the ramifications of adopting such a policy are very enormous and I am quite certain would have to be investigated very thoroughly before any action was taken.

Mr. Nixon: Mr. Speaker—

Mr. Speaker: Does any one else have a further supplementary?

Mr. Nixon: A further supplementary, yes. Since any extension of controls beyond the voluntary level would specifically involve the provincial jurisdiction, would not the Premier agree that we should, at least, have a policy in this province, as there should be in other provinces, of using the moral suasion of the Ministry and the Legislature, perhaps through the standing committee, to require justification of these changes, at least with the understanding that there might eventually have to be something more specific involving the power of the state?

Hon. Mr. Robarts: I want to say, Mr. Speaker, that we do use this moral suasion. We use our own example in the Budget, as we pointed out. The whole Budget document was specifically aimed at restraint in government spending. We hoped that in this way we would be able to indicate to other sectors of our society that—

Mr. Nixon: There has been no doubt—

Hon. Mr. Robarts: Now, I would just like to ask the hon. member—I mean if we are going to have a question period—if he is suggesting that this government should set up tribunals before which unions have to come to justify their demands for wage increases, and before which any price increases also have to be justified—

Mr. Lewis: They already do. It is called collective bargaining.

Hon. Mr. Robarts: —and rental increases, and any increase in the price of a meal in a restaurant and in the price of a haircut, and the increase in the price of getting a suit cleaned. Let us really look at this thing in its totality. Is this what the member is suggesting?

Moral suasion, yes, and a real desire on the part of all of us to make the general public aware of the basic dangers of inflation and how their individual actions can have an effect on the whole inflationary problem. But at the moment I cannot say that this government is contemplating the establishment of tribunals before which all these matters would have to be thrashed out before they could be advanced, for instance, in the area of collective bargaining, or in the area of price control.

I am quite certain that a similar dilemma is facing the federal government, if my reading of the reports from the House of Commons is accurate, I think the same dilemma is being faced in the United States and in many other countries.

Mr. Nixon: Mr. Speaker, I assume the Premier's question was not rhetorical.

Hon. Mr. Robarts: No, it was not.

Mr. Nixon: As he has put it to me, I would certainly say—and I have said it in the Legislature before—that while we may not be concerned—

Interjections by hon. members.

Mr. Nixon: What about that, Mr. Speaker?

Mr. Speaker: The hon. leader of the Opposition, of course, was asked a question by the Prime Minister and every member in this House has a right to ask questions of the Ministry. Unfortunately the leader of the Opposition, at the moment, is not in the Ministry. Therefore, it would be my opinion that the leader of the Opposition is not entitled to reply to a question which was asked and which should not be answered.

The member for Scarborough West has a supplementary.

Mr. Lewis: Actually, two short supplementaries, Mr. Speaker, flowing from what the Premier has said. The Premier will surely agree that collective bargaining, particularly the conciliation process, is a form of tribunal. Does he not think that a similar form of tribunal is legitimate in terms of price increases in the public interest?

Hon. Mr. Robarts: I cannot say that I agree with that. I think on collective bargaining, you might by some stretch of the imagination, or by some stretch of the facts, interpret it as being what you suggest. But I do not think it is by a government tribunal or anything similar to it that such matters as, for instance, the effect of a price increase on the

inflationary pressures in the country, are assessed.

Collective bargaining is a matter between the parties concerned, each with an individual interest, and it is part and parcel of our system. But I do not by any stretch of the imagination interpret it as being a tribunal where the economic effect of the price being granted, or some portion of it, would ever be assessed.

Mr. Speaker: The hon. member has a further supplementary?

Mr. Lewis: Another supplementary. In view of the fact that the Prime Minister is pessimistic about voluntary restraint, and this is a divided jurisdiction, when he goes to the federal-provincial conference in 1970, would he commission at this point a White Paper from his government to study this entire field of profits, prices and wages, and enunciate a provincial policy which could be tabled in this House and then taken to the federal-provincial conference?

Hon. Mr. Robarts: I can only say, Mr. Speaker, that in our conduct of the affairs of this government, in the discharge of our responsibilities, these matters are under constant examination and study. I do not think we need to commission a White Paper to be prepared.

Within the government service itself I ask for reports for my own information and for the information of other Ministers concerning the various economic pressures that exist within our economy in all areas. I do not think I would consider it necessary that we commission a White Paper on this matter to be tabled at the federal-provincial conference.

I think the Bank of Canada and the federal government are giving this matter pretty close attention as well. As a matter of fact, I think it is being studied by all the brains in the country. My general reading brings me into various opinions on inflation from banks, trust companies, financial institutions of all kinds. We are all very concerned. There is a wealth of information flowing around.

But I suppose really basically, the philosophic difference is whether we are prepared, in fact, to impose controls. I would just point out that you cannot impose controls on one per cent or two per cent or ten per cent or 50 per cent. If you are going to impose controls you really have to impose controls right across the board.

Mr. Speaker: A supplementary?

Mr. D. M. Deacon (York Centre): In view of the success of the federal inquiry into food prices two years ago, not only in enlightening the public as to the cause of rising food prices, but also in causing some downturn in prices afterwards, would not this type of inquiry be of use in the case of the steel price rises?

Mr. Speaker: Before the hon. Minister answers that, may I point out that that is a type of question that after the first week I will not allow. The preamble is far too long. All the member would need to say is, "Would the Prime Minister not consider the same type if inquiry as that one in Ottawa?"

The hon. Prime Minister has the floor.

Hon. Mr. Robarts: Mr. Speaker, I think it goes far beyond the question of steel. The Steel Company of Canada happened to be involved in the most recent settlement. There are others that will come along shortly, no doubt, and there are others which have preceded it.

To take one particular area such as that I rather doubt would serve much purpose unless you had the basic intent of instituting some form of control. But I would point out —I just forget the formal name of the committee—but the committee appointed by the federal government to deal with the problem of inflation will, I think, have much the effect the member is speaking about.

Sooner or later, a whole host of ideas will be presented to it. As a matter of fact, this discussion today must be based at least in part on its function and I think it will serve the purpose the member mentions, which is to bring to the attention of individuals and people how we are all involved really in this question of inflation.

Mr. Nixon: Mr. Speaker, I wanted to put a question to the Minister responsible for the Liquor Licence Board of Ontario, the Provincial Secretary, and ask what action he is going to take to relieve the intolerable situation in the city of Toronto, that part of it which used to be west Toronto, where by virtue of some long-lost document any liquor outlets are illegal and have been ruled illegal as recently as a day or two ago.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I have noted that particular matter as it has been reported. I must say that I am a bit confused as I read the newspaper reports because I would have thought that a vote taken under section 70 of The

Liquor Control Act would in fact rectify that situation.

There is some reference in the newspaper account that this would not do, and I think perhaps until such time as our legal advisors have had an opportunity to study that judgement, it would be difficult to give any complete answer to the question. But as soon as we have the judgement and can study it, particularly with reference to section 70 of The Liquor Control Act, I will be glad to give the leader of the Opposition a fuller explanation.

Mr. Nixon: The Minister's advisors are looking into this matter at the present time?

Hon. Mr. Welch: That is right.

Mr. Speaker: The member for Humber has a supplementary?

Mr. G. Ben (Humber): Is it not the case, Mr. Speaker, that they went to the court because a plebiscite in the particular area turned down the rescinding of that particular bylaw? And that they approached the court hoping to circumvent the vote by declaring the bylaw null and void because they could not locate a copy?

Hon. Mr. Welch: That is my understanding. The vote supported the retention of the bylaw in its present form, which apparently could not be found—basing this strictly on the reports as I have them. The implication that interests me is a reference to the fact that the judge apparently thought there should be a special Act passed in the Legislature to correct the situation.

Mr. Nixon: Bylaws entrenched in The City of Toronto Act?

Hon. Mr. Welch: Yes, apparently so. So I think that until such time as we have had a chance to see the judge's argument in this regard as to what the legal implications are, I am really not able to give any more information than that. But I can assure you just as soon as I have, I will report back to the House.

Mr. S. Apps (Kingston and the Islands): Mr. Speaker—

Mr. Speaker: Is it a supplementary question?

Mr. Apps: No, this is a new question, Mr. Speaker.

Mr. Speaker: Then it is not the turn of the member for Kingston and the Islands.

Mr. Nixon: Mr. Speaker, I would like to ask the Minister of Health if he can give the House any information on the temporary suspension of the three senior nurses at the Toronto General Hospital, which is presently under investigation.

Hon. T. L. Wells (Minister of Health): Mr. Speaker, the question of the suspension of these three nurses from Toronto General Hospital is a matter between these three people, as employees of that institution, and the management there represented by the administrator and the board of the hospital. Up to this present point, I have had some preliminary discussions with some of these people and I think they are handling it among themselves. I really have nothing more to report to the House on it. It is an internal matter in the institution there.

As I view it, the role of the Minister of Health in this situation is to stand back. Perhaps ultimately I may become involved but my involvement is on behalf of the people of Ontario to be sure that the proper health care is provided in that hospital. Up to this time I have not seen it necessary to be involved in this dispute.

Mr. Nixon: A supplementary question Mr. Speaker: My concern is that in a senior hospital, it is the most important hospital in the province, the senior nursing staff are under suspension. We are concerned that the public have confidence in these facilities as well as the Minister having confidence in them. And I hope that he is keeping a close eye on the circumstances.

Mr. Speaker: Has the leader of the Opposition finished? Does the Minister wish to answer that rhetorical question?

The member for Scarborough West.

Mr. Lewis: Mr. Speaker, when does the Minister of Health intend to amend section 22 of The Health Services Insurance Act to require doctors to accept the OHSIP payment schedule as full payment without any additional billing?

Hon. Mr. Wells: Mr. Speaker, on questions such as this, government policy will be announced at the proper time in this House.

Mr. Lewis: Mr. Speaker, what then did the Minister mean in his replies to Mr. Benson's speech that these matters were under consideration and that they would be shortly forthcoming?

Hon. Mr. Wells: Of course, Mr. Speaker, I meant just exactly what I said. I explained to the press that legislation such as this is always under consideration in our department. Every piece of legislation is an ongoing process. We are always looking at all sections and in the proper course of time government policy will be announced here.

Mr. Speaker: Supplementary?

Mr. H. Peacock (Windsor West): Mr. Speaker, has the Minister given notice under that same section 22 to doctors and other practitioners that they need not give the required notice to patients of their intention to bill more than the 90 per cent in cases of emergency or of obstetrics?

Hon. Mr. Wells: Mr. Speaker, no, we have not given any particular notice. We have talked to certain people, and it has been pointed out to us that there are difficulties in areas of emergency, anaesthetics and areas such as this, in giving the notice. I have asked people to present to me ways to approach this problem. We have not given anybody the right not to adhere to the law. But we recognize that there are difficulties, and this is an area we are looking at.

Mr. Speaker: Supplementary. Has the hon. member for Scarborough West completed his questions? The hon. Minister of Social and Family Services.

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, on Monday last the hon. member for Waterloo North (Mr. Good) asked a question as follows:

> Mr. Speaker, I would be interested to know, my understanding is that the board has already ratified the actions of the executive committee and I am wondering on what information the Minister thinks that the board is now making further enquiry into the dismissals.

This has reference to Saint Monica House, and my reply was as follows:

> Mr. Speaker, the information I have from my people is as late as two hours ago, so that my understanding is that the full board has not passed on the matter. I will check into that and if there is any further information I will be pleased to bring it to the House tomorrow.

The hon. member was quite correct. The full board has passed on the action of the executive committee. Their review is based on what they will do for the future based on their experience in the past and I am still awaiting a full report on the matter.

Mr. Speaker: The hon. member for Humber.

Mr. Ben: I have a question jointly of the Attorney General (Mr. Wishart) and the Minister of Health, Mr. Speaker, arising out of an article in the paper. Will these two Ministers, jointly or separately, ensure that no doctor in this province will leave instructions in a hospital that a dying patient shall not be resuscitated or that no endeavour shall be made to resuscitate a dying patient?

Mr. Speaker: The question was directed to either the Minister of Health or the Attorney General, or both. I would think that either member for the Ministry could answer, or both.

Mr. Ben: Since the matter involves hospitals, Mr. Speaker, perhaps the Minister of Health could take the first bite at it. But the question was this, will the Minister take action to ensure that no doctor in this province will ever cause to be placed on the chart of a patient in a hospital a notation that should the patient have a cardiac arrest, no resuscitation should be attempted?

Hon. Mr. Wells: I do not even think it would be necessary for me to say this, Mr. Speaker. I am sure there is no doctor in this province who would do that, because I am sure that any doctor who did would be called to account before the College of Physicians and Surgeons. I do not think any doctor has the right to write this on any chart.

Mr. Ben: As a supplementary question, is the Minister not aware that in hospitals, as recorded in newspapers, they do make the comments on the charts, "Do not resuscitate", or as in Peterborough, the comment, "Use no Code 4'", which means, do not call the medical nursing team out in case of cardiac arrest. Is the Minister not aware of this?

Hon. Mr. Wells: I have read that report, Mr. Speaker. I would like to have further substantiation of it, but I still stand by my statement that I think that any doctor who would put any notation such as this on a chart would be in very great trouble. Perhaps my legal friends or the Attorney General could comment on this, but the family might even be able to lay a malpractice suit if he did this.

Certainly, in the hospital of which I have been a member of the board, we have gone through particular procedures to teach even the nursing staff special resuscitation procedures. At the Scarborough General everybody has been instructed in resuscitation

procedures. Emergency pacemakers, and all kinds of equipment are there and the rules are that they are to be used on anyone who comes into that hospital or any person in that hospital who needs this equipment; all necessary actions are to be taken. I would certainly think that this is something that should be done in all hospitals. If there is a specific piece of information on one hospital where this has gone on I would be most happy to receive the full information on it.

Mr. Speaker: I think this has been exhausted. The hon. member for High Park (Mr. Shulman).

Mr. Apps: On a point of order, Mr. Speaker, I have been trying to ask a question for some time.

Mr. Speaker: The hon. member will have the next turn for the government, which will be after the New Democratic Party, to ask a question if the time so extends.

Mr. Apps: Mr. Speaker, could you clarify it for me—

Mr. Speaker: Yes, this is taking up question time and I prefer to clarify it when the question period is over, and I will do so. The hon. member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Speaker, I have a question of the Minister of Justice. In view of the statement last night where the Minister admitted ultimate responsibility for police matters in the province of Ontario, will the Minister table the report of the investigation done of the Brantford police?

Hon. A. A. Wishart (Minister of Justice): No, Mr. Speaker, I would not expect to do so. Such reports are prepared for administrative purposes and I would point out to the hon. member that in order to get the full and frank, complete information that is required in such reports of the incidents that may be taking place, or the situation as it obtains, the information is taken on a confidential basis. Police investigators go in, they seek out people who will give them information, and they have to assure them if they give the information that the information is confidential.

First of all, if you did not do that you would not get the information. People will not talk if they are going to be quoted; they will not give the information. If you breach that information you destroy the effectiveness for all time of any further investigation and the investigators will not be able to get the information. This was a matter within The Police Act, for the administration of the police, an inquiry done by the Ontario Police Commission, for the benefit of the Brantford Board of Police Commissioners. But the main reason is that if you disclose that information, you breach a confidence which it is necessary to give in order to get the information. Once you do that you destroy the effectiveness of our investigators in very many areas.

Mr. Speaker: The hon. member has a supplementary?

Mr. Makarchuk: In view of the concern expressed by the Attorney General, would it not be possible to eliminate the names from the report which relate to the various incidents and still table the report so there will be no association between the events listed in the report and the individuals?

Hon. Mr. Wishart: That might be possible, Mr. Speaker. I still say these reports were obtained basically for administrative purposes, for that particular situation, and for the persons who are appointed and elected to conduct the administration of police in Brantford. For them, the report was obtained; to them, it went. The basic reason is you must not destroy the confidential basis on which you can get effective information.

Mr. Speaker: The hon. member for Sarnia has a supplementary?

Mr. J. E. Bullbrook (Sarnia): Not meaning to be argumentative in this connection, Mr. Speaker, is it the purpose of subsection (b) of section 48 of the Act to make it a responsibility of the police commission to report to you because of the fact that you represent the people, and as a result the people of Ontario have a right to know through that section?

Hon. Mr. Wishart: Because the police commission may report to the Attorney General—

Mr. Bullbrook: It has to report to you, sir.

Hon. Mr. Wishart: No.

Mr. Bullbrook: It has to.

Hon. Mr. Wishart: No, "may" report, but even if it had to, I would not take the hon. member's interpretation, although the Act—it is only a request—even if they did, that does not indicate that such reports made to a Minister are necessarily public.

Mr. Bullbrook: Mr. Speaker, by way of a further supplementary to clarify this, because it is a salient—

Mr. Speaker: If the hon. member wishes to ask a supplementary will he do so?

Mr. Bullbrook: If I might. The Minister says it is a matter of request. Is he saying to this House, in effect, that the Attorney General must request an investigation, or that the Attorney General must request a copy of the report?

Hon. Mr. Wishart: I have not got the Act in front of me, but we were discussing it in estimates yesterday. My recollection is fairly recent. The municipality may request an investigation, and it usually does this through its board of police commissioners. The Attorney General may direct or request an investigation, and the Ontario Police Commission could—I think we agreed yesterday—make an investigation on its own if it saw fit to do so.

But we were talking about the necessity, or the advisability of making such a report public, and I was indicating in my answers to the hon. member for Brantford that there are reasons of policy for not doing so.

Mr. Bullbrook: Would the Attorney General answer the question?

Mr. Speaker: Unfortunately the time for the oral question period has now expired.

Hon. Mr. Robarts: Or fortunately.

Mr. Speaker: I would point out to the hon. members, and I would say to the member for Kingston and the Islands, that apparently Mr. Speaker's handwriting is not legible, but the system which has been agreed to operate here is that the questions by the leader of the Opposition's party will be asked first, then by the leader, or acting leader, of the other opposition party, the New Democratic Party, and then a government member, either a Minister answering or a government member asking a question. Then for the rest of the question period, Mr. Speaker will endeavour to divide the time equally among the three parties.

For that reason and because the question period is for the purpose of private members, particularly Opposition members questioning the Ministry, I think it is quite proper that it should start that way. It will always leave the government party as the last one or the third party to be asking a question or answering a question.

So far as I am concerned, any arrangement which the House wishes will be satisfactory to me, but that is the understanding that I have of the arrangement which was made. I think by and large it is fair to everyone. If you will notice today, in the government's turn the hon. Minister had indicated he had an answer, and he gave his answer in the turn for the government party. We went back then to the official Opposition and then to the New Democratic Party, and had time not expired, the hon. member for Kingston and the Islands would have been on the floor.

If there is any advice or assistance which the House, or members of the House, wish to give me now I will be glad to have it. Or if they wish to consult with their caucuses and have the word passed along to me in the normal and proper way either through the party Whips, or the leaders, I will be glad to abide by it.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Speaker, may I suggest—

Mr. Speaker: The hon. member for High Park had the floor first.

Mr. M. Shulman (High Park): On a point of order, sir, in relation to this problem. On Wednesdays and Fridays when there is only one-half hour allotted for the question period it is obvious that most of us who have questions are not going to have an opportunity to ask those questions, if the leaders ask a number of questions and between them use up perhaps 15 or 20 minutes of the hour. May I request, sir—

Mr. V. M. Singer (Downsview): Do away with leaders.

Mr. Shulman: Perhaps the leaders would agree—at the moment there is only one leader here—but perhaps, the leaders—

Interjections by hon. members.

Mr. Shulman: I am referring, of course, to the member for Scarborough West. Perhaps you could limit the leaders to one question each, at least on these days when there is only a half an hour for the question period, so the rest of us would have an opportunity.

Mr. R. G. Hodgson: Mr. Speaker, I submit that an answer to a question is not a question and, therefore, should not be considered as this party's opportunity to ask a question in order. I also submit, sir, that you should perhaps take under advisement the fact that answers to questions should be given at the start of the question period

before the rotation. It might save some difficulty.

I also believe that we in this party, in the government back benches and in the government, should have the opportunity of asking questions. I do not think that it should be interfered with in regard to a question of a previous day being asked by the Opposition. If you are going to delete from the time of any party it should, therefore, be deleted from the party that asked the original question and is receiving the answer, not from the party answering the question.

Mr. Speaker: Well, as we all know, this week is a week of trial and presumably error—

An hon. member: And tribulation.

Mr. Speaker: Every week is tribulation; this is trial and error.

I would say to the hon. member for High Park that my view with respect to the party leaders is that it is a matter for the party caucus to deal with. If the party caucus does not wish the leader to ask many questions then the leader will presumably not do so. If they are satisfied that he should, then I am sure it will be dealt with that way.

I would say to the hon. member for Victoria-Haliburton that of course the Ministry has a large proportion of the time every day because the Ministry must answer the questions, and the government, of course, has more than equal time on the floor of the House during the question period.

I somewhat agree with him with respect to private government members, and I would have no objection at all to dealing with it so that they have their turn. The only problem is that we could run into the difficulty that if we had answers and leaders' questions at the beginning, we might not ever get to any private members' questions.

That is something that needs some consideration, because up to the present time we have only had one reply. But I can see many times when there would be several replies and it would use up a good deal of the time.

May I then make my suggestion strongly again that either the party Whips, and one of them has spoken here today, or the party leaders discuss this and let me know what the House wishes, and most certainly I will be glad to follow it. But until I do have something different from what has already been agreed, I would propose to carry on in the same manner.

Petitions.

Presenting reports.

Mr. E. Dunlop (York-Forest Hill): Mr. Speaker, I beg leave to present the second report of the select committee on election law.

If I may, Mr. Speaker, I should like to point out that it consists entirely of amendments proposed to the first schedule of the committee's report tabled in this House last February. These amendments are entirely administrative in character.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, I now wish to table The Department of Municipal Affairs, 1969 assessment equalization factors and just make a comment about them. These factors for appointment in 1970 are based on the assessment of real property made in the year 1968 for taxation in 1969.

The publication of these factors has been delayed this year because of the necessity to improve the methodology and procedures used in developing these factors. These improvements represent the implementation of one of the recommendations of the Ontario committee on taxation. Specifically, it relates to the recommendation that the various classes of property within a municipality be considered separately in determining the factor appropriate to that municipality.

I should point out that in certain municipalities there is considerable variation between the 1968 and 1969 factors. To some extent, these variations are due to the improvements I have mentioned. The balance reflects the change in real estate values, due in part to inflationary pressures.

Such change, of course, takes place at different rates among municipalities and among the various classes of property within each municipality. This in turn affects the apportionment of education costs and conceivably other shared cost programmes.

Legislation will be introduced which will limit fluctuations in requisitions for education costs resulting from changes in the equalization factor.

Equalization factors, of course, will continue to be a major element in any cost-sharing formula adopted, but the revisions to be introduced will operate to modify and phase in the effect of changes in the factors.

Since section 86(4) of The Secondary Schools and Boards of Education Act establishes November 1 as the final date for filing

appeals in relation to apportionments of school requisitions, and since all of the necessary information is not yet in the hands of municipalities, an amendment to the forementioned section of The Secondary Schools and Boards of Education Act will be introduced extending the time for the filing of appeals in 1969 for the year 1970.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I beg leave to present the 68th annual report of the Ontario Northland Transportation Commission for the year ending December 31, 1968.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 24th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF THE ATTORNEY GENERAL AND MINISTER OF JUSTICE

(concluded)

On vote 211:

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, I would like to carry on with the Attorney General (Mr. Wishart) the discussion that was taking place during the question period and which was terminated by the time expiry. That is the question of the Ontario Police Commission investigation and subsequent report to the Attorney General.

In this connection, I must say I am burdened unfortunately, and perhaps the Attorney General would indulge me so that we do not waste the time of the House. I do not have an up-to-date copy of The Police Act and there are very few people in this province who do. I understand the problem is that there have been so many amendments to it.

I want first to clarify my reading of the statute as I see it, the present intention and purport of the statute. Might I say this, that the municipal council, I agree, has the right to request an investigation. I suggest that we clarified that last night, that this is a throwback to the time when the majority of municipalities, in connection with their peace, order and local good government, were controlled by committees of the council.. I suggest that the intention of that subsection of the section connotes the existence of a committee of council—not necessarily, but I think the Attorney General might agree with this. But the fact is, as I have read the statute, as I believe the statute to be, at one time the investigatory power under section 48 of the Act required, "the initiative of the Attorney General", I think it said, or "at the request of the Attorney General the Ontario Police Commission", and so on.

That has been amended so that the initiative can be accepted by the police commission and the initiative can be handled in two ways. Under section 39(b) of the Act, as I mentioned, it can be somewhat of an in-house investigation concurrent with, I say, the administrative operation of the department itself. I suggest to the Attorney General, through the Chairman, that section 48 contemplates an investigation in connection with the functioning of a police force usually as a result of a complaint lodged by an appropriate person and concurrent with the operation of such force. Again I have attempted to obtain a look at this, but my understanding, and the understanding of the hon. member for Brantford, is that the Attorney General agreed last night that the investigation undertaken by the Ontario Police Commission was pursuant to the provisions of section 48 of the Act.

As I understand it, and relative to what we were just saying before the close of the question period, I take the position that the Ontario Police Commission has an obligation to report. I do not say—and I want to clarify this—that the Attorney General has an obligation to report. I am wondering if I might sit down for a moment so that the Attorney General might read to the House the appropriate subsection. I sent for a statute citator, but it has not returned as yet.

Hon. A. A. Wishart (Minister of Justice): Yes, I would be glad to. Perhaps I might read the first subsection and then the obligation to report. Section 48, subsection 1:

> The Ontario Police Commission or any member thereof, designated by the chairman, may investigate, enquire into and report upon the conduct or the performance of duties by any chief of police, other police officer, constable, special constable or bylaw enforcement officer, the administration of any police force, the system of policing in a municipality and the police needs of any municipality,

Subsection (a) is a continuation, with just a comma after the word "municipality":

(a) at the request of the council of any municipality, in which case the municipality, unless the Attorney General otherwise directs, shall pay the cost of the investigation including the cost of reporting and transcribing the evidence, or

(b) without the request of the council of any municipality—

Which gives the initiative to the commission:

—in which case the cost of the investigation including the cost of reporting and transcribing the evidence shall be paid out of the consolidated revenue fund.

I am moving down to subsection 3, in the area about the communication report. It was amended last year. Perhaps the hon. member has it before him. Last year it read:

The report of an investigation made at the request of the council of any municipality shall be communicated by the Attorney General to the council of said municipality.

Last year that was amended to read:

The commission shall communicate its report of an investigation under subsection 1,

(a) to the Attorney General upon his request or if the commission considers this advisable,

(b) to the council or where there is a board, the board of the municipality for which the police force is maintained, upon its request or if the commission considers it advisable, and

(c) to such other persons as the commission considers advisable.

Mr. Bullbrook: All right. I appreciate that, Mr. Chairman; now there is the clarification. So we know that one of two situations presently prevails. We know that the Attorney General has either requested a copy of the report or that the Ontario Police Commission on its own initiative has given him a copy of the report. To my way of thinking, this gets down to the fundamental—and I suspect that I may have used this word before—polarization between my attitude and the attitude of the Attorney General in connection with this present responsibility.

On September 30 of this year, the hon. member for Brantford requested of the Attorney General, information in connection with this report and in reply the Attorney General said, "If I had directed the investigation, that prerogative would be mine, but this is not the case." This is the essence of the matter. I want to phrase this as respectfully as I can, not only to the gentleman who occupies that high office, but to the office itself. In my respectful opinion, Mr. Chairman, this must cease; we must no longer have the Attorney General of this province hiding behind the administrative function, the investigatory function of the Ontario Police Commission.

This is a matter of opinion, but I put forward this opinion. The fact of the matter is, when I see a statute that permits the Attorney General to request information of the Ontario Police Commission, collaterally that statute cries out the words, "The people have a right to know," and again I say this most respectfully. The answer given today to the hon. member for Brantford is not, in my respectful opinion, an adequate one. You cannot justify the hiding of these reports of these public investigations behind the cloak and shadow of a necessity for confidence.

In effect, what you are saying is, "We cannot get the information without confidence." If there was any logic in that proposition then no Crown attorney's department could operate, no police department could operate, nor for that matter, could the courts operate. I suggest that it must be inherent in the administration of justice and the enforcement of the law, that eventually the people have a right to know.

What I want to say to the Attorney General is that I entirely agree with the proposition that the Attorney General has every right to get up in this Legislature and say that a matter is not yet terminated or that it would not be in the public interest, in his opinion, to divulge information which he considers of an existing and present confidential nature. Otherwise, I agree, you could not properly operate. Surely to goodness, because we are members of this Legislature, does not give us the right to publicly exhaust what is going on in the field of police investigation and law enforcement in this province.

We have seen, and I believe colleagues in this House, have voiced within the last two days, significant approval and appreciation of some of the magnificent police work that has been going on in this city and this province over the past several months.

Dealing with the Nelles case, it was an astonishing degree of expedition that resulted in yesterday's plea of guilty by the five men. Without pre-judging in any way the question of the guilt or innocence of the person presently arrested in connection with Constable

Goldsworthy's death, let us suggest that this is tremendous police work. I think as we chastise them we must, at the same time, express our admiration for what they do.

I want it specifically understood that I agree with the concept that, at times, the public does not have a right to know, in the public interest. Had the Attorney General got up today and said the total matter of the investigation of the Brantford police force and collateral matters which might result in the laying of charges, make it impossible for him at this time, to advise us of the contents of that report. I would have accepted it wholeheartedly.

But I, and I think my party, will not accept the attitude of the Attorney General that in some sphere, although he has not used these words, the public does not have a right to know. I think that when the matter of the investigation of the Brantford police department is fully terminated and the Attorney General is able to advise this House that it is fully terminated, then the public of Ontario has a right to know what was wrong with the Brantford police department. And what has been done to rectify the wrong in the Brantford police department.

This is a discretion that we invite you to exercise. But the fact of the matter is that you are the only channel that the millions of people of the province of Ontario have to the enforcement of our laws and the investigation of crime.

I close in saying that that is what I see to be the fundamental distinction—that eventually the people must have a right to know through the office of the Attorney General.

Mr. Chairman: Is the hon. member for Downsview following the same point?

Mr. V. M. Singer (Downsview): It is on the same principle but if the hon. member for Brantford wants to follow on the Brantford police department, go ahead.

Mr. M. Makarchuk (Brantford): Yes, I would like to endorse what the member for Sarnia said, Mr. Chairman. I would like to stress to the Minister the urgency, the concern that exists within Brantford regarding the contents of that police report. In fact, it is not only the concern about the report; but the concern is there about some of the matters that have been brought out in this report.

I think it is incumbent upon the Minister that he is the final, the ultimate, authority in the province regarding police matters. It is incumbent upon him to step in, either one way or another, and try to clarify this matter in the minds of the people of Brantford who are directly and sincerely concerned about it.

I think you, Mr. Minister, are in a position to do this thing. Today, there is at this moment, I would imagine, a hearing going on of the two police officers.

It is a hearing based on a document of which very little is known and which will, either way the hearing goes, still leave in the minds of the people a great deal of concern about whether justice was done in this case or whether it was not done. I think, once again, the Minister is in a position to clarify the situation.

Hon. Mr. Wishart: Mr. Chairman, when I answered the question earlier this afternoon I gave the reasons why I felt the report should not be published. The hon. member for Sarnia has been very definite in the expression of his view and I appreciate it very much. I think, in certain areas we are *ad idem* but I must—and I would not be honest if I did not—clarify one particular point when he uses the expression, "that when the matter is terminated the report should, could then be published".

I did not give that reason because, in my view, that is not a reason. I would not use that. The report—

Mr. Bullbrook: I am not following that. You say—

Hon. Mr. Wishart: It is not a reason for withholding it. The fact that there are charges being considered is not a reason for withholding the publication of the report; the fact that the hearing is going on. It is not the case of the matter not being terminated. Even if it were finished today I would still stand and give the same answer, "It cannot be made public". I want to make that clear.

Mr. S. Lewis (Scarborough West): Why?

Mr. Bullbrook: Why?

Hon. Mr. Wishart: The reason is that this was a police investigation, not just because it was carried on by the Ontario Police Commission, but by police officials, by police officers. It was in the nature of seeking to get information where, as is apparent, we may find it necessary to lay criminal charges. In order to get the confidential information of all the incidents, of all the facts, of all the circumstances, that went into that report,

it was necessary to approach people and say, "What you tell us will be confidential. It will not be made public. It is not for publication."

That is the way police investigations are carried on. So that I said in my earlier remarks today we cannot breach that confidence. It is not just as a matter of not breaching a confidence, although that would be a very serious thing to do; but because you would destroy in future police investigations the very confidence on which you rely in order to get information.

Let me read, if I may, from the newspaper report; this is from the Brantford *Expositor*, of October 3, 1969; it is a letter to the editor headed, "Police union expresses faith in commission". It is written to the newspaper with a note stating that the permission of the police authorities has been given to make this public. It is signed Ralph Almaney, president of the Brantford Police Association. I will not read all of it but it is available for anyone to read. The letter starts off:

> As president of the Brantford Police Association, and on behalf of our executive and membership which includes all police constables in the employ of the city of Brantford, I wish to endeavour to clarify several unfortunate developments which have occurred subsequent to the report prepared by the Ontario Police Commission for the Brantford Police Commission.
>
> Firstly, it should be clearly understood that the request for the publication of the report does not represent the views or wishes of our association as put forth by Constable Stockdale in his letter published in the Brantford *Expositor* on September 12, 1969.
>
> Secondly, our association is satisfied that there is a considerable amount of misunderstanding in the minds of the public as to the purpose of the inquiry and the resulting report, and also as to the reason why the report should not, nor in fact, could not, be made public in its entirety.
>
> In regard to the first point, neither Constable Stockdale nor Constable Lolli sought the permission of our association, prior to the publication of the letters, to ascertain if such represented the views of their fellow officers. Also, I am advised that the permission of the chief of police was not requested prior to publication, an item which is mandatory under The Police Act which regulates all police constables in this province.

That is the part of his letter I would like to read into the record. Then, from the Toronto *Daily Star* of the next day, October 4, they comment upon the Brantford police not backing their colleagues Stockdale and Lolli, but in the course of that article, which appeared on that date, the statement noted:

> —that policemen interviewed by the commission were advised the report was being prepared for the guidance of local commissioners and not for general publication.

This stresses the point I wish to make that in order to get the very information which would dig out the things that were going on in the Brantford police force, police investigators on the commission went to persons—to police constables, to citizens, to others—and said, "We are asked to investigate; we are told there is something wrong. What do you know; what can you tell us. We are not going to make this public. Will you, therefore, on those conditions, give us this information?" And by that means, they got a very full and complete report.

Now, I say that confidence could not be breached, and I say to breach it would destroy the effectiveness of such investigations. I would point out that the report was edited and the submissions, the recommendations, the basic facts in a 12-page edition of the report, were made public so that the public could be aware of what the basic troubles were. But I cannot, I say again, I cannot agree that we should publish this type of report—not just this one, but others of this nature, which we obtain on a confidential basis. They are police investigations of matters which may be criminal, and in this case, of course, there is a further consideration; further study is still going on as to whether charges should be pursued.

Mr. Bullbrook: If you would just permit me for a few moments: I do not intend to continue this much longer, but I want to say two things. First of all, it must be kept in mind that somebody, Mr. Chairman, is going to act upon a report based on information given at the invitation of confidence, perhaps to the adverse or deleterious effect upon somebody else, a report that will not be made public.

Secondly, a 12-page précis of a report, in my opinion is of no benefit to the public. It is a subjective evaluation by whoever did the précis, a report of what the report contained. But the essence of the matter is this, Mr. Chairman. The Attorney General of this

province says that we must, in order to investigate such matters, be able to assure these people that what they tell us is going to be in confidence. You know, there might be some validity for that in the U.S.A. where they have the fifth amendment, but in my respectful opinion there is no validity for it here.

In the province of Ontario, subject to very few restrictions, anybody is compellable as a witness, anybody is compellable, and they must testify. The hon. Minister of Energy and Resources Management wants to say something on this? Surely you have enough trouble of your own now?

Hon. G. A. Kerr (Minister of Energy and Resources Management): I just want to say, not Frank Sinatra.

Mr. Bullbrook, Oh, not Frank Sinatra.

Mr. Singer: Did he draft that bill?

Mr. Bullbrook: But if I might continue on this, I think it is such a serious matter. My point is that we do not afford to any tribunal that I am aware of the right to say to witnesses: "Everything that you tell us is going to be in confidence", because it is fundamental and inherent in our law that a person is compellable to give evidence. That is the purpose of subpoena powers. And we do not have this protection of the fifth amendment where a person may refuse to answer. In our jurisdiction you cannot refuse to answer. You must answer. You can protect yourself by claiming the protection of The Ontario and Canada Evidence Acts.

The essential aspect of it is that the total public at large, therefore, it compellable to do its duty, to give evidence concurrent with a matter of which they have knowledge, and I say to you that in connection with the investigation of the activity of a police force, anybody who has information should be also compellable. You do not have to shroud it in the veil of saying, Mr. Chairman, that anything you tell us will be confidential because you can get them before you if you want to. You have every right to get the information from them. In a court of law you have, and you should also have that right. But you see, in accepting the rights of subpoena, you also have the greater right of public responsibility and scrutiny under the public eye.

So, as I say, I am not going to speak again on this matter as I see it, and I appreciate very much the Attorney General's position. I do not agree with it but I appreciate it very much, but I do not see here, most respectfully again, the fact that you are not really coming to grips with the essential aspect, and that is eventual responsibility to the public.

Hon. Mr. Wishart: Mr. Chairman, just a word. I agree in considerable part again with the hon. member, but I would point out this. True, we have the rules of evidence; true, people could be brought to court or public inquiry to testify and be sworn to tell the truth, and so on. This, however, is an investigation where the people are not under due process, they are not before a court. The police investigator goes to the merchant on the street, and he says: "We are investigating the story of the Brantford police force." If he does not say to that merchant: "If you know something we are not going to publish anything you say," that man will say: " I have nothing to say." He never gets to a court, he never gets to an inquiry, you do not even know he is going to be a witness. The investigator goes to the secretary in the office of the chief. He is not going to tell him anything, perhaps, unless he says: "Whatever you say we keep in confidence." There are dozens of people down the streets of Brantford who could give evidence, who will give evidence, but they are not going to go into court, they are not going to reveal they know anything if they do not want to get into that situation.

Mr. Bullbrook: But they are compellable, sir.

Hon. Mr. Wishart: Not if you do not know they know anything.

Mr. Bullbrook: You can always bring someone in.

Hon. Mr. Wishart: You go to John Brown who runs a store and you say—

Mr. J. L. Brown (Beaches-Woodbine): I beg your pardon?

Mr. Lewis: That is the second time the Minister has done that. What kind of vendetta do you have anyway?

Hon. Mr. Wishart: All right, John Smith.

Mr. Lewis: That is more appropriate. What is he doing out at Hamilton Mountain this afternoon?

Hon. Mr. Wishart: He is not in his seat so I can use him.

And you do not know that he knows anything so you do not get him into court. No, I agree with the hon. member up to a

point, but here there has to be a confidential approach and the undertaking that what was obtained will be held in confidence must be honoured.

Mr. Makarchuk: Mr. Chairman, on this same point: I can see the Minister's concern about the effectiveness of future investigations if information was divulged, but on the other hand we have to consider the consequences of being able to keep information confidential. In this particular case, Mr. Chairman, there are at least two instances where, if they were kept confidential, the matters would not have come to the public.

In the first instance where the report says that communications were placed with the Crown attorney regarding certain criminal actions relating to police officers, the Crown attorney the same day gets up and says: "I did not receive any such information." Now, if this was confidential, as he is saying, this matter would not have become public.

The same with the matter of the break-in at the public utilities commission. If the officers concerned did not come forward themselves and contact the Crown attorney, and then the director of public prosecutions, again this same matter would have been kept under the rug, it would have been swept under.

Hon. Mr. Wishart: No, no. The material that is going to the Crown attorney is going through the Ontario Police Commission, and is being transmitted to him at the direction of the Attorney General.

Mr. Makarchuk: Yes, but up to that point there was nothing being done about it. In fact, the Crown attorney up to the time the officer went into his office did not know anything about the case, or he said he did not know about the case.

Now, regarding the police letter, Mr. Chairman, I would like to read a few excerpts from the Brantford *Expositor* regarding that letter. The headline I would stress is "Another Whitewash Job," and I am not going to read the whole thing, I will just read some excerpts, but if anybody wants it it is available.

An hon. member: Is that an editorial?

Mr. Makarchuk: Yes, it is an editorial of the Brantford *Expositor*.

> It would be a gross error to take at face value the Brantford Police Association's letter to this paper last Friday. Though claiming to clarify aspects of the police situation, the letter distorts or omits important facts and thus presents a misleading picture.
>
> This is proved by checking the letter against a summary commentary on the Ontario Police Commission investigator's report released by the Brantford Board of Police Commissioners.

And it goes on to outline the fact that the letter ignores the evidence, it ignores the reasons for the report, it soft-peddles a lot of things, and I will read another excerpt:

> Before anyone swallows the police association's calculated superficialities, let him consider that the investigators could not have reached their adverse conclusions on morale and other matters if the men on the force, not just the two now suspended, had not given the evidence on which to base the conclusions. It was on their evidence also that the investigators were able to substantiate in whole or in part the basis for some of Lolli's charges.
>
> On this much-overlooked point it is significant that four times the investigators wrote of having reached their conclusions on the evidence of the two constables.
>
> There is no clear evidence that only six months ago the whole force, or a substantial part of it, was critical of some of the chief's administrative actions and methods and so testified—

And this supports the Attorney General:

> —when given protection to speak without fear of reprisals. Now that the men are again under the shadow of muzzling by section 5(c) of The Police Act, a different kind of talk is heard, according to the association, which claims to speak for all the membership.

And as I pointed out yesterday at one point, they were willing to speak in confidence, but because nothing was done, because the establishment took hold in that area, the police were intimidated and manipulated to an extent where they came through with the letter, with a meeting followed by a letter to the paper, which really is not fooling anybody. If you talk to the police constable in Brantford I am sure if there is another investigation and if that confidence was preserved, you would get the same story once again.

Mr. Singer: Mr. Chairman, there has been a certain concern among members of the Opposition about how the time function that we have allocated to the debates is, in fact, going to work. I still have a mass of material here relating to this vote and the subsequent votes. I searched through my files and tried

to assess the importance of the various items that I did plan to raise, and I have come to the conclusion that I am probably only going to put forward one more item, and it is this item which I think is really the most important thing that concerns this province insofar as the role of the Attorney General is concerned. It is, Mr. Chairman, the Attorney General's false assumption that the politician must remain aloof from the control of policemen and police forces.

The Attorney General has stated this many times in a variety of ways and used it as his excuse for not answering, or not interfering, or not explaining, and for not exercising control. He admitted last night—and I think he had to admit because certainly we were going to bring it up—that in June of this year when The Police Act amendments were being reviewed, not substantially in accordance with the original position taken by the Attorney General, the Legislature saw fit to bring about some amendments to the Act which put the Attorney General in a much different position than by his words he seemed to want to be put in.

I listened to him carefully again yesterday and he referred to two Royal commission reports. There was the Campbell report, I think—

Hon. Mr. Wishart: Roach and McDonald.

Mr. Singer: I am sorry, Roach, and a McDonald report. Those are pretty old reports are they not?

I wonder how carefully the Attorney General has read the Ouimet report and its opinion about this, and whether, particularly, he has looked at page 40 where the Ouimet committee selects this quotation, with approval, as its idea of the approach of the politician to the policeman. They quote from the Royal commission on police in London which took place in 1962, and there is just one paragraph here and it is not a long one and I am going to read it:

> The police systems in England, Scotland and Wales are the products of a series of compromises between conflicting principles or ideas. Consequently, in contrast to other public services, such as health and education, the rationale of police service does not rest upon any single defined concept of the public good. Thus, it is to the public good that the police should be strong and effective in preserving law and order, but it is equally to the public good that the police power should be controlled and confined so as not to interfere arbitrarily with personal freedom.
>
> The result is compromise. The police should be powerful, but not oppressive. They should be efficient but not officious; they should form an impartial force in the body politic—

And here is the key line, Mr. Chairman:

> —and yet be subject to a degree of control by persons who are not required to be impartial and who are themselves liable to police supervision.

In plain, simple language that means they must be subject to politicians who are not required to be impartial. Surely, Mr. Chairman, the conclusion there is obvious, and it is the conclusion expressed by this Legislature last June and it is the conclusion that the Attorney General is not prepared to accept lightly, and I say this is wrong. I say that there has to be a responsible Minister here who is responsible for the police forces and does not just say that the Ontario police commission is looking after that, or is going to draft orders and rules and regulations.

Hon. Mr. Wishart: Let me say this—

Mr. Singer: Let me finish, I think we can get this thing through much more—

Hon. Mr. Wishart: Mr. Chairman, on a point of order then.

Mr. Singer: All right, go ahead with your point of order.

Hon. Mr. Wishart: When the hon. member says the Attorney General is not prepared to accept that responsibility, I did accept it in June, and I reiterated my acceptance last night. I certainly do not fly in the face of the responsibility placed upon me by this Legislature. I want to make that clear.

Mr. Singer: If the Attorney General accepted, he accepted in a most peculiar way, because he has not as yet explained what happened in the Nobrega incident and whether the use of firearms by the policeman who caused that incident was in fact a proper use. The public has received no explanation of that, and all the Attorney General has been able to tell us is that to his mind no substantial injustice has been done. I say that is not being responsible.

He has not as yet explained why no action was taken by the Metropolitan Toronto Police Commission against those persons responsible in the John Bennett case, and that, to my

mind, is not being responsible. He has not as yet explained—and I was going to deal with the Shirley Hunter case at some great length —why this series of flagrant injustices was perpetrated upon Shirley Hunter, and I say that is not responsible.

I do not see how the Attorney General can stand in his place and say, "I am accepting the direction of the Legislature", because obviously he is not. I have all sorts of material in this connection, Mr. Chairman. Here is a Toronto newspaper datelined September 2 and the story I have marked is "Sandwich West Police Carry Mace Despite Ontario Police Commission Warning". Is the Attorney General the boss or is he not the boss? What is the answer to that?

He has not as yet explained how certain chiefs of police in this province refused at first instance to tell a committee of the House of Commons the extent to which they employed wiretapping devices, the material that was used, the number of incidents and the basis on which it was authorized. He has not explained that. He has not deigned to answer the suggestions—one of which was repeated again in this morning's paper; it came forward from the Metropolitan Toronto executive committee—about a change in the setup of police commissions. He has not as yet explained the justified suggestion, I say, from Metropolitan Toronto council that the whole setup of the local police commissions be changed so at least, Mr. Chairman, the elected persons—those not impartial people that the English commission referred to, and which reference the Ouimet commission repeated with commendations—so that those elected persons can exercise control over their forces.

To my mind, Mr. Chairman, the day has come when the local police commissions really can be done away with. There is no point in spending hours in discussing the role of the provincial judge on a police commission or the county court judge on a police commission and wondering again how those persons charged with sitting and giving judicial consideration to matters in the courts can separate the possible conflicts that they must face by sitting and trying to run the day-to-day functioning of the police forces. That argument has been made many times and it is so obvious I would have thought it should be apparent to everyone in this province. But this is the system that still continues.

Why do we have a county court judge on the Metropolitan Toronto Police Commission? There is just no answer and there is no excuse for it, Mr. Chairman. It all goes back to the Attorney General's idea that the control of police has to be somehow removed from the elected people, and I say there is not an idea that is more incorrect. Certainly the latest pronouncement, and I think the most authoritative one, is the view expressed by the Ouimet committee. I think that has to be accepted, particularly in light of what this Legislature did last June. The Attorney General is being dragged kicking and screaming into this position.

Hon. Mr. Wishart: No, I am not.

Mr. Singer: Yes, he is. The Attorney General does not kick and scream very loudly when he changes direction, but in effect he is being dragged kicking and screaming, and while he is paying lip service to it he is resisting it at every turn.

Mr. Lewis: He is sort of whiny, rather like Eeyore in "Winnie the Pooh". He has that hangdog look.

Mr. Singer: I think the member for Scarborough West, as usual, has made that point very well.

Mr. Lewis: I really have that sense about him, sort of singing "tiddley pah" as he is walking in the hall.

Hon. Mr. Wishart: I have forgotten those childhood stories.

Mr. Singer: But I say this, sir, I think the elected people in this province, both in this Legislature and on the municipal councils, not only have a right, but have a duty to run their police forces, and you have not given them that right.

So the remedy, Mr. Chairman, is to go back to those people and say to them, "You may run your police force in Metropolitan Toronto by a committee of the Metropolitan council". I can see no useful function at all being achieved by setting up that police commission as a barrier between this Legislature or members of the local council and the police force.

If the people do not like the way their council or their Legislature runs the police forces, then they kick them out. But there is no way to kick out the Metropolitan police commissioners, except the two elected ones in Toronto, the chairman and the one that the council appoints, and this is no good.

The more I hear about the functioning of the Ontario Police Commission—and I listened to the remarks made by my colleague,

the member for Sarnia, and by the hon. member for Brantford—I just wonder really what effective use the Ontario Police Commission is?

They investigate, yes. But the reports we do not get to see. They investigate and the effect of their investigation, we do not even get to feel. Insofar as the Ontario Provincial Police is concerned—and I have said this privately and now I am going to say it publictly—I am quite sure that Eric Silk pays very little, if any, attention to the Ontario Police Commission. He feels he is responsible only to the Attorney General. I think that is enough. I think that is what it should be. If we do not like what the Ontario Provincial Police do, then we can complain to the Ontario Attorney General, not to the Ontario Police Commission. And that is where the responsibility should be.

Now, Mr. Chairman, I have said my piece and I think this is the most important thing that we have to concern ourselves with in the whole question of the relationship of the Attorney General and the people of Ontario. Up to date, he has not been responsible when he sloughs off that responsibility because of the mistaken theory that he has.

The Legislature has reversed that theory. The Ouimet committee leaves no doubt in anybody's mind, and I think the time has come to change the system. If the Attorney General cannot go along with the change, then he should let one of his colleagues take his place, who can accept that change.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I wish to support the stand taken by my deputy leader in regard to the role of police commissions in this province. There is no question that a police force is not effective unless it has the full support and endorsation of the local people. If it does not have an identity through the elected representatives, through a larger commission that does have a close identity day to day with the people, it does not have that support.

You can have the most efficient commission giving very, very fine advice, but if that commission does not have any close identity, and it consists of the same crowd year after year, suspicion builds up in the minds of the public as to whose interests that commission is representing.

It is a great opportunity the police commission or the province has. It can play a role of measuring how well police forces around the province are doing. Leave them with their local autonomy, but measure how well they are all doing.

Go in each year and make an assessment and provide an annual report that people in municipalities can look at and see how well their particular municipality is operating its police force in comparison with others. Make it an open book so they can understand.

In some police forces, maybe they can do a remarkable job with only one policeman for 10,000 people and perhaps spend some of their money in that municipality on recreational programmes and other ways of providing good community activities, so they do not have law enforcement problems. They may not need a large force.

Why should there be a standard set by the provinces of what forces they should have?

Let the results be known to the voters, and then the voters will take the appropriate action. If they do not think the elected representatives who form, in effect, a local police commission are doing an adequate job, they can change them. They can see they are not doing as good a job as perhaps a neighbouring municipality in a comparable situation.

But the Ontario Police Commission has a great opportunity in this way because it does not assume local responsibility, roles that should be kept at a local level. It does not take over and say, "You don't know what you're doing, we'll impose our will upon you."

I know the Attorney General values local autonomy, but I think he does it to such an extent that he refuses to do what he should, which is to go in and evaluate. Going in and looking at how well police forces are operating is not interfering; that is just helping the public know what is going on. The public then can take the appropriate action.

I encourage the hon. Minister to recognize the failure of police commissions, and consists of the same people year after year, to really represent the views of the public in the operation of the police forces, and thus fail to closely identify law enforcement with the people of the municipality concerned.

The Ontario Police Commission has a real opportunity if it would only recognize how local law enforcement agencies can be well operated on a local autonomy basis. But the province can assume the role of letting the local people know how well their law enforcement officers are doing.

Mr. Chairman: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): I do not wish to say any more about the Ontario Police Commission. If any other members wish to carry on with this particular line I might defer my remarks.

Hon. Mr. Wishart: I would like to say a word, Mr. Chairman, on a few of the points and I am not going to labour them greatly. I want to reiterate that I have, I think, made it clear that I accept the responsibility which the Legislature made clear to me in June—that it should be the Attorney General's.

Many of the things that are suggested for the reform of certain police administrations, I agree with. Particularly I am going to refer to Metro because the hon. member for Downsview dealt with that.

I read the article which was on the front page of the *Globe and Mail* this morning. With much of it I could agree—the part-time chairman, possibly; I think almost definitely, the term certain for appointment, and the examination of the duties of police. I am not sure I agree at the moment with three elected persons on a five-man commission.

Mr. Lewis: There we are. What is it all about?

Hon. Mr. Wishart: I am not sure I agree with that. I will tell you why. The point is this. The first time I had an opportunity to see it was in this morning's press. There has been no approach made to me so it does not lie in the mouth of the hon. member for Downsview to say, "He has not accepted it."

Mr. Singer: No, but it is not new.

Mr. Lewis: Well, if you had accepted it you would amend it.

Hon. Mr. Wishart: The council has not made its submission to me.

Mr. Singer: We have made it here many times.

Mr. Lewis: You amend legislation.

Hon. Mr. Wishart: They put it in the press. I presume in due course in their own peculiar style they will come and see me.

Mr. Lewis: They will not come to see you.

Hon. Mr. Wishart: I would like to see them, then.

Mr. Lewis: Would you amend the legislation?

Hon. Mr. Wishart: Yes, I think it is only fair when you are discussing matters of government, and any matter with a large municipality like Metro, that you consult them.

Mr. Singer: Have you never heard of this idea before, like floating airports?

Hon. Mr. Wishart: And if I did not, I know that the hon. member—

Mr. Lewis: Would be the first.

Hon. Mr. Wishart: Would be the first to protest, right?

Mr. Lewis: Right.

Mr. Singer: You have never heard this suggestion before.

Hon. Mr. Wishart: Oh yes, I have heard these suggestions, I have heard them before.

Mr. Lewis: Many times.

Mr. E. W. Martel (Sudbury East): Why not invite them in then, why wait for them to come to you?

Hon. Mr. Wishart: I am sure they will find their way to my office.

Mr. Singer: It did not take your colleague long to bring the county school boards to his office for consultation on The Assessment Act, without any consultations either.

Mr. Lewis: Right, and think of the damage wrought by the Metro Police Commission in the interim. While you wait for an invitation.

Mr. Singer: Yes.

Mr. Lewis: The John Bennetts, the Shirley Hunters, and all the other related cases. Your favourite columnist, Ron Haggart, used to write about them in the *Star*.

Hon. Mr. Wishart: I do not altogether agree with his views, nor those of the member for Scarborough West, that great damage has been wrought—

Mr. Lewis: —against individual members of this society.

Hon. Mr. Wishart: I do not agree with his views. The report which the hon. member for Downsview was reading and the part which he read, said:

> Thus it is for the public good that the police should be strongly effective in preserving law and order and preventing crime, but it is equally to the public good that police powers should be controlled and confined so as not to interfere arbitrarily with personal freedom. The result is compromise.

Mr. Singer: That is right.

Hon. Mr. Wishart: Quoting again:

> The police should be powerful but not oppressive. They should be efficient but not officious. They should—

Mr. Singer: And then it goes on, "be subject to a degree of control by persons who need not be empowered."

Hon. Mr. Wishart: Yes. Let me tell you this when you talk about local autonomy and that the local people should be able to elect the members who run the police force. As the hon. member for York Centre, said, "I believe in local autonomy to the ultimate degree that it can be efficiently carried on."

Forty municipalities in the last few years have moved from their committee of council controlling police, to the board of police commissioners, with the judge, with the elected head of the council and with one member appointed by the government, usually, not as a government representative—not at all as a provincial government representative—but as a representative of the citizens; not an elected person, but a person selected from the citizenry with the head of the council and with the judge. I think the results—you could apply the very words of the Ouimet report to it—the result is a compromise, with control, but with some direction as he says, by people who are themselves liable to supervision.

> The result is compromise. The police should be powerful but not oppressive. They should be efficient but not officious, they should form an impartial part of the body politic—

And here is your police commission:

> —and yet subject to a degree of control by persons who are not required to be impartial.

Mr. Singer: That is the whole point.

Hon. Mr. Wishart: —and who are themselves liable to police supervision.

Mr. Singer: Is the Attorney General kicking and screaming?

Hon. Mr. Wishart: No.

Mr. Singer: He does not want to accept direction from the Legislature, that is the point.

Hon. Mr. Wishart: The Legislature has given no direction about the local board of police commissioners, and 40 municipalities have moved, of recent times, from the committee of council, to the board of police commissioners because they found that local politics was destroying, downgrading and making a mockery of police work in their communities.

Police work goes beyond one single community; it reaches out to others, and there must be the fullest degree of co-operation, and to be efficient, it must have certain qualities. One reason why we have offered to the smaller municipalities that we would take over the police work and relieve them of that responsibility, was for the sake of efficiency and for the sake of making certain that the police work was integrated with other municipalities in this province.

Mr. Singer: That is no answer to the problem I stated. You are just skirting around it.

Hon. Mr. Wishart: I have said that I am quite prepared to consider many of the propositions which I read in the press, that were put forward with Metro council. I would be glad to consider them and perhaps implement them, but I would like, of course, to have their brief and have their submissions and have their reasons. But even in that commission, and let me point out that was a special commission appointed under The Metropolitan Act; it is not a body set up by The Police Act—but in that commission the head was the chairman of Metropolitan Toronto. He is an elected person, do not forget that. He is elected to the council, and from that body, they select their best man, apparently. The chairman of Metropolitan Toronto, an elected official, sits as the head of the police commission. Then you have a member of—

Mr. Singer: As the head of the police force? He sits as a minority member, he is not the head of it.

Hon. Mr. Wishart: He sits as a member; I was thinking of the member being chairman of Metropolitan Toronto. He sits as a member of the police commission and chairman of Metropolitan Toronto. You have a member of the council, another elected person. You have your judicial persons, selected, or appointed by the Lieutenant-Governor-in-Council, and then last year, or the year before, we amended the constitution of that board to enable the Lieutenant-Governor-in-Council to appoint a citizen representative—

Mr. Singer: Yes, we heard about how that one was selected too.

Hon. Mr. Wishart: He sits there—

Mr. Singer: Somebody met him at a cocktail party.

Hon. Mr. Wishart: Oh, no. It is very unfair of the hon. member to say that. We select a citizen of character, capability—

Mr. Singer: I am not saying he is not a man of character, but I suggest that the finding of him was an accident—

Hon. Mr. Wishart: He was selected because—

Mr. Singer: He was a businessman, we know. Somebody met him at a cocktail party.

Mr. Lewis: It was not at a cocktail party, you stuck a pin in the telephone book.

Hon. Mr. Wishart: He was selected because he was a citizen of ability, quality and character, and to say otherwise is a slanderous thing, even in this House.

Mr. Singer: I did not say otherwise, and do not put words in my mouth.

Hon. Mr. Wishart: I do not think the hon. member should say anything in that language. All that I was trying to point out, was that this appointment made by the Lieutenant-Governor-in-Council was an appointment to represent the citizenry. He is a citizen.

Mr. Singer: Then why did we have Nobrega and Bennett and Hunter? If the thing works so well why—

Hon. Mr. Wishart: I merely point out that commission, even that five-man commission, there is a large citizen representation. Three out of five. But I am quite prepared to consider the submissions which were made for exchange and for reform of the way it is constituted.

I am going to deal for a moment with the Hunter matter, although the hon. member did not pursue it, and I appreciate his reason, he felt that perhaps the priorities of the time set for various departments should constrain our time on these estimates. But I think I would like to take a moment.

Following the Hunter matter, I directed that the board of Metropolitan Toronto should conduct an inquiry, and there was some suggestion made that it should be done by the Ontario Police Commission. I felt it was an obligation and responsibility of the Metropolitan Board of Police Commissioners. After discussion, communication by letter and by telephone with the chairman of that board, I wrote to Judge Bick on October 10. I would just like to read two paragraphs from that letter, to show the attitude that we took. I commence by saying to him in my letter:

> I recognize the difficulties which you have pointed out with relation to the conduct of any inquiry into the allegations that were made as a result of the arrest of Mrs. Shirley Hunter. I think we all realize, however, that these allegations have become a matter of public record, regardless of the intentions of the original complainant, and that there is a very real question as to how these allegations may be answered so as to assure the public that what transpired was, in fact, in accordance with reasonable procedures carried out in accordance with the law. While the complainant may be quite content for her own personal reasons to have the matter forgotten and withdrawn, the question must remain as to whether this would serve the best interest of the police force which has been subjected to her allegations and complaints, a bigger question than her point of view.

I continue in the letter:

> It may be possible that after correspondence or discussion with the board the complainant might see fit to give a full and complete statement which could be disclosed and which would be sufficient to allay any continuing concern that the public might have about the nature of the allegations that were contained in the news media. If that were the case, then I would suppose the same news media would have to be familiar with such a procedure and would have to be satisfied that there was such a reversal in position by the complainant. On the other hand, if the reason put forward by the complainant is merely that she does not wish to be put to the embarrassment or trouble of appearing, this would hardly seem to suffice to clear the good name of the police force from the possible stigma which may have attached as a result of the allegations. This is something that, in my view, is so closely associated with the public relations of the force and the individuals concerned, that it must be a matter of personal discretion and decision by the individual members of the board.
>
> I am aware of the various aspects and allegations that some of them involve matters not related to the administration

or operation of the Metropolitan Toronto police force. That is, the jail area. I do feel, however, that these portions of the matter, if the inquiry were undertaken, could be dealt with by the appropriate reference so that the individual department of government or other agency involved could then undertake whatever inquiry and review seemed appropriate when the nature of the allegation has been isolated.

My whole point of view, Mr. Chairman, was that this inquiry was not a matter of the wishes of Shirley Hunter or her embarrassment. She might well have been embarrassed if the facts were known. But that was not to be the criteria for deciding that they should proceed; but that the matter should be investigated so that the procedures might be made known; so the facts under which this woman claims to have been denied certain privileges could be brought out—the condition in which she was found, the state of her mind. I pointed out to the chairman these were not the considerations that should apply, that it was the matter of making sure that the public were made aware that the proper procedures were followed and if they were not followed that there would be correction made in that situation.

But I did not want the hon. member for Downsview particularly to think that we had not followed and directed insofar as we are able under the present law. I made it very firm what my attitude was.

Let me say this, finally. True, the attitude of this Legislature has been made plain and clear; it was different just a year or so before I came to this House, to this office. But it only happened in the last day or the last two days of the Legislature in June of this year that certain responsibility, it was made clear by the House, should be carried by the Attorney General. There has been no opportunity at this moment to make the necessary amendments in The Police Act which will carry that responsibility out in clear and definite language.

Even the Attorney General, when he attempts to talk to police boards, has to live within the law insofar as it goes. There has been no opportunity since we closed here in June of this year to look at the legislation. And there has been no opportunity, as hon. members must surely appreciate, for the Attorney General to change the very Act under which he operates. In some respects this is necessary.

Mr. Singer: Mr. Chairman, the Attorney General has made my point for me; he has completely made my point for me. To the paragraphs he read from his letter I say, "hear, hear", but what happens? What happens, Mr. Chairman, if the Metropolitan Toronto police force, in effect, thumbed its noses at him? They said, "The Attorney General writes us a letter and tells us what he thinks we should do; but who is the Attorney General? We don't have to obey him. There is nothing in the statute that says we have to do it so we are going to carry on in our own merry way".

Hon. Mr. Wishart: We have had no opportunity to change it.

Mr. Singer: All right. Now let me carry on from there. One member of that police commission, not too long ago, answered a request by the Metropolitan Toronto council by saying, in the immortal words of the hon. Minister of Mines (Mr. A. F. Lawrence), "You got no right to know what we do," to the Metropolitan Toronto council. He said that. Now we have the same police commission receiving a letter from the Attorney General. He read it to us, saying "I, the Attorney General of the province of Ontario"—the highest legal officer that we have in the province—"suggest to you"—and this is the diplomatic polite language; the Attorney General is a polite and diplomatic man, he is not going to say "I order you to" or "I demand". When a law enforcement body in the province of Ontario gets a letter from the Attorney General saying "I suggest to you a certain course of action", what stage have we reached when they, in effect, thumb their noses at the chief law officer of the Crown in the province? What other action is there?

The Attorney General says, "I have not had an opportunity to change the legislation."

I will tell you, Mr. Chairman, if I was in that seat and wrote that letter and got that reaction, I may not have had the legislation but I am certain that everyone in the province of Ontario would have heard that the Metropolitan Toronto Police Commission was defying a reasonable, logical and sensible request, and a "request", in parentheses, made by the chief law officer of the Crown. I think it was your duty to establish that even if you did not have the legislation. So let us put on our armour and let us face the Metropolitan Toronto Police Commission; we, the people of Ontario vs. the Metropolitan Toronto Police Commission; that is what it amounts to.

Mr. Lewis: Right.

Mr. Singer: If they thumb their noses at you, it is small wonder the motorcycle gangs thumb their noses at the OPP. It is small wonder that incidents like the Bennett thing happen, or the Sandwich West police continue to carry Mace despite your warning made here in the House. Small wonder, Mr. Chairman, that we suggest that the Attorney General is dragged kicking and screaming into this new approach and really has no heart in carrying out the idea, the message, the instructions that the Legislature gave him.

It is no wonder, Mr. Chairman, and I think this attitude has to change. Otherwise what is the point of having a chief law officer of the Crown in the province, an Attorney General at whom the largest police commission in this province thumbs its nose?

Mr. Lewis: Mr. Chairman, could the Attorney General inform the House of the results of his letter of October 10?

Hon. Mr. Wishart: I was going to say when the hon. member for Downsview, in his usual way, gets up and says "they thumbed their noses, they defied you". The letter was written on October 14; I presume it might have reached the chairman on October 15 or 16.

Mr. Singer: This is October 29, two weeks later.

Hon. Mr. Wishart: This is October 29; I have not had their considered reply, I have not had any communication, but I have not had any defiance; I have not had any nose-thumbing. This has not happened. I am just going to take a moment, if I may, having said that, unless there is something further the member wants in that answer. I have not had a reply, that is the short answer.

Mr. Lewis: I assume that you will move from that to an explanation to the House of what you think the absence of a reply means?

Hon. Mr. Wishart: I think they are probably having a meeting and considering it.

Mr. Lewis: They are considering it? For two weeks?

Hon. Mr. Wishart: I am sure I will get a reply.

Mr. Lewis: Yes, I am sure you will get a reply, too. We could draft it for you now, tell you what its contents will be.

Mr. Chairman: Only one member may have the floor at once.

Hon. Mr. Wishart: Then if it appears defiant you will be entitled to say it is defiant; but not before.

Mr. Pitman: How will we find out?

Hon. Mr. Wishart: I am always willing to report to the Legislature.

Mr. Lewis: Are you following on this same—

Hon. Mr. Wishart: I was going to follow the theme but a new word was raised by the hon. member for Downsview. He mentioned the motorcycle gangs and the defiance there. Much has been made of the Seaforth matter the other day. I had a little further report on that I was going to read.

Mr. Lewis: Before you get on to motorcycle gangs—I know that the two of you are easy riders and I would not want to intrude on it but I would like to come back to this particular incident, Mr. Chairman.

I really do not understand the Attorney General in this field. I wanted to say something because I have had a nagging conscience about an intejection I threw out many months ago when I said that the Metropolitan Toronto Police Commission was morally and intellectually bankrupt. I was called to account very quickly by the member for Downsview and the member for Sudbury (Mr. Sopha). I modified that, knowing that one is inclined to be extreme in interjections, and said that the policies were intellectually and morally bankrupt.

Hon. Mr. Wishart: Same thing.

Mr. Lewis: I was applying it to the function rather than to the person, being a fellow who tries to be moderate in these judgements. Mr. Chairman, I feel that that position has been reinforced very strongly in the events of the last several months, all of which have been trotted out here this afternoon, and which have been alluded to in session after session, in item after item over the last many weeks, press and otherwise.

Mr. Chairman, the Metropolitan Toronto Police Commission does not believe that the Attorney General is worthy of defiance. They do not think that it is worth, in their relationship with him, engaging in the physical act of thumbing their nose.

They think that the only response worthy for the Attorney General is no response at all. They ignore the Attorney General. They ignore him in a way which is such an affront

to the chief law officer of the Crown that it is beyond me how he can absorb it with such equanimity.

I know, sir, that you are a man of great phlegmatism, not easily bestirred to passion or revolt, but if you write a letter to the Metropolitan Toronto Police Commission with the full force of your office, and they do not even reply—

Hon. Mr. Wishart: They will.

Mr. Lewis: —and they do not instigate an investigation.

Mr. Singer: They will now.

Mr. Lewis: You originally said it was October 10. You have now updated it, but it seems to me that in two weeks they do not even condescend to send a note back saying, "Received your letter of October 14 inst., reply forthcoming". They do not even pick up the phone and say, "Arthur, got your letter, will let you know".

They are a completely autonomous outfit. They vie with you for power, in fact, because they exercise power independent of you in matters directly affecting the private lives of citizens, wreaking damage as they go.

I suggest, Mr. Chairman, that we perhaps should have a committee of justice in Ontario. Perhaps the Metropolitan Toronto Police Commission is more appropriate to be described as, the Attorney General meeting in plenary session at their level instituting acts over which the AG has no purview".

Now what happens? Are you the wee, cowering, timorous Attorney General in the face of these assaults by the Metropolitan Toronto Police Commission? The very crunch of the issue is joined again.

It seems to me that the whole position of Attorney General is ridiculed, is in a sense demeaned by these authoritarian oligarchies calling themselves Metropolitan Toronto Police Commissions who have no sense of responsibility to, or direction from, the chief law officer of the Crown. I suggest, Mr. Chairman, that the position is absolutely untenable, and the implications of the position lie in that litany of injustice ranging from Nobrega through Bennett.

It happens session after session and we never get it resolved because, for whatever reason, the Attorney General refuses to take unto himself the majesty of his office. The one Minister who bites off less than he can chew. In this area that is not a particularly commendable position, Mr. Attorney General.

If the actions of the commission had been exemplary your response would be admirable, but because their action has been contemptuous and perverse—and it seems to me you are sitting in this Legislature involved with other public representatives, protecting the public interest—you should have some sense of indignation about it rather than such a sense of apology, of resignation.

You are not, sir, an abject mortal subject to their whims. You have the power and you have the authority, and it is time that it was exercised. We urge you to do so.

Mr. Singer: Mr. Chairman, may I say one more word about time sequence in this—

Mr. Chairman: The Attorney General was on his feet.

Mr. Singer: The Attorney General is going to reply. Let me point this out.

Hon. Mr. Wishart: I would like to do that first.

Mr. Chairman: The hon. Attorney General was on his feet.

Hon. Mr. Wishart: I find it very hard, Mr. Chairman, to reply to wildly extravagant language so passionate apparently that it carried the hon. member away beyond reason altogether. I do not seek power, I will admit that. I exercise power within the limits that are afforded by the legislation under which my Ministry acts, and that in this area is The Police Act.

It gives the Attorney General and Minister of Justice certain powers, and I have not in that Act any clear power at this moment to carry out what was indicated should be the Attorney General's responsibility, which was only indicated, as I said, on, I think, June 19 this year. Within the powers I have, I act. I am not seeking to exert power, or to build a power structure in myself beyond what power I have.

To use extravagant language, well I just cannot reply in the same terms. I can only reply sensibly and thoughtfully and with what I think is reason to the hon. member. Given the opportunity and the time, which certainly hon. members must realize is needed to improve the authority which the House may give in legislation, we can take that opportunity. But for the moment I can only do what I am permitted to do by legislation. The police in this case are governed by those who are subject also to the law.

Mr. Lewis: Right. To reply, I have never assumed that greater substance attached to an argument because it was construed as dispassionately delivered. There can be modicums of judgment in argument however delivered, even if on occasion it is descriptive or florid as opposed to sensible and denuded of adjectives.

Mr. P. D. Lawlor (Lakeshore): Prosaic.

Mr. Lewis: Prosaic? All right.

Mr. Chairman, it is not reasonable, that is the point. It is not reasonable, because it is not reasonable to suggest to this House that the Attorney General only saw a way to a greater exercise of power on June 19 last. If one speaks with feeling about this subject it is only because were time available one could go back into the files over the last five years and raise so many instances of injustice on the floor of this House that you keep us sitting here for six months and never deal adequately with any of them.

The Attorney General would agree, in many instances, with the injustice that was involved, because in terms of this particular police commission, the record is one which is completely reprehensible.

Mr. Chairman, I come back to the interjections that came from this side before in protest. All the suggestions for changing the nature of the commission, and for the exercise of the Attorney General's authority have come over the last several years.

He does not need a delegation from the Metropolitan council to alter The Metropolitan Toronto Act. Heaven knows you have altered that Act often enough without intervention from council. There have been substantive amendments.

Hon. Mr. Wishart: I have only altered it once.

Mr. Lewis: Well, not you. I am saying your colleagues, the government, has made all kinds of amendments to The Metropolitan Toronto Act without soliciting an endless dialogue of UN briefs. You are the people who make the law. You legislate. That argument does not wash.

Ever since you assumed the portfolio of Attorney General you have had it within your power to amend The Metropolitan Toronto Act to allow for justice to be done under your purview in a much more equitable fashion, and you have never once contemplated it because you have, I submit, confused your role.

To suggest that the revaluation occurred on June 19 is hardly a tenable argument in this House, however moderately that may be asserted.

Mr. Singer: Mr. Chairman, listening to the Attorney General and watching his performance is really a fascinating study in human nature. Whenever a point is scored on the Opposition side, the Attorney General says, "I cannot match the extravagant language" of the member for Downsview, the member for Scarborough West, the member for Lakeshore, whoever it is.

Mr. Lewis: Extravagant. You did not say that—

Mr. Singer: The emotional displays put up. You know, Mr. Chairman, the Attorney General would like to paint the picture that someone on this side—someone other than in government—have suggested that he don his black riding boots, take his riding crop, and go out beating the citizens of Ontario over the head, as he marches around with his war medals proudly displayed on his chest.

Mr. Lewis: Are you—

Mr. Singer: Now, Mr. Chairman, this is no excuse—trying to build up the straw man—is no excuse for the lack of action.

Let us look at the time sequence in the Shirley Hunter incident. These articles appeared in the press in August, through September and October—two to two and a half months. What action has been taken by the Attorney General, by the chief officer of the Crown? Two weeks ago he wrote a letter expressing a certain amount of displeasure, and he has not had an answer. I suspect after these debates, or parts of them, see the light in the press tomorrow, you will get an answer reasonably quickly.

But you recall, sir, last evening we were talking about the methods of investigation in the United Kingdom, and I made substantial reference to the inquiry into the collapse of flats at Ronan Point in Canning Town. The day after the incident happened, the responsible Minister in the House of Commons, at Westminster, the Rt. Hon. Antony Greenwood, the Minister of Housing and Local Government, gave the first direction to set up the Royal commission. Five days after that he finalized his instructions, and within two weeks of the incident having occurred, the Royal commission began to investigate.

There is no sense of urgency, Mr. Chairman, in anything that happens in this province, and it seems to me there is less sense of

urgency in anything that happens in relation to the administration of justice, than even occurs in the department concerned with housing.

Surely, Mr. Chairman, one would have reason to expect, and to believe, and to hope that the defender of the civil rights of the people of Ontario, the Attorney General, could get into action in less time than two and a half months—where he expresses in the language he did, the concern of the public about what the police did.

Surely, one would expect that it would not take two and a half months, and an extravagant or elaborate or whatever description of phrases he attached to my remarks—and those of the member for Scarborough West—that kind of debate in the Legislature, until finally we begin to move.

If they can move in the United Kingdom, why can you not move here? That is why, Mr. Chairman, we seriously call into question the real desire for the Attorney General to pursue these matters, so that the public who have a right to know can be satisfied, not only that justice is being done, but that it appears to be done.

Hon. Mr. Wishart: Mr. Chairman, I find it always necessary, it seems, to get up after the hon. member for Downsview because he gets on the record statements which do not give a correct statement of the fact. He says the Attorney General did nothing from August 15 to October 10.

Mr. Singer: If he did something, he has not told us about it.

Hon. Mr. Wishart: I could go into detail. Perhaps I might just add that in the Shirley Hunter case the first action—the first letter that was written was written by myself, on August 29, and that was within a very short order of the Shirley Hunter report.

Mr. Singer: Maybe, Mr. Chairman we should have all the correspondence on the record. Let us hear it.

Hon. Mr. Wishart: I will read this one at least: to His Honour C. O. Bick, a letter dated August 29, 1969:

RE: MRS. SHIRLEY HUNTER

Dear Mr. Chairman:

I note from the *Globe and Mail* of even date herewith that the Metropolitan Toronto Police Commissioner will be holding a public hearing into the jailing of Mrs. Shirley Hunter, a North York woman.

You can well understand this case has given me considerable concern; and, accordingly, I am gratified at the prompt and deliberate action of the commissioner in calling a public inquiry.

Mr. Singer: It was called, but never happened.

Hon. Mr. Wishart: Continuing to quote:

I anticipate that you will keep me fully informed as to the proceedings of the hearing, and the report that is made as a result thereof. I expect that your inquiry will be full and complete, and I will be appraised of all the facts ascertained therein.

Yours truly,

Mr. Chairman, there is a considerable file of further correspondence—a letter I read earlier this afternoon, in the course of the discussion of these estimates, was the last letter—and I might point out that that letter was written because I was made aware by the chairman that this matter of the inquiry was on the agenda for a meeting which was to follow in a day or so. And I took occasion to write at length and give him my views on that matter, in very complete detail. But I had written him earlier, before that first letter was written we had had discussion about this part.

I would like to say that the reply could well be on my desk, or on the desk of my deputy, but we have been so busy, we may not have reached it.

Mr. Singer: The Attorney General's staff surely is not in that great a bind, and I have great respect for the way in which his office is run. I am certain that there must have been somebody alert enough to recognize that if that kind of a letter was on the Attorney General's desk then one of his assistants would have had it available for him. But the Attorney General again emphasizes my point. His excuse was: Well, after all, I only wrote the letter". That is, the first letter he wrote was on October 14, and perhaps there has not been a chance for a reply. But, Mr. Chairman, on August 29, he now tells us that he clearly indicated what his opinion was, and he wrote to them and said: "I am glad you have decided to hold an enquiry, I am most concerned that it go on, and I want a full report about it."

So, from August then—we move the date back to August—the police commission knew what you wanted, and they have not done it. So in fact, they have figuratively, not literally thumbed their nose at you.

Mr. Pitman: I am not going to prolong this particular area of discussion. But I think it does have another dimension. I think it is equally important that the public should know who really runs the system of justice and law and order in this province, and we as legislators should know, and be sure who does. Because I have occasion to chat with a great number of policemen, and they do not know really who runs the system of justice in this province.

I think this is at least in part the concern which I expressed some time ago, over questions to the Minister in regard to the charges that were made by the policemen at the Ontario Police Association convention. They themselves believe as policemen that their future is dependent upon a quota of arrests, and a quota of police parking tickets, summonses, and so on.

The Minister has, I think, indicated that this is not true. He says it is not true, but these policemen believe it is true—and they do not have any real way of finding out what exactly the situation is.

It is beyond my belief that a group of policemen meeting at a convention, could, as a group from all across Ontario, pass resolutions and agree with a proposition as horrendous as the one I have set out, because it undermines the whole conduct of justice in this province.

If the people of Ontario actually believe that they are being given parking tickets, or they are being summonsed, not because of their action against the laws of the community, but rather because they are contributing in some strange, weird, distorted way to the promotion of a police officer, then there is something very wrong.

As I say to the Attorney General, he may sit in his place and he may say that this is not true, but the fact is, that the policemen believe it to be true. We had what I think was one of the most important discussions in this Legislature late in the evening—about 3.00 o'clock in the morning in fact—I think it was last June, when we talked about a policeman. We said that the most important thing about the policeman was his concept of himself, and of his role in society. You will remember we had a very long discussion as to what the effect of the Minister's bill was going to be in that particular situation.

But I became very concerned as I talked to policemen from various parts of Ontario that they would conceive of their position in this way—that their very hopes within the police force could possibly relate in some way to whether they were giving out summonses or parking tickets. Also, I talked to policemen about another matter, and that revolves around the kind of equipment that they are being given.

Now there was a great deal of variation in this particular comment. But one, for example, was the tires on the police cars which they said were outright dangerous in terms of trying to apprehend speeding drivers. They said they were given cars that could not even catch up with many of the cars that they were expected to catch.

They talked about helmets which they said were below the level which the ordinary motorcyclist is expected to wear in terms of its quality, and yet here they are you might say on the firing line.

It relates very closely to the member for Scarborough West and the member for Downsview in relation to who is the boss in terms of justice and in terms of the law in this province. We have policemen who are going out day by day to face danger. They might well be going out to face death as we have seen in this very city and as we have seen across this province in the last 12 months.

I think it is desperately important that they feel that they can appeal to an Attorney General who represents justice in this province, who sits in a chamber which represents the people of this province.

I think that the role of the police commission is a very real problem for these men, both in terms of their association and in terms of their individual roles within their police forces. So I can only support the position that has been taken here.

We appeal to the Attorney General to bite off more and to chew it well and to take hold so that we in this Legislature, who represent those in the province of Ontario, can feel that there is a man at the helm. I particularly speak on behalf of the policemen who have to go out day by day and face the dangers which are quite obvious to the Minister.

While I am on my feet I would like to state just a little bit on the following item on police training. Police training, I think, is one of the areas which is critical—perhaps the most critical of all in terms of the role of the policeman in this province. I was very much drawn by an article which I found in *Chitty's Law Journal.*

Mr. Chairman: I wonder if I might interrupt the hon. member for just a moment?

He is pursuing the programme of police training.

Mr. Pitman: Yes, we are on the same item, Mr. Chairman.

Mr. Chairman: We were talking about the Ontario Police Commission.

Mr. Pitman: I indicated that if anyone wished to speak on this matter—

Mr. Chairman: Yes, but the hon. member continued to speak when another member did indicate he wished to—

Mr. Pitman: I am very sorry, by all means—

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like, either in this vote or a future vote, to bring to the attention of the Minister a possible uniform code of police car standards. I think the Attorney General is certainly aware that the standards that the police association are working on certainly deserve a lot of consideration. For example, they make mention that no police vehicle should have a wheel base of less than 118 inches.

Mr. Lawlor: Point of order.

Mr. B. Newman: Right.

Mr. Lawlor: I bleed for interrupting the member and I apologize to him. I thought we were going to stay on the matter under discussion and that other members had indicated it—touching the police commission. This has not direct relevancy to that. It does not sound as though it does. We are off the point.

Mr. Chairman: The hon. member for Peterborough had been mentioning about the equipment and so on for our police forces, motorcycle helmets and so on and I think the hon. member is pursuing that particular area.

Mr. B. Newman: That is the only reason I brought it up, Mr. Chairman. I would just as soon bring it up at the proper vote if you would think that it should come later on.

Mr. Chairman: If the hon. Attorney General feels that this is the proper place, fine. If not, is there another vote?

Hon. Mr. Wishart: If you have an item on which the discussion is finished, I would like to see it disposed of before we go on to the next item. I do not care really where the discussion takes place.

Mr. Chairman: Well, this particular vote is for the supervision of police forces. Other hon. members have spoken about the equipment used by police forces, and it seems to me we have permitted some discussion along this particular line and there should be further discussion permitted if any hon. member wishes to.

Mr. B. Newman: Yes, that is right.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: I would just as soon get it over now. If you would rule me out of order then I could bring it up under the following—

Mr. Chairman: I believe it is under the same topic you had been discussing.

Mr. B. Newman: The Police Association of Ontario makes a certain series of recommendations that I think are worthy of consideration by the Attorney General's office. For example, they make mention that the suspension on a police vehicle should always be of heavy duty type. It should have maximum control shock absorbers, front stabilizer bar.

They mentioned that no vehicle should have less than 225 horsepower, that is a vehicle with a displacement of not less than 300 cubic inches for an eight-cylinder car. If it were a six-cylinder used by the police forces, it should have a displacement of 225 cubic inches. They make mention that power brakes should be used on police vehicles. Heavy duty disc type brakes on the front wheels.

The type of tires are a top grade belted tire, and they specify 15-inch wheels with six-inch rims. In winter service, the tires on the vehicles should be studded. No retreaded or remanufactured tires should be permitted on police vehicles. A police car should be retired from service at the end of two years or the accumulation of 60,000 miles whichever comes first, and that all police vehicles should be inspected by The Department of Transport and the inspections should take place at least every 10,000 miles or six months whichever comes first.

The rear window of the vehicle should have a defogging device. Fire extinguishers should be carried in the vehicles and the speedometers should be calibrated in two-mile increments for accuracy.

They should have a portable spotlight, a roof flasher, siren and a radio and also wire mesh between the front and back seats.

In my community I can recall at one time the police taking an individual to one of the Ontario Hospitals and suffering serious injuries as a result of the lack of protection for the policeman sitting in the front seat.

They make mention of the fact that officers assigned to patrol cars should be able to sit comfortably in them in full uniform, and this uniform includes caps, and they should be easy to get into and out.

These are the series of recommendations that are being discussed by the Police Association of Ontario, and possibly there are other recommendations that could be made. However, these are some that I think The Attorney General's Department should look into and possibly recommend.

Hon. Mr. Wishart: I would like to speak briefly about this. Those recommendations are excellent, I think, and thought has been given to them. I might say that in the Ontario Provincial Police Force, the provincial body of police, the specifications for equipment, cars, tires, things that were mentioned by the hon. member for Peterborough, are high. They are the best, and the comment he was making about those particular items do not apply to the Ontario provincial police.

In our specifications, generally for the equipment for the cars that are used there, they are very thoroughly scanned and safety, utility, the ability of the vehicles and all the equipment is taken very thoroughly into account.

The difficulty with applying all those recommendations across the province in municipal forces is this. I think they are directed, for the moment at least, mainly to municipal councils with their committees; where they have committees governing the police; or the local boards of police commissioners for their guidance.

I would hope they would be examined and followed, but what the hon. member would have to understand is that if he is saying to us, "Put these on from above; statute law passed by the province of Ontario that every municipality that has a police force must acquire cars of such a standard," I am sure we would get a scream from our people in the municipalities saying, "You are interfering. We will run our own show. We have no need for such high grade equipment in this community and we object to your laying on the law which is part of our local jurisdiction."

There may come the day when we shall take that authority and say that. At the moment I do not think we can contemplate it. I think that the effect of those recommendations—and they are good recommendations—would be to persuade the local governing bodies of police to follow them insofar as they are capable and it is possible to do so.

The matter of money, the matter of budget—and many police bodies are saying, and their council are saying to them, "You will have to keep your budget in line today."—that is the simple situation. For the province of Ontario to say we establish a standard overall for all police forces I think would be resented at the moment.

Mr. B. Newman: Does not the Minister think that there is some merit in having a directive go out from his office with suggested standards for police commissions in municipalities so that they would have a guide by which they could follow in purchase of vehicles? This covers the whole gamut of safety, including not only the officer, the individual who is going to be transported in the vehicle, but also the public itself.

Hon. Mr. Wishart: If it were to go out, and perhaps there is some merit in the thought, the Ontario Police Commission among its duties and responsibilities would have to be satisfied that the equipment, the standards of the equipment in the police force were adequate and satisfactory. Those could be brought to the attention of the police commission and from that body go out to police forces.

But I am sure that the police association, members who are members of local forces, will have been made aware. I could make a note of it to take it up with the Ontario Police Commission.

Mr. W. Ferrier (Cochrane South): I have had correspondence with the Attorney General about a police chief in the town of Iroquois Falls who was dismissed by the town council at a hearing there and subsequently this was quashed. The Ontario Police Commission made an investigation of this man's actions and they recomended that he not be rehired as a chief of police.

This man contends that the evidence taken by the representatives of the Ontario Police Commission who made that investigation was misleading and false, and that there was a

lot of perjured testimony. I gather that there was a hearing before a justice of the peace on the basis of this Mr. McLaren's report, and that charges of perjury were laid, and that subpoenas or summons to a witness for both Mr. McLaren and Mr. Taylor of The Attorney General's Department were issued. Neither of these men showed up at the hearing and this man feels very much aggrieved.

He wonders if he has been dismissed on the basis of a false report, and why officers of the Crown, of The Attorney General's Department, did not go for that hearing.

I have no way of knowing whether this man's charges are false or not, but he makes these accusations that he has been dismissed on the basis of a report in which there was perjured testimony and misleading information. He also makes the charge that the lawyer that he hired was the lawyer who acted for one municipality.

There was an amalgamation of the two municipalities—Iroquois Falls and Calvert—and the lawyer that he had in fighting the case against Iroquois Falls subsequently turned out to be the municipal lawyer for the new municipality. He felt that there was a conflict of interest here.

I wonder if there is anything that the Attorney General can do to get this situation cleared up. Does this man maybe have a legitimate "beef" in that he has been dismissed on the basis of a report that is not accurate and true, and that there is perjured testimony in it?

Hon. Mr. Wishart: I have some recollection of this and I think the hon. member asked a question in the House about this. He wrote me, that is it. I have written him back in reply and I have given him what information I have.

As to the statement that the inspectors or advisers of the police commission—McLaren and the other man—did not come forth and respond to the subpoena, my understanding is, and I think this is correct, that they have not been served.

This gentleman who complains has been through all the procedures. He has taken advantage of every procedure of the hearing, the appeal, of the further appeal. Now he has commenced, or some time ago, commenced, prosecution on a charge of his own in the court. I do not know what stage that is in and it is not my business to pursue that to find out what he has done there. I understand that he has laid charges.

Everybody's evidence according to his statement is wrong, false, untruthful, perjured. The psychiatrist is wrong and all the witnesses are out of line. He has launched his own prosecution now, and I do not believe there are any further things that we can do to help him.

The hon. member asks, what will the Attorney General do to clear this matter up?

It is one of those cases where a man who has had the benefit of every procedure, every hearing procedure in the appeal, has gone through it, and still says, "I am badly dealt with, everybody is lying about me". You have that type of thing in every court proceeding.

Some people come out and say, "The judge was wrong, the witnesses were wrong, the jury was wrong, the court of appeal was wrong. I am still right." Occasionally I have some of them come to my door here and say to me, "Justice is wrong. I have been through it all and I am still denied". When once you have exhausted all the procedures, there is nothing more you can do.

Mr. Ferrier: The only further remark I would like to make is this. Is it not unusual for a summons not to be served? I understand it was in the hands of a Corporal Robert Gravett of the Ontario Provincial Police. This summons probably was not served as you suggest. Is this an unusual occurrence?

Hon. Mr. Wishart: I do not know if the hon. member raises that in his letter to me or not. Can he give me a note of that and I will pursue that, or any information that he has there that he wants an answer to if this is a specific case, as I say, in which all procedures have been followed and all have been exhausted.

If there is a case of a summons being given to an officer of the provincial police, or any other force, or any person responsible for carrying out the service, if the hon. member will let me have that I will pursue it and see why it was not served, if it has not been served.

Mr. Chairman: Anything further on the police commission?

Mr. E. R. Good (Waterloo North): Mr. Chairman, on the police commission, I would like to ask the Attorney General if he has received reports from the Ontario Police Commission of the investigation into the resignations of the entire police force of the town of Elmira some few weeks ago, and if he has, what the findings of that have been?

Hon. Mr. Wishart: I do not have the report yet. I believe it is coming forth very shortly, but I think I answered a question in the House about this, that we had given assistance there by way of the Ontario Provincial Police.

Mr. Good: There was no question of lack of police protection, it is a matter of something to eliminate the possibility of the same thing happening again.

Hon. Mr. Wishart: We will have the report, I am sure, very shortly.

Mr. Chairman: On vote 211.

The hon. member for Peterborough, on the Ontario Police Commission?

Mr. Pitman: I do not know, I am not sure.

Mr. Chairman: All right. Anything further on the police commission?

Mr. B. Newman: Yes, I wanted to ask the Minister if any consideration has been given to reducing the retirement age for police officers? You will notice, Mr. Chairman, back in our own community, the police had quite a discussion concerning the reduction from 65 to 60, and I wondered whether the department has any policy now on the reduced retirement age?

Hon. Mr. Wishart: I have given no consideration to the reduction—at the present time the retirement age is 65.

Mr. Chairman: On the police commission, the hon. member for Lakeshore.

Mr. Lawlor: Just one question touching the police commissions. I have before me a citizens' petition addressed to, of all people, the Attorney General of Ontario, from his own bailiwick, from his own people, touching a certain James McIntyre, who was the chairman of the police commission and who had a certain role to play *vis-à-vis* a strike at Algoma where he is senior executive officer.

Whatever became of that?

Hon. Mr. Wishart: That is before the Ontario Police Commission. I had made certain statements on television in my home town, Sault Ste. Marie. I held up in this chamber last week the news item with the placards of the pickets charging conflict of interest, and saying even that the Attorney General and Mr. McIntyre were birds of a feather. I revealed that here.

The matter of conflict of interest is being studied by the Ontario Police Commission. My own view is that there is no conflict of interest, and I say that quite openly here. But I am waiting for the complete study, and that petition incidentally was—I do not want it to be confused with the strike situation in Sault Ste. Marie—apparently prepared back in May of this year, or April.

Mr. Lawlor: On the basis of the letter submitted I think there is some tie-in between the two, as to crowd control—and the problem of crowd control arose out of the steel plant in June.

Mr. Wishart: That is not related to the strike. That petition was prepared and was in my hands before the strike back in July, I believe. It was some months in the hands of these people before it was presented to anybody.

Mr. Lawlor: Well, my main point is—

Hon. Mr. Wishart: May I just say this. It arose out of the training which certain police were getting in Sault Ste. Marie, the usual training at the police college of crowd control, as the officers and men of many forces are given. The commissioner, Mr. McIntyre, the chairman, I think, had some request made for—or he was asked—why crowd control?

There seemed to be an assumption that it was going to be used against certain people, and then they drew up this petition charging conflict of interest because he was an executive of Algoma Steel. I do not see the connection myself.

Mr. Lawlor: I will not prolong this unduly, I just want to comment, Mr. Chairman, that the Attorney General presently is under the throes, coils and toils of a conversion. And regarding a man in that state of mind, in that disequilibrium, I would be the last one on this occasion to press him. His whole mentality touching police commissions is changing. He says there is no conflict here. We will bide the issue.

Just one moment, I would hope that the Attorney General would show that he does not suffer indignity gladly by taking even a longer time to reply to the letters from the commission to him.

Mr. Chairman: Anything further on police commissions? If not, can we move to the police training? The hon. member for Peterborough.

Mr. Pitman: Thank you, Mr. Chairman. I would like to make a few very brief remarks on the question of police training. In doing

so I do not want to denigrate in any way from what is being carried on at the Ontario Police College.

I think the Minister is very proud of what has taken place at that institution, and I think he has a right to be proud of it. And I would recognize fully that the training which is carried on there is both necessary and proper.

At the same time, I think one only has to look at the staff list and look at the activities that go on in that college to realize that, essentially, it is an internal college—that it is essentially concerned with police activity to some extent, recognizing the more sophisticated problems that police are facing today in terms of the more extended crime activity.

But also it looks backwards to what the role of the policeman has been in the past, to some extent, and builds on that. I am suggesting to the Attorney General this afternoon that there has to be a further converison. The member for Lakeshore mentioned about the conversion of the Attorney General, and I think this is an area where the conversion can be fairly simple and fairly direct. I think he is a man who recognizes these needs, and I think he will comply and encourage the development I am going to suggest this afternoon.

The problem is put forward very succinctly, I think, by Mr. R. F. Karrell, who was with the Royal Canadian Mounted Police, retiring at the rank of superintendent after some 30 years and he puts the point very bluntly when he says that the education of a police officer in Canada is substantially lower than that of the men with whom he associates.

Now, more and more, as the Attorney General well knows, Mr. Chairman, the area of crime is drawing upon psychologists and psychiatrists, drawing upon social workers; it is drawing upon a great many people, to say nothing of the legal profession who have much higher educational qualifications than the police.

Yet strangely enough it is the policeman who is, in the first instance, involved in the particular event which brings on the whole matter which the law is concerned with. And I think that this is the crunch.

So often the policeman, I think, in his activities that are involved with the courts and involved with justice in the province, feels less capable than he should. And there is nothing, I think, which is as dangerous as a person who feels unable to cope with his particular situation—I do not care whether it is a teacher or whether it is a professional person, doctor, surgeon. It is desperately important that a police officer feels secure. But if he does not feel secure he overreacts, and we have seen what over-reaction can do in police forces across the border where the police have faced very complex and difficult situations, and have been completely unable to cope with them.

If I might quote again from Mr. Karrell's point:

> Even the senior and better-trained forces accept applicants with grade 11 education and then after only three to six months in service training send them out to perform duties which bring them into frequent contact with professional groups eminently better trained than the police to deal with the problems with which they are jointly confronted.

Now I think this is a very real problem in the transition of the way in which we look at the police force. The police, I suppose, in the past have been looked upon as the strong arm of the law. I think that is the term that perhaps is used, unfortunately used.

They tend to be looked upon as people who have physical ability to overcome criminal elements. And very often, of course, the applicant is judged on his height, and his weight, and his size as much as upon his educational background and his mental capacity.

Now I think the time has come, Madam Chairman, when we can, I think, move into an escalation of the direct educational backgrounds of applicants for the police forces. And I think we could move right into the area of the provincial police. It is my understanding, with some concern, that there are far more applicants in the Ontario Provincial Police now than there ever have been before; that the applicants are better trained now on the whole than they have ever been before—that is, applicants for the Ontario Provincial Police.

And I am wondering, Madam Chairman, whether the time has not come to raise the educational qualifications of those who are going into the police force in the hope that this will go on right across the province? And even more than that, that the education within the police force will begin to escalate?

By that, I mean that the whole area of continuing, or adult education, becomes an expected role within the police force. And I suggest to you that there are very many areas where this would have quite salutary effect.

I would hope, for example, that we could move at least a part of the training of police

on to university campuses, so they are rubbing shoulders with university students. As we have seen, police have had, I think, quite considerable success with crowd control, and on university campuses in this province.

I have with me here a copy of an article from the Windsor paper where there was a student demonstration down there. I could not help, when I read this article, but sense the way in which the police in that area have instinctively realized how important it is—that they know what is going on. If I might just read a sentence or two.

This was the demonstration over the proposed nuclear bomb blast thousands of miles away, and it brought on the first police-student confrontation of Windsor University's year.

> What happened Wednesday could well define relations between police and students for the coming year. What happened was almost nothing, which was just fine for everyone concerned.
>
> And if anything can be concluded from the events of Wednesday afternoon at both the bridge and the tunnel it is that the police and students are going to get along very well indeed.

The chief said it is just common sense. This is no violent labour situation. "These students were not violent labour people". I was a little concerned about that term "violent labour people", but we will not go into that at the moment. That comment spoiled the argument for me, but as I say, we will not get into that.

Mr. H. Peacock (Windsor West): I just have to dispute that bit about the instinct.

Mr. Pitman: Quoting again:

> These students were not violent people so there was no reason for us to go down there with riot helmets and sticks. The police, for the most part, moved quickly but with restraint—

There is the term, "restraint".

> —stayed cool, and perhaps most importantly had a sense of humour about the whole thing.

As one police officer said, which I think rather interesting, "One thing you have to say for these things, they sure bring out the broads".

Well, there, you see, I think is another instinct I suppose which is quite natural and perhaps to be welcomed on the part of the police forces of Ontario.

But I do suggest to the Attorney General that the police today are involved in very complex and difficult political situations. They are involved in a society where young people do not feel that they can influence the institutions of government. We are in an age of institutional revolt.

It is an age of fast moving events, fast moving developments, and yet the political institutions seem to be very slow at moving, to react, to respond. And so very often we find, we as legislators, much of the business of this province seems to be carried on out on the steps of this building rather than in the Chamber.

Probably this is the reason for the feeling that we as legislators and as part of the legislation process do not react quickly enough. And the police are in the front line, having to deal with a situation which in many cases is quite just.

After all, we would not want students in this province to be unconcerned about a nuclear blast going off several thousands of miles away, we would not want students to be unconcerned about injustice either in South Africa or in the United States or, indeed, among the Indians of this country.

Yet the police are put in a very unfortunate, unhappy situation of having to try and keep people moving, to keep the situation cool, to use the students' jargon, and this often is a very difficult thing.

It is particularly important that the police understand why those students are there; that they understand the complexity of the world problems about them; that they understand the psychology of the student and activist—if any of us can quite understand it—or at least that they can respond positively to what would seem to them a stupid and unimportant and certainly irrelevant situation which they find themselves in the position of participating in.

I say this cannot be done, I do not think, unless we have better-trained, better-educated police officers, whose education is an ongoing process—who, when they join a police force they join in educational activities, not just an activity which ends in a police college training and ends possibly with a measure of continuing rifle practice and all the things which make them a part of the strong arm of the law.

I think it is particularly important that they have the understanding of what labour situations involve and the complexity of this. I am not going to go into this at any length because I think the Attorney General and I had a very distinct confrontation over this

some months ago and I do not want to repeat that. We may have differences of opinion, but on the whole—

Mr. Peacock: Was he wearing a riot helmet and carrying a night stick?

Mr. Pitman: On the whole, I think surely the Attorney General realizes the importance of policemen recognizing that picketing is a lawful activity; that the strikers outside the plant are just as lawfully carrying on their activities as the people who are walking into the plant; and that they should do nothing to intimidate those who are walking around outside the plant by the many ways by which this can be done.

This will only be done when police are sufficiently aware of the importance of this process of conciliation and of the process of an industrial dispute and how it is settled in a democratic way.

I say this demands a high degree of sophistication on the part of police officers, which so far I think we have found very difficult to secure. Perhaps even more in relation to students.

And also for the use of drugs. I thought the police used amazing restraint in the case of some of the activities that went on in relation to the large collection of young people that gathered for folk festivals, both at Varsity Stadium and on the island.

I hope that somebody is recognizing how important that is in terms of the future relations of these young people for all time, for the next 40 years, in their attitudes towards the police.

Those police—I do not know if they were a special group or whether they were especially trained before they went there or if they had some training in the attitudes of young people—the fact they did act with restraint and with humour I think was an important part in the fact that those activities did not become the kind of violent confrontation that we have seen in very similar situations in other parts of the world, and particularly in the land just below the border.

I want to bring my comments to a conclusion by suggesting to the hon. Minister one or two suggestions made by Mr. Karrell at the end of his article. He says:

> In my opinion, several basic steps must be taken before we can expect any significant improvement in the public idea of the police and law enforcement. First, a commission be established to examine and to inquire into the working relationship between the police and governments, the courts, Crown attorneys, municipal officials and the general public, so that ways may be found for giving the police the proper degree of autonomy in our democratic institutions consistent with our democratic values.

That is a throwback, I think, to the discussion we were having a few moments ago. I am not going to comment on that for that reason, because we have discussed the Ontario Police Commission and we have, I hope, spurred the Attorney General on towards a more active role in that particular area.

> Second, I propose that a research team be set up representing the police, the legal profession, the social sciences and perhaps education to accompany the police on patrol for a suitable period so that a detailed systematic study can be made of the diverse and complex situations encountered.

I think this is the problem in many cases, that the educational system cannot respond very effectively to the needs of police in their educational needs or experience. It is very often a course in psychology. Courses in labour relations and courses in politics, sociology, are not very relevant. The average course on the university campus may not be relevant.

But I think a research team of this nature might very well, by accompanying police, come up with a continuing education programme for policemen across this province which would be, I would hope, the kind which other communities and other jurisdictions would look to.

I think we have that opportunity. I think we have a morale in the Ontario Provincial Police which would make this kind of a thrust really quite possible and quite relevant.

I hope the Minister might take this into very active consideration, a research team made up of police, people from social sciences, the legal profession, to accompany police to see the kinds of problems they come into contact with, the kind of decisions that they have to make, the kind of knowledge they need in order to cope with certain situations in which they find themselves.

> Third, I propose that programmes be initiated by police forces so that all administrative or executive positions be filled with university graduates.

Well, that is asking quite a bit at this point.

> And that the general level of education for police would be substantially raised.

Mr. Karroll makes the point, I think he makes it very vell, that the problem is that seniority pretty well decides the basis on which promotion takes place in the police forces across Ontario. And because those who are in senior positions in the police forces of Ontario are largely people who have had maybe grade 11 or grade 12, and have been successful, very successful in some cases in the past, they tend to consider education perhaps not as important as we who are looking at the present situation feel it to be.

For that reason, I think we have to break out of that syndrome which simply creates seniority within the police forces rather than educational attainment in some cases, as well as, of course, attitudes and other criteria in which police can share so that they can more effectively cope with the kind of society in which we live, and better explain their position to the people around them.

Mr. B. Newman: One cannot argue with the comments of the member for Peterborough, specially when he makes mention of the fine police force and police enforcement that we have in the city of Windsor. With very progressive members of the force, and the progressive administration and progressive community, it is only natural you would have such type of police enforcement.

However, I would like to bring to the attention of the hon. Minister, through you, Mr. Chairman, the problem of the police college itself. Is the Minister considering setting up a community college type of institution in the province of Ontario, solely for the training of police officers?

Hon. Mr. Wishart: Mr. Chairman, I could perhaps speak to the remarks of the last two speakers, and to answer the question that has been asked. I certainly believe in education, and I go along with much of what has been said on that subject.

As to acquiring, right now, a higher standard of education for the enlistment of police in certain forces, that might create a great deal of difficulty.

The Ontario Provincial Police, as the hon. member for Peterborough mentioned, are having no difficulty in getting recruits with their present standards. I understand that the Metro force, for instance, was having difficulty in its enlistment. I am not too sure that that obtains at the moment, but I understand that that was the case.

I am sure that if you placed the standard much higher in many of the other smaller forces, at the moment, you might have considerable difficulty. But I believe that we could raise the standard of police education, and improve the education of those coming into the forces, and those presently forming members of the force. And much is being done in the community colleges in this respect.

They are offering courses in sociology, and psychology, in political science, and of course, the other courses that are available in the languages and so on, particularly English. These things are available, and many policemen are taking advantage of these courses.

In the police college refresher courses—they really are all refresher courses in a sense, but they are planned for February of 1970—there are three refresher courses in the area of increasing the education, generally, of policemen.

I would just like to indicate the nature of them. Refresher course A, would consist of 40 periods of review of law, and procedure, using a project method of concentration on any recent changes in the law, and 40 periods of psychology, which would be really an elementary course, and then 40 periods on the study of the principles of correction in the Canadian penal system.

Now I think that would give a pretty broad understanding and generally raise the confidence of the policemen, and the hon. member is talking about the feeling of inferiority which creates a reaction which is dangerous. Now that is refresher course A.

Refresher course B, would be 40 periods of review of law, and procedure, using the project method, 40 periods of sociology, and an elementary course in sociology; and 40 periods on juvenile delinquency.

Refresher course C would consist of 40 periods on law and procedure using the project method, 40 periods of political science including a study on political theory, specifically the government of Canada—federal, provincial and municipal.

Now I would think that, in there, would come perhaps a study of the laws relating to labour and labour relations. I would hope so, and I would be interested to see that that was included, so there be a clear understanding of that area.

Mr. Pitman: Could the Minister indicate what document he is reading from?

Hon. Mr. Wishart: This is the annual report of the Ontario Police Commission for 1968—the report for the end of last year.

And that course ends up with 40 periods on criminal law, and evidence. Consideration has been given to accommodating 120 to 150 police at one time for this refresher training, and to scheduling 13 or 14 courses annually, thereby providing for about 1,500 to 2,000 personnel per year.

So we are doing a good deal towards moving into the field of increasing the educational standards of our police. And I have mentioned—and I do not know whether the hon. member for Windsor-Walkerville got my remarks or not—the community colleges are offering courses as I mentioned, and the police are taking advantage of them, and we encourage this very much.

Mr. B. Newman: Mr. Chairman, not only are the community colleges doing it, but my own community, the University of Windsor, is likewise doing it, and many of the—

Hon. Mr. Wishart: Not every place is fortunate enough in having universities — but when the universities are there, they are doing this. And I would like to say that I think if we could get a closer association with the university in our college work, it would be very helpful.

Mr. B. Newman: I was also going to mention that many of the police officers in the community have taken the upgrading courses, so that where they eventually started in, maybe at a grade 9 level, they would now have advanced to even a grade 11 and 12 level. And I know that some of them plan on actually attempting to complete their university training so that they can qualify for promotions in the force, if only on an educational basis.

However, Madam Chairman, the Minister still did not answer my question concerning the establishment of a community college for the development of, and the training of police forces. The present police college has been deemed a fire hazard, and, I understand, is going to be phased out. My thought is possibly the community college system could be used for the development and the training of police—

Hon. Mr. Wishart: I am sorry, Madam Chairman, I did not understand the hon. member's question. I thought he was enquiring what was being done at the community colleges, which I did answer in that context. But if he is asking me, can we establish a community college in different communities—

Mr. B. Newman: No. no. Just one somewhere in Ontario, so that it would be like the community colleges.

Hon. Mr. Wishart: Well, no. I do not think we have given any consideration—I know we have not given any consideration—to that. If that concept were to be accepted we probably would develop it along with the present police college.

But I think the better approach is to encourage it, in all the communities, because this would give a broader availability, with our present community colleges, and with our universities to develop there the courses which the police may take—which are of particular interest and value to them. And then encourage the police to go take those courses. We have many community colleges now, and a number of universities which are doing this. I think rather than building one institution devoted to this narrow area, it would be far better to integrate it because it has the effect of bringing the police in association with other arts and faculties, and disciplines and people and so on.

Mr. B. Newman: All right, then, Madam Chairman, let us assume that what the Minister says has a lot of merit. Then I will have to conclude that the Minister intends to phase out the present police college at Aylmer, and not replace it at all.

You would go into the balance of your training for police officers at some type of community college, and I think you will have to have some type of facility somewhere in the province where certain types of training can only be held. I do not think community colleges could take care of all of your training and development of police officers.

Hon. Mr. Wishart: I do not think they can —certainly not at the moment.

Mr. B. Newman: And at no time.

Hon. Mr. Wishart: We need the police colleges.

Mr. B. Newman: There are certain physical activities and so forth that go in the development of a police officer that I think would have to be, sort of, centrally located, and only have the one facility in the province, so you would need a police college somewhere.

Hon. Mr. Wishart: Well, we have the police college, of course. If the hon. member is trying to get me to say we are going to do away with it he is not going to get any further.

Mr. B. Newman: I am not trying to make you say you are going to do away with it. But I can inform you that Judge Bruce J. S. MacDonald of Windsor, chairman of the advisory committee to the police college, makes mention that the present college is badly in need of repair, and should be replaced.

Hon. Mr. Wishart: He is talking about the physical condition of it. And I have to agree that it is not all we would like it to be. It is one of those areas again, in which for the moment we have to establish certain priorities as to the money we get, and there are many things we would like to do.

We just have not been able to accomplish this yet, but it performs a valuable function. There have been suggestions made about relocation, and that sort of thing, but as I say, I think we can expand our educational programme. We need the police college. We can expand our educational programme by taking advantage of our community colleges in various municipalities throughout the province.

Mr. B. Newman: Then may I suggest to the Minister that the police college is eventually going to be phased out and because it is going to have to be replaced you will set up some other type of police college—

Hon. Mr. Wishart: Are you still trying to get me to agree with that?

Mr. B. Newman: I am only trying to impress on the Minister that the city of Windsor is ideally located for a police college. We are close to the US border so that you can have the advantage of the effects and the training that could be carried on, say, at institutions like the University of Michigan, Michigan State University, and the University of Windsor with which the police college could be associated.

Hon. Mr. Wishart: The hon. member is at liberty to say that. I thought there would be at least a dozen other members up on their feet.

Mr. T. P. Reid (Rainy River): How about Fort Frances?

Hon. Mr. Wishart: I would not dare say Sault Ste. Marie.

Mr. B. Newman: It was a good try.

Hon. Mr. Wishart: I congratulate the hon. member for his persistence, anyway. I knew what he was coming on to say, now he has got it done.

Mr. Peacock: I wonder if I could ask the Attorney General a few questions arising out of the remarks of the member for Peterborough about police training at the colleges? Some questions came to my mind following an afternoon I spent with members of the Windsor police force on their training range in Windsor last fall. They were being familiarized with crowd control—as the newspaper euphemistically referred to it—with equipment and weapons, some of them extremely awesome in their appearances and fire power.

They had various kinds of canisters containing tear gas, and various kinds of shotgun cartridges with different sizes of pellets and metal fragments to be used under various circumstances—some to be aimed at the ground so that they would ricochet in a person's leg when the crowd was to be broken up, and so on.

I want to ask the Attorney General if at the police colleges senior officers are being invited to take these refresher courses in such a manner, and if they are aware of the growing police capacity for retaliation against crowds and groups of people causing hazards to public safety?

What I did not find out through that afternoon's attendance on the range, was at what command level the decision is made to use such equipment. I think that is very important.

Is this something that is worked out through the police training programmes? Can a constable, for example, in charge of a group of men armed with the equipment, whether it is night sticks, tear gas canisters, or whatever, give the order for their use? Just what controls are there as to the level of command that must initiate action with those weapons?

Another question I would like to ask is what disciplinary procedures, not in a sense of hauling an officer on the carpet who may have misused the equipment, but in the sense that in line with the growing power placed in the hands of the police for retaliation, are there new approaches to the maintenance and enhancement of discipline within the ranks while under pressure; while the police have this equipment in their hands when facing a very provocative situation. Hand in hand with the familiarization and use of this equipment, are there also new approaches, aside from the Attorney General's recounting to us of the hours spent in sociology courses and bringing the police into contact with student groups through courses being offered on campuses;

and so on, which I think is very commendable and an utterly fundamental process if the police are to carry on the way they did at the tunnel and bridge points at the Windsor-Detroit border during Moratorium Day?

But whether or not, with the approach to para-military kinds of equipment, is there also an approach to a higher sense of discipline among members? Is this being introduced into the training programme so that no one is going to have a finger on the trigger of the tear gas projector or the shot gun and accidentally trip it off when there is absolutely no justification for that kind of response from the police?

I asked the question of a police officer: "At what point do you retaliate?" He said, "If we are hit at and shot at, we will hit back and shoot back".

Now, this I find an answer of great concern because if the equipment is being placed in the hands of the police for crowd control, and one individual in a large group of people happens to use a weapon such as a gun or a rifle, someone is killed or injured among the police or other bystanders, then who is the person among the police officers on the scene who makes the decision about the level of response?

Hon. Mr. Wishart: The short answer to that would simply be the senior officer in charge would make the decision. He would have to direct whatever action is to be taken to keep control, to keep order, to see that law is observed.

The course which was given at the police college on crowd control, as far as I can ascertain from the 1968 report, I know it was given but it appears here only to have been given in 1965, that while there was weapon training and use of night sticks—certain equipment of that nature, the main tenor of the course was the psychology, the approach, the methods used to prevent crowds getting out of control, to prevent mob psychology and mob action. A large part of the course went to that end.

I do not observe from this report, the last report of the Ontario Police Commission, that it appears to have been given last year or the year before.

If the hon. member is asking me on that particular point who has the authority in a particular situation and particular force, I can only say my knowledge would lead me to say that it would be the detachment leader, the corporal or sergeant or lieutenant in charge of the detachment of that body.

In the Ontario Provincial Police, it is my understanding that weapons are locked up at the detachment headquarters. That is beyond the ordinary, normal equipment of the police constable, and only the detachment head can distribute anything beyond the normal equipment of the constable.

Mr. Peacock: How junior can that senior officer be?

Hon. Mr. Wishart: You mean out on the scene? He would ordinarily be a corporal. Might very well be a corporal, depending on the situation.

Mr. Peacock: That does alarm me, Mr. Chairman, if I may say so. In one situation I happened to be present at, it was a strike, the members of the force in Windsor were lined up with riot helmets and riot sticks. Senior officers were on the spot because they had foreknowledge of the situation and, therefore, they were in command, obviously.

But I am wondering whether it is sufficient to say that any officer who happens to be the senior person in the detachment can give the order for the use of such equipment; to make a charge using night sticks, to fire tear gas or to use the anti-rioting shotguns that they had in their possession. I think there should be some minimum level of command indicated for authorization of the use of such equipment or such tactics.

Hon. Mr. Wishart: I think the hon. member has to realize that you can have a situation in any part of the province where insurrection or a mob, if you like to say so, or a crowd is excited or incited to violence or disorder. You may need the spread of a very small force over a fair area, half the city or the whole city. You have have a small detachment or even two men six blocks away and the next one six blocks distant from them again and perhaps only a constable in charge. Perhaps a corporal and a constable together.

You cannot conceive of every situation in which you may then meet a confrontation, where someone is determined to be violent, to be disorderly, to incite a crowd to destructive violence. Someone has got to take command. I do not think I could say for a moment that you can make one hard and fast rule that nobody but the sergeant can give the order.

He may not have the means of communication. He may be half a mile distant or a mile. I just do not think we can reach that in this discussion. Anyhow, I do not know how you could lay down a hard and fast

rule that some person of higher rank must be the only person to give the word.

I think you must have your men of your force and your NCO's and your higher personnel higher in rank so instructed and so trained that they will act with good discretion and good judgement in any situation. But I cannot conceive of laying down a hard and fast rule that no matter how desperate the situation became, with two or three men trying to keep order, that they could not use force to repel force, and maybe very strong force to repel a very violent attack.

Vote 211 agreed to.

On vote 212:

Mr. Chairman: Ontario Provincial Police. The hon. member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): I was very pleased to be in attendance last week when Inspector Jack Wigle and the Kitchener auxiliary group of the OPP auxiliary were adjudged the best in the province. I am wondering if the Attorney General would be prepared to comment as to whether he believes the figures in this budget are sufficient to train the number of people that might be useful for him in any emergency to back up the regular members of the Ontario Provincial Police.

It seems to me that personnel who are trained in this area, should their numbers be increased or doubled or whatever, would be a good investment and a comparatively cheap way of ensuring that additional constables might be available and useful to spell off regular force members should certain situations require that they be absent from their present posts.

In my own experience, not only dealing with the OPP auxiliary, but as a militia officer, it seems to me that funds spent in this kind of training and in this type of development are funds that are indeed well spent. Persons who are involved in this kind of situation are there because they are interested. They are there because they are prepared to serve their community.

Their availability would be of great use to the force should the occasion arise. Does the Minister think that these funds are sufficient to train the number of people that this province could usefully have on hand should the occasion arise?

Hon. Mr. Wishart: Mr. Chairman, I am looking over the figure that has been specifically set aside to train the auxiliary force. Is the hon. member referring to the total for Ontario Provincial Police administration? I cannot find a figure relating to auxiliary—

Mr. Breithaupt: The last item in that estimate, page 28.

Hon. Mr. Wishart: I cannot find it here. Oh yes, I am sorry. This is the amount that the persons in the Ontario provincial force asked for and obtained in this estimate. I would assume that it is reasonably adequate for the purpose. Perhaps I would have to say that we have kept our estimate this year in all areas within tight limits.

Mr. Breithaupt: This is one of the best places where you are getting value for your money. I think that the encouragement of an auxiliary force of persons who are interested and who are available to you is something to be encouraged. I am only asking whether the numbers are satisfactory as far as the persons you now have available in the auxiliary, and whether you are giving any consideration to increasing the number of trained personnel. There are men who have served on police forces, who have had other training that I am sure would be more than anxious to assist and to recruit into this kind of a public service.

Hon. Mr. Wishart: I agree with the hon. member that the auxiliary forces are most valuable. There are 17 detachments, 32 members in each, and we will not be making any increases this year. But they are a most valuable force, most useful and I would hope that we will be able, in the future, to increase this because I agree with everything the hon. member says.

Mr. Chairman: The hon. member for Simcoe East.

Mr. G. E. Smith (Simcoe East): Mr. Chairman, I do not know for sure where this comes under this vote, but inasmuch as I feel it involves policy, perhaps I could make a few comments concerning water patrol by the OPP.

The Ontario Provincial Police, as you no doubt are aware, have assumed the responsibility of water patrol which was formerly looked after by the Royal Canadian Mounted Police.

I am not too sure whether the Attorney General is aware of some of the statistics in my area, but there were 14,000 boats locked through Lock 42 last year at Severn bridge,

of which 7,500 were over 18 feet in length. To give you an idea of the density of the boating population there are 5,800 boats registered in Orillia and over 5,000 in the town of Midland.

There is a total of somewhat over 50 miles of canals and rivers in my area that are patrolled by the Ontario Provincial Police, and this does not include Bass Lake or Georgian Bay or Lake Couchiching. It has been estimated that there were 86,000 people last year used the waterways of the Severn River with little or no police protection.

The lack of adequate police protection on the water has been drawn to my attention by quite a few people in my area, and I did some checking with our local detachment to see how the policing of the waterways was handled. I find that when there are two of the officers to go on patrol duty in the boat they either have to be taken off of the highway patrol, or an off-duty policeman comes in on his overtime and looks after this important function.

I understand that overtime is paid in this case, and while perhaps this works out fairly satisfactorily, if there was ever some kind of emergency or disaster it would certainly limit the patrolling of the water.

I know our Prime Minister (Mr. Robarts) has affectionately referred to the planes in The Department of Lands and Forests as "Rene's Air Force"; I am going to refer to the patrol, the water patrol boats of the Ontario Provincial Police as "Arthur's Navy."

An hon. member: How about "Arthur's Armada"?

Mr. G. E. Smith: Arthur's Armada. And I would suggest to the Attorney General that he give serious consideration to increasing the number of boats that are used to patrol the waterways of the holiday section of the province—

Mr. Breithaupt: Nothing larger than 20 guns.

Mr. G. E. Smith: —and, at the same time, give some serious consideration in his budget for next year of having some additional men to take care of this important function. Perhaps these men to who would be utilized for this summer patrol on the water could be found helpful in maintaining some of the ski-doo patrols and winter patrols of a special nature in other parts of the province in the winter months.

Mr. Martel: When do you get measured for the admiral's uniform?

Mr. G. E. Smith: Speaking for the people in my area, I am well aware of the effort and effective effort put forth by the Ontario Provincial Police in enforcing water safety. Very commendable. But I think in view of the annually increasing the population of the boating public, you should take a serious look at increasing, not only the number of units, but the number of personnel manning the units.

In fact all of the boating public that I have talked to have agreed with the Provincial Treasurer's (Mr. MacNaughton) and the Minister of Revenue's (Mr. White) decision to withhold the refund of the gasoline tax as far as the boating industry is concerned, as long as it is being used from the general fund to improve boating facilities.

I know that we are coping with water pollution. We are trying to improve that, as far as the boating public is concerned, through pumping stations, and so on. And I feel that another obligation that we in the government have to the boating public is to use some of the revenue from this source, perhaps to give more effective water patrol via your department and the Ontario Provincial Police.

I would ask you, Mr. Attorney General, to give some consideration to increasing not only the number of units but adding more personnel so that this service could be increased.

Hon. Mr. Wishart: I would like to say a brief word on this, Mr. Chairman. We have to admit that this responsibility is growing year by year. The RCMP used to do a certain amount of water patrol. They limit their efforts now, apparently, to safety checks on boats on our waters and since 1962, I believe, responsibility has been ours and growing.

In the summer, it has to be admitted, that with the tremendous work that has to be done in patrolling the highways, the work that can be done on our waterways, and our waters, are so extensive it has to be really what one might call token supervision.

But I think, with the facilities at their disposal the provincial police do spend a great deal of time on this, and many of the members of the force work overtime. The commissioner informs me they have nine launches which are fairly large boats and 35 that they call the skiff type—these latter would be mainly outboard boats, well-powered—to do work on the numerous lakes, rivers and canals in the province.

Another restraining factor, of course, is to get the money. It is an expensive operation

to get the equipment. But we are aware of the responsibility, and I think that once again we must give at least great credit to the provincial police—great credit for the work they do in this field.

We are aware of the job that is before us. It is a big one, and we will be seeking from the Treasury Board, and from this House each year as we come forward with our estimates, additional amounts for a growing responsibility.

Could I, Mr. Chairman, just take a moment —I think it is appropriate in this vote? There was mention, in the whole police matter, by several members, of the Seaforth situation where the Ontario Provincial Police were involved. I have a letter which came unsolicited to me, dated October 28 and received today which I should like to have the members of the House hear, and I would like it on record.

It is addressed to myself as Minister of Justice and Attorney General, and it reads:

Dear Sir:

I am enclosing for your information as the Minister responsible for the Ontario Police Commission and the Ontario Provincial Police a copy of a letter which has been forwarded to the superintendent of District No. 6 of the Ontario Provincial Police.

The letter is self-explanatory but briefly, it is in appreciation of assistance rendered to the town of Seaforth, in the maintenance of law and order. It is signed by Ernest M. Williams, Clerk Treasurer of the Town of Seaforth.

The letter which is attached is from Mr. Williams. He had also written this the same day to superintendent R. F. Andrew, Ontario Provincial Police, No. 6 District, Mount Forest, Ontario. He said:

Dear Sir:

I have been directed on behalf of the council of the corporation of the town of Seaforth to express to you and the constables concerned, the appreciation of the citizens of the town of Seaforth for the assistance which was provided to the town of Seaforth in the maintenance of law and order during the disturbance which occurred on the evening of Saturday, October 25, and which carried over into the early Sunday morning.

The disturbance was discussed at a special council meeting, which was held last evening, October 27. From the accounts of eye witnesses as given by councillors who were eye witnesses themselves, or obtained from others who were present, it was evident that the magnitude of effort required was greater than could have been provided by members of our own police force. It was also evident that the constables sent in by you provided the necessary extra forces required and that in the face of great provocation they acted in a responsible, disciplined way to break up the crowd, contain the disturbance, and prevent its escalation into a major outbreak of violence.

Mr. E. W. Sopha (Sudbury): Well, what was going on at Seaforth?

Hon. Mr. Wishart: This is what the hon. member for Downsview was referring to as a backing away and failure to support and maintain law and order.

Mr. Sopha: Well, what was going on there?

Hon. Mr. Wishart: It was a motorcycle gang disturbance.

Mr. Sopha: Two days ago?

Hon. Mr. Wishart: So I am told. Continuing with the letter:

In view of the comments that have appeared in the various news media, council felt that they would like you to know that they appreciate your response to the need for help. I am enclosing for your information a copy of the resolution which was passed by the council, and in closing may I again say thank you and express the wish that you will pass this to the constables who assisted us.

Then there is attached the resolution of the council moved by councillor Robert Dinsmore and seconded by William C. Pinder, that a letter of appreciation should be sent to the divisional branch of the Ontario Provincial Police for their emergency assistance to the Seaforth police force on the night of October 25, and that the members of the Seaforth police force be congratulated for their manner of handling the disturbance.

I thought it might be wise, Mr. Chairman, in view of all the comments which were made in these estimates earlier, to have that on the record.

Mr. Lewis: Will the Minister permit a question?

Hon. Mr. Wishart: Yes.

Mr. Lewis: Did this not occur on October 25 and 26?

Hon. Mr. Wishart: 25th and into the morning, I believe, of the 26th, I suppose it would be.

Mr. Lewis: And a special council meeting was held on October 27? And a letter was written on the 28th and received on the 29th?

Hon. Mr. Wishart: Right.

Mr. Lewis: Is it not remarkable how rapid and responsive some people are.

Hon. Mr. Wishart: Yes, and most gratifying, too.

Mr. Lewis: It might be commended to some others in the province.

Vote 212 agreed to.

On vote 213:

Mr. Chairman: The hon. member for Lakeshore.

Mr. Lawlor: Just one word on 213. A condition this year has occurred in my riding—

Mr. Sopha: That is one word?

Mr. Lawlor: A phrase or two. A condition has occurred in my riding where two people, virtually within hours of each other, have been killed in crossing guard incidents—one, Mr. James O'Brien, 73 years of age, on Brown's Line in Etobicoke; and a little girl. I just want to mention that the Attorney General has indicated that he felt that the force of his power, that the force of his suavity, if you will, reaches now as far as the police commissions in all the range of their activities apart from promotion and salaries.

I will not take any further time of the House; I will take that as an acknowledged statement on his part. I would ask him to take cognizance of what happens in major metropolitan areas, particularly because of the failure of the police commissions to supply crossing guards where they are needed. It is an ongoing problem. The voices of parents are still being raised and I would like to bring it to his attention and leave it at that for the time being.

Mr. Chairman: Has the hon. Attorney General any comments?

Hon. Mr. Wishart: We have had this matter under discussion, study and consideration, as to encouraging further participation by police forces. We have discussed it with school boards, and I am considering, along with my colleague, the Minister of Transport (Mr. Haskett), the matter of some change in legislation which might give some more power or authority in engaging school crossing guards.

Mr. Chairman: On vote 213; the hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): I have one brief item I would like to call to the attention of the Attorney General, and I am looking for guidance.

A constituent of mine, a lady, who had operated a school bus for three years under a public vehicle licence, was stopped by an OPP constable and charged under The Highway Traffic Act for operating the school bus without a school bus endorsement, I think it was called.

The lawyer who handled the case apparently did not appeal the conviction within the 30 days, or something of that nature, and as a result my constituent lost her right to appeal. It was the feeling of the officials of The Department of Transport that she was falsely charged—

Hon. Mr. Wishart: Wrongly charged.

Mr. Stokes: Wrongly charged, or something like that. I brought it to the attention of the Attorney General some months ago and he said that it came under the purview of The Department of Transport and he would pass it along to his colleague, the Minister of Transport. I had heard nothing from the Minister, and these people, who are good law-abiding citizens and are still operating a school bus, would like to have this charge expunged from the record.

I would like some guidance from the Attorney General as to how this might be accomplished. As I say, I brought it to his attention and he in turn brought it to the attention of the Minister of Transport. I think he did agree that it was an improper charge and that he would take some action to see that it was expunged. This has not happened to date. Would you care to comment on that?

Hon. Mr. Wishart: Yes, I would. I recall the matter very clearly and it was passed on to the Minister of Transport. As to the question of how you get the mistaken, or wrongful conviction, and I am assuming it was such, off the record—it would have to be a matter of extension of clemency, executive clemency, by the Minister of Transport, I think, in whose department and under whose Act the conviction was contained.

If the hon. member has said he has heard nothing further, or the party has heard nothing, I shall pursue it immediately further with the Minister of Transport to see what may be done. But it seemed to me that while we got a recital of the facts in the letter, which I sent on, we had to investigate those to see that they were as recited. I mean, not indicating for a moment that they were not sincere and an honest attempt made to set them forth, but one has to be certain that the facts as stated are correct.

Would the hon. member mention the name again?

Mr. Stokes: Yes, it is a Mrs. Rajala, of Nipigon.

Hon. Mr. Wishart: Thank you.

Mr. Chairman: On vote 213, the hon. member for Windsor-Walkerville.

Mr. B. Newman: For a point of information, in the case of rail crossings and the fact that the warning signal is not operative, do the Ontario Provincial Police have authority to lay a charge against the railroad for not maintaining that equipment?

Hon. Mr. Wishart: I could not say; I would not think so. I am not sure even that that is an offence. I am not sure it is an offence for a system of transportation, such as a railway—I do not know what the rule is as to the times that the signal must be operating or whether it is an offence not to have it operating. I am quite sure I would have to answer no to that. I suppose the hon. member will say who makes the charge if it is an offence? I think it will be brought to the attention of what we used to call the board of transport commissioners, now the railway board or the transport board, and they would take the necessary disciplinary action.

Mr. B. Newman: It is crossing a provincial highway, Mr. Chairman. Some department should have some responsibility as far as the interference with the flow of traffic and likewise the safety of individuals who may wish to cross. The fact is that the wig-wag is not working; is not operative. There must be some responsibility on the part of some one.

Hon. Mr. Wishart: There is responsibility on the part of the railway. Those signals are established ordinarily pursuant to railway board orders. Any citizen can bring that to the attention of the board and I am sure it would be immediately acted upon; remedial action would be taken. The first question was, who lays the charge? Can the OPP lay a charge? I do not think it is an offence for which a charge can be laid.

Mr. B. Newman: In a case where the interference with traffic is longer than the permissible time limit, may the OPP, who have the responsibility of law enforcement in that municipality, have the right to issue a violation ticket against the railroad?

Hon. Mr. Wishart: If I get the situation the hon. member is describing, is the wig-wag signal operating for a longer period, or stopped?

Mr. B. Newman: Well, either way. Let us assume that it is moving now; the train is interfering with traffic longer than the allowed limit.

Hon. Mr. Wishart: I still think this would be a matter for complaint to the board of transport, the railway board. That, I think, is my advice here. I know it is not an offence; at least I do not believe it is an offence.

There may be a right of action for stopping traffic for a longer period of time than is permitted by the board orders. I have heard it said that there is, but I am quite certain there is no offence. It is a federal statute that sets up the board and they are given certain powers to enforce their directions.

Mr. B. Newman: What recourse would the citizen have? Would he have to lay a charge or would he have to communicate with the federal authorities on that?

Hon. Mr. Wishart: I think the thing to do is to make a complaint by way of telegram or letter to the railway transport board and have some additional evidence of his own to establish the facts he recites. I am sure the board would then act.

Mr. Sopha: Mr. Chairman, I wonder if the Attorney General would take us into his confidence and tell us why the section of the Criminal Code which he will have to enforce and which says that it is an offence to have an accumulation of more than .8 parts per 1,000 of alcohol in one's blood and be in care and control of a motor vehicle, has not been proclaimed? Is the reason that the Attorney General does not have enough balloons or the police do not have enough balloons to collect all the breath that will

have to be collected, or there are not enough breathalyzer machines or enough trained breathalyzer operators? What is the reason and when may we expect it to be proclaimed?

Hon. Mr. Wishart: I would be glad to tell the hon. member and tell the members of the House, Mr. Chairman. When the Act was passed to make the breathalyzer test a procedure the province of Ontario was ready. We had the trained personnel, we had the equipment, but several of our sister provinces did not and we assisted them in the training and the procedures, gave them information, and we brought some of them here and trained them in our establishments. They have asked, since the federal Act applies to the whole of the country—they have asked it be not proclaimed until, I believe it is, the first of the year. And we have gone along with that.

Mr. Sopha: After the New Year's Eve celebrations or before?

Hon. Mr. Wishart: I am going to Ottawa on Monday, perhaps I can find out.

Mr. Sopha: Will the Attorney General let us know so we can plan?

Hon. Mr. Wishart: Would you like an extra day?

Mr. Lawlor: He wants to buy his own balloon.

Vote 213 agreed to.

On vote 214:

Mr. Lawlor: Just one question, Mr. Chairman. Whom am I to believe with respect to this quota system? The Attorney General has taken the defensive, withdrawing attitude with respect to this matter and I say, whom am I to believe? I have before me a report, it is actually an editorial, of August of this year, in which 250 policemen attending the annual meeting of the Ontario Police Association unanimously said that they felt they were under a quota system. Against that I have the usual authoritarian voice of Chief Mackey claiming that this is a lot of balderdash. Now, if I have to weigh 250 in the balance against the one, I think, on purely quantitative terms I am inclined to think personally there is a quota system. You know, speaking in one's rather coiling way to a police officer on occasion to find out if there is, they are loath to say there is in such terms.

Is it not possible, Mr. Chairman, that there is not a quota system in the way that the Attorney General chooses to regard as the definition of the quota system, namely, that the officers are sent out with deliberation beforehand to pick up 15 tickets on this beat connected with traffic offences, to make three and a half arrests, and to issue so many summonses? No, there is no quota system as such, but is there not a more subterranean type of system whereby an officer's quality and rating may err against his promotional possibilities, maybe partially judged at least on the basis of some statistical averages?

In other words the police commission, and the police force, and police chief, the executive, know that statistically each hour of the day a certain number of red lights are being passed through; or that a certain number of people are drinking and driving at that very hour. And if, as a result of sending his people out at that time, there is not at the end of the period reported back statistically a certain number of detections of these events, which we know very well are going on, then in some way the officer involved is negligent in the performance of his duties, and he is judged accordingly. And while they do not say with deliberation you must do such and such, and produce such and such "scalps," on the other hand there is the surveillance that in the normal course of things such and such ought to be produced—and I will not leave out, I will put in brackets, that the revenue that flows from this is a matter of consideration towards the officer's salary.

When the police officers, 250 of them, gather together and say that they feel that they are under some obligation, that the pressure is there, is it not simply the back door instead of the front? Is it not indirection? And even if it takes that particular form, it is still a quota system in my books, and I suggest ought to be in yours also. And if it is such, then very grave questions arise as to law enforcement. Why cannot the policeman on the beat be the friend of people. Why can he not return at the end of the evening without his status in any way being affected? True, they do not exercise a surveillance over the men. One of the ways of knowing that he has been on the beat and on the job working during the hour is that he brings a certain number of "scalps." Otherwise he may be loafing and being simply friendly on some corner. Well being friendly on a corner may be part of the policeman's lot. I can think of no better thing for him to do actually.

But simply because there are statistically a certain number of robberies taking place in

his bailiwick at the very time that he is on duty, according to the computers, is no reason in the world to play upon a special obligation which derogates from his dignity and from the full worth of his work as an officer in the force, which is to cement human relations in addition to the detection of offences.

If his worth is to be in a way weighed in this particular balance, then he offends gravely against civil liberties, and against rights, and brings the police into disobligation with the ordinary citizen—a parking ticket is no great thing to be visited upon one's head.

How many people are deeply angry when they find a ticket on their car, when he could have used a little discretion. But if he feels he has got to bring in some kind of evidence of his worth, of his tenure for those hours, then he is going to ply the tickets, and he is going to arrest in those instances which are borderline and where discretion, as according to the status we define for a police officer early in this session, should be exercised as we pointed out.

He is an autonomous self-directing individual within a large organization. To be a police officer at least was a high dignity, and required great responsibility and presence of mind.

They feel that they are under an obligation to put their thumb down on the foreheads of individuals, rather than give the benefit of the doubt which wins good will. A man is often very grateful not to have been pulled into the police station overnight, or even to have been given a ticket in certain circumstances. I think of Front Street where I went through the other day. The road is an esplanade, not any detectable traffic on it. Nevertheless, one is roped in. I say to him, "What sense is there in this. Why does not discretion operate in your case, constable? I am an offender, it is true, but the fact of the matter is, what possible harm am I doing?"

"Well," he said, "I might build up a habituation in the way of being malicious and driving too fast."

All right, that may be so, I rather doubt it. But in any case, I have taken enough time on it, and I am very much concerned about this quota system.

Hon. Mr. Wishart: I would like to say a very brief word, Mr. Chairman, about the quota. I think perhaps what the hon. member says is correct to this extent that the meaning one places on the word is important.

In all this talk about quota, no one has ever suggested that whatever number of informations or summonses, whatever production the policeman on the beat brings in that he is getting, or laying charges, or issuing summonses, are for things that did not happen.

He is picking up offenders, be it speeding, be it parking, be it whatever it may be. If there were a suggestion of that kind that the constable on the beat or the officer on patrol had to bring in a certain number of offences, that he had a quota of that kind, it would be a serious thing.

No one has ever suggested that he is sent out and told you must get so many speeding tickets whether or not the person charged is speeding. No one has ever charged that. While there may be some small protest such as the hon. member for Lakeshore says he made, he did it but he was an offender, and the one ticket he got, the summons he got, will appear, I suppose, on what someone might define as that officer's quota.

What happens is that there is a selective enforcement of the law. There are offences occurring. The persons who are charged in police forces with enforcing the law are expected to see that they look in those danger areas. It may be speeding, it may be impaired driving, it may be offences of parking which is a small thing. Most of those are done now by municipal bylaw enforcement people.

There must be a supervision, a surveillance to a degree to see that the officer, if I may use that term for the policeman, has covered his territory, has patrolled it, has observed it. His books, his records are looked at to see that that is done.

Now, if that is to be interpreted in the normal course of events, as the hon. member for Lakeshore says, there will be a certain number of offences occur, again, be it speeding, be it impairment, wrongful use of the highway, whatever. If the man has been on his job and on his beat, covered his territory, there must be some surveillance, first of all, to see he has done that. And if he has done that, he will produce, or should produce, some evidence in the way of summonses, confrontations with people, discussions with them, maybe standing on the corner, I do not know, that is not part of the quota. It is not a quota system.

There has to be some surveillance, because otherwise, if you did not have something of this sort—surveillance, I am not talking about a quota—the constable could spend his time in

the fruit store and pass the day and come in and say, I have done my job. Or the officer on the highway could drive to the coffee shop 30 miles out and spend two hours there in the morning and nobody would be any the wiser.

If he is on the patrol and his records show he was at such and such a place at such and such times, that is part of the surveillance. If he is doing that, he will, in the normal course of events, find a certain number of offences.

Mr. Lawlor: Well, just one further word. I suggest to you that in my point of view, the officer may be a better man and an officer in coming back to a police station empty-handed, in that sense. He may be performing a far more vital function than handing out tickets. I understand it goes further. When they first come on duty in the evening if you have a little talk with them, you will find that they go to the vulnerable spots immediately. They know where the tickets can be placed and they are quite likely to find a string of cars and so they just tag them on, get their quota before their first couple of hours of duty and then they can lay back for the rest of the trick.

Vote 214 agreed to.

Mr. Chairman: This completes the estimates of The Department of the Attorney General.

Hon. A. F. Lawrence (Minister of Mines) moves the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, tomorrow it is the intention to call all the bills on the order paper in the committee of the whole House, with the exception of Bill 138. If we get through those bills, we will call order No. 15, which is Bill 179, standing in the name of the Minister of Lands and Forests (Mr. Brunelle), and then we would proceed with the estimates of The Department of Lands and Forests.

Mr. V. M. Singer (Downsview): Here again I must comment on this. Last week we had a similar incident where there was certainly a very strong opinion put forward that we were entitled to more than 12 hours' notice as to what the next order of business was going to be. It can be no secret to the acting House leader that the new system envisaged the procedure of various estimates in accordance with the list that was laid down, and it was contemplated that as soon as the Attorney General's estimates were finished we would then get on to Lands and Forest.

Now they have done it again and I do not know why. Surely it is only common decency and courtesy that you could tell us more than 12 hours in advance what the next order of business is going to be, if you are going to depart from what was apparently the agreed-upon procedure. Mr. Speaker, I recognize that you have no power to interfere with this, but I thought I would take this opportunity of expressing our grave concern about the fact that we are not given the courtesy of reasonable notice as to the next order of business.

Hon. A. F. Lawrence: Mr. Speaker, it is the intention on Thursday evening, and following the spirit of the report of the select committee, to indicate to the House what the whole week's procedure will be—at least what will be called for the week after that.

Mr. S. Lewis (Scarborough West): If I can remind the Minister of Mines of an observation he made last week, that on Monday or Tuesday the business for the House for the following two or three days would be given, and then on Thursday evening we would be told the business for the following week.

In his own words, therefore, he has now departed from what he assured us would be the case. I do not feel as strongly about it perhaps as I did the last time, but I think it would facilitate the business of the House rather more, if we did have a day or two.

Hon. A. F. Lawrence: I am at a disadvantage in that I was not in the House at that time, being out of town yesterday and on Monday. It was my impression that the House was going to be told what was to be called for the rest of the week.

Mr. Lewis: We were told that Lands and Forests estimates would follow.

Hon. A. F. Lawrence: Of course we had no way of knowing how long the estimates of

The Department of the Attorney General and Minister of Justice would take, and I am quite appalled that they took this long, quite frankly, but in any event, I really do not feel that there is any great hardship incurred in calling bills in the committee of the whole House for tomorrow.

If there is any objection to a second reading of Bill 179, we will be glad to defer that until Friday, but again I really cannot see that this is necessary. I cannot see that there is any great disadvantage to the House by calling the items on the order paper in the committee of the whole House.

Mr. Singer: I hesitate to pursue this any longer. It is not a question of advantage or disadvantage. It is a question of order procedure and the fact that we, as members of this Legislature, are surely entitled to common courtesy and reasonable notice—more than a few hours in advance as to what the next order of business is going to be.

Hon. A. F. Lawrence: I would think that a day's notice on a matter such as this, Mr. Speaker, is quite ample.

Mr. Speaker: I would think that this matter has been sufficiently debated. I certainly see the viewpoint of the speakers for the Opposition, but I would also remind the House that the government of the House is at the discretion of the government House leaders and I would hope that perhaps the Opposition parties could prevail upon the House leader, in due course, to deal with the matter to everyone's satisfaction.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 o'clock, p.m.

No. 199

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, October 30, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, OCTOBER 30, 1969

The House met at 2.00 o'clock p.m.

Prayers.

Mr. Speaker: This afternoon our guests in the east gallery are students from Waterloo-Oxford Secondary School, in Baden, and from St. Dunstan's Separate School in Scarborough, and in the west gallery, students from Essex Senior Public School, in Toronto.

Statements by the Ministry.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, yesterday the Algonquin Wildlands League had a statement that was circulated to members of the Assembly and members of the press, and I would like to make a few remarks.

At the outset let me make it clear that we in The Department of Lands and Forests welcome the continuing and constructive interest of individuals or groups at any time. In this connection, the Algonquin Wildlands League has been in existence for but a relatively short period of time and has demonstrated a high level of interest in our larger provincial parks. It is fair to say though in operating this interest the league has chosen to ignore some of the historical features of land use associated with our recreational programme.

For example, in many instances the issuance of timber licences goes as far back as fifty to one hundred years and certainly predates the current high level of use in certain parks. As well, the league attempts to leave the impression that when an area is under timber licence it necessarily follows that the total area has been completely clear cut. They ignore the fact that logging operations are being subjected to increasing control with respect to time of logging, location of roads, shoreline reservations and so forth.

Speaking more particularly to the October 28 release by the league I would like to clarify for the record and the information of the members of the House certain of the information contained in the release.

The league gives the impression that it brought to light the existence of logging operations in Algonquin Park. Clearly this is not the case. Logging in the park goes back before Confederation. Not only was the information generally known but many of the park users took the opportunity to visit sawmills in the area.

The release also leaves the impression that during the summer of 1969 the league uncovered a major pollution problem at the Lake of Two Rivers in Algonquin Park. Actually, our regular practice of water testing at provincial park beaches indicated in 1968 that the water in this lake must be closely watched although at that time the water quality was not considered unsatisfactory for bathing.

Therefore, our regular sampling in 1969 was supplemented by work conducted on a more intensive scale by a special group from The Department of Health. It was the working of our two departments together that determined the conditions that led to the closure of the public bathing beaches.

By the time of commencement of the active park season in 1970, all installations surrounding this lake will be so modified as to preclude resultant pollution. This will apply to government installations and to the commercial lodge on leased land.

The league would also convey the impression that it uncovered activities in Killarney Park. Here again logging operations have been conducted in this area for a great many years. The road referred to in the release does not in fact penetrate the heart of the park. As a matter of fact, Mr. Speaker, the road is built at the north and eastern end of the boundary of the park. The park has been tentatively zoned with a substantial portion, more than half of it is in a wilderness zone and not available for logging.

With respect to Quetico Park the league suggests that Domtar Limited has recently acquired cutting rights in the park. The area referred to has been under timber licence for several decades. As a matter of fact, I am told by Mr. Jim Matthew who was a member here in 1908, that they had logging at that time.

In a meeting with officials of the Domtar Company on September 19 it was clearly

pointed out to the company that the location of roads and cutting areas in the area were to be subject to the same controls exercised in Algonquin Park during the past year.

The league states that the Ontario-Minnesota Company has a licence for some 430 square miles in the northwestern section of the park. In point of fact this area is under a volume agreement to the company. This agreement provides The Department of Lands and Forests with the flexibility for exercising very rigid controls as to the timing and location of logging operations. To date there has been no logging under this volume agreement.

The enclosed map indicates the parts of the park that are held under licence by Domtar and under volume agreement by Ontario-Minnesota. The same map indicates the area referred to in the reference to mining claims. You will also note that a substantial area of the park is not affected by either timber licences or mining claims.

The release refers to a letter dated October 6 to The Department of Lands and Forests asking for certain information and makes the comment that, as yet, no answer has been received.

This is true, Mr. Speaker. The facts are, however, that two letters from the wildlands league asking very detailed questions and information as to the ownership of more than 100 old mining claims, relative to Quetico, are in the process of being answered. Much of the information requested is being researched and provided by our staff in the Fort Frances office. There have been continuing discussions between our staff and those persons acting for the wildlands league. These are Mr. Bruce Littlejohn, the director of the league and a teacher at Upper Canada College, and Mr. Weyland Drew, an employee of The Department of Education. As recently as last week these persons were advised that we would attempt to have the full set of answers to the questions in their hands by next week.

It might be of interest to the hon. members to know that within Quetico Provincial Park there are 16 traplines operated by the Lac Le Croix band of Indians. These lines cover an area of 980 square miles and last year produced some 750 beaver.

The basic issue which the wildlands league speaks against is the attempt on the part of The Department of Lands and Forests to practise multiple use management. This approach recognizes the areas of interest to not only the recreationists, but also the users of all other resources. Because we are dealing in large areas and managing a resource with a long life span it is our view that multiple use management can in fact meet the local needs of the various user groups. This is done by controlling the use of the resources through time and space.

And it is our view that the provision of forms of wilderness or undisturbed areas of quiet is a very legitimate land use in our provincial parks. However, one must keep in mind the extent to which these areas are used by the public and the extent to which their being set aside denies others the opportunity for legitimate use of the resource.

Studies of the users of the interior of this park have been conducted. It will be of interest to the members to note that 95 per cent of these users come from the United States where they are completely outfitted. In this connection, it is hoped to conduct a study relative to the economic impact of the park use upon this province.

Also, in this connection, Mr. Speaker, it should be pointed out that the citizens of the United States through Minnesota enjoy much better road access to the border lake international waters than do Canadians through Ontario.

In connection with statements regarding primitive areas and parks, it is true that only one entire park is primitive, Polar Bear Park. However, in most of our larger provincial parks, including Algonquin, Quetico, Killarney and others, there will be formally established primitive areas for the enjoyment of that quite small percentage of our population who will desire to seek such areas. In addition we have wild river parks and undeveloped parts of the province of which both provide opportunities for the wilderness seeker.

Mr. Speaker: Statements by the Ministry.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the hon. Minister who has just delivered his statement, whether or not he might reassign the terms of reference of the Minister's special committee with representation of all parties, so that they might undertake an investigation of these charges, from the Algonquin wildlands league concerning Quetico Park.

The Minister has made what he considers a refutation of these charges, but surely something between these two positions is where we might find an area where the citizens of Ontario are going to have their rights to these wild lands protected.

Would he consider extending the committee that is already functioning with regard to Algonquin, to have special responsibilities for Quetico, and would he consider upgrading the committee, so it is a select committee of the Legislature and not directed by the Minister?

Hon. Mr. Brunelle: Mr. Speaker, I would be pleased to take under consideration the recommendation of the hon. leader of the Opposition. If I am to consider him correctly, he referred to the advisory committee in Algonquin Park to be enlarged, and to look into other parks. He also mentioned the members; I would like to remind the hon. leader that a member from his party, a member from the NDP, as well as members from our own party, are on this committee.

Mr. Nixon: I might say this, it is a Minister's committee, and if I might as a supplementary question, indicate to the Minister that I am not afraid of him, unduly interfering, still surely that committee might be upgraded as a select committee of the House, responsible to the House, rather than to report and advise only the Minister.

Hon. Mr. Brunelle: As I mentioned, Mr. Speaker, it is a good suggestion and we will take it into consideration.

Mr. Speaker: Supplementary.

Mr. S. Lewis (Scarborough West): When does the Minister intend to grant Ontario-Minnesota Paper Company the rights to exploit the holdings they have in Quetico Park?

Mr. Speaker: It would be my opinion that that is not supplementary to the question asked by the hon. leader of the Opposition and therefore the Minister need not answer.

Mr. J. E. Stokes (Thunder Bay): It is relative to the statement.

Mr. Speaker: It is not a question of whether it is relative to the statement, it is a question of whether it is supplementary to the original question asked.

Mr. Lewis: I see; that is probably true.

Mr. Speaker: Does the hon. member wish to rephrase it to endeavour to bring it in as a supplementary?

Mr. Lewis: Well, I could do it in a devious fashion; I prefer to wait.

Mr. Speaker: Oral questions. The hon. leader of the Opposition.

Mr. Nixon: Mr. Speaker, I wonder if the Premier can make any announcement about the possible government decision to extend assistance to those injured in the Malton explosion, either in a personal way or for their property.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I could simply say that we have received a resolution from the municipality. I have been in touch with Mr. Speck, and within the framework of what the Minister of Municipal Affairs (Mr. McKeough) said earlier in the week, we are prepared to go ahead when the need is established and we can see what has to be done.

Mr. Nixon: The Prime Minister is saying, if I may—

Hon. Mr. Robarts: Maybe I might go on to suggest that it could be declared a disaster area. In the discussion the other day, we pointed out that this really has no significance; since there is no such thing as a disaster area which would carry with it any particular meaning. We do have a policy framework within which we have assisted areas that have suffered disasters, and I think the Minister of Municipal Affairs made it quite clear earlier in the week that we were prepared to consider applying that policy to this area.

A copy of a resolution from the municipality came to my office this morning; I have been in touch with Mr. Speck, who is the mayor of the municipality. When we are able, with him and the municipality itself, to establish what the need is, we will then proceed within the framework of our policy in dealing with these matters. I might also point out I heard on a radio broadcast this morning that some insurance companies are already making payments. We really do not know just how many people are affected. But we are ready to do what we can in regard to housing. I believe the Minister said early in the week that we are prepared to work through The Department of Social and Family Services. The procedures that we have used in previous cases of this type, and that appear to be warranted will be applied when the situation is assessed with the municipality.

Mr. Nixon: A supplementary question: Has the Prime Minister asked the Attorney General to look into the possibility of the legal

liability of Consumers Gas in this connection, besides the money that may come in from insurance claims?

Hon. Mr. Robarts: Yes, Mr. Speaker, the whole matter of liability is being determined. This is where a disaster of this type is different from, let us say, a tornado. I recall some years ago that a tornado went through western Ontario; of course, that is an act of God and you cannot attach liability for such a situation. On the other hand, with the explosion of a gas pipeline, you are into what indemnification the insurance policy might carry and you are into the legal responsibility that might be borne by those who laid the pipeline and were operating it as a commercial undertaking. In other words, it is somewhat different from a natural disaster.

These matters have to be sorted out, and I can only assure the House that we will recognize our responsibility if people are suffering through this disaster.

Mr. E. Sargent (Grey-Bruce): Supplementary to that, of the many thousands of miles of old mains across Ontario, many years old, what performance do the gas companies have to carry out—

Mr. Speaker: The question is not supplementary to the original question placed. It is out of order. It is not supplementary to the original question which has to do with the matter of liability.

Any other supplementaries? Or does the member wish to re-word his question and make it supplementary to the matter of liability and compensation?

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Municipal Affairs. I would like him to comment on or, hopefully, explain why he dismissed the the former assessment commissioner for the county of Dufferin? I might add that I have received a copy of a complaint addressed to the Minister from the warden and that is why I would publicly address him in this way and ask him to explain why this assessment commissioner was not continued in the service of the Minister as he takes over the responsibility for assessment.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, I am in the process of replying to this letter. It is not a question of dismissal at all; it is a question of the fact that there was advertised by the civil service commission in co-operation with the department, some 32 positions as regional assessment commissioners in the province. There were something like, I believe, 100 applications of whom the present commissioner of Dufferin was one.

Perhaps this question might be more correctly put to the Minister to whom the civil service commission reports, but from my knowledge of it there was a civil service board set up, as there always is when there is a competition for positions. On that board —I believe it was a five-man board—there were representatives from Treasury, from The Department of the Civil Service and from my own department. Ultimately, 32 people were selected as being best qualified, in the opinion of the board, to fill the 32 positions as regional commissioners. The former commissioner in Dufferin was not one of those 32. Now, I am not personally qualified to say whether the civil service board made the right decision or not. I do not think I could say that unless I sat through 100 interviews and came to my own conclusions, and my conclusions might have differed from the other three or four members of that particular board. I think it should be pointed out again that Mr. McClung is not being dismissed, he will undoubtedly be offered employment. We are presently advertising for positions as managers. He will not suffer any decrease in pay; in all probability there will be some increase in pay.

Mr. Nixon: In all probability. A supplementary question, really a question of clarification. Am I to understand that Mr. McClung was the commissioner for Wellington-Dufferin?

Hon. Mr. McKeough: Yes.

Mr. Nixon: And that the person who got the job that the warden thought he should get is going to be commissioner; is that the proper title?

Hon. Mr. McKeough: Right.

Mr. Nixon: For the whole region? Because I am sure—would the Minister agree that the warden was justified in his complaint when he said that this man had for the past 18 months, I think, been hired really at the behest of the Minister of Municipal Affairs to upgrade the assessment there, and that he was just in the process of beginning its accomplishment when his services, according to the warden, were dispensed with.

Hon. Mr. McKeough: I am not in a position to dispute what the warden has said in his letter to me, with a copy to you, except that I would say it is not a case of dismissal, and

that it is as I have described it. I think it is a little bit unusual, but this might well occur in other organizations. What is unusual—

Mr. Nixon: This will be repeated in other assessment districts?

Hon. Mr. McKeough: It has occurred in one other. In the opinion of that board, a deputy—if I can put it that way—was better qualified than the existing commissioner. I can even think of in the instances of some political parties, and I should not be political, where the number-two man might be better than the number-one man.

Mr. Nixon: In point of fact you are out of order.

Mr. M. Gaunt (Huron-Bruce): A supplementary, Mr. Speaker, if I may. I am wondering, does the same thing apply to the other 68 people, that is to say, will they be taken in in some capacity within the system?

Hon. Mr. McKeough: Yes, oh yes. They must be offered employment and they must be offered employment at a rate of pay not less than they are receiving now.

Mr. Nixon: In fact, all will be upgraded, would the Minister say?

Hon. Mr. McKeough: I would think so.

Mr. Nixon: I would think so. Other than that, provincial assessment is going to be very expensive.

Mr. Lewis: I will hold my questions for the Minister of Lands and Forests (Mr. Brunelle) since his estimates are imminent.

A question for the Minister of Energy and Resources Management (Mr. Kerr): Does his statement yesterday that the biggest problem in his mind is the cottagers, indicate a slackening of interest in the industrial, municipal and commercial pollution in this province?

Hon. G. A. Kerr (Minister of Energy and Resources Management): No.

Mr. Lewis: Well, Mr. Speaker, may I ask by way of supplementary, does the Minister realize — quoting him directly — that when Stelco closed down during the strike, 35 per cent of pollution was eliminated?

Hon. Mr. Kerr: Yes.

Mr. Lewis: Does he realize that nothing has yet happened with INCO pollution and with the pulp and paper companies that he enumerated, and will he not continue a war in that area?

Hon. Mr. Kerr: Mr. Speaker, what I said last night does not indicate in any way that we will slacken off dealing with pollution from other sources, as indicated by the hon. member. What I indicated was that the problem of solving pollution or effluent from cottages is something that worries the department possibly more than problems from pulp and paper industries or other plants. We know what has to be done there, but the physical problem in remedying septic systems, for example, in our cottage area is something that we are looking at. It is a problem to us how to solve it in an effective way.

Mr. E. A. Winkler (Grey South): Mr. Speaker, if I might ask a supplementary question of the Minister, I wonder if he could tell us if he intends to eliminate the septic systems as such and as presently accepted.

Hon. Mr. Kerr: Mr. Speaker, this part of the problem, where there are septic systems in this cottage area that are not effective, are not properly cleaning the effluent because of the soil or rock bottom, we may have to find some substitute for those systems.

Mr. Speaker: The hon. member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, in view of his statement that the biggest problem in pollution is cottages, how can he justify the help he is giving to industry by the suggestion of loans, possibly low interest loans, and giving no support, and no help, no financial support whatsoever to cottagers?

Hon. Mr. Kerr: Well, Mr. Speaker, again the problem is, as far as cottages are concerned, not monetary at this point.

Mr. Pitman: It is not? Oh, boy.

Mr. Lewis: How do you hook in?

Mr. Pitman: What do you hook into?

Hon. Mr. Kerr: This is it, what do you hook into? What proper disposal means or methods can we apply to these areas? We are not sure what the cost will be. It may not be any more than a proper septic system, but if we come up with an answer that is feasible I frankly do not feel that money will be the problem as far as the cottagers are concerned.

Mr. Pitman: Another supplementary question, Mr. Speaker, to the Minister.

Has the Minister requested the Minister of Municipal Affairs to put in province-wide subdivision control in order to stop inappropriate cottages going up around the lakes all over eastern and southern Ontario?

Hon. Mr. Kerr: The Minister of Municipal Affairs knows my feeling on the lack of planning in certain areas of our province.

Mr. Speaker: The hon. member for Kenora.

Mr. L. Bernier (Kenora): Mr. Speaker, a further supplementary question to the Minister. Could the Minister inform us if the Ontario Water Resources Commission has issued a board order against the Ontario-Minnesota Pulp and Paper Company at Kenora?

Hon. Mr. Kerr: Yes, a Ministerial order has been issued.

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, a supplementary question, I wonder if the Minister would clarify for me that those septic systems in our urban areas as well as cottages that are approved by the—

Interjections by hon. members.

Mr. Speaker: Order. The hon. Minister will take his seat. The provisions of the question period, as I understand them, are for questions of the Ministry and not by the Ministry. The hon. member for Sudbury East.

Interjections by hon. members.

Mr. Speaker: Order. I would remind the members that time is going for question period.

Mr. E. W. Martel (Sudbury East): Could the Minister indicate if the Ontario Water Resources Commission is moving ahead with the elimination of the polyphosphates in detergents to eliminate this difficulty in the cottages?

Hon. Mr. Kerr: We are cetrainly considering polyphosphates in detergents and other sources. We are looking not only at that end of it—the treatment end of it—but also the physical problem of installing individual septic systems for cottages. This is, as I indicated, something that we have to solve, and I hope will solve, by way of a new programme for that area.

Mr. Speaker: Is this a supplementary? I think we have perhaps exhausted this particular matter as regards the time that should be given to it. I will give the hon. member for York Centre the opportunity of asking a supplementary and then I will allow no more.

Mr. Deacon: Mr. Speaker, will the Minister not delay enforcement of these new regulations for cottages until such time as they have developed a feasible commercial system for areas such as Rock Island?

Hon. Mr. Kerr: Mr. Speaker, new regulations to which the hon. member refers are certainly not in force now; they are only in the consideration stage. It is unfortunate that some of the reports of the meeting last night indicated that I was going to crack down on cottagers. Really, this problem has been the concern of the cottagers themselves for some time and I have met with cottage associations who are asking us, in co-operation with them, to solve this problem. But certainly before new regulations are in force we will look at every possible means of solution.

Mr. Speaker: Has the hon. member for Scarborough West further questions?

Mr. Lewis: Yes, Mr. Speaker, I do, although this question may have been answered by the attempted intervention of the Minister of Public Works. Could I ask the Minister of Municipal Affairs in relation to his observations at Guelph last night, how he came by the inspired insight that the Conservative government would likely be toppled by the NDP in 1971?

Hon. Mr. McKeough: Mr. Speaker, as I read the paper, what I said and what I recall saying last was that if I was asked for a prognostication, which I do not particularly like giving, I thought there was a good possibility of the New Democratic Party forming the official Opposition after the next election.

Mr. Lewis: By way of supplementary, the Minister would surely agree—

Interjections by hon. members.

Mr. Lewis: The Minister would surely agree that when a front bench member of the Cabinet prophesies the official Opposition, the end of the government is definitely at hand.

Mr. Speaker: Is that a question?

Mr. T. P. Reid (Rainy River): By way of a supplementary, might I ask the Minister if, when he suggests that the NDP will be the official Opposition, his party will become the third party and this party will be the government?

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: The battle having been joined, Mr. Speaker, this question for the Minister of Municipal Affairs: When will the conflict of interest legislation be brought before the House?

Hon. Mr. McKeough: I would hope before too long. Whether that means before the end of this session or whether it means at the beginning of the next session, I cannot say. After the committee reported, there have been discussions at the Cabinet level between the Attorney General, myself and the Minister of Education.

There are two limiting factors. I would have hoped to have seen it in the House at this point. We have had some difficulty of which I think we are all aware, and which has been solved recently, in terms of timetabling legislation. The other factor which I think has to be taken into account was that the report was made available in May to everyone; we mailed out copies to the thousand municipalities, and it was not until September really that there was any reaction from them.

Within the last month there has been a variety of reaction from the municipalities and from other interested people. For my own part, I would like to see some more reaction before we take the step of amending the legislation or introducing legislation.

Mr. F. Young (Yorkview): Mr. Speaker, I am sure the Minister is aware of the urgency of this in view of the fact that the municipal elections are now coming forward. Is any action contemplated so that those wishing to run may not face a conflict of interest situation?

Hon. Mr. McKeough: I think I would have to say, Mr. Speaker, that it would be very difficult at this point in time to introduce legislation and have it debated here in the House so it would be effective before the elections which will be held in the province on December 6. I think to be realistic about the timetabling, it just is not possible.

Again I would say that we seek and are looking for the views of many people. Those views are starting to arrive now. There is some debate going on in the province among municipal people and other interested people and I would not want to see, by a hasty action of ours, that debate shut off by legislation in the House.

I hope within the next few weeks, the next month or so, that there will be more debate and more reaction. I regret that there was not more during the summer months, but a lot of things come to a halt during the summer months and we just are not in a position to proceed as quickly as we would like to at this moment.

Mr. Young: And there is no protection of any kind?

Hon. A. Grossman (Minister of Correctional Services): This is participatory democracy.

Mr. Lewis: Shameful.

Mr. Speaker: A supplementary question?

Has the hon. member for Scarborough West completed his questions? The hon. member for Kingston and the Islands.

Mr. S. Apps (Kingston and the Islands): Mr. Speaker, I have a question of the Attorney General (Mr. Wishart). In view of the apparent rapid increase in the use of various kinds of drugs by the young people of this province and the very serious effect this can have on the health of these people —as highlighted in a story which appeared on the front page of yesterday's *Telegram*— will the Attorney General take immediate steps to thoroughly investigate this alarming situation? And, if the use of drugs is as widespread as has been indicated, will he take immediate steps to crack down on those rather perverted individuals who encourage our young people to use drugs and sell the drugs to them?

Hon. A. A. Wishart (Attorney General): Mr. Speaker, there is a very thorough investigation of drug usage and the effect of the usage of drugs going on now. The drug traffic and the sale of drugs, bringing drugs into this country, is really a federal matter. The investigation and prosecution of drug offenders is carried on by the federal government with the investigation assisted by our police but carried forward by the RCMP.

We have certain investigation, I would call it, or inquiry, going on. We are quite well informed as to the extent of the use of drugs. I do not think I can go further in answer to the hon. member, just to say we will continue our efforts to gather that information and take action where action seems to indicate it.

Mr. Apps: A supplementary question, Mr. Speaker. Does the Attorney General feel the steps that are being taken by the federal

government in co-operation with ourselves are adequate to root out and try and stop this trafficking in drugs?

Hon. Mr. Wishart: I do not know as I can express a very worthwhile opinion, Mr. Speaker. I am aware of a good deal of what the federal government is doing. I think they are doing a very thorough investigation. They are having an inquiry and getting opinions from excellent sources of knowledge in this matter. I suppose one could always say something more might be done, but that is the most I could say in the way of opinion.

Mr. Speaker: The member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, I have a question of the Prime Minister. In view of our heavy involvement in Bruce county in Douglas Point—about $751 million insofar as the project there is concerned—and the bad experience in Nova Scotia with the $54 million down there that they cannot get into being; in view of the fact that Douglas Point has not proven itself yet—it is far from delivering; in view of the news to be announced tomorrow that they are going to have to move the generator plant one mile and a quarter north—this is known in effect as a $1 million "boo-boo" on the part of the engineers, I would like to ask the Prime Minister what protection the public has in letting these contracts? What holdbacks do you have when you make these mistakes? Are the taxpayers of Ontario involved in paying for the bad judgment and miscalculation and bad engineering? Who pays the shot for this $1 million mistake?

Hon. Mr. Robarts: Mr. Speaker, I am not aware of the $1 million mistake. I can say this about the whole process of the development of nuclear power in the province: We started with a small pilot plant at Chalk River, which is of course now part of the basic power supply system of the Ontario Hydro-Electric Power Commission. The process which was developed there in that power plant has proven to be feasible.

In the development of Douglas Point, I think it was recognized when the plant was started that we were moving into a new area. The situation in this province is that we have exhausted about all the sources of Hydro-electric power—that is, water power—except those where we have problems with transmission and where the cost of transmission makes it difficult to develop the water power. All accessible water power in this province has been developed. So we went into the nuclear programme deliberately.

It is a partnership among the government of this province, the federal government and the Hydro-Electric Power Commission of Ontario. The Douglas plant is based upon the pilot plant at Chalk River, as I mentioned. There have been some difficulties at Douglas Point, we are not happy about them, but nonetheless they are not completely unexpected because it is a new process. It is a process designed to turn to another source of energy that we have in abundance in this province, and that is uranium.

As far as the actual $1 million loss to which you refer, I am not aware of that. But, as I point out, the plan is being developed by two governments and the power commission. In regard to heavy water generally, Deuterium of Canada Limited is the company involved in Nova Scotia, and I am told they are approximately three and a half years behind schedule in the production of heavy water. Now, that is not our responsibility. We would not have minded if that plant had been located in this province. It might not have been that far behind schedule. But—

Interjections by hon. members.

Hon. Mr. Robarts: Onakawana, that is still under investigation. There are very large deposits of low grade but nonetheless valuable fuel there, so that possibility is still being examined as well. In the development of a process like this, there is a certain amount of experimentation that goes along with the actual construction. The engineers do not have all the answers before they start.

The development of this type of fuel is going on not only in Canada but in the United States, the United Kingdom and in Europe. What we are doing here—as a hedge of course—is constructing thermal plants at the same time. We have been criticized, and Hydro has been criticized for the parallel development of thermal plants using fossil fuel, such as coal or oil at the same time that we are attempting to develop atomic energy for the production of electricity. But, we are running both. By developing thermal plants at the same time, we are not putting all our eggs in one basket. That, very briefly, is an outline of what is being done regarding power and development in the province. Power requirements at the preesnt time are increasing by about 10 per cent a year, which means that from source, somewhere, we must produce in the next ten years as much power as we produced in the last 150 years. It is a very great problem indeed, as to where this

power is going to come from and from what source it will be. I think we can add with confidence that all these possibilities have been very carefully thought out, that all the difficulties that can be eliminated have been eliminated. But in the development of a new process such as this, it is simply not possible that we are going to be 100 per cent perfect or that the engineers are going to be 100 per cent perfect.

Mr. Sargent: Mr. Speaker, in a supplementary manner, I would like to say that the Prime Minister in his usual charming—

Mr. Speaker: Order. Ask a question; do not make a statement.

Mr. Sargent: He did not answer my question. In view of the fact—

Interjections by hon. members.

Mr. Sargent: —I asked the Prime Minister if, in these contracts, there are any holdbacks to protect the public and may I ask you in support of that, that you qualify this as being another Niagara. In view of the dire financial straits we are in in Ontario now, do you think we are in the position to be pioneering this field?

Mr. Speaker: If the hon. member has asked a supplementary and is now trying to ask a different question, the Prime Minister may answer the supplementary if he wishes.

Mr. Sargent: Then, sir, what security do we have that they are going to perform?

Hon. Mr. Robarts: I cannot give the hon. member the specific terms of the contract under which these plants are built. If the difficulty is in the engineering, there will not be holdbacks, because the engineering basically is done by—

Mr. Sargent: A cost plus deal?

Hon. Mr. Robarts: No, no. Do not try to answer your own questions. You just ask the questions, and let me answer them.

Mr. Sargent: Well, you are not doing a very good job.

Hon. Mr. Robarts: The hon. member likes to ask questions, but he does not like to listen to facts.

The engineers are primarily Hydro-Electric Power Commission engineers. In other words, the engineering is not out on contract basis. The engineers who are developing these processes are engineers who are employees of the Hydro and therefore, there can be no cost-plus basis. Now, in the actual physical construction of the plant, we would have to go to the individual contracts, and that is a question that some other Minister might be able to answer more precisely.

I would be very surprised if there are not safeguards in those contracts, as there are in all contracts, to ensure that the government directly for the commission is protected against undue delays. The problems that are worrying the hon. member do not arise from the actual physical construction, they are more involved in the development of the engineering process. In that case, as I point out to you, the engineering is being done by Hydro itself.

Mr. Nixon: Mr. Speaker, a second question, if you will permit it. The Premier has been referring to the engineering development. Is there any concern, in his own mind or in the minds of his advisors, that we went ahead with Pickering before Douglas Point, in fact, proved itself, and in light of the fact that some of the engineers in development are afraid that Douglas Point may never prove itself?

Hon. Mr. Robarts: These questions, of course, in the apprehension that you voiced, are not new to me, because I have asked the same questions that you are asking of the engineers, the people at Hydro and the people of Atomic Energy of Canada. All I can say is that I am satisfied these plants are being developed according to a proper timetable. I do not think anyone anticipated that this heavy water plant would be as far behind schedule in Nova Scotia as it is. This means presently that Atomic Energy of Canada is attempting to buy heavy water which would have been produced in Canada, had this plant in Nova Scotia been on target. It simply means that Atomic Energy of Canada is attempting to find heavy water and other water sources throughout the world.

I do not think, from my own personal investigation, that the Pickering fuel plant is badly timed, nor do I think that there have been mistakes in judgement there. I do think that there are these difficulties I pointed out, some of which are inherent in the situation when you are developing a new source of fuel. I do not know the precise timing, as to whether Pickering will come on stream, as they say, at precisely the time it was intended.

Mr. Nixon: Obviously it will not.

Hon. Mr. Robarts: There have been some engineering difficulties at Douglas Point; I do

not think there is any doubt about that. On the other hand, sir, Douglas Point has put a lot of electric power into the system. It has functioned; it has been in the main flow, and it has been making its contribution. I am afraid I do not have the full facts of the particular incident which triggered this question. But I do know that Douglas Point has been functioning—

Mr. Nixon: Never by refuelling, never.

Hon. Mr. Robarts: Well, it has been functioning, I have been through the plant.

Mr. Nixon: I have too.

Hon. Mr. Robarts: I can only say that we have taken every precaution we possibly can and, as I mentioned, Hydro very deliberately has paralleled the development of thermal plants with nuclear plants.

Mr. Speaker: Has the member for High Park (Mr. Shulman) a supplementary?

Interjections by hon. members.

Mr. Speaker: The member for Scarborough Centre has the floor.

Mrs. M. Renwick (Scarborough Centre): Mr. Speaker, I have a question to the Minister of Trade and Development left from last week.

Mr. Speaker: The hon. member will not read the question she put last week. If she wishes to place it orally, she may do so.

Mrs. M. Renwick: Mr. Minister, when was the deal closed on the land purchased for Chapel Glen? What was the total price paid and for what total acreage?

Mr. Speaker: The same comments apply to the Minister. This is an oral question period.

Hon. S. J. Randall (Minister of Trade and Development): Well, if you want the dates, I will have to look up the information, Mr. Speaker. I do not have that by memory.

Mrs. M. Renwick: It is in your own riding.

Mr. Speaker: I have no objection to the Minister refreshing his memory from his notes.

Hon. Mr. Randall: The date of the closure was March 20, 1969.

Mrs. M. Renwick: March 20, 1969. Mr. Minister, the other question: What was the total price paid for the property and the total acreage?

Hon. Mr. Randall: The total number of acres was 64.336 acres; the land cost $10,485,000, the servicing cost $1,422,360, and the number of dwellings to go on that was 3,272. The number of dwellings per acre was 50.85, the average land cost per dwelling was $3,205, and the average servicing cost was $435.

Mrs. M. Renwick: Mr. Speaker—

Mr. Speaker: No, there is only the question for a member at a time. Any government member questions? The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Labour.

Has the Minister been informed of the lay-off that the Ford Motor Company of Canada plans this coming Monday?

Hon. D. A. Bales (Minister of Labour): I am aware of the lay-off in reference to the General Motors plant, but not the Ford plant. An announcement may have been made today.

Mr. B. Newman: The Ford Motor Company did not inform you that they planned on laying off 133 people in the city of Windsor?

Hon. Mr. Bales: Mr. Speaker, the report has not come to my desk as yet, no.

Mr. Speaker: Order. If the hon. member wishes to ask a supplementary question, he may do so.

Mr. B. Newman: May I suggest to the Minister that he issue a directive to industry to inform him any time they plan on contemplating a lay-off?

Hon. Mr. Bales: Mr. Speaker, there have been two lay-offs that I have had notice of just recently, and it is an exception if I am not informed. Normally I am. I will find out about it later today.

Mr. Speaker: A supplementary?

Mr. B. Newman: Yes, may I ask the Minister if he contemplates pursuing some type of programme with those who have or will be laid off on Monday?

Hon. Mr. Bales: Mr. Speaker, there was an announcement of a lay-off in reference to the General Motors plant in Oshawa, and at

that time, I arranged for the industrial training branch to get in touch with the Manpower centre there and the union and management, because we wished to make our services available to them for retraining or any other help that we can give. The same would apply here as well.

Mr. Speaker: The member for Sandwich-Riverside was on his feet earlier. Does he wish to have the floor now?

Mr. F. A. Burr (Sandwich-Riverside): No I defer to the hon. member.

Mr. Speaker: The hon. member for High Park. I may say the hon. member for Sandwich-Riverside is most assiduous in getting to his feet at the beginning of every question period so that he catches the Speaker's eye.

Mr. M. Shulman (High Park): Mr. Speaker, I have a question of the Provincial Secretary, notice of which has been given.

How many employees resigned from the Civil Service Association of Ontario in the week of October 19 to 26?

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I appreciate very much the kindness of the hon. member to give me notice that he was going to ask me this question. I must say I have been trying to find out the answer myself since Monday as a matter of interest in view of the Order-in-Council, but in consultation with the Treasurer, I will be glad to table an answer once we have all the reports back from all the various payroll divisions.

Our difficulty is that with the size of the civil service and with the procedures to be followed by any particular member who has voluntarily agreed to this check-off prior to October 26, he would advise his supervisor, who in turn would advise whoever has to make out the payroll deduction forms and all of these matters would eventually arrive at the payroll division of Treasury, I would assume, in order to change the computer with respect to those deductions. It will be a few more days yet, before we have all that information and, as I mentioned in consultation with the Treasurer this information will be tabled as soon it is available.

Mr. Shulman: A supplementary, Mr. Speaker. If the number is sizeable, in view of the short notice that was given, will the Minister consider extending the deadline in which people may resign from the association?

Hon. Mr. Welch: I think we are just speculating here. I have not the slightest idea how many there may be and as far as it is concerned, the Order-in-Council is now effective and we are now operating under the new order.

Mr. Speaker: The hon. member for Wellington South.

Mr. H. Worton (Wellington South): Mr. Speaker, a question of the Minister of Labour. Will the Minister inform the House what progress is being made with the strike at the University of Guelph? Have you had any discussions with The Department of University Affairs in regard to the budget of that university?

Hon. Mr. Bales: Mr. Speaker, in reply to the question, our conciliation officers were working with that group last week, before the strike began on Friday morning, and they have continued to work with them since that time. I have not personally had any discussions with The Department of University Affairs people since then about this matter.

Mr. Worton: As a supplementary question, and while I realize this perhaps should be asked of the Minister of Education, the argument comes up in the negotiations that the answer is that there is not sufficient money coming from The Department of University Affairs and I am wondering if you would discuss it with them to see if that can be overcome?

Hon. Mr. Bales: Mr. Speaker, that might be one of the matters, but there are certain other matters that were causing difficulty and are the reasons the agreement has not yet been reached.

Mr. Speaker: Any other supplementaries? The member for Sandwich-Riverside, if he wishes, has the floor.

Mr. Burr: Mr. Speaker, I rose earlier on a supplementary, but you cut them off.

Mr. Speaker: I am sorry, I did not realize it was a supplementary. The hon. member for Yorkview.

Mr. Young: Mr. Speaker, a question of the hon. Minister of Highways.

In view of the fact that the provincial government has a very substantial investment in the $60 million already spent on the Spadina Expressway, and in view of the fact that much of this expressway construction lies unused because of a lack of link-up

with feeder streets, is the Minister doing anything to encourage, to co-operate with, or gently or otherwise, to bludgeon the Metropolitan Council into accelerating the construction of the Spadina Expressway?

Hon. G. E. Gomme (Minister of Highways): This is strictly a matter for the local council, Mr. Speaker, and we leave it in their hands.

Mr. Young: Mr. Speaker, as a supplementary, is it not true that the provincial government has a very great investment here, lying unused and drawing interest? Therefore, the provincial government ought to have a real interest in the speed-up of this expressway?

Hon. Mr. Gomme: I think this is a statement, Mr. Speaker.

Mr. Stokes: Do you agree with it?

Mr. Speaker: The hon. member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I have a question of the Minister of Mines.

Did Superior Acid and Iron Limited receive a verbal understanding that they would be exempt from section 1 of Bill 112, An Act to amend The Mining Act, so they could produce their products and their sulphuric acid at Ashtabula, Ohio, instead of here?

Hon. A. F. Lawrence (Minister of Mines): Yes, Mr. Speaker, this matter was very fully discussed during the estimates of The Department of Mines. There was far more than a verbal understanding given; it was a written commitment from the Minister of Mines that he would recommend to the Lieutenant-Governor-in-Council that our exemption be granted.

Mr. Good: Has this exemption now been granted?

Hon. A. F. Lawrence: No, not yet.

Mr. Good: When will it be?

Hon. A. F. Lawrence: As soon as certain other information that we require from the company, is received by us.

Mr. Speaker: The hon. member for Sudbury East.

Mr. Martel: A question of the Minister of Labour.

Because the employees under contract at International Nickel fulfilled their terms of the contract by July 10, is it not incumbent that the International Nickel Company fulfill its terms of the contract by paying full holiday pay, as agreed under the terms of the contract, which expired on July 10?

Hon. Mr. Bales: Mr. Speaker, the terms of the agreement would have to be carried out under the provisions of the legislation; holiday pay must be paid within ten months after the end of the year.

Mr. Martel: A supplementary question then: is the Minister aware that the International Nickel Company does not intend, or has announced its intention not to pay the full holiday pay, as it comes under that contract which expired on July 10?

Hon. Mr. Bales: Mr. Speaker, no such statement has been made in reference to that matter to me and it would be another year before that matter would come up.

Mr. Martel: Mr. Speaker, I cannot understand why it would be—

Mr. Speaker: Order: If the hon. member wishes to address a supplementary question he may do so.

Mr. Martel: Why is it that Inco does not have to fulfill its obligations under that contract to grant full holiday pay to those employees who fulfill their terms under that contract?

Hon. Mr. Bales: Mr. Speaker, the holiday pay earned for the year 1968 must be paid by November 1 of this year and the same thing would apply in reference to next year.

Mr. Speaker: The hon. member for Oxford.

Mr. G. W. Innes (Oxford): Mr. Speaker, a question of the Minister of Transport.

Could the Minister advise when the new regulations pertaining to load weight and limitations on the highways will be brought forth? I mention this by reason of a transport and truck company being concerned.

Hon. I. Haskett (Minister of Transport): Mr. Speaker, I presume the hon. member is referring to a revised programme of maximum loads for commercial vehicles. This matter has been under study and consideration for some time and is actively being vetted now, I understand, with people in the industry and in the manufacturing industry.

Mr. Innes: Is the Minister aware that there is a slacking off in the truck and trailer manufacturing plants at the moment, by reason of

the transport companies not buying and that it is very urgent?

Hon. Mr. Haskett: Mr. Speaker, the trucking industry and the manufacturers are both aware of the current situation and it is in their interest that the delay, if there is delay now, is perhaps being protracted.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. Burr: I have a question of the Minister of Energy and Resources Management. Has the Minister now ascertained whether there is a mercury pollution problem near the five pulp and paper mills, and if so, has he issued directions to them, directing that they discontinue mercury effluent?

Hon. Mr. Kerr: Mr. Speaker, we have not completed our investigation on the matters to which the hon. member refers. We hope that will be done very shortly and at that time I will be pleased to give him a report.

Mr. Speaker: The hon. member for Rainy River.

Mr. T. P. Reid: I have a question of the Minister of Health. Would the Minister of Health indicate those areas that will be reciving the doctors and dentists under the new programme of The Department of Health, and what criterion is being used to so designate these areas?

Hon. T. L. Wells (Minister of Health): Mr. Speaker, I have that information here, and rather than take the time of the House to read it, I will be happy to send a copy over to the member. The preliminary list of those areas that are now designated for physicians' services and a brief list of the very elementary criteria which we have now and which are still to be developed in a more sophisticated manner.

Mr. Shulman: Would the Minister send us a copy of that?

Mr. T. P. Reid: Briefly, could I ask the Minister—I would appreciate having a copy, and by way of supplementary could the Minister indicate whether the Indians in these areas would be serviced by both the doctors and the dentists under this programme?

Hon. Mr. Wells: Whether they will be—

Mr. T. P. Reid: Will they be receiving services of the doctors and dentists who are operating under this programme?

Hon. Mr. Wells: I would imagine so. These doctors and dentists will operate as normal, independent practitioners, they will not be employees of the government in any particular way, like employees of our department. They will carry on a normal practice in the area where they are located.

Mr. Speaker: The hon. member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Speaker, may I ask the Minister if, in tabling the designated areas, he would also indicate in them how the guarantee of $26,000 per annum was arrived at? I understand he announced it the other day.

Hon. Mr. Wells: Mr. Speaker, of course, any arrival at any figure was done in consultation with medical associations and various groups as to what would be a figure that would likely attract doctors to an area. The figure of $26,000 was the one that was decided upon. I do not have any particular information that I can table on this. It was felt to be a reasonable figure and yet one that was attractive enough to attract physicians to these areas. That is, $26,000 after income tax.

Mr. Peacock: Sounds like the national average.

Hon. Mr. Wells: Do you want doctors up there?

Mr. Speaker: The hon. member for Peterborough.

Mr. Pitman: A question for the Minister of Financial and Commercial Affairs: Has his department investigated the advertising and promotional techniques of White Rock Estates, or the interest called White Rock Estates, and their "Buy a Piece of Canada" campaign?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): I cannot say anything specifically about that, but nothing has been brought to my attention with respect to current advertising in real estate, that is offensive.

Mr. Pitman: Mr. Speaker, might I ask the Minister whether he has seen the advertisements which suggest that they will build roads to your doorstep when, in fact, the Minister of Municipal Affairs has made it quite obvious that there are no subdivision plans and there will be roads to no-one's doorstep? I would ask the Minister to make

a full and complete enquiry of the activities of this particular group of interests, because it is my information and my belief that there is something very, very rotten in this part of Denmark.

Hon. Mr. Rowntree: I would be glad to look at the advertising to which the member refers.

Mr. Speaker: Any supplementary to that question? If not the hon. member for Nipissing has the floor.

Mr. R. S. Smith (Nipissing): Mr. Speaker, I would like to ask the Minister of Energy and Resources Management if he could give us the reason for the rail derailment on the Ontario Northland Railway main line yesterday, and when the main line will be reopened, and what was the loss to the railroad, since it is uninsured.

Hon. Mr. Kerr: Mr. Speaker, this was a daily unit ore train that was proceeding north with empty ore cars. The derailment was about three miles south of Temagami. One of the diesel units, apparently, was derailed and caused the accident. We do not know the cause of it as yet. There is an investigation going on. We are investigating the fact that some foreign material on the track may have caused the derailment. There is no indication that the derailment was caused by the roadbed. I have just forgotten the last part of the question.

Mr. R. S. Smith: It was in regard to the financial loss to the railroad, since they do not carry any insurance on this type of railroad.

Hon. Mr. Kerr: I do not know that yet; I am sorry, I will have that for you later.

Mr. R. S. Smith: As a supplementary, Mr. Speaker, in light of the number of derailments they have had over the past few years, will the Minister initiate a study into the roadbed conditions on the whole road, an independent study by an outside group and not by another railroad, as the ONR did themselves?

Hon. Mr. Kerr: Well, as I indicated, Mr. Speaker, there is no indication that this particular derailment was caused by the roadbed. There has been, as the hon. member knows, continuous construction during the summer months on the roadbed, improving it with new ties, rails and things like this, so that I do not think really there is a need for further study or survey on this particular part of the railroad.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, a question of the Minister of Health: Could the Minister explain what precautions have been taken to assure that those persons who are employed but earning less money than is required to pay tax, are eligible to receive full subsidy in OHSIP?

Hon. Mr. Wells: I am not too sure what the hon. member means, Mr. Speaker. The onus is on the persons themselves either to apply for partial or complete assistance.

Mr. Deans: If I may, by supplementary question, say to the Minister that in many instances the employer is deducting from wages and remitting to OHSIP the premium amount for OHSIP, but the person is not earning enough because he is working part time and should actually be receiving full premium assistance. What provision is made to stop this so that when the employer recognizes there is not enough being earned he will not deduct?

Hon. Mr. Wells: Mr. Speaker, if I remember rightly, in these cases where you are in a mandatory group and the deductions are being made, you apply for a rebate at the end of the year. There is a provision to apply for a rebate for assistance.

Mr. Deans: May I then, by way of supplementary question, ask the Minister if he would consider changing that portion of the Act because it invokes a hardship on people who are earning so little?

Hon. Mr. Wells: We would be happy to look at it. As I said yesterday, we are looking at many sections of the Act as an ongoing process, and we will look at that.

Mr. Speaker: The member for Essex Kent.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, I have a question for the Minister of Energy and Resources Management. Would the Minister consider advertising in the daily papers, warning people of the high pollution content of the detergents, which would be similar ads to the one placed October 27 about the delightfully soft water in London, Ontario?

Hon. Mr. Kerr: Yes, I will consider that.

Mrs. M. Renwick: A question to the Minister of Health: Is the government contemplating a prepaid drug scheme in the province, and if so, when?

Hon. Mr. Wells: That, of course, Mr. Speaker, is a question on government policy which will be announced at the appropriate time.

Mr. Lewis: Can the Minister not divulge that kind of information?

Mrs. M. Renwick: Will the Minister accept a supplementary question? Would the Minister comment as to whether perhaps this government is moving into that area because it may be that the federal government is moving as it did on a national health scheme and the province is contemplating moving in earlier than the federal government?

Hon. Mr. Wells: That seems to be a rephrasing of the same question on policy. Perhaps the hon. member is confusing a prepaid drug scheme of some sort with a programme of drug negotiations and a price list arrangement, which we are presently working on. It will be coming out some time in the new year. We hope it will reduce the cost of drugs to the people of this province by 10 or 15 per cent.

Mrs. M. Renwick: Well, Mr. Speaker, on a point of clarification, the member is not confusing it with the drug scheme.

Mr. Speaker: The member is allowed only to ask supplementary questions. If she has a supplementary question, she may place it.

Mrs. M. Renwick: A supplementary question to the Minister of Health. Is the Minister saying he has no knowledge, then, that the national health and welfare body may be contemplating this type of scheme also?

Hon. Mr. Wells: No, we have had no indications and I have read nothing in the paper that any federal prepaid drug plan is under contemplation.

Mr. Speaker: The oral question period is now concluded. Before we move on, perhaps for our assistance, I might make another comment or two.

Those who were listening to the questions today will remember that there were at least two instances where members gave oral questions, indeed they were, but they were prefaced with "in view of the fact of" and various other things which should not form part of an oral question.

Secondly, I do not believe it is desirable that we should have theoretical questions on matters about which there can only be speculation. I would propose to endeavour, in my opinion, at least to ensure that such questions are not placed, and I would ask the co-operation of the members.

These questions are matters of public importance of some urgency and certainly matters of speculation could not be included in such. Otherwise, as far as Mr. Speaker is concerned, I think the question periods are going very well, because a great many more members than usual are having an opportunity to ask questions. The limit of one question per member per turn seems to give many of the private members an opportunity to ask questions—an opportunity which they have not been having under the old system.

Mr. Pitman: Mr. Speaker, might I bring your attention to the fact that the term "in view of" may very well be the only way the member has of pointing out the urgency of his question? It is not necessarily argumentative and not necessarily the prelude to some form of address to the House. The words "in view of" may very well be the only way of approaching a matter in such a way that Mr. Speaker will be assured that this matter is of urgent public importance.

Mr. Speaker: I do not think that would normally be necessary because if the hon. member would ask a question of a Minister why such-and-such was not done, he would get the answer, and the Speaker would probably be aware of its urgency. I was not worrying about the use of the words "in view of", I was worrying about the number of words which followed the "in view of".

The hon. member for Rainy River.

Mr. T. P. Reid: Thank you, Mr. Speaker. I would just like, on a point of order, to bring to your attention a statement you made during the question period, that we were carrying on too long on certain supplementary questions. You used the phrase "too much time" or "enough time". Now, it was my understanding that the theory behind this was that we would ask a number of supplementary questions to the point where that topic was exhausted. In other words, to the point where there was no new information to be given, rather than that a specific time limit should be set on the questions. Am I making myself clear?

Mr. Speaker: The hon. member makes himself clear. There is no specific time limit on questions, at the moment all that has happened is that when Mr. Speaker believes that, in his opinion at least, the matter has been exhausted, then he rules no more supplementary. I know of no better way of doing it, even though Mr. Speaker—

Mr. T. P. Reid: You used the word "time".

Mr. Speaker: Yes, well, it has to do with time too. Even though Mr. Speaker's decision in the matter may not appeal to all the other members of the House—and particularly the members wanting to ask supplementary questions, there must be an end someplace to it or we would not get on with our questions.

However, this is a trial week, I am delighted to have the observations of the members both here and privately. Some of the members have been kind enough to come to me privately and make suggestions, many of which are good, and we will try to work them out.

Petitions.

Presenting reports.

Mr. G. Demers, from the standing legal and municipal committee, presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill with certain amendments:

Bill 109, An Act to amend The Ontario Energy Board Act, 1964.

Hon. R. S. Welch (Provincial Secretary): I beg leave to present to the House the following reports:

1. The report of the Co-operative Loans Board of Ontario for the year ending December 31, 1968.

2. The annual report of the Ontario Food Terminal Board for the fiscal year ending March 31, 1969.

3. The annual report of the Minister of Agriculture and Food of the Ontario Telephone Service Commission, 1968.

Mr. Speaker: Presenting reports.

Motions.

Introduction of bills.

Orders of the day.

THE WOLF AND BEAR BOUNTY ACT

Hon. R. Brunelle (Minister of Lands and Forests) moves second reading of Bill 179, An Act to amend The Wolf and Bear Bounty Act.

Mr. Speaker: Does the hon. Minister wish to lead off? The members will remember the procedure here: The Minister may lead off and then will close the debate at the end. The hon. Minister has the floor.

Hon. Mr. Brunelle: Mr. Speaker, in principle this bill provides for the payment of wolf bounties in the regional municipalities. It is my understanding that the legal position of the regional municipalities that were created out of counties is that they cannot pay wolf bounties even though the counties from which they were created had authority to make such payment.

Accordingly, the bill provides that regional municipalities are authorized to pay bounties. The bill is retroactive in its application insofar as the municipality of Ottawa-Carleton is concerned. This municipality came into being as of January 1, 1969, and the legislation is designed to permit the payment of wolf bounties in respect of wolves taken since January 1, 1969.

Mr. T. P. Reid (Rainy River): Mr. Speaker, through you to the Minister, I would like to ask him how many wolves there are in the downtown area of Ottawa? Just a matter of information.

Hon. Mr. Brunelle: Two-legged wolves or four-legged wolves?

Mr. T. P. Reid: Might I ask the Minister, really, have there ever been any wolves shot in these areas, Niagara Falls and Ottawa-Carleton? I fail to see the purpose of this.

Hon. Mr. Brunelle: I am told, Mr. Speaker —I do not know the number, but I am told— that there have been wolves killed since January 1. These people are claiming their bounty and we are unable legally to give it to them.

Mr. T. P. Reid: Then let us get this bill through as quickly as possible.

Mr. Speaker: Is there any further debate?

The hon. member for Sudbury East.

Mr. E. W. Martel (Sudbury East): I would like to ask the Minister one question. Is there any bounty on an intoxicated bear?

Hon. Mr. Brunelle: I would like to say, Mr. Speaker, that we in Ontario have bears that are very temperate in their drinking habits.

Mr. Speaker: We apparently have not realized that the House has left the oral question period and has come into the period when we debate second reading of bills which are matters of principle. Therefore, if there

is any further debate on the principle of the bill, the floor is open to the members. If not, I will put the motion. But the matter of question and answer, of course, is for consideration of this bill in another area than in the House on second reading.

Is there any further debate on second reading?

Motion agreed to; second reading of the bill.

Clerk of the House: The second order, committee of the whole House; Mr. A. E. Reuter in the chair.

THE DEPARTMENT OF FINANCIAL AND COMMERCIAL AFFAIRS ACT

The House in committee on Bill 170, An Act to amend The Department of Financial and Commercial Affairs Act.

Mr. Chairman: I wonder if the hon. Minister would wait just a moment, I have some comments regarding the new procedures.

I think I should remind the committee of the whole House that in accordance with the recently approved motion of the House on new procedures that section 8, paragraph 8, of the motion indicates that when a bill is called in committee of the whole House, I should determine whether or not there are any amendments, questions or comments in connection with any section of the bill. If there are none so indicated the bill shall be reported in full.

I believe the committee should be aware of that and if there are any amendments and any divisions, with the consent of the House, we can stack those divisions until all amendments have been considered.

Now with that explanatory note perhaps the hon. Minister would continue.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, on a point of order, I will be handling a number of bills this afternoon. They are spread out in front of me like a galaxy, or new constellation that has not been yet detected in the skies. I find that I was informed that these bills would be called in order according to their number *seriatum*. I am ready to proceed that way and I would ask that this be abided by.

Hon. R. S. Welch (Provincial Secretary): Mr. Chairman, I had hoped that it would not be considered necessary to have to give personal reasons. There are some personal reasons why these bills are called now for the convenience of the Minister. I am sorry but the reason is a very legitimate one and I think I do not have to go into any further detail. It had been our intention yesterday to call them in order. In order to accommodate this Minister whose bills we are now calling this has been rearranged. Surely we can have this much flexibility.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, many of these bills were amended in committee and they have all been reprinted with the amendments which were agreed upon by the committee at two separate sittings.

So that we will have the matter clearly before us, if I might speak to the series of bills pertaining to my department—Bill 170 is the bill and the vehicle to create and authorize the new appeal tribunals. I have an amendment under section 2.

Mr. Chairman: Are there any other sections of this particular bill to which there will be amendments? Any comments or any questions?

Mr. D. M. Deacon (York Centre): Mr. Chairman, I would like to ask a question of the Minister in connection with clause 2 of the bill. Shall I do that now?

During the debate on second reading and in the legal bills committee I expressed concern that the bill as it is now presented would not preclude public servants within the department from being members of the tribunal. Such appointments, of course, would negate the prime objective of the tribunal which is to prevent public servants from judging appeal decisions made by their colleagues.

What is the Minister's view of such a possibility under the present provisions of the bill?

Hon. Mr. Rowntree: It is certainly not my intention in this bill to include any members of our department, or having to do with the department, or its operations, as members of the tribunal. I do not want to get into a matter of semantics but I think the hon. member feels I should record my position in the House on this point and I would add to what has already been said in committee that when the people are appointed to the tribunal, certainly the chairman and the vice-chairman will become public servants by virtue of their appointment and their pay and the need to include them in the complement of the department and so on. So I am not suggesting any innuendos about the word "semantic" being applied to this debate, but the fact is

that after the bill is enacted, some of the members of the committee will certainly become full-time public servants.

Maybe what we are really trying to get at is that it is not the intention of the department that any existing member of my department should be a member of the tribunal.

Mr. Deacon: Yes, I think what I am really getting at is to be sure that the members of the department who have line responsibility are not sitting on a tribunal which would thus negate the purpose of the tribunal.

Mr. Chairman: Shall the bill be reported?

Hon. Mr. Rowntree: No, I have an amendment to it.

Mr. G. Ben (Humber): You are going to put an amendment are you not? Well, beforehand—

Hon. Mr. Rowntree: May I move the amendment to get it before the House?

Mr. Chairman: Is this to section 2?

Mr. Ben: Perhaps you will excuse me? Mr. Chairman, on various occasions the House leader—and I am referring to the Minister sitting here who may have been guilty of it, although I cannot recollect it—has chided us, the Opposition, for not being prepared for any bill that comes up on the order paper.

Mr. Chairman, the rules have now provided that if we wish to move amendments we must do so in writing before the bill—

Mr. Chairman: No, that is not quite correct. I have called this bill and enquired of the committee if there were any comments, questions or amendments to be introduced. This is provided in paragraph 8 of the motion approving the new procedures so that if any hon. member wishes to indicate to the chair when the bill has been called, if he will indicate the sections, then we will deal with those sections. If not we will report the whole bill.

Mr. Ben: The Chairman does not understand the import of my remarks. For example, there are a number of amendments that this bill requires for housekeeping purposes to keep it consistent with other legislation that has been passed for the same purpose. The best example can be found in the bills that were brought forth under the auspices of the Minister of Health. There are a lot of weaknesses.

Now, one could say in justification, "Well, you should have had your amendments ready to go when they were called." That is fine if one knows well ahead of time to what matter he should give priority. For example the bills are on the order paper but an hon. member in this House does not know until the bill is reprinted what amendments were moved in committee; and secondly he does not know when the bill will be called again to enable him to put forward any amendments which he feels were lacking. The bill could be called in a week, it could be called in two weeks or it could be called in five or six months, as has happened with some of the bills here.

The result is, if he wants to keep up to date a member is lost. For example, Mr. Chairman, in paragraph number 2, subsection 3:

> The Lieutenant-Governor-in-Council shall appoint six members of the tribunal and shall appoint one of such six members who shall be a full-time member, as chairman, and many appoint one or more other such members as vice-chairman.

It does not specify here what the total complement shall be.

Secondly, further down, subsection 3:

> Three members of the tribunal, one of whom shall be the chairman, or vice-chairman, constitute a quorum and may exercise all the powers of the tribunal notwithstanding any vacancies in the membership.

This permits an organization in fact, if it happens to pack the meeting, to take it over.

In section 2, subsection 8(c) they give certain powers to the Deputy Minister. Then in paragraph 2, subparagraph 8(c)2 it gives power to the Minister. Why not keep it consistent and give both to the Deputy Minister?

These are the kind of amendments that could be brought in. They are housekeeping amendments. They are not amendments that change the bill. But, because we do not really know, the bill that is going to come up again, we do not know which bill should receive our priority when it comes to proposing amendments. We find ourselves in the embarrassing position, as I do now, knowing that amendments will have to relate to this bill to keep it consistent when other legislation has gone through the House, and not be in a position to do so.

Mr. Chairman: I can only say that the bill has been reprinted and certainly has been on the order paper. The hon. Minister has an amendment to introduce. The

hon. member may introduce the amendment. We are not dealing with the committee procedure at the moment, we are dealing with this bill. The hon. member is perfectly free to make any comments, ask any questions, to move any amendments.

Mr. Ben: I have just one. Mr. Chairman, you do not understand. If this bill was reprinted, I want to draw your attention to the fact that this occurred some time ago. Secondly, it was only this week that the members of the Opposition had an inkling of the order in which the rest of the estimates might be called. Up to the present time, all the critics this side of the House have had to be preparing for the estimates, because we did not know when they would be called, so they are receiving priority. Bills, such as this had to be second in priority.

The point I am trying to make is that if the government could give us advance notice, well ahead of time and for example, say, on such a such week or such a such day we propose to deal with this, and in the subsequent week with this and this—we could have all the amendments ready to go in the order in which they are called. We could prepare ourselves for the business of the House in the order in which it will be called.

Mr. Chairman: With respect to the hon. member, he may be quite correct, although the only matter that is before us at the present time is this bill, and we cannot deal with those orders or procedures in any manner—

Mr. Ben: Listen, this is one time we are both right.

Mr. Chairman: The hon. Minister—

Hon. Mr. Rowntree: Mr. Chairman, in reference to this bill, there were numerous amendments made to this series of bills in committee, from 9.30 Monday until 1.55 and on the second occasion, from 9.30 until about 11.50 and very careful consideration was given the bill. The hon. member is not even listening to what I am trying to say for his own benefit. Obviously, his objections cannot have had any importance, so I will just continue the amendments and not make any further comments about it. At those two hearings, and my remarks apply to this series of bills before us, we had a healthy debate, I do not recall any of the comments from either Opposition party at the legal bills committee, about section 8(c)1 or 8(c)2—

Mr. Ben: That shows you how much you missed me.

Hon. Mr. Rowntree: I beg your pardon?

Mr. Ben: It shows you how much you missed me.

Hon. Mr. Rowntree: In any event, they were a most acceptable committee and it was—

Mr. Lawlor: Why did you not get on the committee, to straighten us all out—

Hon. Mr. Rowntree: There was very healthy committee activity on those two occasions.

Mr. Lawlor: We worked like legal dogs!

Hon. Mr. Rowntree: I have gone further than that. At those two committee meetings, there were some other matters raised by the committee members and indeed by the public who were present and I was asked by members of this House if I would, apart from the amendments which were made for the bill, would I take these other matters under advisement and I undertook to do that.

There are some four or five other amendments to be made to the bill and, at the request of the legal bills committee, which I am agreeing with and to carry out the faith and the intentive, there certainly is a spirit in which both of those committee meetings were held, I had spoken to the leader of the Opposition; I got a message to the acting leader of the New Democratic Party, I have spoken to two active members of both Opposition parties and delivered them copies of all of the amendments which we proposed to make today, which are rules out of the discussion in the committee. I would suggest that that is an attempt at being most co-operative, Mr. Chairman, and I do not know what more I can do.

With respect to section 2, there was some discussion in committee that the legislation should specifically provide that one member of the quorum should, in every case, be from the same industry as the individuals appearing before the tribunal, that is the intention.

At the moment, that is the reason that there will be part-time members of this tribunal and there probably will be two or three, in fact, there could be four nominees or appointees from the industry, being covered by all of this legislation, who will be appointed as members of the tribunal, but

may only be called upon to sit when a member of their industry has a case or a matter before the tribunal.

In order that this may be abundantly clear, it was our intention and our declared intention, to operate the tribunal in that way. We have no objection to amending the legislation to specifically provide for this.

I now move:

That section 8(a) of the Act as enacted by section 2 of the bill be amended. One, by inserting at the commencement of subsection 6, the words, "subject to subsection 7". Two, by renumbering subsections 7, 8 and 9 as subsections 8, 9 and 10. Three, by adding thereto, the following subsection 7: "Where the tribunal holds a hearing, at least one of the members shall be a person appointed under subsection 4, engaged in the industry governed by the Act under which the hearing is held".

Mr. Chairman: Hon. Mr. Rowntree moves that section 8(a) of the Act as enacted by section 2 of the bill, be amended. One, by inserting at the commencement of subsection 6, the words, "subject to subsection 7". Number two, by renumbering subsection 7, 8 and 9 as subsection 8, 9 and 10, and three, by adding thereto the following subsection, subsection 7 which I will read:

The tribunal will hold a hearing, at least one of the members of the opposed appointed under the subsection 4, engaged in the industry governed by the Act under which the hearing is held.

Does the motion carry?

The hon. member for Lakeshore.

Mr. Lawlor: Mr. Chairman, in the committee, as in human life, the most obvious question of all is seldom asked. As we say in philosophy, that which comes at us first, even as children, and I speak as a child, is the last thing we think of just before we die. In other words, it takes us all our life to get back to the beginning.

What I want to ask, sir, is why the tribunal exists at all? We never did ask that question. What is the real reason for this tribunal? Does it perform a necessary function?

Interjections by hon. members.

Mr. Chairman: Section 8(a) of the bill. Shall the bill as amended be reported?

Bill 170, as amended, reported.

THE COLLECTION AGENCIES ACT

The House in committee on Bill 171, The Collection Agencies Act, 1968-1969.

Mr. Chairman: Bill 171. Are there any questions or amendments on this up to section 8?

Mr. Ben: Up to section 8?

Mr. Chairman: Yes, perhaps the hon. Minister—

Mr. Ben: Do you mean up to and including section 8?

Mr. Chairman: Up to and including section 7. The hon. Minister has an amendment to section 8. Would the hon. Minister like to present his amendment?

Hon. Mr. Rowntree: At the legal bills committee, one of the members of the public suggested that the Act be amended to clarify that the decision of a registrar refusing to renew a registration not take effect immediately. This was the intention of the department and reflects current practice. However, to avoid any possible confusion in the public's mind, therefore, the department is prepared to add the following subsection—and to avoid duplication I will move that section 8 of the bill be amended by renumbering subsections 2 and 3 as subsections 3 and 4 respectively, and by adding thereto the following subsection:

2. Where the registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order is made by the tribunal or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

Mr. Chairman: Hon. Mr. Rowntree moves that section 8 of the bill be amended so that subsection 2 and 3 shall be renumbered 3 and 4 and that a new subsection 2 shall be included, reading as follows:

2. Where the registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order is made by the tribunal or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

Motion agreed to.

Mr. Chairman: Are there further amendments from the Minister to this bill in sections 9 or 10?

The hon. member for Humber.

Mr. Ben: Mr. Chairman, again, as I say, I do not sit on the legal bills committee, but I would point out that on the committee I do sit on there were a number of bills that were amended to correct the wording. The Minister is endeavouring to do so with this particular amendment to section 8. There has been an attempt by this government to bring in a uniformity of legislation. These Acts of the Ministers are written more or less as are Acts covering similar situations. For example—and I have not yet proposed an amendment to this bill—in the bill governing ambulances, where a section read the same way, an amendment was added to paragraph 3(a) of section 10, which is the same paragraph as paragraph 8 in this particular bill. The amendment placed a time limit in which the hearing was to be held pursuant to the notes, and I move that subsection 3—

Mr. Chairman: Now, the hon. Minister has indicated that there is an amendment to section 10—

Mr. Ben: Well, this one will deal with section 8.

Mr. Chairman: Section 8 has been carried as amended.

Mr. Ben: No, it has not.

Mr. Chairman: Yes it has.

Mr. Ben: Well, I am moving a further amendment.

Mr. Chairman: Section 8 has been carried as amended.

Mr. Ben: Are you suggesting that henceforth I rise before the Minister?

Mr. Chairman: Section 8 has been amended; the motion for the amendment has carried. Further amendments at this time will be out of order.

Mr. Ben: Mr. Chairman, on a point of order.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, on a point of order. I have been listening fairly closely to what has been going on here, and I often feel that a complaint of the type that the hon. member for Humber is bringing forward can be made in debate without actually taking the time of the House for a full amendment and all that that requires. But I must say that my understanding, when you called this bill, was that the Minister indicated that he had an amendment for section 8, that you then asked if there was any member with an amendment to the section or a comment before section 8, and nothing was said—at least it was made clear that nothing was said until that time.

An hon. member: Section 7.

Mr. Nixon: Section 7, right. Then, the Minister brought forward his amendment which was read, and then you read it, but I do not recall it being carried and the section as amended being carried. I thought that you then turned to the member for Humber, who got up on a different point in the same section. Whether or not he presents an amendment is his own business, but surely it would be in order.

Mr. Chairman: I must say to the leader of the Opposition, with all respect, that I did say to the committee, "Shall Mr. Rowntree's motion carry? Carried". The section has been carried. The amended section has been carried.

Mr. Ben: No, "Shall the amendment carry?" Now, Mr. Chairman, I asked you when you first made your announcement asking if there were any amendments or discussions from sections 1 to 8. I said, "1 to 8 inclusive?" and you said, "No. 1 to 7".

Mr. Chairman: Right.

Mr. Ben: I said, "I have an amendment to section 8". Fine, the Minister then moved an amendment changing the numbering of the sections from 2 and 3 to 3 and 4 so that he could insert a section, and you asked if that amendment would carry; in other words, inserting a new section 2. Fine, it carries. But I have an amendment to section 3, subparagraph 3 of that section, which is another one completely.

Mr. Chairman: The hon. member is quite right. I will take his amendment.

Mr. Ben: Thank you. The purpose of my amendment—I will read the amendment first. I move that section 3 of section 8, which is now—since the Minister's amendment carried —subsection 4 of section 8, be amended by adding at the end of paragraph (a) the words: "which shall not be longer than 30 days after notice is given to the commission under subsection 1".

This amendment, as I stated, is in keeping with the amendment which was moved in the

standing committee for The Ambulance Act and three other Acts for the purposes of consistency. It simply puts a time limit in which this hearing shall be held. In other words, to me it is just a housekeeping motion. It was carried in all the other bills, and I move that it be carried here.

Mr. Chairman: Mr. Ben moves that subsection 4 of section 8 be amended by adding at the end of paragraph (a) the words: "which shall not be longer than 30 days after notice is given to the commission under subsection 1".

Shall Mr. Ben's amendment carry?

Hon. Mr. Rowntree: No, I am not prepared to go along with the amendment. It was our intention, Mr. Chairman, to promulgate regulations to the various industries which are concerned, and section 39 provides for regulations in this connection. It was our intentions that this matter of the detail be—the point itself is a good point—but it is our desire to do it by regulations.

Mr. Chairman: Those in favour.

Mr. Ben: Mr. Chairman, I am not going to belabour this position. I would point out that this has to do with reference to hearings, and all I am asking is that the Act specify that a notice of hearing must be served within 30 days, that you must fix a date for a hearing; you cannot just leave it in abeyance. It has nothing to do with regulations. I would point out that the Minister of Health adopted all these, that the health committee did so unanimously, all three parties adopted this as a safeguard, and if the Minister wants to make an issue of it, fine, I am not going to press the issue here, but this has got nothing to do with regulations. It preserves the citizens' right to have a time limit set in which the hearing is going to be set. If the Minister sees any reason to be obstinate in this, I am not going to try to shake him to the core. I would ask the Minister to reconsider before he says he is not going to adopt it.

Mr. Chairman: Any further discussion on this amendment?

Those in favour of Mr. Ben's motion will please say aye.

Those opposed will please say nay.

In my opinion the nays have it.

Mr. Nixon: Regrettably.

Mr. Ben: Mr. Chairman, I have some further amendments to section 10.

Mr. Chairman: Shall section 8, as now amended, stand as part of the bill?

Motion agreed to.

Mr. Chairman: Now, the hon. member has an amendment to section 10. The hon. Minister also has an amendment to section 10. I think the hon. Minister was about to introduce the amendment.

Hon. Mr. Rowntree: I think, in all fairness, if it suits everyone in the House I will just tell you what my amendment will be, then the hon. member for Humber can carry on. My amendment will be that an applicant or a registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act and section 5 of The Canada Evidence Act. This was discussed at committee and my amendment will pertain to that.

Mr. Ben: Yes, I applaud the proposed amendment, although I would offer an amendment to this subsection as well as to the others. I move that section 10, subsection 3 (a), be amended by inserting the words "or affirmation" after the word "oath" and that subsection 10 (4) be amended by adding the words "or affirmation" after the word "oath" and that the same words be added after the word "oath" in the second line of section 10, subsection 5, paragraph (b).

The purpose of this is that a person cannot be compelled to give evidence under oath, but he can be compelled to give evidence under oath or affirmation. I trust the Minister can see the justice of this. If a man does not believe in taking an oath, he should be permitted to affirm, and that amendment should be carried, passed in all—

Hon. Mr. Rowntree: Mr. Chairman, I suggest there is no need for that whatsoever. I refer to The Evidence Act of Ontario, section 18, and it states that where a person objects to being sworn from conscientious scruples or on the grounds of his religious belief or on the grounds of the taking of an oath, it has no binding effect on his conscience. He may, in lieu of taking an oath, make an affirmation or declaration that is of the same force and effect as if he had taken the oath in the usual form. In other words, the matter is already covered by our existing law.

Mr. Ben: It is the opinion of the other committee and of the legal advisers to that committee. Again, I make a point—I do not

propose to hold up the business of the House —I think it is something that should be put in there for the protection of citizens.

Mr. Chairman: Perhaps the hon. Minister will provide me with the complete text of his amendment.

Hon. Mr. Rowntree: I move that section 10 of the bill be amended by renumbering subsections 4, 5 and 6 as subsections 5, 6 and 7 respectively and by adding thereto the following subsection:

> (4) an applicant or registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act and section 5 of The Canada Evidence Act.

Mr. Chairman: Hon. Mr. Rowntree moves that subsection 10 be amended by re-numbering subsections 3, 4, 5, and 6 as subsections 4, 5, 6, and 7 and that a new section 4 be completed, reading as follows:

> An applicant or registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act and section 5 of The Canada Evidence Act.

Shall Hon. Mr. Rowntree's motion carry?

Mr. Lawlor: Just one word, in regard to giving evidence. People are compulsorarily obliged to testify under all these Acts. They may not refrain, but this gives them the right, should there be further court hearings particularly those of a criminal nature, although the civil too, that they can obtain protection.

We wanted to go a little bit further on it, I believe, in the sense of maybe having an understanding rather than place it in regulations or, that we want the chairman of the committee of the tribunal to advise the individual of his rights in this regard because people coming before the committee are ignorant that there are these protective clauses under The Evidence Act of both the Ontario and the federal government and I think the Minister must be amenable to that.

May I say, in general, that the Minister was extremely amenable to all reasonable amendments that we came forward with throughout, and though he said that he was a man of succinctness and few words he did nod his head on occasion when he saw the benefits of the recommendations made by committee.

Mr. Chairman: Shall the amendment carry?

Mr. Lawlor: Would the Minister care to comment on that one point I made?

Hon. Mr. Rowntree: The amendment includes the words "an applicant or registrant giving evidence under oath shall be advised of his rights."

Mr. Lawlor: You mean "advised by the chairman"?

Hon. Mr. Rowntree: Yes. By the tribunal and that being, naturally, the chairman.

Mr. Chairman: Shall the amendment carry? Carried.

Motion agreed to.

Mr. Chairman: Shall section 10, as amended, stand as part of the bill? Carried.

Section 10, as amended, agreed to.

Mr. Chairman: Are there further amendments to this before 23. Anything before 23? If not, the hon. Minister.

Hon. Mr. Rowntree: I think I would be breaking new ground here in this procedure, and it would be fair, I think, if I indicate what I propose to do—and the original question of giving notice to the accused or the registrant —of the nature of the matter complained about or of which he was accused, was described in the original language, "that he should be notified of the general nature of the inquiry involved."

In order that the matter might be more specific, the discussion revolved around the withdrawal of the word "general" so that my amendment will be, to remove the word "general" so that when the notice goes out from the tribunal it will be their request that shall indicate the nature of the inquiry involved, so that those concerned will have notice of it and I shall so move at the proper time—and I might say on this point that at the second meeting of the committee on this series of bills, we actually did accomplish this amendment in The Used Car Dealer's Act so that this will make this and other amendments to other bills before us, consistent with what the committee itself has already approved of.

Mr. Chairman: Will the hon. Minister then place his motion?

Hon. Mr. Rowntree: I move that section 23, subsection 2 of the bill, be amended by striking out the word "general" in the second

line so that the subsection shall now read as follows:

(2) the request under subsection 1 shall indicate the nature of the inquiry involved.

Mr. Chairman: Is that the total of the amendment, sir?

Hon. Mr. Rowntree: That is the total of it.

Mr. Chairman: Hon. Mr. Rowntree moves, that subsection 2 of section 23 of the bill be amended by deleting the word, "general" so that the subsection shall read:

—the request under subsection 1 shall indicate the nature of the inquiry involved.

Shall the motion carry? Carried.

Motion agreed to.

Mr. Chairman: Shall section 23 as amended form part of the bill? Carried.

Section 23, as amended, agreed to.

Mr. Chairman: Are there any further amendments to this bill?

Mr. Deacon: On section 28, I understand that we were going to have the following words in the last line of subsection 2, "in such form, terms and amount required to cover possible defalcations as the director determines". I thought that was something that we had agreed to, Mr. Chairman.

Hon. Mr. Rowntree: It was suggested, but I was unable to go along with it at this session.

Mr. Deacon: Would the Minister give us his thinking on why this would inhibit legislation?

Hon. Mr. Rowntree: We do not think that the added words will accomplish anything at the moment and we would like to have a few months experience with it. We will have ample time to test the operation of this legislation.

Mr. Chairman: Would the hon. Minister have another amendment.

Hon. Mr. Rowntree: Under section 30. Certain members of the public had suggested that a section be enacted which would ensure that any financial statements received by the department, would remain secret and that on this matter there was an amendment in committee that restricted the production of a financial statement or financial statements from a used car dealer and this was restricted. That too could only be accomplished from the direction of the director of the branch.

The question of secrecy was also discussed and we have no objection to this desire to spell out the question of secrecy. I propose to move an amendment to section 30 so that any financial statement, information contained in financial statements filed under subsection 3, is confidential and no person shall, otherwise than in the ordinary course of his duties, communicate any such information or allow access to it. And that is what I intend to move.

Mr. Chairman: Perhaps the hon. Minister would then make his motion.

Hon. Mr. Rowntree: I move that section 30 of the bill be amended by adding thereto the following subsection:

4. The information contained in a financial statement filed under subsection 3 is confidential and no person shall, otherwise than in the ordinary course of his duties, communicate any such information or allow access to or inspection of the financial statement.

Mr. Chairman: Hon. Mr. Rowntree moves that section 30 of the bill be amended by adding thereto the following subsection:

4. The information contained in a financial statement filed under subsection 3 is confidential and no person shall, otherwise than in the ordinary course of his duties, communicate any such information or allow access to or inspection of the financial statement.

Mr. S. Lewis (Scarborough West): Under section 23?

Mr. Chairman: No, section 30.

Mr. Lewis: May I ask a question, then, Mr. Chairman? How would that be paralleled in the regulation? Which section of the regulations, if I can move ahead to 39 for a moment, would reflect that?

Hon. Mr. Rowntree: The regulations have not been promulgated.

Mr. Lewis: What I am trying to find out is how one would assure that that remains so, that the provision is upheld? What section of the regulations —

Hon. Mr. Rowntree: Firstly, almost the entire operation of our department is on a confidential basis. I would think, apart from certain aspects of the Treasury Department involving income tax and succession duties, that our department would be the repository of more confidential information than any other department of the government. And this question of security is one that is uppermost in our minds at all times, both with respect to the actual physical security as well as security having to do with our employees. I do not know how else you would do this, but we felt that this was a proper gesture to put forward in the light of the suggestion.

Motion agreed to.

Section 30, as amended, agreed to.

Mr. Chairman: Are there any further amendments to this bill? The hon. Minister has an amendment to section 37.

Hon. Mr. Rowntree: Again, this has to do with offences by registrants. Section 37(1) reads: "Every person who furnishes false information, fails to comply, contravenes provisions . . ." In other words, the offence section of the Act should be amended by adding the word "knowingly", and that will be the purport of the amendment which I propose.

Mr. Chairman: Will the hon. Minister then place his motion in that manner?

Hon. Mr. Rowntree: I move that section 37, subsection 1, of the bill be amended by adding, after the word "who" in the first line, the word "knowingly", so that the subsection shall read as follows: 37(1). Every person who knowingly . . ." and continues as printed.

Mr. Chairman: Mr. Rowntree moves that section 37, subsection 1, be amended by adding the word "knowingly" on the first line after the word "who".

Motion agreed to.

Section 37, as amended, agreed to.

Mr. Chairman: Are there any further amendments to this bill?

Mr. Lewis: There may be no further amendments, but there may be a comment, I would judge.

The final clause, "k", of section 39, prohibits the use of any particular method in the collection of debts. It seems to me that this can raise—and should raise—the question of privacy guaranteed for the person from whom the debt is collected. This clause should extend—and I hope it does extend—beyond the internal administration of the department, as such. The regulation of the collection agencies in the clauses as they have thus been explained, should extend to some kind of protection for the public *vis-à-vis* information which has been gathered about them in the process of the collection agencies' work. Can it be so interpreted? Might the Minister so interpret it?

Hon. Mr. Rowntree: I know the point the member is trying to make, but I would think that would apply more directly to, say, a credit bureau and its operations rather than in the present instance to that of a collection agency. The collection agency would receive a list of accounts for collection and would start to process them. The processing, of course, would be under our control, I mean as to discipline and that sort of thing, and the nature of forms and whatnot. But the actual record and privacy factor that the hon. member raises, I think, would be more in the area of credit bureaus themselves rather than collection agencies.

Mr. Lewis: May I ask if we have any legislation which would take care of that aspect of it?

Hon. Mr. Rowntree: This matter is currently being discussed as to the use of information. On the other hand, it is a valid part of the marketplace. It is a question—and I do not propose to get into a debate about it today—but I will say I think it is like a lot of other things in life, it is really not the use of a bad thing but it may be the abuse of a good thing. And I would think in the days ahead we will have something to say further about this question of what is in a person's file in a credit bureau.

Mr. Lewis: But the Minister is not concerned inordinately that the collection agency-credit bureau merging patterns need be reflected in this bill; that it can be dealt with in some other way?

Mr. Chairman: Any further comments?

Bill 171, as amended, reported.

THE REAL ESTATE AND BUSINESS BROKERS ACT

House in committee on Bill 176, An Act to amend The Real Estate and Business Brokers Act.

Mr. Lawlor: Mr. Chairman, I would like to address myself to a number of sections under the Act. It would be, briefly, subsection (g) of section 2, having to do with the old section 12 being deleted, which may more properly come under section 5 of this bill.

By the way, Mr. Chairman, you have to watch this bill fairly closely, because under section 2 there is a plethora of sections contained so that you can easily get misled.

Hon. Mr. Rowntree: I think I should qualify just a broad proposition before the hon. member proceeds by saying that this bill did not just happen. It has come before the House because of a great deal of study, research and consultation with the industry itself and with our department officials.

Mr. Lawlor: Mr. Chairman, there are 29 subsections under section 2. I want to direct my remarks to section 7, as I call it, at page 5 of the bill, which is subsection 7, really, of section 2.

As in all these initial sections, this is a completely new principle being introduced into the bill. But to get to the specifics of this very section, in committee I asked a number of questions about it.

The section says:

> A corporation having share capital shall not be registered as a broker, (a) unless the person holding shares carrying at least 51 per cent of the voting rights attached to all shares of the corporation for the time being outstanding, are registered as brokers.

Now in the present Act, Mr. Chairman, there is no such provision. In other words, 100 per cent of a limited company, the company itself is registered as a broker, and those who comprise the company as officers, and are brokers, are registered as brokers also. The design of the section, I suppose, is to permit real estate companies to go public, at least that is the ostensible design, but hidden beneath the fabric it is a can of worms. It is an extremely serious matter I wish to speak about and I have no compunction, let me say, Mr. Chairman, about not bringing the matter forward in committee.

I wanted to test at that stage what the 51 per cent meant, I was being positive. Today I am being positively negative. I asked whether one broker or whether half a dozen people getting together would constitute the 51 per cent, and the Minister answered it would be the latter. That is fine, but we did not investigate, and I propose to investigate now—what about the 29 per cent? That is the underbelly of the beast, so to speak. My words will not be loose, my words are measured, and it is just as well because they are going to be rather rough.

This section, Mr. Chairman, has the effect of ruining the real estate industry in Ontario, nothing short of that. It is a sell out. It is so full of loopholes and brings about our heads so many ills proceeding from all aspects of the operation of real estate as to call for its deletion. I shall be moving shortly in that particular regard.

To come to the matter rather slowly and step by step, we spent all morning in the legal bills committee on The Energy Board Act with respect to this 51 per cent business, and what effective control they had. They ended up by having 20 per cent as the figure substituted for the Minister of Energy's 50 per cent with respect to the control of gas utilities in this province. I think there was good protection in that. The 51 per cent voting rights, I say, on the face of it, seems to say that brokers will have effective control of their own business and of the real estate market.

Hon. Mr. Rowntree: Just so there will be no misunderstanding, Mr. Chairman, that is exactly the intention of the section.

Mr. Lewis: That is not so.

Hon. Mr. Rowntree: It is exactly the intention.

Mr. Lewis: No it is not the intention.

Hon. Mr. Rowntree: I do not intend to have you stand there on your feet in your seat—

Mr. Lewis: I am speculating that that is not so.

Hon. Mr. Rowntree: It is the intention and this comes about as a result of a good deal of study in which I personally was involved. It has to do with finding a device to cut through a good deal of red tape so that the disciplinary aspects and control of the real estate business can be reached directly and placed in the hands of the broker or brokers of the operation who must have 51 per cent. Without that, disciplinary steps cannot be taken.

Mr. Lawlor: Mr. Chairman, the real estate business, traditionally and by an old wives' tale, and in truth, ranging from the land deals of Florida to the early history of real

estate in this province, is peculiarly subject to sharp operators. Over the past few years we have become a model in this province for the whole American continent in this regard.

Many jurisdictions, particularly in the United States, look to us and hold us up as a model in the way that we have brought a measure of credibility and qualification into what has virtually now become a profession. This is being destroyed this afternoon. I make no bones about it and I will prove it for the purposes of this House.

Hon. Mr. Rowntree: Could I ask a question for my own clarification here? What has been said to date almost indicates that the word "brokers" is being used as though it were an undesirable word and someone who should be kept under the table. The fact is that a broker, in our definition, operation and legislation, is a more senior person in the hierarchy. A higher requirement and standard is required of a broker as defined and examined than of, say, a salesman.

Mr. Lawlor: It would take a fairly elementary knowledge of the profession to accede to that.

May I ask, Mr. Chairman, that I not be interrupted before I finish my remarks.

I say that this section gives a licence to defraud the public of Ontario. The real estate market presently in Ontario is second to none in the world. I have spoken of the slow and tough job of weeding out of this profession, which is peculiarly addicted to sharp operators, over the years and bringing it into a status where it has some trust and credibility for the people dealing in real estate. That job has been accomplished; that job is about to be undone.

Secondly, so far as real estate is concerned in Ontario, we are turning over more real estate value here and now than in the states of California or New York.

It is one of the most important markets that we have internally. It is a great occupation and it is of very great value to us in our internal fiscal life. I am going to point out again this is called profoundly into question by this bill.

Let us start with a simple case. A stranger, somebody from outside the province, somebody who knows nothing about real estate—and let us go to the most heinous extremity—a member of the Mafia—buys up 49 per cent. He is under no controls, none whatsoever. The other 51 per cent is held by the broker. I suggest that in most instances the 49 per cent would be plenty to give control, but let us go to the last dregs in the matter and I suggest that he can have a friend of his, who has a broker's license, pick up a couple more shares. He now owns 51 per cent. They are in cahoots and he runs the show, there is no question about it. That is the first great ill. We expose ourselves to criminal elements entering into the whole real estate operation.

Let us take a second example. Suppose that the situation is the other way, and this is the lily-white situation. A multitude of small investors in the province of Ontario invest in what then becomes a public corporation with widespread share capital. A nice little old lady at the corner of Bloor and Bay has her $500 involved, somebody further along the street has $3,000 involved, they own 49 per cent of the corporation—

Hon. Mr. Rowntree: There was no restriction in the Act before.

Mr. Lawlor: That is not right. They own 49 per cent of the corporation, then the corporation mulcts the public in its trust fund or it carries on its operations as an agency drawing contracts in a certain manner which is misleading, deliberately misrepresentative, and engaging in a whole host of ills that attend the operations of real estate and for which they do need suitable surveillance. An attempt is made to cancel a license, to revoke it. Under present conditions—that is rather easily done you know. If a fellow is really a bad actor, if he is really a sharp operator, if he is a buccaneer, taking and stripping and making inroads onto the public almost overnight now, it can be done quickly. But now this has to go before a tribunal and all these hundreds and maybe thousands of people whose investments are down the drain—if that license is revoked—will be howling to high heaven. It will be Prudential in reverse and this makes it infinitely more difficult to exercise control to bring the evils, that are bred in this profession, to light. It makes it infinitely more difficult to do so and so loath will they be, so loath will the tribunal be, to bring the malfactors to heel that very often we are providing grounds, at least in this legislation under this section, so that they will hang back or renege on this responsibility in order not to offend or to injure the innocent member of the public.

The only man previously injured was the broker. Now we are inveigling the public

into the trap along with the broker. This is the most innocent light that can be cast upon this question.

Let me return to what I call the Mafia-like demands though. This is the other side of the coin, in which for the first time, we are inviting the takeover in effect of the real estate profession by people who have not the professional qualifications and could care less and know that there is a fast buck in this business if ever any business provided it. They will move in.

American corporations who are in real estate have been knocking at the door for a long time to come in. This is the third aspect. Again, that is the business of selling out to foreign interests, giving them the opportunity to take over the Ontario real estate profession. They too will move in, there is no question about it. They are anxious to come, the Minister knows it, they have made overtures to him, no doubt, in the past.

Hon. Mr. Rowntree: No, never.

Mr. Lawlor: Whether they did or not, they will be here the day after tomorrow.

Hon. Mr. Rowntree: There has never been one.

Mr. Lawlor: Hundreds of millions of dollars will flow out of this province to the American coffers because of the action being taken today. I predict to you; you watch it! It is the most dangerous and nefarious legislation that has come before us in a long time—and under such a simple guise, too, initially.

Let us take another situation that this opens the door wide to. Suppose a broker holding 51 per cent of shares in his own company is adjudged before the tribunal as a wastrel, he has mulcted the public, his concept of agency is most reprehensible and his license is revoked. What, just what, is to prevent that broker going down the next block, the day after his license is cancelled and buying 49 per cent of the shares of his fellow broker—and effectively running the joint?

Mr. Nixon: What about that?

Mr. Lawlor: There is no provision against that possibility. I will give you a third instance, let us take a little town in Ontario, let us take a city.

Mr. Nixon: Take Guelph.

Hon. Mr. Rowntree: Pretty gloomy about it, are you not?

Mr. Lawlor: I am very gloomy. This legislation really disturbs me.

Mr. Lewis: You thought you would sneak it through.

Mr. Lawlor: May I say what I did, after we left the committee. I sent out copies of the Act to all the real estate brokers in my area and one of them, Mr. Williamson phoned me up and said to me next morning: "My Lord, what is going on here? I am a small independent fellow and am going to suffer the gravest kind of affliction." They have not woken up to the situation yet. After this speech, I trust that they will be woken up as to what the possibilities of this legislation—

Interjections by hon. members.

Mr. Lawlor: May I make a brief departure just under this heading. It has come to my attention that the Ontario Association of Real Estate Boards, in February of this year, sent out a questionnaire to 2,200 of its members —all registered brokers. That questionnaire, asked them specifically whether they agreed that the share capital in their corporations may be owned externally. Of that 2,200, 1,100 replied to the questionnaire and do you know how many said it should?

Mr. Nixon: How many?

Mr. Lawlor: Sixty-five to 70 per cent. Overwhelmingly, they were against this legislation and—

Hon. Mr. Rowntree: That is not—whatever you are reading from, I do not want to interrupt you but I am sure the hon. member wants the record straight—

Mr. Lawlor: I want that clear—

Hon. Mr. Rowntree: You want the record to be straight. The Ontario real estate board association suports this bill as it stands.

Mr. Lawlor: I do not think there is any breach of faith in saying that I spoke to the president of that association today asking him these specific questions. Now whatever their reasons for not making the representations before the committee of the House—whatever went on in the background—puzzles me. I use the word puzzle quixotically. There is some kind of deal going on as far as I can see.

Mr. Nixon: What did the president tell you today?

Mr. Lawlor: They sat there passive, nobody said a word about what I am talking about.

Mr. Nixon: You were talking to him today.

Mr. Lawlor: I just wanted you to know the figures on this survey, what they did, and how many brokers themselves in February spoke against it.

Hon. Mr. Rowntree: Misleading. You are almost saying that he sat there and was against it.

Hon. A. Grossman (Minister of Correctional Services): That is what it sounded like.

Hon. Mr. Rowntree: I thought the way it sounded, he was not against it. He was—

Mr. Lewis: Over 90 per cent of the brokers who replied were against the bill.

Mr. Lawlor: That is right on this clause.

Hon. Mr. Rowntree: When that questionnaire went out, the bill had not even been drafted.

Mr. Lawlor: That is beside the point. You were making exploratory moves, you do not draft bills in—

Mr. Nixon: Beside the point! That is the whole point. Mr. Chairman, how can the hon. member give us figures that are supposedly indicating that all of the real estate brokers are dead against this section when he got the opinion from them before they had even seen his point and it had not been drafted?

Mr. Lawlor: No, Mr. Chairman, this matter has been explored and thoroughly scouted. Feelers have been sent out, talks have been held. They had wind of this in February. They knew, they wanted to know—

Mr. Nixon: I thought they were against it.

Mr. Lawlor: They were dead against it.

Mr. Nixon: But when they actually saw the section, they were not.

Mr. Lawlor: I do not know who the spokesman for that board is before the committee. All I know—

Hon. Mr. Rowntree: The president.

Mr. Lawlor: Who?

Hon. Mr. Rowntree: The president, he is in Guelph.

Mr. Lawlor: All I know is that for one reason or another, read it how you will, over or between the lines—or even under—the fact of the matter is they did not say anything about it one way or another. But he does admit that well over 90 per cent in February —that was when the questionnaire was sent out, as it came in after February—indicated their opposition. I do not know what went on in the meantime, I do not understand why representations were not made, but it is neither positive nor negative, they sat back on that.

Mr. Nixon: That part of the case is very weak on your part.

Mr. Lawlor: I do not agree with that at all. I think that simply because I cannot come up with the rationale why some people sit on their hands and keep their mouths shut when their own profession is deeply involved, and who precisely they represent, and under what auspices, does not in any way derogate from the figures in my opinion.

The Minister, Mr. Chairman—

Interjections by hon. members.

Mr. Lawlor: You had better latch on because you will miss the point, unless you keep quiet.

Mr. Nixon: Let us hear you make the case.

Mr. Lawlor: The Minister may reply, Mr. Chairman, but as far as the take-over is concerned—I was going to suggest an extreme situation—take the city of Guelph. It would be conceivable that people so minded could buy up every real estate office in the city. When someone wanted to sell their home, they would approach a real estate office, and say: "What price am I going to get for this home?" The real estate office would say, "$14,000."

And because every real estate office is under the same ownership or effective control, he could go up the street and ask the next real estate office, and they would say, "$14,000. It could happen all the way along the line. I am suggesting that within the terms of the ambit of this legislation, a cabal could easily be formed. There is certainly nothing to prevent it, in which case the public again could be hamstrung and hung up high as to the valuations which they would get for their properties.

The Minister may reply, "But take a look at subsection 2, where it says that no outside interest may hold more than ten per cent of more than one real estate operation." But,

again, I come back at the Minister under that head. What is there then to prevent persons, either artificial persons, like corporations, or natural persons—it would take four of them, or at the most five to hold 49 per cent together and they would be different persons in every event. The simplistic procedure of nominating various cohorts to buy up ten shares each, out of the 100, and then cumulatively to control them is in no way abrogated or called into question or frustrated by your legislation.

I am saying that whole communities could fall under it. I will not say that there is a great likelihood of this, but with criminal elements abroad, in the United States again, it is not beyond a peradventure. I would ask you to give consideration to that possible situation arising.

There is one other point which is relatively minor. You allow a private person who is ignorant of real estate, or any number of such persons, to hold 49 per cent, but in the case of a salesman, he may only hold ten per cent. I would have thought that under this head, a salesman would probably have higher qualifications to hold a higher number of shares than that. Why would they not hold 49 per cent as a salesman of the company? The remarks on this point that I have made up to now are not of magnificent import, but nevertheless it seems to me queer that people who know nothing about a situation can hold a goodly number of shares more than those who are well acquainted with the operation.

Under a number of heads, under the theory of effective control of corporations, a number of things may happen, under the clause in question, as it is presently before us and drafted. Foreign control is made licit and invited, in effect, over our real estate industry, which as I say is nonpareil among others in the world.

Secondly, the business of trying to enforce the laws before the tribunal as to the conduct of the real estate agent within a wide ambit of his duties—including his specific agency relationship, which is rather neglected to this bill—is very difficult because you are building into the legislation at the moment a special public outcry. It will truncate you, tie your hands, and cause an infinity of difficulties which presently do not exist.

Finally, most undesirable elements who know how exploitative the real estate market can be if it falls into the wrong hands are being given in effect carte blanche to move in. This is reinforced in the business of having a friend of theirs hold a couple of shares in the company, which is all that they need. The other points that I raised, I think in themselves are sufficient to call for a reconsideration of this section, to say the least. I think it should be actually referred back to the committee to have hearings about it, because once the matter is more thoroughly before the public, and is not so seemingly tightly held within a particular group.

What about the fellow who gets knocked out, who has his licence revoked and opens up next door the next day by buying 41 per cent of his former competitor's shares? What about him? What about the business of ten per cent being held in multiples under particular control, so that a whole community can be placed under the threat of a particular interest which very well may be a foreign interest and is in no way accountable to the tribunal.

In other words, if they are detected carrying on illicit activities of any kind. Let us say the broker's licence is cancelled—what is to stop them opening up the next day with another front? It permits the creating of a series of fronts. We will live, in this province, to rue the day if this particular section goes through.

Accordingly, Mr. Chairman, I want to move that section 2, subsection 7, clause (a), be deleted from Bill 176, of the present Act.

Hon. Mr. Rowntree: So that the record may be clear, Mr. Chairman, I have an amendment to section 2, which I would like to make at an appropriate time.

Mr. Chairman: Before I place the motion, for clarification, this motion, moved by Mr. Lawlor, is that section 2, of subsection 7 (a), be deleted from Bill 176. I believe that if the motion is placed, and is defeated, that the existing section 2, 7 (a) will stand as part of the bill without further amendment being possible. In view of that, we do have an amendment from the hon. Minister.

Hon. Mr. Rowntree: I think I would like to speak briefly to this for a moment. If this section were deleted, does the hon. member—might I seek his attention—or is there a conference of the brains over there?

If this section were deleted, there would then be no restrictions in the Act. Anyone could own a brokerage house and just hire anyone. The motion of the member for Lakeshore would therefore create a jungle with respect to this industry. I do not think I will go beyond that in my remarks, other

than to say I will give him credit for having attempted to kill this legislation—I do not think he has thought it out very well.

Previously and today there is no restriction on ownership in the Act of the kind that is being put in the Act under this bill. I urge that any proposal to knock out this section be defeated. At the same time, Mr. Chairman, I have a motion having to do with existing registrants who are presently lawfully registered under the existing system, that nothing in this Act having to do with the renewal of their registration would be affected by this bill and its enactment, which I propose to amend under section 2.

Mr. Chairman: The amendment, I believe, that the hon. Minister will propose would be an amendment to section 7 of the Act, which has been re-enacted by section 2 of the bill, to re-number subsection 2, 3 and 4, and by adding another subsection 2 so that the motion proposed by the hon. member for Lakeshore was simply a motion to delete section 2(7)(a), which is in the middle of page 5. Do I follow it correctly?

Mr. Lawlor: That is right.

Mr. Chairman: So that the Minister's motion is dealing with a section subsequent to the section being dealt with by the hon. member for Lakeshore. Therefore, if I do accept the motion from the hon. member for Lakeshore and it is defeated, it will leave the further subsections open to further amendment. Right? Therefore, I will accept the motion of the hon. member for Lakeshore.

Mr. Lawlor: Just one word, Mr. Chairman, if I may. The Minister, I think, will agree with me that there are no public real estate companies presently in the province of Ontario?

Hon. Mr. Rowntree: Having to do with the operation of loan and trust companies?

Mr. Lawlor: That is right—and that is a restriction. And would the Minister not agree with me, secondly, that the overwhelming majority of real estate firms are tightly held, autonomously held by the brokers themselves, not necessarily as corporations but as partnerships or individual proprietorships?

Hon. Mr. Rowntree: If I could agree wholeheartedly with that, I would. But I cannot.

Mr. Lawlor: Well, would the Minister explain himself?

Mr. Chairman: I am going to place the hon. member's motion before the committee and this will not restrict debate on the motion.

Mr. Lawlor moves that section 2, subsection 7, paragraph (a), be deleted from Bill 176. Now, is there any discussion on this motion? The hon. member for York Centre.

Mr. Deacon: Mr. Chairman, on the matter of control and the amount of stock or percentage that is required to have control. It is one thing in a company with a great many shareholders and a large number of shares, and another thing in this particular situation. But there is no question that the member for Lakeshore does have a point about the 51 per cent *vs* 49 per cent in a corporation where a substantial shareholder could have quite an effect on whatever action the 51 per cent holders might take.

Mr. Lewis: More than quite an effect.

Mr. Deacon: And for that reason I am sorry there has been an amendment to entirely withdraw this, because I think the objective of the Minister is fine. He is trying to put in a regulation so that corporations are controlled and they are going to be subject in effect, through their shareholders to the licence requirements. But if we move that figure from 51 per cent up to 80 per cent, which is in effect what the department considers to be effective control in other situations; I understand that is being considered in legislation as being the figure to be used—

Hon. Mr. Rowntree: 80 per cent?

Mr. Deacon: Well, a single block at 20 per cent is being considered control. I understand legislation is being—

Hon. Mr. Rowntree: That is only in the general securities business where the stock is widespread.

Mr. Deacon: Well, even when it is not widespread—I agree it is not widespread here. It would not hurt to have the figure of 80 per cent or something well above 51 per cent, to be sure there is no question of the predominant influence in the corporation being subject, through the shareholders, to the requirements of the Act. So I would urge the Minister to consider raising the figure of 51 per cent, which is just a bare majority, to one that ensures that the predominant shareholders—

Hon. Mr. Rowntree: This is not before us at the moment; that is not the motion.

Mr. Deacon: The motion is to delete—I recognize that.

Mr. Nixon: He is trying to explain why we are going to support you rather than him, although—

Mr. Lawlor: What is the matter with you today?

Mr. Nixon: Just responding to your comments.

Mr. Lawlor: If you do not understand what is going on, you had better resign.

Mr. Chairman: Order!

Mr. Lewis: Mr. Chairman, there has been a call for a resignation.

Hon. Mr. Rowntree: Better call Winnipeg and get the boss back.

Mr. Deacon: I am not supporting the motion to delete this clause; I do urge the Minister to consider moving that figure from 51 per cent up to 80 per cent.

Mr. Nixon: Mr. Chairman, if you will permit me to say something about the amendment and not by any means just to respond to the comments made by my hon. friend, the member for Lakeshore. Surely he should not imply that he individually or his party solely is the only group that investigates these matters. We have concerned ourselves with the opinions of those who will be directly affected by this bill and have been reassured that it would be in the best interests as they saw it at that time. It has been indicated by my colleague, the member for York Centre, that these interests could be better preserved if we were not to withdraw this section or subsection entirely and throw it out, but to amend it so that its power would be greater than it is under these circumstances.

We have been treated to a most interesting discourse with the hon. member for Lakeshore, in trying perhaps to blow the bill right out of the book, as posited that perhaps the Mafia will move in and take control of the whole real estate business of Ontario or perhaps in a city such as Guelph every real estate agency will be controlled by one *eminence grise*?

Mr. Lawlor: Is the member thinking about it?

Mr. Nixon: Yes, I am thinking about it. And I would say to the member that these are within the realm of only the wildest possibility that is sometimes referred to by the hon. member for Lakeshore. And he sits down there and spends our time, spends our valuable time in developing an argument which is patently ridiculous. I do not believe that he has investigated this with those people who are deeply concerned about this particular business.

I think this section should be amended along the lines that the hon. member for York Centre has suggested but, by moving that it be deleted, of course we do not serve the public interest or even the business of this Legislature. We cannot possibly support the amendment and, unfortunately because of this, it will not be possible to amend it in a more reasonable way.

Mr. Lewis: Mr. Chairman, moving at it by stages as is the pattern this afternoon. It is an interesting proposition that the Minister should bring in such a bill. Leaving an argument that I would like to make for a moment or two, the figure of 51 per cent inserted rather than the figure of 80 per cent, is important, when in fact it is now government policy to insert an 80 per cent clause in a bill where a matter of control is significantly under consideration.

While this was being debated, Mr. Chairman, the page boys ran from desk to desk, dropping thereon, with undue haste, the amendments to The Ontario Energy Board Act, so they can be rushed through by tomorrow. Time will tell why this piece of legislation must be rushed through by tomorrow. But in any event, Mr. Chairman, and germane to this clause, there is, of course, a part of the amended energy board bill, that no gas transmitter and so on, "without first obtaining the leave of the Lieutenant-Governor-in-Council, shall acquire such numbers of any class of shares together with shares already held by the gas transmitter and associates which in the aggregate will exceed 20 per cent."

Hon. Mr. Rowntree: That is not the motion.

Mr. Lewis: No it is not the motion. But I am making this point first: that it is now a matter of government policy in a bill which involves the amalgamation—

Hon. Mr. Rowntree: It is a different situation.

Mr. Lewis: No, it is not a different situation. I will make that point.

Hon. Mr. Rowntree: The member does not understand the situation.

Mr. Lewis: I understand it all too clearly. It is now a matter of government policy that if you are concerned about control, you put the strictures at the upper level in this bill at 80 per cent, not at 51 per cent. So that right away, before one even comes to vote on it, there is inherent in this piece of legislation a violation of the principle that the government has already accepted.

So, Mr. Chairman, that immediately raises some suspicion in our minds. Why is the government so concerned to cut down the control feature in the Consumers' Gas-Union Gas situation, and so obliging in its opening of avenues of control under The Real Estate and Business Brokers Act?

Now the reality, as I see it—and I do not pretend to be worldly about these things; I listen carefully to my colleagues—and it has been discussed rather thoroughly in this caucus and with people exceedingly knowledgeable in the field—the fact remains, Mr. Chairman, that as the legislation stood before, the individual brokerage companies or partnerships subject to the Act and registration under the Act, were not, in fact, subject to control from outside. But, with this bill, we open the door to a public company, and it is a clear invitation that control be wrested by outside interests.

The fact of the matter is that the Minister knows this to be true. He knows of the battle that has taken place behind the scenes on this legislation—internally and externally. He is well aware of it. He knows that in the minds of many of the brokerage firms, what this legislation does, very simply, is to allow outside financial interests on the public company market to buy up to 49 per cent of the shares.

His government has already accepted the fact that 20 per cent constitutes control; he is allowing them 49 per cent. My colleague from Lakeshore said that he was putting the extreme dimension of the argument, so he invoked the Mafia example and the Guelph example. He prefaced it by putting it in the extreme. But he also moderated it in the process of putting the argument, Mr. Chairman, and I would also moderate it. I would say that as soon as you offer on the public market 49 per cent of your shares, which were never available before under the proprietorships, and the business partnerships which existed, then you invite foreign capital in, or indeed other capital to take control of real estate business in the province of Ontario.

One can only hypothesize the effects of that. But surely it is true in fields of land speculation and real estate that there is enough notice in the North American continent, and enough in the province of Ontario to recognize the possible implications. I would also assert, Mr. Chairman, that this little reference to not applying to a corporation, that is, a trust company registered under The Loan and Trust Corporations Act, the Minister knows, and we know, facilitates one individual company and exempts them from a particularly invidious situation they might otherwise have.

Mr. Nixon: Which company is that?

Mr. Lewis: I will let the Minister name it—I will let the Minister name it.

But I would like to suggest, Mr. Chairman, that that of course is not the kernel of it, it just clutters the thing up, because it is amended and underlined. It is interesting that it should suddenly have been thrown in that it is all right to be a registered broker, but you are not allowed to hold shares in another corporation, except those under The Loan and Trust Corporations Act. Why this should be singled out is a good question. But now I have—

Interjection by an hon. member.

Mr. Lewis: Hardly—to the leader of the Opposition—hardly a cabal—

Interjection by an hon. member.

Mr. Lewis: Well, I do not think there is a cabal; just better-informed people and lesser-informed people.

Interjection by an hon. member.

Mr. Lewis: I do not mind the leader of the Opposition being aggressive, that is his role, but I would think, Mr. Chairman, that the argument holds a very great legitimacy. There is no history under The Brokerage Act, or under the real estate Act as it stood before of the intrusion of outside capital and control.

Hon. Mr. Rowntree: The motion that your party puts, does not accomplish that.

Mr. Lewis: No. No. Just a moment. There is no history at all because of the nature of the business and the nature of the proprietorships and the partnerships, and the Minister knows that. But as soon as you move it on to

the public market, and you invite up to 49 per cent ownership, who, Mr. Chairman, is going to be interested in owning 49 per cent of a real estate company?

Mr. Nixon: Who, indeed? Give us the secret names of the companies.

Mr. Lewis: I would like to postulate that it will be pretty big business. It will be pretty big business and it holds handsome possibilities for multinational investment, international finance and major national finance of all kinds. I am not taking it to that extreme. However, Mr. Chairman, all kinds of groups and companies, conglomerates, that have no interest in real estate at all.

Mr. Nixon: Or even American.

Mr. Lewis: Indeed I said multinational companies!

Mr. Martel: He does not understand the word, "international".

Mr. Lewis: I do not think, Mr. Chairman, that we should allow this kind of clause to go through under those circumstances. I particularly do not think that the real estate business should be opened up in that fashion.

Mr. Nixon: Why can we not improve it?

Mr. Lewis: As a matter of fact, I am not sure that the 80 per cent would be an improvement.

Mr. Lawlor: Oh, I could be brought to accept it.

Mr. Lewis: My colleague will accept the 80 per cent, but I would be less willing, because I would just say it is categorically out of the question that real estate should be controlled from without, in this province. I would prefer, again, on the basis of economic autonomy in Ontario—those last remnants, those last vestiges—that we do not constantly open the door.

I happen to be one of those who think that even 20 per cent is unduly generous for control purposes. But the possibilities inherent in this clause are very real, and they are entirely destructive.

I suggest, Mr. Chairman, that the attempt is being made to put the clause through in a seemingly quiet, demure, and congenial way.

But of course, that does not always work. Some people become exercised about it. Some finally decide to rebel, outside the Legislature as well as inside the Legislature. I think it is important that we oppose this clause vigorously, and—at the very best, at the very worst—how does one phrase it—accept an amendment, which raises the percentage from 51 per cent to 80 per cent.

Mr. Chairman: The hon. member for Peterborough.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, my remarks will be very few. I sense here a very real problem, and one which has certainly deeply concerned the member for Lakeshore, and his reputation in this House has not been that of one who is concerned about things which do not matter. I think this is a very real concern. We have, I think, in the province of Ontario, on the whole, a pretty good reputation on the area of real estate, and real estate activities.

This afternoon I brought to the attention of the Minister, a particular question that he is going to look into. But I suggest to the Minister that he may have many more things to look into in this kind of a bill which opens the way. The Minister indicates to us that this is not to be a concern, but we, over here, are not convinced.

We are not convinced that we are not going to have more foreign ownership of real estate developments in Ontario. On top of that, that is one area in Ontario which is "virgin" in terms of this violation which possibly can take place in the area of land speculation.

I look at the province of Ontario, and I shudder at the possibilities which large sophisticated real estate organizations, with massive amounts of money, and with very little social concern for this province, can do with the lack of subdivision control which exists in so many of the rural areas of this province.

For example, this particular real estate agency which we have just talked about this afternoon, from what I understand, The Department of Municipal Affairs, beat that company to the registry office, by three minutes—by three minutes, or there would have been complete despoilation of most of that township. But, by a Minister's order, that was the only way it could be done. Now I return to the nature of this bill.

We in this province, as I suggest, have had real estate gentlemen who are concerned about the quality of life, and surely, land use in the province of Ontario is the most important thing; one of the most important things which will decide the quality of life we will have.

We on this side are not convinced that this particular measure, and this particular bill,

is going to make it better or easier for the public authority to deal with land use to have any kind of confidence in the kind of people who are going to be dealing in real estate are a concern about the social implications of what they are doing. We are concerned, and so far the Minister has not indicated to us that that concern is unfounded.

He has stated that this does not open up any more than before, and yet the member for Lakeshore has indicated that on the whole, in the province of Ontario, we have brokers who are essentially limited in their capabilities. They have limited sources of funds. They are essentially local and they are essentially Ontario citizens. We do not want to see, in this province, a kind of opening up to either foreign influences or to less respectable influences, the control over the real estate activities in this province.

The member for Lakeshore has suggested in his—perhaps the remark was not picked up by *Hansard*—that he is willing to see the percentage rise to 80 per cent. I would hope, at this point in time in the House, that perhaps the Minister is also willing to see this as a solution to the problem. He has indicated his concern, as the Minister of Financial and Commercial Affairs, that the public activities in the business world of this province, be above board, that we have a right to hold our heads up in this province and feel that the citizen can be assured that his interests are being protected.

We think he has an opportunity now, at this time, to show his concern in this particular area of the business life of this province.

Mr. Chairman: The hon. member for Kitchener (Mr. Breithaupt).

Hon. Mr. Rowntree: Mr. Chairman, I wonder if I could speak for just a moment. There was a reason why this department's bills were called in the order in which they were this afternoon shortly after the question period. For a reason that is quite beyond my control, I am going to ask if we could adjourn this debate and carry on with some other item in the committee of the House. If any of the members wish, I would be glad to tell them privately what the situation is.

Mr. Lewis: Beyond your control?

Hon. Mr. Rowntree: Yes, quite beyond it, and so to accomplish that and move into some other bills, could we adjourn this debate on Bill 176?

Mr. Chairman: Hon. Mr. Rowntree has suggested that we should hold this bill back. I would ask, if we have the consent of the House, to defer further action on this bill at this moment. At this particular moment, so that the committee recalls, we are dealing with an amendment of Mr. Lawlor's.

Mr. Martel: We try so hard to be gentlemen over here, it is not even funny.

Mr. Chairman: I do have the consent of the House?

Hon. A. F. Lawrence (Minister of Mines): Mr. Chairman, just to clarify the motion—

Mr. Chairman: There is no motion.

Hon. A. F. Lawrence: There is a motion to adjourn, is there not, on this?

Mr. Chairman: No, I have just asked the consent of the House to defer further deliberation on this particular bill.

Hon. A. F. Lawrence: It is my understanding then, that we will go back to the hon. Minister's bill at 8 o'clock tonight.

Mr. Chairman: No, we are still in committee of the whole and it would be up to the hon. House leader to call the next order of business.

Hon. A. F. Lawrence: So that there is no argument tonight that anyone is caught short or without notice, it is my understanding that we will call, if possible, the hon. Minister's bills tonight at 8 o'clock.

An hon. member: If possible.

Hon. A. F. Lawrence: It is a personal matter and—

Mr. Lewis: No, on a point of order. Why need the business be conducted this way? The chances are that we will be into the estimates at 5.30 and then we start one and adjourn the other again. Can you not bring it in tomorrow morning, since we are having another bill tomorrow morning anyway, and just do it in an orderly fashion?

Hon. A. F. Lawrence: We may not be in the estimates by 8 p.m.

Mr. Chairman: I must point out that I do not have a motion to rise and report, simply to defer this bill by concurrence of the House.

Motion agreed to; Bill 176 deferred.

THE AMBULANCE ACT, 1968-1969

House in committee on Bill 143, The Ambulance Act, 1968-1969.

Mr. Chairman: Are there questions, comments or amendments to any sections of this bill?

Bill 143 reported.

THE AGE DISCRIMINATION ACT, 1966

House in committee on Bill 157, An Act to amend The Age Discrimination Act, 1966.

Mr. Chairman: Are there any questions, comments or amendments to this bill?

Mr. Lewis: Is the Legislature considered a Crown agency?

Mr. Chairman: Shall the bill be reported?

Bill 157 reported.

THE REGULATIONS ACT

House in committee on Bill 125, An Act to amend The Regulations Act.

Mr. Chairman: Are there any questions, comments or amendments to this bill?

Mr. Nixon: Mr. Chairman, on the first section, I have a comment and question, which I would proceed with with your permission.

Mr. Chairman: The hon. leader of the Opposition will proceed.

Mr. Nixon: It has been a long time since this bill had second reading. I was wondering if the Attorney General had reconsidered his opinion that the constitution of this committee, as laid out in section 1, would deal effectively with the needs to review the regulations that from time to time, in large numbers, are put out by various governmental departments. It was many months ago that we had a lively debate on this subject. It is not necessary to repeat any part of it, but I feel sure that the Attorney General would have had an opportunity to perhaps have some other opinions on this and to reassure himself, perhaps that the opinion he expressed in the House was, in fact, but he is sure is valid now.

I think this is an important bill. It sets up a committee that is quite a departure for this Legislature, although it has been in operation in other jurisdictions for some time. I, personally, am prepared to let it go as it is here, although we had some objections at the time. But, I would like the Minister to comment briefly to see if he has any new thoughts on the use of the committee.

Hon. A. A. Wishart (Attorney General): Mr. Chairman, let me comment on the remarks of the hon. leader of the Opposition. I take it that what his remarks refer to is the possibility of the committee being unable to sit beyond and between the sessions.

Mr. Nixon: Yes.

Hon. Mr. Wishart: Yes, we have considered that. We have considered it very carefully in the formulation of the bill and there was debate, as the hon. member pointed out, on second reading.

We have not changed our position. We feel the committee should be able to, while the House is in session, deal with the regulations. Now, it is true that there will be some regulations in recesses between sessions, but it would appear that the session of the House, now, is getting to be pretty nearly a full year. It will be 10 months of the year, this year, it would look like, so in fact I think we are going to find ourselves and the committee, sitting here throughout.

We thought it was wise to leave it. If it should appear that the work is too much of a burden and the committee cannot get it done during the session, it would not be a difficult or a matter that we would argue about on amendment.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): I just want to ask the Minister whether it is the intention of the government to constitute this committee for the balance of this Legislature or whether, as it says in paragraph 1, "At the commencement of each Legislature a special committee". Obviously we cannot do that. It is the intent to have it put into force for the balance of this session of the Legislature?

Hon. Mr. Wishart: I must confess, Mr. Chairman, that that thought had not come to my mind. Perhaps it should have. The language of the Act is, at the commencement of the Legislature, we will probably sit another month and a half. I doubt if we would constitute it for the balance of the session although this is not beyond the bounds of possibility. I just had not considered it and I would have to check that with my colleagues.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, following the comments of the member for Wentworth that your section then should be amended to read "at the commencement of each session of the Legislature" if that is your intention. I am wondering if the drafting in this manner is to insure that we will have a further consolidation of the regulations before, in fact, a committee would attend to them.

If we have our usual dicenual revision of the statutes, then the regulations will be collated at that point. Is it then your intention, before the next Legislature starts, to have the regulations bound in one form and completely up to date at which time the committee would review them—or do you intend to start on a sessional basis?

Hon. Mr. Wishart: Mr. Chairman, as I think further on the question raised by the hon. member for Wentworth and the remarks now made by the hon. member for Kitchener, no. This bill, when it was introduced, was introduced early in the session. It was intended from the language of subsection 1(a) to be a committee set up at the beginning of a Legislature. The obvious intention was that it would start with the next Legislature. So I think that the intention is quite clear that we were not expecting it to work in this session. On the question of a revision of the statutes, which would include the revision of the regulations, I could perhaps reassure the hon. member for Kitchener that that work is going forward but those—that revision in collation and sorting out the amendments so as to get them in form for revision—will not be completed until at least the end of next year.

Mr. Breithaupt: Mr. Attorney General, in other words we are not going to have our committee in this session but indeed we are not going to have our committee in the next session. If we are going to wait until after the collation and, in fact, have the regulations in one form, everything up-to-date and then, after the next general election, when the next Legislature sits, we will then be able to have this committee begin its work. So it does not appear that it is your intention from this amendment to have this committee meeting until, shall we say, 1971 or thereabouts, at which time you would have everything put in order to have them do the work. I am not presuming there is anything wrong with that approach; I am just wondering what in fact your approach is.

Hon. Mr. Wishart: Well, I have not thought of it, I would like to just take a moment, if I might, to examine that, Mr. Chairman, if you give me just a moment to examine my notes here.

Mr. H. Peacock (Windsor West): If I might speak, even though the Attorney General's attention may be momentarily on this point. It is to say to you, Mr. Chairman, now that the report of the standing committee of the House of Commons on statutory instruments has been tabled in Ottawa at the opening of the session there, it would seem that the member for Wentworth and the member for Kitchener's point is very well taken indeed: We should not wait the length of time that is implied by the wording of section 1, paragraph 12—we should get on with the kind of work that the report of the committee on statutory instruments to the House of Commons, indicates is so urgent. And I hope that the Attorney General does revise the section—perhaps by himself—introducing an amendment or accepting from this side of the House an appropriate amendment to the effect that the commencement of the committee's work could be at a much earlier date than indicated by the draft.

Just one other point, Mr. Chairman, that I would like to raise—and that is the status or nature of what is referred to as a special committee. I note that in a later paragraph the committee is to sit throughout the duration of the Legislature, and that is again a matter that I think the Attorney General ought to look at because I believe it has been our practice in respect to standing committees that they are re-established at least in terms of membership at the commencement of each session of each Legislature, with a view to having a rotation of members of this House on the various committees of the Legislature. I think it would be appropriate if the Attorney General followed the same practice in this statute of providing for annual rotation of membership on the committees as we do at present with the standing committees.

Hon. Mr. Wishart: Mr. Chairman, I have been looking at the possibility of an amendment. As I consider that subsection 12(1) of section 1, it occurred to me that it might be possible to propose an amendment to change the word "Legislature" to "session" in the first line. That does not seem to fit the situation; you mentioned the session. Then certainly you would have to change the section further to read "for the duration of the Legislature"—"to sit for the duration

of the Legislature" would not be fitting language, and—

Mr. Nixon: A point of clarification, Mr. Chairman, if there is such a thing. If it is left this way, it appears that we would not have a committee until after the next election.

Mr. Breithaupt: Is that your intention, Mr. Attorney General?

Hon. Mr. Wishart: It was our intention when we introduced the Act, which was a new Act, that we would—perhaps, Mr. Chairman, if I may take it upon myself to make this suggestion: I have three bills which follow this immediately, and perhaps I might suggest that we defer consideration of this bill so that I might have some consultations and study done on this. Perhaps it could be helpful to the House.

Mr. Chairman: Do I have the consent of the committee to defer this bill? Do I have the consent of the committee to defer any further deliberations on this bill?

Mr. D. M. De Monte (Dovercourt): May I ask one question, Mr. Chairman? Is the special committee, as mentioned here in this section, the same as a standing committee of the House? I do not mean to be picayune, but is it the same thing?

Hon. Mr. Wishart: We selected the word "special" because it would be a special committee appointed for this particular purpose. I do not know if there is really any great difference in its functions or the way it would carry on and between a standing committee, but—

Mr. De Monte: I was wondering why the hon. Attorney General does not create a standing committee in the Legislature.

Hon. Mr. Wishart: I will take this matter under deferment, Mr. Chairman, if we do have the consent?

Mr. Chairman: I do have the consent of the committee to defer further deliberations at this time.

Motion agreed to; Bill 125 deferred.

THE SHERIFFS ACT

House in committee on Bill 126, An Act to amend The Sheriffs Act.

Mr. E. Sargent (Grey-Bruce): Would the Minister advise—

Mr. Chairman: Just one moment, please. Perhaps in the absence of the hon. member for Grey-Bruce he did not realize that we are dealing with these bills in a new procedure. I repeated them much earlier today, but the new rules provide that we call for any questions, amendments and so on, to any section of the bill, if not, we proceed. So I now call Bill 126, An Act to amend The Sheriffs Act. Are there any questions, comments or amendments to this bill?

Mr. Sargent: Very briefly, is there any reason why, instead of disposing of these records of 20 years of age, or instead of total disposition, you would not put this on film for record?

Hon. Mr. Wishart: The sheriff's records are usually judgments or executions which have been satisfied or have gone out of date by The Limitations Act. They are old records of juries and court procedures and are of no particular value to anybody. Certainly after 20 years it would be a waste of money to start filming them and putting them away. They are just no good.

There are certain things, as we go through life, that we can get rid of. This is one of them.

Mr. Chairman: Shall the bill be reported?

Bill 126 reported.

THE SURROGATE COURTS ACT

House in committee on Bill 127, An Act to amend The Surrogate Courts Act.

Mr. Sargent: Mr. Chairman, who gets the fee of $2?

Hon. Mr. Wishart: Who gets the fee for this service? It is in the Act here, it is $2.

Mr. Sargent: Yes, who gets it?

Hon. Mr. Wishart: It would go into the government fund in the court office and be part of the general revenue. Not a very big amount to fight about, but we get it.

Mr. Sargent: I did not want the lawyers to get it, that is all.

Mr. Breithaupt: Mr. Chairman, I am just wondering if the Minister could enlighten us as to the number of these administrations that have, in fact, occurred. Is this a particular problem or is the amount of $1,000 sufficient to cover the kinds of situations that have arisen, apparently since 1912?

Hon. Mr. Wishart: It is not large, they are few and far between, but the hon. member will appreciate that since this was set at $400 the value of the dollar has changed greatly and has decreased. In the case of the small estate where sometimes there is a widow, or sometimes a child, to go through the regular routine the regular tariff of fees would be an undue hardship on such a small estate. The number is not large, but it seems to be fitting that we should increase the amount to be in line with what it was originally actually on account of the devaluation of the dollar.

Mr. Breithaupt: Could you tell me how many times this has been used in the last year or so?

Hon. Mr. Wishart: No, I cannot, at the moment. I could perhaps get that information, but I have not got it at hand.

Mr. De Monte: Mr. Chairman, it seems to me that since $1,000 in today's value is so small, this should be raised perhaps to $4,000 or $5,000 estates because some of the fees and costs to some people, especially widows, are quite high. I am wondering whether this service could not be rendered to a much larger size estate so that the fast probate and the reasonable cost could be made available to more people.

Hon. Mr. Wishart: Mr. Chairman, while the fees would be large relative to $1,000 estate, $5,000 is a fair piece of property. The surrogate court fees are not relatively large, as the hon. member knows. I do not think it is necessary to extend it beyond where we have gone. This is placing the work and the responsibility of doing all the estate work on the registrar. I think it is reasonable when you have property of $3,000 or $4,000 or $5,000 that perhaps legal advice should come in there and the lawyer should earn his pay —if I may put it that way.

Mr. De Monte: The rate is three per cent—even up to 10?

Hon. Mr. Wishart: Yes, not large relatively.

Bill 127 reported.

THE TRUSTEES ACT

House in committee on Bill 128, An Act to amend The Trustees Act.

Mr. Chairman: Are there any comments, questions or amendments to this bill?

Mr. Sargent: Mr. Chairman, may I ask the Attorney General who is pushing for this legislation?

Hon. Mr. Wishart: The persons who act as trustees. Some of them are trust companies handling estate property under wills or administration of estates. Some of them are individuals who are executors, many of them are individuals and executors, and it is for the benefit of the estate, for the benefit of the beneficiaries that these amendments are offered or asked.

Trust companies now in ordinary investments where you can place your money with them, invest up to 75 per cent in first mortgages on real estate. Trustees of estate property, the individual trustee who is an executor and is in the position of a trustee, can only go to 66⅔ per cent. But, for a long time, it had been beyond that with trust companies. Then came the other amendment which gives the permission to invest in bonds, debentures, government guaranteed securities, and equity securities—such as shares where the company has had a record of payment of dividend over a continuing period of years. That is permitted, but permitted only with the consent and order of the court. This is a permissive investment, but in the case of the ordinary trustee—where he is handling an estate—he has to go to the court—even the trust company.

This causes expense and delay and for that reason the trustees just avoid going. Therefore, the beneficiaries do not get the benefit of the advancing economy where they have the right to purchase shares of companies which have the good dividend records. By removing the necessity to get the consent of the Supreme Court this will facilitate and will hasten the investment and will remove an expensive item which is entailed in getting that consent before the court.

Mr. Chairman: The hon. member for Dovercourt.

Mr. De Monte: Will this Act apply to the official guardian, to the funds that he holds in trust for certain people in the province of Ontario?

Hon. Mr. Wishart: No, I would think not. The official guardian is not ordinarily in the position of a trustee.

Mr. De Monte: Does he not, Mr. Chairman, hold funds in trust for infants?

Hon. Mr. Wishart: He is not a trustee under The Trustee Act.

Mr. De Monte: I was just wondering, Mr. Chairman, because I notice that the trustee raised his interest rate for the funds that he is holding. I do not know under what capacity he is holding, but I notice that he raised the amount of interest he is paying from four per cent up to something like—

Hon. Mr. Wishart: Six and a half or six and a quarter.

Mr. De Monte: I am wondering, Mr. Chairman, why the official guardian has not been given powers to be able to invest in the same type of investments as any other trustee? Certainly there are certain life tenants that are really suffering because of the low interest rate being paid by the official guardian. I think the interest being paid or the amount being paid on investments by the official guardian has been raised to six per cent. But in today's markets interest rates are up to eight or nine or 10 per cent on mortgages, or 10½ per cent I do not see why the funds being held by the official guardian should not be invested in the same way as trustees are required or can invest.

Hon. Mr. Wishart: Mr. Chairman, we had a discussion on this point in my estimates just the day before yesterday, I think it was. The main reason is that the offices of the public trustee and the official guardian are set up under special statutory procedure, statutory requirements, and in those Acts the areas in which the investments may be made are set forth.

The funds which the official guardian has, are turning over very fast. They are often infants' estates where they need to be paid out bi-monthly or monthly, or maybe the whole fund must be disposed of at a certain point. There is no particular definite period of investment.

The other point is that funds which go into the hands of the public trustee and the official guardian go in by statutory force. Money in the hands of the official guardian is there because the statute says it must go there. The infant's estate, for example, is not a voluntary investment. Whereas, you go to the trustee to invest your money and you give it to him for a term of years or a year—or whatever you wish—or the person who writes a will directs that his money go there. There is a freedom of action which is not allowed in the official guardian's handling of money. He must be ready to pay it out at all times and he does have to pay it out very frequently, it is turning over. So, there is a difference in the whole approach of the trustee and the official guardian.

Mr. De Monte: The point I am trying to make, Mr. Chairman, is that—and I do not agree with Minister—that these funds are funds that move in and out very quickly. There are certain estates, Mr. Chairman, that sit with the official guardian for long periods of time. I still want to make the point that the official guardian should be allowed to invest in any investments that trustees are allowed because it gives a greater income to the infant and others whose money is being held for ten years or more.

Mr. Chairman: We are not dealing with the official guardian.

Mr. De Monte: Technically, he is a trustee, Mr. Chairman, and—

Mr. Chairman: The hon. Minister said they did not come under the jurisdiction of this particular Act.

Mr. De Monte: May I say, then, that my position is that the official guardian should be allowed to invest under the same conditions as a trustee?

Bill 128 reported.

THE GASOLINE HANDLING ACT, 1968-1969

House in committee on Bill 108, The Gasoline Handling Act, 1968-1969.

Mr. Chairman: Are there any comments, any questions, or any amendments to this bill?

Bill 108 reported.

Hon. A. F. Lawrence moves the committee of the whole House rise and report certain bills with certain amendments and certain bills without amendments and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills with certain amendments, certain bills without amendments, and asks for leave to sit again.

Report agreed to.

Mr. Speaker: The Clerk has drawn to Mr. Speaker's attention something of which Mr. Speaker was not aware. That is, under the new procedure, apparently Bill 179, being An Act to amend The Wolf and Bear Bounty Act, and also Bill 109, An Act to amend The Ontario Energy Board Act—which was today reported in the legal and municipal bills committee can be directed on a motion of the House direct for third reading.

I do not know whether the House would wish to deal with those now. Presumably, in the future, this will be dealt with in each case when a bill is given second reading, or comes back and is reported from a committee. Of course, as the Clerk has pointed out, it does require the unanimous consent of the House, so perhaps if the members interested in those particular bills do not happen to be here now, the House might not wish to deal with it at this time, but will do so perhaps tomorrow or at another sitting. On the other hand, if the bills are to be dealt with that way, by unanimous consent, I would be glad to place the motion.

The hon. member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Speaker, may I draw to your attention that having looked at the reprinted bill coming from the standing committee on legal and municipal bills—

Mr. Speaker: Not available yet!

Mr. Peacock: It is now available! There were amendments printed in that bill and I would think members would wish to speak to them.

Mr. Nixon: However, Mr. Speaker, as far as the bear and wolf bounty bill is concerned, I do not think there would be any objection if it proceeded directly to third reading.

Mr. Speaker: Then it is the pleasure of the House that Bill 179, An Act to amend The Wolf and Bear Bounty Act be ordered for third reading?

Motion agreed to.

Clerk of the House: The 24th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Chairman, it is a privilege for me to once again present the estimates of The Department of Lands and Forests. At the outset, Mr. Chairman, I would like to thank all the hon. members of the Legislature for the kind co-operation they have extended to me and to the department over the years.

I would also like to express my gratitude to the staff of the department for the skilful and diligent service that they have provided to the people of Ontario.

On the two previous occasions that I had the pleasure to present the budget of the department, I outlined the individual activities for each branch and compared in some detail the annual change in the size of some of these activities. This year I will not belabour you with the statistics of each activity but rather mention only those areas where there has been a significant shift in size or emphasis. Also, I would like to examine the challenges that face The Department of Lands and Forests in the years ahead and outline the plans and programmes which will be required to meet these challenges.

The programmes of this department must be examined in relation to provincial government policy. I would like to quote briefly from the statement made by the Prime Minister in April, 1966, known as "Design for Development":

> Although separate and distinct, two of our principal objectives are the best possible environment for our people and, at the same time, the creation and maintenance of an atmosphere which will encourage economic growth and development throughout the province.

It is a significant responsibility to represent a department which participates in programmes aimed at both of these objectives. The management of the public lands of Ontario must be done to provide both a suitable environment for our people and a wide variety of products from our forests and our waters.

I am pleased to state that my department has been taking an active role in the regional development programme which design for development outlined. We appreciate the urgency and importance of comprehensive planning and regional land use planning.

Planning in my department is unusually complex because much of our work has long-range consequences. Every time my staff supervises a tree planting programme they are taking the first step in a process that has a duration of some 60 to 100 years. Programmes to maintain and improve the quality of our outdoor environment also have long-term considerations. Time is a factor

whether we are establishing a lake trout population, protecting the vegetation and soil in a park campsite or improving the range for big game animals.

There are three important principles which we consider in planning for the management of our natural resources. The first of these is that the plants and animals in a given area are closely interrelated. They, in turn, are dependent to a great extent on the climate, soil and topography which occurs in that location. The science which is concerned with the study of these interrelationships is called ecology. We are becoming increasingly concerned with the impact of new technology on our natural environment.

For example, ecological studies will be used to determine the results of various forest management techniques on big game populations. An impressive amount of this type of information has been assembled by scientists over the years. However, much more remains to be done to more precisely define the effect of the many management practices used on public lands today.

The science of ecology is not limited to our forest, recreation and wildlife resources on the dry land; it applies equally well to the streams, lakes and rivers of the province. Here we are concerned with the effect of effluent and erosion, water level control and temperature modification on both the fish themselves and on water quality. In the whole area of water management our efforts are closely tied to the work of the Ontario Water Resources Commission and the conservation authorities branch of The Department of Energy and Resources Management.

The second principle, Mr. Chairman, which we bear in mind when considering natural environment management is that the trees which clothe so much of Ontario are living organisms. They are born; they have a life span; they grow old and die.

When a stand of trees reaches old age and mortality begins we often find an onset of insect and disease attack. An increased fire hazard can become a problem. The plants which replace the dying stand are frequently less desirable. The process by which one type of vegetation replaces another is called plant succession.

A common question is often raised about succession. Since nature did a very acceptable job in giving us a pleasing landscape to look at and valuable trees to harvest, why are we so anxious to interfere in her work? The answer, Mr. Chairman, lies in the fact that during the thousands of years before active civilization of our province began, nature had a powerful tool for disturbing succession trends. This toll was uncontrolled fire. When man decided to fight fires in order to limit their destructive effect, he robbed nature of this valuable force. The cutting of timber for our many needs has replaced fire in removing forests before they die.

The third principle important in natural resource management concerns the yield of products from the lands and waters of our province. In past sessions of the Legislature the term "sustained yield of renewable natural resources" was often used. This indicated that the objective of the department was to provide, for the future, a continued supply of fish and game and forest products at a level at least equal to the present supply. To meet this objective we have harvesting controls and programmes to maintain the growing stock of birds, animals, fish and trees.

It is now time to set our sights somewhat higher and aim for expanded yields from our forests and our waters. This objective recognizes the increase in population which The Department of Treasury and Economics has forecast. It also recognizes an increasing future demand for resource products throughout the world.

Expansion of yields will be possible through more intensive management programmes. Many of our land and water acres are producing below their potential at the present time. In future years you will be called upon to consider programmes designed to meet the objective of expanded resource yields.

A statement on resource management planning would not be complete without some reference to the concept of multiple land use. I recognize the many problems related to this concept since it is overused, sometimes misused and often misunderstood. Part of the problem is due to the fact that since the term was first introduced by the United States forest service in 1905 it has eluded brief concrete definition. In simplicity, the term means the use of an area of land for more than one activity. However, this definition inevitably leads to a consideration of the relationships of the activities.

We are all aware of the most simple type of multiple use. This is the use of a single area at a single time for more than one activity. For example, a woodlot provides a home for birds and animals, a walking area to view the wildlife and enjoy the outdoors and a place to grow forest products.

We also appreciate that on an area of several hundred acres a number of uses can exist side by side in harmony. For example, part of a park area can be used intensively for camping and trailer sites, part can be used for nature trails, part for the production of forage or shelter for specific birds and animals and part as a natural area to protect some rare wild flower, shrub or tree species. This concept has been termed balanced use by some authorities and it would seem that this more accurately describes this condition.

When we extend the concept of multiple land use to the dimension of time as well as space we introduce additional complexity. If the time span is limited to a year the concept is relatively easy to grasp. For example, forest trails can be used in summer for hiking and in winter for snowmobiling. The same trails are used periodically during the year as runways for wildlife and as dusting and feeding sites for grouse.

However, were we to extend the time span to encompass the entire life cycle of a forest stand—say, for 80 years—then the gradual changes in uses and their interactions become much more difficult to picture and understand.

Many of us tend to visualize the ideal forest as it exists at maturity just before harvesting. The trees present a park-like setting with their crowns far above us and the sunlight filtering through the interlacing branches. Such stands provide excellent opportunities for travelling and viewing and they provide shelter for a number of our wildlife species. However, they do not provide adequate food for those animals which depend on browse, such as deer.

Shortly after such a stand is cut, a variety of shrub and tree species can reproduce. These serve as a rich assortment of food, particularly for big game such as deer and moose. The dense regrowth provides better shelter for many birds and animals as well. These recent cut-overs are not as attractive for extensive outdoor recreation since the viewing is not as pleasant. However, the trails left by the harvesting operation are favoured by hunters and are receiving increasing use in the winter by snowmobile enthusiasts.

As the tree crowns grow together some ten to thirty years after logging the condition changes again. The vegetation has grown beyond the reach of browsing animals and recreational attractiveness is restored. The cycle is completed when the stand reaches maturity and is again ready for harvest.

Now that we have considered in some detail the principles involved in the concept of multiple land use, the question remains: Why is this concept so important in the work of my department? Basically land is a limited and immobile resource. Uses of land cannot be changed quickly and often are irreversible. As population increases and demands spiral for more agricultural and forest products, more land for expanding living areas and more space for outdoor recreation, there is a growing awareness of the need for more efficiency in the utilization of our limited land resources. We can no longer fulfill all our resource requirements through the luxury of single use of lands. The concept of a desirable mix of uses on the land is a logical solution to the problem. Multiple land use provides a framework or an approach to more efficient utilization of the land. I would like to stress that it is not a magic formula nor does it provide criteria for making decisions on land use allocations in a particular situation.

Decisions on land use can be made in an orderly way. First, we define our goals and objectives in resource management to meet the needs of the people of the province. The process of communicating with the public to become familiar with their wishes and to determine their reaction to departmental programmes has been practised for many years. Just one example of this type of communication is the district advisory committees on recreational land use planning. These committees meet annually to discuss and make recommendations on a wide range of activities which affect outdoor recreation. I wish to stress that we consider this type of dialogue with the public most important and that we will continue to seek their advice during our planning process.

The next step in land use planning is to examine present use of our resources and present land ownership and lease arrangements. Then an inventory is made of the types of land and their potential to produce various goods and services. The land managers call this step a land capability inventory. The Canada land inventory has provided an opportunity to obtain maps of capability ratings for forestry, wildlife and recreation. My department has actively cooperated with the federal government in this programme. Maps will become available in increasing numbers this year and they should be of interest to a number of departments and private organizations.

The present condition of the resources is evaluated as the next step. Estimates are made of the management effort required to achieve the potential as indicated by the capability inventory.

At the next stage the various alternatives available to the manager are analyzed to determine which alternative will provide maximum benefit to society.

The problem of evaluating a number of alternatives is really one of estimating resource values. This is an extremely difficult task. Some resources, such as timber can be measured in monetary terms. Other aspects such as wildlife, sportsfish and outdoor recreation in general, have a market value only in the sense that it is possible to determine what people will pay for travel, equipment and food. What cannot be properly measured is the value of wildlife in the forests, the thrill of fishing and hunting or the rejuvenating therapy of a wilderness experience. These are all experiences which add to the quality of life and enrichment of mind, body and spirit and they cannot be measured directly in dollars. Strict economic considerations are often not paramount and have very distinct limitations.

The approach we are taking to meet the needs of the people is to examine their demands and compare this with the ability of our forests and waters to meet these demands. We have brought together a greater range of professional disciplines to analyze the problems and recommend solutions. The biologists, foresters and engineers are being assisted now by economists, geographers, recreation planners, landscape architects, ecologists and historians in order to provide the necessary information on which to base a decision.

We have also increased retraining programmes for our present staff. This will assist them to cope with the problems of new technology, and with social and economic change.

Decisions on difficult land use problems shall be made only after all the facts and viewpoints are known. The decision shall reflect the needs of our people and the ability of all our resources to meet these needs. The decision shall be based on a thorough analysis of all the alternatives and on reasoned conviction rather than compromise.

The principles and procedures of natural resource management and planning which I have outlined are basic to the programmes of my department. To date we have achieved a significant level of resource planning. Now we are intensifying our planning effort to meet the challenges of the future. A planning group has been established in the office of the Deputy Minister. This group will assist in the implementation of the planning-programming-budgeting system in my department. They will also promote simultaneous planning for all uses and functions of the public land and resources.

I mentioned earlier the active role my staff has taken in the regional development programme. I would emphasize that our comprehensive planning programme will be co-ordinated with regional development planning. The activity of my department which has recently evoked great interest on the part of the public is our planning for Algonquin Park. One of the hazards of planning is the necessity of exposing community conflicts. Our attempts at planning for Algonquin Park were no exception to this rule.

Most of the present activities in the park have been going on for many years without serious conflict. As use of the park intensifies, more formal intensive planning is certainly necessary. We have now reached that stage. The plan was presented to the public in a provisional state in order to obtain reaction to our proposals at an early stage in the planning process. Although we tried to emphasize the word "provisional", there was a tendency to assume that the plan would be implemented as written. I must stress that we consider the provisional plan to be a place to begin. There are obvious gaps and weaknesses in our presentation and much supporting data was omitted for the sake of brevity.

The hearings on the provisional plans which were held last November were most beneficial. Although much has been said about the difference in views expressed by the major competing users, I was pleased that the hearings highlighted the great value of this public resource and the urgent need for my department to determine a course which would be of the greatest long-term benefit to society.

Immediately after the hearings I arranged for the appointment of a task force to review the briefs which had been presented. In addition, this group has the responsibility to determine gaps in our information on the park and to examine a number of alternative courses of action. This task force has representation from a number of professions and from The Department of Tourism and Information to ensure balance in the planning approach. A private consultant has been retained to assess and analyze the current economic impact of the park in terms of recreation and resource

production on both the local and the regional economies.

I mentioned earlier that we consider dialogue with the public to be most important during the planning process. The advisory committee on Algonquin Park has been established under the chairmanship of the Hon. Leslie M. Frost to provide advice to the Minister of Lands and Forests in respect of the policy of the management of the park. The groups represented on the committee are the Federation of Ontario Naturalists, the Ontario Camping Association, the Ontario Forest Industries Association, the Algonquin Wildlands League, a cottage owners association, the Conservation Council of Ontario, The National and Provincial Parks Association of Canada and the Ontario Federation of Anglers and Hunters. In addition, the mayors of Pembroke and Huntsville, and representatives of all parties in the Legislature, are members of the committee.

I must state at this point that although we have not made a final decision on Algonquin Park, certain interim decisions have been made for the conduct of on-going activities in the park. These are additional to the management controls which were in effect prior to the preparation of the master plan. We will not be ready to make any policy recommendations until the work of the task force and the advisory committee has been completed.

You will recall that a target date of November 1969 has been set for a revised interim plan for the park. I should like to stress that this will be just another stage in evolving a plan for the park.

There have been suggestions in the press that the Lands and Forests recreation programme would be better located in another department, where a number of recreation programmes could be consolidated. These suggestions are based on the mistaken notion that the goals of the department are primarily concerned with the forest products industry. I must re-emphasize that the goals of my department are to provide for the maximum welfare of the people of the province from the natural resources which my department administers. It follows from this goal that a balance in the use of public lands must be present. Admittedly, some lands will be required by industry where they are the prime user and recreation is a secondary user. However, on other lands recreation will be the prime user, and in primitive areas, recreation and scientific study will be the only users of public lands. The important consideration here is that the basic resources, land and water, provide for both recreation and industrial development. Planning for the use of land requires a skilful application of the principles of integrated and balanced land use. I believe this task can continue to be handled most effectively by one department. Fragmented responsibility can only complicate land management.

The department's responsibility for the management of renewable natural resources of the province, has led to a close liaison with Indians and Indian groups who have a traditional involvement in fisheries, wildlife and forestry. The policies and practices of the department have been directed for some time, to assure that preference for certain activities is given to Indian people, especially in northern Ontario. At the same time, a number of projects of the department are directed towards development of the resources used by Indians and development of the Indian people themselves to use the resources.

I will describe some of these projects shortly in the discussion of the activities of the branches, Although our records do not indicate the racial origins of our employees, we have attempted an estimate of the total number of Indian people involved in our programmes. We employ between one and two thousand Indians on a seasonal basis. In addition, some 30 Indians are on regular staff. We also estimate that over $800,000 is expended on the training and employment of Indian people and on directly related resource development projects. This figure includes federal-provincial cost sharing programmes.

I would like to turn now to a consideration of the individual activities of the various branches of the department.

Important strides are being made in the protection of our forests against fires, insects and disease. The Forest Fires Prevention Act, amended in 1968, came into force April 1. It provides new measures for dealing with fire emergencies and reducing fire occurrence. The Forest Tree Pest Control Act 1968, enables the government to deal more effectively with dangerous new infestations of forest insects or disease whether they occur on private or Crown lands.

The 1968 forest fire season was our second most successful in 50 years. Some 1,219 fires occurred but losses were held to 9,500 acres —less than 10 per cent of normal. Favourable weather, coupled with greater emphasis on the use of specialized fire crews and aerial water bombing were key factors in holding down

losses. The 1969 fire season is not yet complete but losses to date are less than in 1968.

In May 1968 it was announced that an attempt would be made to control a new spruce budworm attack in northwestern Ontario. Prompt control measures were taken that summer on 275,000 acres and subsequent surveys have shown that the infestation was successfully contained. My staff selected chemicals and rates of application which would minimize the risk to fish and wildlife and checks confirmed these selections. This year the core areas of the infestation—some 25,000 acres—were resprayed as an added control measure.

I am pleased to report that a substantial reduction in fire losses has been achieved over the past 20 years. At present, the rate of loss is being held at one-tenth of one per cent of the total area protected. This is a high standard of protection, compared to other forest regions of the world. Yet, to meet the goals for future wood production and recreational use, a continuing fire control effort will be required in the years ahead.

Considerable planning and research is required to optimise our efforts to achieve the most effective system of fire control possible for Ontario. Some of the major problems facing us are the increasing number of fires resulting from recreational activities, the need to reduce forest hazards, the large number of lightning fires and the threat of large destructive fires.

As seven out of ten fires are caused by "man", research into his behaviour and attitudes with respect to fire, is considered most important and is being initiated in an attempt to reduce, or at least contain the increase in man-caused fires. Recreational activity in the forest now accounts for at least three out of every ten forest fires in Ontario. We believe that research in the social sciences can provide clues for more effective prevention and educational programmes.

Hazard reduction and the "fire-proofing" of heavy-use recreational areas are necessary measures to reduce fire losses. The closely controlled use of fire in prescribed burning is gaining favour for the reduction of slash hazard and preparation of land for planting or seeding.

Mr. Chairman: If the hon. Minister has an appropriate breaking point perhaps we could recess.

It being 6.00 o'clock the House took recess.

No. 200

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, October 30, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, OCTOBER 30, 1969

The House resumed at 8 o'clock p.m.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS
(continued)

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Chairman, as I was saying, in 1968 our prescribed burning programme covered some 9,000 acres, or about the same area affected by wildfire. It is quite conceivable that the acreage intentionally burned for some beneficial purpose will greatly exceed wildfire losses within a very few years.

More accurate prediction of dangerous burning periods will greatly improve our ability to take more effective counter measures. Automatic fire weather stations located in remote areas, satellite data and computer analyses are now being used experimentally in Ontario to achieve more precise fire danger forecasting.

Early detection of fires is vital to minimize fire losses. Public co-operation accounts for first reports on about four out of every ten fires. In the more remote areas, aerial detection systems are replacing a number of fixed lookout towers. Continued study and trial will be needed to establish the proper balance between aircraft and lookout towers for the most effective system.

The first commercially-produced infra-red fire mapper has now been delivered and installed on a department aircraft for operational use. This equipment has resulted from test and development programmes carried out in Ontario since 1962. Infra-red fire mapping will be an important new tool in the control of forest fires.

Increased mechanization of fire suppression is rapidly being brought about because of the need to improve efficiency and reduce losses. Greater dependence is being placed on recruiting and maintaining small, highly trained, mobile fire crews—120 such crews of seven men each are now organized and situated at various bases across the province.

Continued upgrading of staff through special training programmes is being encouraged. A new training device—a "fire simulator" is now being used to create realistic fire situations for training fire supervisory personnel. Through the use of special projection and sound equipment, trainees are placed in a situation similar to that on an actual fire line and are called upon to plan and make command decisions.

This year the department held a four-week course for 15 Indians from across Ontario for special fire supervisory training. This training is done in co-operation with The Ontario Department of Education and the federal Department of Manpower.

In addition, about 300 Indians are trained annually for fire fighting crews and since 1962 over 1,500 northern Indians have received this basic two-week course. This training puts these men in the position of being preferred employees during fire emergencies.

For the past four years we have employed three special 25-man Indian crews. These crews are based at strategic points in the north and serve any area requiring special assistance.

During the past year the water control branch of The Department of Public Works was transferred to the forest protection branch of my department to consolidate this activity. Decisions on the requirement for dams will continue to be made by the lands and surveys branch.

In reference to timber, Mr. Chairman: The demand for forest products in the world and in Canada is expected to rise sharply in the years ahead. The increasing world population and the rising *per capita* consumption of wood products especially in North America and Europe, have been the major contributing factors to growing demands forecasted by: the World Forestry Congress, in Madrid, 1966; the Canada Forestry Conference, in Montebello, Quebec, 1966; the United States Department of Agriculture; and the Food and Agriculture Organization of the United Nations.

At the Montebello forestry conference in February, 1966, Canadian forest economists forecasted a 50 per cent increase in production in Canada by 1975 and a four-fold increase by the year 2000.

Ontario's forest resources are already utilized to a greater extent than those elsewhere in Canada. However, despite this fact, we have the potential to more than double the volume of wood harvested by the year 2000.

The creation of a suitable environment which will facilitate the continuing development of our forest industry is of vital concern to this province. Economic studies undertaken for my department by research economists have just recently been completed. Their findings establish conclusively the impact of Ontario's forest industry on the province's economy. Direct and indirect employment totals 213,000 jobs which represents about 10 per cent of the total Ontario work force. What is even more significant is that the study shows that wood processed in Ontario results in a substantial sales and taxation income to the province. Furthermore, an even greater amount of taxation revenue accrues to the federal government.

The value added by manufacture in Ontario for every 100 cubic feet of wood consumed by our industry amounts to $107. By comparison, the figure for Quebec is $65, and for British Columbia $37.

The continued development of northern Ontario will be strongly linked to a continued expansion of the forest products industry. This industry, plus tourism and mining, provide the major opportunities for future development in a northern two-thirds of our province.

The recent development of new forest industry has not been as dramatic in Ontario as some other parts of Canada. However, our companies have achieved an excellent increase in the volume of wood utilized by the modernization and expansion of facilities. Since 1946 the quantity of wood used by Ontario industries has increased 70 per cent. A large portion of this increase has been the utilization of pulp chips from sawmill residue. Market prospects for Ontario wood look very bright. An encouraging sign of what the future holds is the recent establishment of a number of integrated wood operations.

Our industry can continue to share in the growing demand for wood after the year 2000 in relationship to the available future supplies of raw material. This will depend on a continuing development of a dynamic forest management programme. In forestry, the long time-span between the first step-regeneration and the supply of the raw material, wood, tends to obscure the urgency of the task.

This year we will carry out regeneration or forest tending treatments on about 230,000 acres. You will be interested to know that much of the department's tree planting in the north is done by Indian people. We propose to plant about 63 million trees this year on Crown and agreement forest lands.

A milestone in our forest management programme was marked last year when the Premier (Mr. Robarts) and I planted a sugar maple sapling on the east lawn of this building. This tree was symbolic of one billion trees shipped to all reforestation projects in the last 60 years.

The private land forestry project has now operated for over two years and I am happy to report that response to the programme has exceeded all expectations.

You will recall that in 1966, under our 50-year rehabilitation plan envisaged by The Woodlands Improvement Act, we made an offer to owners of land that would benefit from reforestation or woodlot improvement. We agreed to advise, not only on plantation and woodland improvement planning, but also to implement the plan by providing a planting and stand improvement service.

By March 31, 1969, over 800 agreements with private land owners were in effect on some 71,000 acres of land. During 1968-69, my department planted 5.5 million trees on private forest lands, and our target for 1969-70 is to plant eight million trees.

One of the more important single land use in Ontario has been, is now and will continue to be, living space for people for both full time and part time occupancy. The acreage required for living space is not large, but the acreage of public lands most suitable for this purpose is limited. To ensure that all public lands developed for residential use are suitable for the purpose and that our subdivisions will be pleasant and healthful, my department collaborates closely with the Departments of Health, Highways and Municipal Affairs, the Ontario Water Resources Commission and the municipalities concerned.

In 1970, and in the future as the work week becomes shorter and our metropolitan areas expand, people will be spending more and more time at their cottages. As long as this trend continues, we must design and plan our recreational communities with care and foresight to guard against pollution and over-

crowding. For these reasons our plans are examined by The Department of Municipal Affairs and all sites must be approved by officers of The Department of Health.

Over the past 20 years, cottage lot sales have averaged about 1,230 per year. Last year for the first time in four years the average was exceeded. The indications are that the demand for cottage lots is rising again. This year we are increasing the number of lots available in summer resort subdivisions to meet this expanded demand.

As you know, section 2(a) of The Public Lands Act requires that 25 per cent of the shore of any waterway be retained for public recreation and access. We have started a lake development planning project to allocate the most suitable parts of the shore to both public use and private sale. The capability of both the beach and the backshore is examined. We determine if sale for cottages or commercial establishments is desirable or if the public interest could be better served by withholding the area for public bathing or water access.

Other considerations of the plan include the requirements of fish, wildlife and forest management. In this way the lake and its environment are treated as a unit.

One of the problems we find in maintaining the quality of our outdoor environment in the province is the growing nuisance of litter. We are tackling this situation on a number of fronts. In 1968 we expended $100,000 on the development and maintenance of garbage disposal sites in areas outside municipalities. One hundred and seventy-two sites received some maintenance with this project. We also stressed litter control in both our fish and wildlife and parks activities. Plastic litter bags have been supplied to ice fishermen, campers and canoeists to encourage them to participate in keeping our outdoors attractive.

The objective of the land acquisition project is to acquire, for the public of Ontario, lands which have a high value for outdoor recreation, for the production of fish, wildlife or timber and the preservation of areas with unique vegetation, animal life or geography.

A total of $16,590,281 was expended to March 31, 1969 for the purchase of 335,167 acres of land.

My staff have drawn up long-range plans for land acquisition in the province on a priority basis. We are giving the highest priority to recreational areas within short commuting distances of our major centres of population. The rapid rise in the price of land in these areas is causing a severe restriction on the acreage of land which can be purchased.

One of the most interesting developments of the past season in the fish and wildlife area has been a significant rise in the prices paid for wild furs. This development has been very helpful to our Indian population since they hold a large number of the registered trap lines. Our policy is to favour Indians and Indian bands in retaining traditional trapping areas and in taking up vacant trap lines.

During the last period of high prices there were no registered trap lines. Competitive trapping was the rule, and game preserves were subjected to constant visitations from poachers. This was because our staple fur species, beaver, was scarce and on a strict quota. Fisher, marten and lynx were looked on as vanishing species. Today, after 20 years of a management programme that has kept trappers going on bulk sales and improved handling rather than on high prices, prices improve at a time when fur animals are abundant. We have never produced more beaver and production has been maintained on a sustained basis. The numbers of fisher, marten and lynx have increased. Trappers do not need to go into game preserves—in fact, many of these have been done away with over the years because we have learned that controlled harvesting and improved habitat are much more important to animal numbers than a ban on harvest. We cannot predict whether fur prices will last but we certainly can predict an abundance.

Big game management in the province is becoming increasingly critical with more and more hunters entering the woods with better methods and off-road travel. Innovations like the snowmobile have improved the distribution of harvest. However, they have significantly added to the pressures on our growing stock and more thorough information of inventory of our big game is required. This year we supplemented our winter aerial survey of moose with a summer field study on the moose range. This study will permit us to identify the habitat features which contribute to differences in moose concentration.

In September of last year we began our programme of hunting licence examinations. Although some overcrowding resulted early in the season this was soon resolved. I am pleased to report that the hunting accident record revealed a decline in a total number of accidents in the province. It is regrettable that we have any accidents in this area of

outdoor recreation. However, the total of 96 accidents was 16 less than in the previous year, and the lowest record ever experienced in spite of a greater number of hunters. I am sure that our hunter examination programme contributed substantially in this improved situation.

Management of the public hunting grounds at Tiny Marsh, Nonquon, Brighton, Gananoque, Long Point and Luther Marsh was intensified in 1968. Our aim to increase production of game and to improve the aesthetic values of the landscape is being continued this year. For example, we propose to build a series of islands in Tiny Marsh to improve nesting possibilities for ducks and geese. At Fingal we sowed cover plants and planted shrubs for both food and shelter. Provision for adequate parking space is being made at several of the public hunting grounds.

The deer range improvement programme has greatly increased the acreage of improved habitat in eastern deer range. Evidence of the success of the programme has been provided by the animals themselves. In many of the yards the browse produced has been literally mowed by the deer.

The fisheries inventory of the water bodies of the province completed 700 lakes in this past year. An expanded programme is being undertaken this year. The inventory is the basic step in providing for better fisheries management.

The intensive fisheries management project, which is limited to certain key waters of the province, will be extended this year to Lake Superior and Lake Huron. Eleven major lakes are now covered by this project. The teams on the lakes will attempt to assess the effects on fish populations caused by the changing environment in the lakes and by changes in the intensity of use by both the commercial and sports fisheries.

The fish hatchery facilities at North Bay were expanded in 1968 to permit a two- to three-fold increase in production at this hatchery. New ponds were also completed in 1968 at the Chatsworth rearing station. In the spring of 1969 we planted cohoe salmon for the first time in Ontario. These plantings were made in three rivers on Lake Ontario near Toronto and in two rivers on Lake Superior near Nipigon. These fish were raised in the Chatsworth hatchery starting in 1967.

The Kokanee plantings of some four years ago are bearing fruit this year with substantial runs in several rivers in Georgian Bay.

Mr. E. Sargent (Grey-Bruce): Why can you not catch a fish in the Georgian Bay where the hatcheries are?

Hon. Mr. Brunelle: Considerable progress has been made in the area of fresh-water fish marketing. Legislation has been passed by both the federal and provincial governments, and as you are aware a part of northwestern Ontario is within the area of the fish marketing corporation.

We have been encouraging the Indian fishery in northern Ontario over the past five years. The increase in activity amounts to about 106 licenes to 475 Indian fishermen.

With reference to parks, emphasis in our provincial parks programme during 1969 will centre around increased planning, improvements to park facilities and additional purchases.

The success of future development programmes will be dependent upon sound planning. We are actively working with other departments to prepare a master tourism and outdoor recreation plan for the province. The first phase of this programme will determine detailed demand estimates to the year 1980 and will provide general forecasts to the end of the century. In addition to this programme we are working with the federal government and the other provinces in a national outdoor recreation demand study which is complementary to the Ontario study. These programme will be the key to charting a course for future park development in Ontario.

Our park classification system, implemented in 1967, is proving to be a very valuable management tool. A greater variety of parks are emerging which will give Ontario a diversified park programme within the next few years. The parks will all have their own characteristics or personal identities, in addition to the normal facilities. Each will be a desirable park for certain people or certain groups of people, who recognize and appreciate these values. Our park interpretive programme will play an important role in introducing people to these park value. This approach should also have the effect of distributing people throughout the park system.

While we are establishing parks for the use of the people of this province and for our visiting neighbours to use, we recognize now that the degree of use of each area will have to be controlled if park experience is to remain on a high quality. Continuously increasing use of these resources on any one area is undoubtedly the greatest threat to quality of our parks in the years that lie ahead. We are

increasing maintenance services within parks at a rapid rate but this alone is not enough to protect fragile landscapes.

A programme of master planning of parks is presently being implemented. It will take several years before plans are available for all parks, but a start has been made on a number of parks, including Rondeau, Quetico, Algonquin and Killarney and others.

Although we are forecasting an increasing demand in the use of parks, our attendance figures in 1968 were lower than those for 1967. The higher attendance in 1967 can be traced to the large number of visitors to Expo '67 and to the very poor weather in 1968. I am pleased to say, Mr. Chairman, that park attendance in 1969 was the highest recorded.

Recent data indicate that 1969 will be a record year as far as total park attendance and use of camping facilities are concerned. It is estimated that total visitations will reach approximately 10.4 million compared to 9.44 million in 1968—an increase of 11 per cent.

As far as camping is concerned 725,000 campsite days were used in 1969 compared to 633,387 in 1968—an increase of 14 per cent. Practically every park in the province indicated an increase in campsites—the largest increase, 50 per cent, being in the Lake Simcoe area.

I advised you a year ago of our intention to establish a nature reserve programme within the provincial park system. These park areas are to preserve unique or representative areas of this province's flora and fauna as well as areas of geological and archeological significance, for study and public enjoyment. To advance the objectives of the programme, I have appointed an advisory group on nature reserves and this group has already met. A number of proposed areas were evaluated this summer to determine their potential.

In our park improvement work we plan to provide showers in certain parks along Trans-Canada Highway routes and additional comfort stations in a number of parks throughout the province. New water systems are being installed in 30 parks during the year and sanitary trailer dumping stations were provided at 80 parks by the beginning of this year's park operating season. At present, there are 400 campsites serviced with electrical outlets. It is our intention to install an additional 800 newly designed outlets this year. Three quarters of a million dollars will be spent on improving park roads. Many of these will be hard-surfaced to reduce dust and maintenance problems.

In addition to our provincial park areas we are pursuing an active recreation programme on other Crown lands. Canoe routes are being documented and improved. Many of these routes were travelled by early explorers and fur traders. Numerous access points are being developed and maintained to provide the public with easy access to lakes and waterways throughout the province. Our hiking trail programme is being expanded, and of course, trail development for the ever-increasing number of snow vehicles is being undertaken. Three such trails were operated by my department during the past winter. It is not our intention to compete with private snowmobile use areas but rather to provide longer trails over Crown lands which will provide a challenge for experienced snowmobile operators.

The advent of the snowmobile has constituted a major breakthrough in the field of outdoor recreation. However, along with the advances of the snowmobile come a number of associated problems, many of which I am sure are unknown to us as yet. Snowmobiling is permitted in all provincial parks with the exception of those where snowmobiles would damage the park environment or affect wintering game populations. There is a great deal of interest in winter camping of late and I am sure this interest is associated with increased use of the snowmobile. It is our intention to make certain park facilities available for winter camping at selected locations this winter. I would also like to mention that our special winter programme at Pinery Park was active last winter and use of the area has increased significantly.

I am pleased to report that my department took an active role again in providing summer employment for students. The junior forest ranger programme employed 1,739 boys in 73 camps across northern Ontario. I am particularly gratified that the bilingual camp at Racine Lake in the Chapleau district operated again this year. In addition to the junior rangers we employed 1,388 university and high school students in other parts of our work.

In summary, Mr. Chairman, this department is faced with a considerable challenge in the years ahead. We must promote an environment which provides for the expansion of the many industries which depend on our renewable natural resources. We must also ensure that a high quality of total environment is maintained for our people, now and in the future. I can assure you that these important tasks will be performed by the staff of the department with skill and dedication.

Hon. A. F. Lawrence moves that the committee of supply rise and report progress, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 2nd order; committee of the whole House, Mr. A. E. Reuter in the chair.

THE REAL ESTATE AND BUSINESS BROKERS ACT

(continued)

House in committee on Bill 176, An Act to amend The Real Estate and Business Brokers Act.

Mr. Chairman: When the committee rose previously we were dealing with a motion of Mr. Lawlor's pertaining to section 2, subsection 7, paragraph (a). The motion was to delete that section from the bill.

The hon. member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, following upon my fulminations of earlier today touching this very grave matter, may I say that there is one point only that I wish to extend for clarification.

There are, of course, only two kinds of corporations in this province. On one side of the fence there is the public corporation where shares are issued for general subscription by the public. Real estate firms do not, on the admission of the Minister, engage in public corporations. The only other kind left then would be a private corporation, in which the total number of shareholders would be 50.

Again it is my understanding, and I have every reason to believe that it is departmental policy and always has been departmental policy, that you must be a broker already before you can buy shares in a real estate corporation, a privately held one, that is—

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): I do not think that is—

Mr. Lawlor: I challenge the Minister on that! I will go that far, Mr. Chairman, on this particular point, which is rather important for the import and impact of my statements.

I will have him look at the existing section 3 of the Act, which bears this out in part. But I do not think, Mr. Chairman, that you will find this proposition of which I speak spelled out in so many words in the statute itself or the regulations. I reassert it is departmental policy and has been, from time immemorial, departmental policy.

It is borne out in part, I suggest, if one looks at the appendix and the forms under the present real estate Act; as to both the forms for application to become a corporation registered under the Act and for the renewal.

Full statements of shareholders—who they are, and so on, have to be made—full disclosure has to be made in this particular regard. And people who do not have brokerage licenses are not permitted to hold shares in corporations; except perhaps for one point. Under The Corporations Act one has to have three directors presently, and it would be possible for a man, say, and his wife and maybe his accountant, or somebody like that, to hold the one share to qualify in order to give the corporation status. But apart from this, as I explain, this is departmental policy and always has been.

The only other point I wish to make, Mr. Chairman: if the Minister would consider an amendment along the lines indicated by the member for York Centre (Mr. Deacon) I believe, on the 80 per cent shareholding, then I would be pleased, if the consent of the House was forthcoming, to withdraw my amendment in return for that *quid pro quo.*

I put it to the Minister again, that as far as I can see, most if not all of my main fears and reluctances would be overcome. A broker, a man registered as a broker, would hold 80 per cent of the shares; there would be 20 per cent available to the public. I would think that effective control then is maintained in the broker, who is beholden to the full extent, in all his actions and everything he does, under the terms of the Act. I think that the public interest would be well protected under those circumstances. But apart from that, as far as I am concerned, the amendment stands.

Mr. Chairman: Any further discussion on this motion? Would the hon. Minister care to comment?

Hon. Mr. Rowntree: Well to me, Mr. Chairman, this is rather an emotional approach to this matter. The fact is that we are trying to improve The Real Estate and Business Brokers Act. I think we have made a lot of headway in presenting to the House the legislation which we have. The fact is, I think, it is a major improvement over procedures which involve unwritten policy. And to contemplate, the very thought of, approving the amendment proposed by the hon. member for Lakeshore, would be to maintain the *status quo.*

Mr. Lawlor: The *status quo* is better than this!

Hon. Mr. Rowntree: The *status quo* is this: there is at present no legislation making provisions regarding ownership of the brokerage business, whether publicly or privately owned. Any tests that have been applied have been those tests which have been created by the director of the real estate division.

Under the heading of policy, I think the proposals in this Act make a major step forward in putting these essentials into the Act.

Now it has been suggested that there are weaknesses and that telephone calls have been made and a lot of things. May I simply say this, Mr. Chairman, that the section has been carefully worded to ensure that control —and I mentioned this at the outset of my remarks—that control is left in the hands of the broker. Control of the operation is in the hands of the licensed broker, who is the one directly responsible for the buying and selling operations of the real estate. The mumblings and groanings that are going on, Mr. Chairman, are causing—

Mr. Lawlor: You know better than that.

Hon. Mr. Rowntree: I was just going to say that the hon. member has indicated how little he knows of what has gone on in the real estate business in the past.

Mr. Lawlor: You don't know your own rulings.

Hon. Mr. Rowntree: There have been corporations that have had interest in real estate firms in Toronto, and I suggest that the hon. member for Lakeshore knows that himself; so let us not mislead the House about that.

Now the sections that we are concerned with have not only been approved by the Ontario Association of Real Estate Boards in the larger municipalities, but were actually suggested by them—and the point we are talking about is the percentage figures.

Now it is my intention, as a matter of course, to watch carefully the operations of this legislation as it is enacted. I am not going to get into a debate tonight on the differences between 80/20 and 51 per cent, because they are being taken out of context in the references which have already been made.

Great confusion has been created in the House and on the records by the words 'absolute control'—as defined in, say, The Securities Act—and 20 per cent factors which have to do with take-overs and mergers. The results of the remarks of the hon. member this afternoon would lead us all to believe that all big business is crooked and uses dishonest methods.

Mr. Lawlor: Don't put words in my mouth!

Hon. Mr. Rowntree: Certainly that the real estate brokers and salesmen—that's exactly what you said this afternoon, that is what you said this afternoon. Certainly that the real estate brokers and salesmen, as a group, are open to question. That is what you said.

You referred to the town, the city of Guelph. You do not like what you said this afternoon. Now this I do not believe. I do not believe what you said this afternoon. I will not be a party to it and I dissociate myself from any such reference.

Mr. Lawlor: On a point of privilege, Mr. Chairman. I said no such thing, Mr. Chairman, at any time, as has been imputed to me a moment ago by this Minister. I think he should withdraw it.

Hon. Mr. Rowntree: Not at all!

Mr. Chairman: The hon. Minister has simply said that he does not believe what the hon. member said—

Mr. Lawlor: He said that I stigmatized that the business interests of this province are all a bunch of crooks. I did no such thing. I said he was opening the door to foreign interests.

Hon. Mr. Rowntree: You used the words—

Mr. Chairman: Order, order!

It is a matter of opinion of one person and another. It is a matter of opinion whether a certain thing is fact or not. The interpretation of those remarks and the meaning of those remarks is a matter of opinion.

Hon. Mr. Rowntree: May I simply say this, that the real estate industry in this

province has a good name, known to the whole continent. This new Act is taking steps to ensure that this high standard is maintained and, as stated previously, has the full support of the industry concerned, Mr. Chairman, I ask you now to put the question.

Mr. Chairman: Mr. Lawlor has moved that section 2 of section 7, paragraph 2, be deleted from Bill 176.

Those in favour of Mr. Lawlor's motion please say 'aye'.

Those opposed will please say 'nay'.

In my opinion the 'nays' have it.

With the consent of the House we will defer the division on this particular section until the end of the bill as provided for in section 9 of the new proceedings.

Consent granted.

Hon. Mr. Rowntree: Mr. Chairman, I indicated that there was an amendment with respect to the transition to this new section. I now move that section 7 of the Act as re-enacted by section 2 of the bill, be amended by renumbering subsections 2 and 3 as subsections 3 and 4 respectively, and by adding thereto the following subsection:

> (2) clause b of subsection 1 does not apply to a corporation that is a trust company registered under The Loan and Trust Corporations Act in which a broker holds voting shares amounting to a substantial interest, where the shares were held and the trust company was registered under this Act immediately before The Real Estate Business Brokers Act, 1968-69, came into force.

Now I would say simply, Mr. Chairman, that this subsection is being inserted to ensure that the section does not have any retrospective or retroactive effect.

Mr. Chairman: Mr. Rowntree moves that—

May I please put the motion before the committee?

Mr. Rowntree moves that section 7 of the Act as re-enacted by section 2 of the bill be amended by renumbering sections 2 and 3 as subsections 3 and 4 respectively and by adding thereto the following subsection—No. 2 as read by the hon. Minister.

The hon. member for Lakeshore.

Mr. Lawlor: Mr. Chairman, the hon. Minister says that this will ensure the section's retrospective effect. I do not read it that way, and it has been altered from the committee situation. Apparently some individuals —or individual—hold a brokerage license in the regular real estate firm. Apparently some individual—or individuals—holds a substantial interest in a loan and trust corporation at the same time, who is also registered as a real estate broker under the Act, and it is to protect some such interests that this clause has been brought forward.

I just do not see what the real evil is that he is seeking to cure here, what the intent of this amendment is. I would ask the Minister to explain a little further.

Hon. Mr. Rowntree: Mr. Chairman, under The Loan and Trust Corporations Act there are certain real estate operations which they carry on. This amendment is advanced so that in computing, or relating the position of a broker with shares in any firm, any shares that he might have in a loan and trust company be treated as a general investment rather than as tied to the real estate aspect of that loan or trust corporation.

Mr. Chairman: The hon. member for High Park.

Mr. M. Shulman (High Park): Perhaps I could clear my own mind, Mr. Chairman. Section 7 (2): is that presently being followed under the present Act? Is there not a similar section under the old Act?

Hon. Mr. Rowntree: No.

Mr. Shulman: There is no rule at the present time that prevents—

Hon. Mr. Rowntree: No.

Mr. I. Deans (Wentworth): This may not be a very pertinent question, but would the Minister explain to me what a substantial interest means? In actual terms, what is a substantial interest?

Hon. Mr. Rowntree: Well the word substantial would have to be taken in the context in which it is being used; and substantially I can only give it to you on extremes. Certainly 10 or 100 shares would not be substantial in relation to 100,000 shares, or a figure like that. Then as you come up, a substantial interest is an interest that approaches control, in my mind.

Mr. Deans: I would accept that, but is there not another way? How do you enforce an Act that is ambiguous in its terms in saying "a substantial interest"? Is there no way that we can tie this down more closely so that when you read the Act it is easily understood?

Hon. Mr. Rowntree: It is used in the securities business and, as I say, it has to be taken in relation to a number of other factors. An interest could be substantial if there were few shares out and very few shareholders. On the other hand, it could be substantial if one had a large portion in relation to what actually was out. You would have to look at the exact figures. It is a phrase that is used and has to be taken against the circumstances of the particular interest.

Mr. Deans: Well I am right then, in assuming that a substantial interest could be anything ranging from five per cent, depending on what other persons held, up to over 50 per cent or more. It is just simply a matter of interpretation.

Hon. Mr. Rowntree: Generally speaking, it is an interest that is regarded as one that approaches control.

Mr. Deans: Yes. In this case then, it would have to be taken in each individual case, on its merits.

Hon. Mr. Rowntree: Yes.

Mr. Shulman: Mr. Chairman, excuse me for questioning the Minister again; it is just that I have a letter here on this and I want to make sure there is no misunderstanding. Is there any ruling at the present time that prevents an individual from holding shares in two real estate companies at the same time?

Hon. Mr. Rowntree: No, but before you came in this afternoon this matter had been debated. The reason we regard this legislation as desirable is that we are putting into the statute a number of items which heretofore have not been in the statutes but have been handled as a matter of policy.

It is my view that a number of these things should be put into the statutes because it is an important industry.

Mr. Shulman: Well this has been the policy in the past, that is what I am driving at.

Have you made exceptions in the past to this policy? In other words, at the present time are there any exceptions to the Act? Are there individuals in this city, for example, who now hold shares in two real estate firms?

Hon. Mr. Rowntree: Not to my knowledge.

Mr. Shulman: How about the Rideau Trust Company?

Hon. Mr. Rowntree: Well if you are referring to the real estate company there, that transaction has not been accomplished yet, that purchase has not been consummated.

Mr. Chairman: Shall Mr. Rowntree's motion carry?

Motion agreed to.

Mr. Chairman: There is a further amendment to the same section: the hon. Minister.

Hon. Mr. Rowntree: I move that section 9 of the Act, as re-enacted by section 2 of the bill, be amended by renumbering sections 2 and 3 and subsections 3 and 4, respectively, and by adding thereto the following subsection 2:

> When a registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order made by the tribunal or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

Now, this matter came up at the legal bills committee and I think I have referred to this.

There are some members, I think, who may be here tonight who were not here this afternoon. There are a series of bills that we are in the middle of now.

The control bill is the amendment to establish the tribunal, the amendment which we did this afternoon, to The Department of Financial and Commercial Affairs Act. These other bills were amendments made at committee. There were other matters that I was asked about and gave an undertaking to consider. Some of these matters raised in committee I felt did have some merit and these are the items we are now amending.

In other words, these amendments will be duplicated in all of the pieces of legislation, and I think we are now approaching the point where we will be entering the repetitious stage, but these matters did arise through the undertakings given at committee.

Mr. Chairman: Mr. Rowntree moves that section 9 of the Act as re-enacted by section 2 of the bill be amended by renumbering sections 2 and 3 and subsections 3 and 4 respectively, and by adding thereto the following subsection 2.

> When a registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order made by the tribunal or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

Motion agreed to.

Mr. Chairman: I believe there is another amendment to the same section.

Hon. Mr. Rowntree: I move that section 11 of the Act, as re-enacted by section 2 of the bill, be amended by renumbering subsections 4, 5 and 6, as subsections 5, 6 and 7 respectively, and by adding thereto the following subsection 4:

> An applicant or registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act and section 5 of The Canada Evidence Act.

Mr. Chairman: Mr. Rowntree moves that section 11 of the Act, as re-enacted by section 2 of the bill, be amended by renumbering subsections 4, 5 and 6, as subsections 5, 6 and 7 and by adding the following subsection:

> An applicant or registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act and section 5 of The Canada Evidence Act.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, would the Minister imply this has been to legal bills committee?

Hon. Mr. Rowntree: Yes. I think most of the amendments, regardless of what Act or other, will be repetitious if we have dealt with them before.

Mr. Sargent: I would say on behalf of this party that we are impressed by the Minister's upgrading of this legislation.

Hon. Mr. Rowntree: We are making it all uniform.

Mr. Sargent: Thank you.

Motion agreed to.

Hon. Mr. Rowntree: I move that section 24, subsection 2 of the Act, as re-enacted by section 2 of the bill, be amended by striking out the word "general" in the second line, so that the subsection shall read as follows:

> 2. The request under subsection 1 shall indicate the nature of the inquiry involved.

That is the end of the amendment, and if I might just add a word about that, the former words were that the person or licensed person, the registrant, had to be informed of the general nature of the enquiry. This will make it more specific.

Mr. Chairman: Hon. Mr. Rowntree moves that section 24 of the bill, paragraph 2, be amended to delete the word "general" on the second line.

Shall the motion carry?

Motion agreed to.

Hon. Mr. Rowntree: I move that section 37 of the Act, as re-enacted by section 5 of the bill, be amended by adding thereto the following subsection 5:

> The information contained in the financial statement filed under subsection 4 is confidential and no person shall otherwise than in the ordinary course of his duty communicate any such information or allow access to or inspection of the financial statement.

Mr. Chairman: Hon. Mr. Rowntree moves that section 37 of the Act, as re-enacted by section 5 of the bill, be amended by adding thereto the following subsection, as was read by the Minister.

The hon. member for Lakeshore.

Mr. Lawlor: We did not bring this up in committee, but referring back to the existing Act, section 12 has a more far reaching provision, where "the registrar presently may obtain further information or material to be submitted by any applicant or any registered person within a specified time limit and may require verification by affidavit or otherwise of any information or material then or previously submitted." I wonder if this is not a very valuable asset in the hands of the registrar, of the director and of the tribunal itself, to be able to elicit this information under affidavit, and is there any merit in seeking to retain it?

Hon. Mr. Rowntree: Well, there are two aspects, two types of investigations of this. One is the type of investigation where spot checks are made and the investigator or the inspector has the right to go in and make copy. And the other is an investigation of a fours with the McRuer recommendations.

And the other is an investigation of a more serious nature, and this is the type of thing—it is my understanding it was on all fours with the McRuer recommendations.

Motion agreed to.

Mr. Chairman: I believe there is a further amendment to—section 16, is it, page 20?

Hon. Mr. Rowntree: I move that that section 57a(1) of the Act, as re-enacted by

section 16 of the bill, be amended by adding after the word "who" in the first line, the word "knowingly"; so that the subsection shall read as follows: "57a(1): Every person who knowingly, (a) furnishes false information—" and continues as was formerly printed in the Act.

Mr. Chairman: Hon. Mr. Rowntree moves that section 16 of the bill, on subsection 57a(1), be amended by adding the word "knowingly" in the first line after the word "who."

Motion agreed to.

Mr. Chairman: Are there any further amendments, discussions or comments about this bill? Shall the bill as amended be reported?

No, I am sorry I cannot do that. That is not quite correct. We have a division on this bill. Call in the members.

Hon. Mr. Rowntree: Why?

Mr. Chairman: There is an amendment which was held over. We must deal with the amendment under the new procedure—

Interjections by hon. members.

Mr. Chairman: Mr. Lawlor moved that section 2, subsection 7, paragraph (a) be deleted from Bill 176. Those in favour of Mr. Lawlor's motion will please rise.

Those opposed to Mr. Lawlor's motion will please rise.

Clerk of the House: Mr. Chairman, the ayes are 14, the nays 48.

Mr. Chairman: I declare the motion lost.

The section shall stand as part of the bill.

Bill 176, as amended, reported.

THE USED CAR DEALERS ACT, 1968-69

House in committee on Bill 180, The Used Car Dealers Act, 1968-69.

Mr. Chairman: Are there any questions, comments or amendments to this bill? Any amendments up to section 7?

The hon. Minister.

Hon. Mr. Rowntree: I move that section 7 of the bill be amended by renumbering subsection 2 and 3 as subsections 3 and 4 respectively, and by adding thereto the following subsection 2:

> Where the registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order is made by the tribunal, or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

This principle has been approved today in the other bills.

Mr. Chairman: Mr. Rowntree moves that section 7 of the bill be amended by renumbering subsections 2 and 3 as subsections 3 and 4 respectively and by adding thereto the following subsection, as was read by the hon. Minister.

Shall the motion carry?

Mr. Sargent: Mr. Chairman, I am sorry. Would the Minister explain that please?

Hon. Mr. Rowntree: We have been through this several times, but the point of it is that where a registration comes up for renewal and the registrar—in this case the used car dealer—thinks he has grounds for refusing to re-register, and he makes his decision. The used car dealer, unless he is willing to go out of business voluntarily, is going to make his appeal to the tribunal. Now the registrar's order is not to the affected. In the words of the amendment:

> —the applicant shall be deemed to continue to be registered until the tribunal has dealt with the matter.

Amendment agreed to.

Mr. Chairman: Does the hon. Minister have another amendment?

Hon. Mr. Rowntree: I move that section 9 of the bill be amended by renumbering subsections 4, 5 and 6 as subsections 5, 6 and 7 respectively and by adding thereto the following subsection 4:

> An applicant registrant giving evidence under oath before the tribunal shall be advised of his rights to object to answer any question under section 9 of The Evidence Act and section 5 of the Canada Evidence Act.

Again that has been approved in principle.

Mr. Chairman: Mr. Rowntree moves that section 9 of the bill be amended by renumbering subsections 4, 5 and 6, as subsections 5, 6 and 7 respectively, and by adding thereto the following subsection 4, as was read by the hon. Minister.

Amendment agreed to.

Hon. Mr. Rowntree: I move that section 29 of the bill be amended by adding thereto the following subsection:

(2) the information contained in the financial statement filed under subsection 1 is confidential and no person shall, otherwise than in the ordinary course of his duties, communicate any such information or allow access to, or information of, the financial statement.

Again this principle has been approved in the other bills.

Mr. Chairman: Mr. Rowntree moves that section 29 of the bill be amended by adding thereto the following subsection as was read by the hon. Minister.

Mr. Sargent: Could I ask the Minister, Mr. Chairman, in this regard—I am sorry to hold the House up—but does this tribunal in this legislation, in this section, have the power to put a dealer out of business because of this section?

Hon. Mr. Rowntree: No, no, no, no! Do you mean about the financial statement? No. This simply—we say any personal or private information received by the department, especially the financial statement, shall be treated and kept inviolate and secret. Now, that is the intention. It is a fact that after discussion in the committee I undertook to consider putting it into words and including it in the Act, and here it is. This principle is a matter of secrecy in dealing with documents.

Mr. Sargent: So at no time, by virtue of furnishing a financial statement, can a dealer put himself out of business?

Hon. Mr. Rowntree: Oh yes, he could. That could be part of the evidence, but the case would have to revolve around trust funds, or matters of that sort, where he is not entitled to registration—re-registration.

Mr. Sargent: The retail—

Hon. Mr. Rowntree: In an investigation of trust funds I think you would call for a financial statement.

Mr. Sargent: Mr. Chairman, very briefly, the retail automobile dealers' concern is the fact that people appointed by your department could, in effect, by demanding the submission of a financial statement put a dealer out of business.

Hon. Mr. Rowntree: That point, Mr. Chairman, is dealt with in this Used Car Dealers Act. After the committee had heard, it was dealt with in the committee, so we do not have to deal with it now. Representatives of the industry concerned about that point—about an investigator calling for a financial statement—were satisfied if that calling or demand for a financial statement was limited to those situations where the permission of the director, or a directional signed by the director of the branch.

Mr. Sargent: Is there an appeal?

Hon. Mr. Rowntree: Not on that point.

Mr. Sargent: There is no appeal? So if you—

Hon. Mr. Rowntree: The organizations, the ORADIO, and the new and used car dealers who were there from ORADIO, and Mr. van Slyke—this met their objections.

Mr. Chairman: Shall Mr. Rowntree's motion carry?

Mr. Sargent: I am sorry, I have your word for it that this met their objections. Their concern was the fact that an appointed official could put a man out of business by the furnishing of a financial statement.

Hon. Mr. Rowntree: Well, it is not quite as extreme as that. They objected to an inspector, of his own volition, being able to call for a financial statement and so the calling for a financial statement was restricted to those situations which would be approved by the director in writing.

Amendment agreed to.

Mr. Chairman: Are there any further questions, comments or amendments to this bill? Shall the bill as amended be reported?

Bill 180, as amended, reported.

THE MORTGAGE BROKERS ACT, 1968-69

House in committee on Bill 181, The Mortgage Brokers Act, 1968-69.

Hon. Mr. Rowntree: I move that section 7 of the bill be amended by renumbering subsections 2 and 3 as subsections 3 and 4 respectively, and by adding thereto the following subsection,—

(2) Where the registrar refuses to renew a registration the applicant shall be deemed to continue to be registered until an order is made by the tribunal, or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

Mr. Chairman: Bill 181, The Mortgage Brokers Act, 1968-69. Are there any comments, questions or amendments to any sections up to section 6? Prior to this particular amendment? The hon. member for High Park.

Mr. Shulman: On section 5(b):

> An applicant is entitled to registration or renewal of registration except where the applicant is a corporation, its financial responsibility, or the record of past conduct of the corporation, or its officers or directors, is such that it would not be in the public interest for the registration or renewal to be granted.

I would like to ask through you, sir, why the department has not been following this policy in the past. I believe there may be a mortgage broker corporation in this province, a corporation in which there is not only financial irresponsibility but also fraud involved.

Hon. Mr. Rowntree: Well yes, on that matter—and I have not forgotten about my undertaking of the matter—I have been here all day. I understand the report is completed and is in the hands of the Deputy Minister and so I will be tabling it either tomorrow or Monday. The point which the hon. member raises is a valid one. I recognize it and I hope that the report—and I am sure that it does—deals with it. I think he will be satisfied when I table it.

Mr. Shulman: I am very pleased that that report is coming; but I am curious in general now, how a corporation can be a mortgage broker in this province—and I did not name a specific one but there is a specific one, of course, we all know—and can be involved for a period of some years in financial responsibility, to put it mildly, and continue to have the registration renewed each year. Of course the particular example is one where the holding company which owned all the shares went defunct, and yet a portion of the mortgage broker continued in the same business. Now how can this be?

Hon. Mr. Rowntree: Well, for instance, the situation in that case—and I mean that is what we are talking about, that case, I understand—and this is why I would like that point to wait until tomorrow or Monday and we will have a chance in the questions to deal with it. None of those judgments had to do with mortgage brokers.

Interjection by an hon. member.

Hon. Mr. Rowntree: This is what I am told by hearsay. I do not want to get into this until I have that report in my hands and then we will be talking about facts.

But for instance, there was a man applying for a licence to—I have forgotten whether it was a used car salesman or a real estate salesman or whatever it was. One of the questions on it was: "Have you ever been convicted of a criminal offence?" and he answered, "Yes".

"Please give the particulars'", and the particulars had to do with a matter where he had been caught in an unusual situation in a parked car with his girlfriend, and had nothing to do with the business for which he was seeking a licence. I just make that point—

Mr. Deans: I hope not.

Hon. Mr. Rowntree: Guilt might exist in one area, but not affect another area or business of one's life. I cannot be more explicit than that on the matter that the hon. member for High Park has raised until I table that report.

Mr. Shulman: All right! But the problem is, Mr. Chairman, that once the report is tabled, we are not able to question it.

As you know, this question period has not worked out. We sit here with questions day after day, and do not get the opportunity to ask them. So the problem is that I want to question you now when I can get some answers, and I will not be able to question you or get answers once—

Hon. Mr. Rowntree: Well I have not got the report yet.

Mr. Shulman: Well all right!

Hon. Mr. Rowntree: I am told the Deputy Minister has received it. It is on its way.

Mr. Shulman: Well I presume the Deputy Minister cannot be too far away.

Hon. Mr. Rowntree: No, he has been here all afternoon with me.

Mr. Shulman: If he has, perhaps he could pass it over to the Minister.

Hon. Mr. Rowntree: He told me at supper time he understood it had been delivered to his office this afternoon. We have been here this afternoon—

Mr. Shulman: All right

We are here on this point. And I am quite certain, in reference to the Greenaway case as far as Mr. Greenaway himself personally goes a lot of the judgments had nothing to do with Canadian Central Holdings. But as to this particular mortgage broker, which is a corporation—and I am referring to A. M. Greenaway and Company—this was a wholly-owned subsidiary of a bankrupt company, Canadian Central Holdings. And what I am asking today in this House is how, year after year, a bankrupt company can be licensed as a mortgage broker?

Hon. Mr. Rowntree: I do not think it could have been, had all of the facts been known. We are now back into this question of which was the parent company, was Central the parent company? It was bankrupt; but the subsidiary, Greenaway and Company, may not have been.

Mr. Shulman: How come?

Hon. Mr. Rowntree: A parent company could be bankrupt and have a subsisting and non-bankrupt subsidiary.

Mr. Shulman: Impossible! It could be the other way around.

Surely, Mr. Chairman, surely a subsidiary might go bankrupt; but if the parent company is bankrupt how can the subsidiary not be bankrupt? Especially when it is a wholly-owned subsidiary where all the shares are held by the parent company. If the parent company is bankrupt, those shares, whatever value they have, would automatically go to the creditors.

Hon. Mr. Rowntree: Believe it or not, what I am telling the member is the truth. And I can give him various examples of it. In the case of Prudential there were certain insurance companies, there were assets which were, as I recall, in a limited corporation, and they continued to be operated.

Mr. Shulman: But this was not a limited corporation.

Hon. Mr. Rowntree: In fact, the owner became the trustee of the parent company in bankruptcy.

Mr. Shulman: I am sorry, did the member wish to go on with this point? All right, go ahead!

Mr. G. Ben (Humber): First of all, I think if the member for High Park reconsiders, I think he will come to the conclusion that a parent company can go bankrupt while the subsidiary continues to operate—but the point is this, Mr. Chairman, even if you may "euchre" my hon. friend, the member for High Park, on the question of renewal, and I do not think you can, I think he has a good point. He will certainly have you under section 6. That is: why did you not cancel the licence immediately after you did find out; because under section 6 you can cancel for any reason that would disentitle a registrant to renewal? Under subsection (5) the conduct of an officer or director could influence the renewal of a registration.

Hon. Mr. Rowntree: Let us not get carried away with cancellation and let us remember some of the civil rights that some of us argue about and talk about in this House from all three parties.

When this matter first came to my attention, I immediately had an investigation, ordered an investigation to be conducted so we could ascertain the facts, because I have the right to order an official enquiry having to do with the carrying on of the licence of Greenaway and Company. And the first step, not only in the name of fairness, but of a sensible approach, is to have an independent investigation to ascertain the facts.

And that is what I did. When I get that against what I see there, if it is something that is going to lead—there will be a recommendation in it, I would expect, from the directors; there will be a confirmation or otherwise from the Deputy Minister on it as to a course of action; and I will either approve or disapprove and a decision will then be made.

Mr. Ben: My I ask the Minister how long this matter has been under review by his department?

Hon. Mr. Rowntree: As soon as it came to my attention.

Mr. Ben: And when was that, pray?

Hon. Mr. Rowntree: About ten days ago.

Mr. Ben: Ten days ago? I am sure the hon. member for High Park brought it up more than ten days ago.

Mr. S. Lewis (Scarborough West): With respect, Mr. Chairman, the matter was drawn to the Minister's attention almost a year ago. Central Canada Holdings is not a new phenomenon.

Mr. Chairman: I think the debate has strayed from the subject matter.

Mr. Lewis: Mr. Chairman, to come back to the clause, I fear the Minister is treating us a little like "Alice's Restaurant", we are not arguing that, because one is a litterbug and therefore subject to criminal prosecution, one then should be barred from fighting in the Vietnam war. The relationship is rather closer than that.

The section says: "that (a) his financial responsibility or record of past conduct is such and such": section (b) says its officers or directors is such that it would "not be in the public interest." It seems to me, Mr. Chairman, that the case was rather appropriately and effectively made by the member for High Park earlier this session, the numbers of outstanding judgments in related fields, the history of the parent company involved.

Hon. Mr. Rowntree: The member is now talking away from the bill.

Mr. Lewis: No, I am not talking away from it.

Hon. Mr. Rowntree: That is what I said, that when the matter came to my attention from the member for High Park in this session, even he admitted that some of the figures had to be corrected, they had to be run out. The question of what the judgments were, how much had been paid on the judgments and so on. This has all been done now, at some considerable trouble, to ascertain exactly what those judgments were and so on.

Mr. Lewis: What we are saying, Mr. Chairman, and without reverting to the particular example, is that we necessarily share some collective skepticism about the application of the clause in view of the most vivid violation of the principle that we have in front of us.

Hon. Mr. Rowntree: Before I permit any outright cancellation in my department, I want the exact fact, based on facts which have been investigated and run out, and are the actual facts of the case; and this is being done. In fairness, what the hon. member—

Mr. Lewis: I accept the "in fairness", I also accept the inference of what is to come tomorrow or Monday. So be it. But you can understand fairly well why we have some qualms about the enforcement of clause (5). We think it is a good clause, but we are inclined to skepticism because of past experience.

Mr. Shulman: Mr. Chairman, I am not entirely satisfied about this. Is it the contention of the Minister that if they become aware of financial irresponsibility or of a bad past financial conduct of a mortgage broker, they will then immediately order a hearing to determine whether cancellation should take place or whether renewal should take place?

Hon. Mr. Rowntree: Yes, because this is a new section, whereas before—

Mr. Shulman: Section 5 is not a new section.

Hon. Mr. Rowntree: The whole thing codifies and sets out, once and for all, what sections (5) and (6) mean and what the procedures will be. The tribunal procedures will, I think, have a salutary effect on the handling of matters such as this member and the hon. member of Scarborough, make reference to.

Mr. Shulman: That is all very well, Mr. Chairman, I understand everything is going to be beautiful in the future. What I am trying to understand is, if section (5) was law in the past and did not work in the past, what makes the Minister think it will work in the future?

Mr. Chairman: We have a motion before us. Mr. Rowntree has moved that section 7 of the bill be amended by renumbering subsections 2 and 3 as subsection 3 and 4 respectively, and adding thereto the subsection, as read by the Minister.

Shall the motion carry?

Motion agreed to.

Mr. Chairman: Is there any comment, question or amendment to section 8 or section 9?

The hon. Minister.

Hon. Mr. Rowntree: I move that section 9 of the bill be amended by renumbering subsections 4, 5 and 6 as subsections 5, 6 and 7 respectively, and by adding thereto the following subsection:

> (4) an applicant or registrant giving evidence under oath before the tribunal shall be advised of his right to object to answer any evidence under section 9 of The Evidence Act and section 5 of The Canada Evidence Act.

That is the end of the amendment and the principle has been dealt with before.

Mr. Chairman: Hon. Mr. Rowntree moves that section 9 of the bill be amended by renumbering subsections 4, 5 and 6 as subsections 5, 6 and 7 respectively, and by adding thereto the subsection, as was read by the Minister.

Shall the motion carry?

Motion agreed to.

Mr. Chairman: Are there amendments, comments or questions under these sections from section 10 to 21, inclusive? The hon. Minister then on section 22.

Hon. Mr. Rowntree: I move that section 22, subsection 2 of the bill, be amended by striking out the word "general" in the first line so that the subsection shall read as follows:

(2) the request under subsection 1 shall indicate the nature of the inquiry involved,

and the amendment in this principle has been established.

Mr. Chairman: Hon. Mr. Rowntree moves that section 22, subsection 2, be amended to delete the word "general" in the first line.

Shall the motion carry?

Motion agreed to.

Mr. Chairman: Any amendments, comments, questions on the sections from 23 to 26, inclusive? If not, the hon. Minister on section 27.

Hon. Mr. Rowntree: I move that section 27 of the bill be amended by adding thereto the following subsection:

(4) The information contained in the financial statements filed under subsection 3 is confidential, and no person shall otherwise than in the ordinary course of his duties communicate any such information or allow access to or inspection of the financial statements.

That is the end of the amendment and the principle has already been established.

Mr. Chairman: Hon. Mr. Rowntree moves that section 2 of the bill be amended by adding thereto the subsection as read.

Shall the motion carry?

Motion agreed to.

Mr. Chairman: Sections 29 and 30. Any comments, questions or amendments. If not, the hon. Minister—section 31.

Hon. Mr. Rowntree: I move that section 31, subsection 1 of the bill be amended by adding, after the word "who" in the first line, the word "knowingly" so that the subsection shall read as follows:

31.1. Every person who "knowingly"
(a) furnishes false information"—

and the rest of the section continues as printed, and came from the legal bills committee.

Mr. Chairman: Mr. Rowntree moves that section 31 of the bill be amended as subsection 1 by deleting the word—or by rather adding the word—"knowingly" after the word "who".

Shall the motion carry?

Motion agreed to.

Mr. Chairman: Are there any further amendments, questions, discussions on the remainder of the bill? If not, shall the bill as amended be reported?

Bill 181, as amended, reported.

THE CONSUMERS' PROTECTION ACT, 1966

House in committee on Bill 185, An Act to amend The Consumers' Protection Act, 1966.

Mr. Chairman: Are there any questions, comments or amendments?

Hon. Mr. Rowntree: On section 2, I move that section 7 of the Act as re-enacted by section 2 of the bill be amended by renumbering subsections 2 and 3 as subsections 3 and 4, respectively, and by adding thereto the following subsection:

(2) Where the registrar refuses to renew a registration, the applicant shall be deemed to continue to be registered until an order is made by the tribunal, or until the time for requiring a hearing by the tribunal expires, whichever occurs first.

This is the same principle as the others.

Mr. H. Worton (Wellington South): Mr. Chairman, I would just like to ask, for clarification—a year ago I raised this question to the Minister. In regard to these hearing-aid salesmen, what position are they in? Do they come under The Department of Health or do they come under you?

Hon. Mr. Rowntree: They are dealt with by the consumer protection bureau.

Mr. Worton: I have had dealings with the bureau on this particular type of tradesman, but we do not seem to be able to—

Hon. Mr. Rowntree: Well I thought we had been making a lot of progress. I might say this is not the matter before us tonight, but the hearing-aid association which is a responsible organization has taken a large hand in the internal discipline of its members with respect to honouring warranties and servicing of the units that have been sold. It has been my understanding, as recently as last week, that these arrangements have been working very well. If you are having any trouble, if you would speak to—

Mr. Worton: I think your department was dealing with a chronic offender. I was just wondering whether this Act will eventually take that kind of member out of business.

Hon. Mr. Rowntree: Well, I hope it will.

Mr. Chairman: Mr. Rowntree moves that section 7 of the Act as re-enacted by section 2 of the bill—perhaps I had better place the motion before the committee before this debate.

Mr. Rowntree moves that section 7 of the Act as re-enacted by section 2 of the bill be amended by re-numbering subsections 2 and 3 as subsections 3 and 4, respectively, and by adding thereto the following subsection as read by the Minister. The hon. member for Dovercourt.

Mr. D. M. De Monte (Dovercourt): I am not speaking on that particular point. Perhaps it will come up in the later subsection.

Mr. Chairman: All right. Shall the motion carry?

Amendment agreed to.

Hon. Mr. Rowntree: Another amendment under section 2. I move that section 9 of the Act as re-enacted by section 2 of the bill be amended by re-numbering subsections 4, 5 and 6 as subsections 5, 6 and 7, respectively, and by adding thereto the following subsection:

> (4) An applicant or registrant giving evidence upon oath before the tribunal shall be advised of his right to object to answer any question under section 9 of The Evidence Act or section 5 of The Canada Evidence Act.

Mr. Chairman: I might say to the hon. member for Humber that all of the amendments we are now dealing with have been approved in principle.

Mr. Ben: Mr. Chairman, I understand that these are the same amendments that went previously, but I do not wish to engage in an argument with such a charming Chairman as to whether or not I could move an amendment; and I just do not want a particular section to pass unknowingly. In this particular Act, the sections are numbered a little confusingly and I just do not want this to pass completely.

Mr. Chairman: Is there further amendment to—

Mr. De Monte: I would like to say something on subsection 5 of section 2, Mr. Chairman. Would the passing of this amendment affect my right to say anything?

Mr. Chairman: All right.

Mr. De Monte: I am wondering, Mr. Chairman, and I refer to the Act, The Licensed Corporations Act. When you license a corporation do you automatically license all the employees of that corporation or must they be individually licensed?

Hon. Mr. Rowntree: Well, there is a question of salesmen involved. What we are looking for is financial responsibility. So that if we had a large company, some of the large companies—even department stores—do have part of their sales force visiting the homes of the public and they have been registered. But in those events you get the registration of a pretty responsible corporation.

Mr. De Monte: Does that mean that in a registered corporation you register the corporation but none of its salesmen need to be registered under this Act?

Hon. Mr. Rowntree: Well—

Mr. De Monte: That is, if they go from door to door?

Hon. Mr. Rowntree: The salesmen themselves are not registered; it is the person doing business—the employer, not the salesman. The member of the company doing business is registered. If it is an individual operating, as in law, as a single partnership, he registers.

Mr. De Monte: I cannot see the difference, Mr. Chairman. Where you would require an

individual to register, why would you not require a salesman of a corporation to register?

Hon. Mr. Rowntree: Because he may be an independent entrepreneur. He may buy goods and pay for them, and go selling his own goods—which is often the case. It is in that area where the problems really arise.

Mr. Chairman: Will the motion carry?

Amendment agreed to.

Mr. Chairman: Now I understand the hon. member for Humber is interested in the section 5 which appears on page 11 of the bill. Very good—we will take that now.

Hon. Mr. Rowntree: There is a further amendment to section 2 on page 7 of the bill.

Mr. Chairman: The hon. Minister, I believe, has a further amendment to section 2, on page 7 of the bill.

Hon. Mr. Rowntree: I move that section 141 of the Act as enacted by subsection 2 of the bill be amended by adding thereto the following subsection 2:

> The information contained in the financial statement, filed under subsection 1 is confidential, no persons or otherwise in the ordinary course of his duties shall communicate any such information.

Mr. Sargent: Say that again; I lost that.

Mr. Chairman: I must confess I cannot find it either. I believe there is an amendment before the one the hon. Minister was reading.

Hon. Mr. Rowntree: The one before that?

Mr. Chairman: Yes. If he has a copy of the bill it is on page 7, which is indicated as 14 (h), paragraph 2.

Hon. Mr. Rowntree: Yes, that is right. Well then, could we withdraw what I have just read?

Mr. Chairman: I will disregard it and we will come to that next.

Hon. Mr. Rowntree: I move that section 14 (h), subsection 2, as re-enacted by section 2 of the bill, be amended by striking out the word "general" in the second line, so that the subsection will read as follows:

> 2. The request under subsection 1, shall indicate the nature of the inquiry involved.

Mr. Chairman: Mr. Rowntree moves that section 14 (h), subsection 2 of the bill be amended to delete the word "general" on the second line thereof.

Motion agreed to.

Mr. Chairman: Now we have a further amendment by the hon. Minister to section 14 (l); he will be with us in a moment or two, I am sure.

Hon. Mr. Rowntree: I said 141, it is 14 (l); I am sorry.

Mr. Chairman: I will repeat the motion for the benefit of the members.

Mr. Rowntree moves that section 14 (l) of the Act as enacted by section 2 of the bill be amended by adding thereto the following subsection, as was read by the Minister previously.

Motion agreed to.

Mr. Chairman: Now, there is a further amendment to section 140 I believe.

Hon. Mr. Rowntree: I move that section 140 subsection 1 of the Act as re-enacted by section 2 of the bill be amended by adding after the word "who", in the first line, the word "knowingly", so that the subsection shall read as follows:

> 140 1. every person who knowingly
>
> (a) furnishes false information on any application.

And continues as printed in the reprint from the legal bills committee.

Mr. Chairman: Mr. Rowntree moves that section 140 subsection 1 be amended by adding the word "knowingly" after the word "who" on the first line.

Motion agreed to.

Mr. Chairman: Now the hon. member for Humber, I think, wishes to speak on section 5.

Mr. Ben: I was not going to move. I checked the existing Act. I was worried that there would be no provisions for bonding itinerant salesmen. There are in the original Act and it is not amended. It is simply that a new class of subsections comes in after section A. It is still bonded.

However, I must express regret that section 15 of part 2 was not amended. That was the section which still provides that this part applies only to contracts exceeding $50. I think one of the type of contracts which

makes people most sorry these days is that of buying magazine subscriptions, which are less than $50, a total cost. I think that the principle should be consistent and it should not depend on whether or not it is $50.

Aside from that, Mr. Chairman, since we are now finishing and there will be no more amendments, may I just make one point on these amendments that the hon. Minister has brought. All of the amendments he has brought forth have been consistent throughout all the legislature he has presented to us in this series. The wording of all the legislation he has presented to us in this series has also been consistent. I do regret, however, that his legal advisors could not get together with the legal advisors of some other departments.

All of the legislation produced in this session, having the same purpose in mind, has not been as consistent in its wording as this series produced by this Minister, and as will be the series that will be produced by another Minister. I think we are trying to achieve a uniformity of legislation and I applaud what you have done, Mr. Minister, through you, Mr. Chairman, by having such consistent language. It is laudable. But I do regret extremely that there was not consultation between the legal advisors of the different departments so that all the legislation which was brought down this session, all having the same intent and purpose, all meaning the same thing, was not worded alike, which would have made it much easier for citizens to understand what their rights were.

You have one Act, The Consumers' Protection Act, and usually the same circumstances apply in The Ambulance Act, and usually the same circumstances apply in the Stuffed Furniture Act, and all the same circumstances apply to The Mortgage Act. Perhaps, in the next session, Mr. Chairman, the government will deem it advisable to have consultation between departments so that the next batch of legislation, which is to be considered, will all be worded alike and all the similar amendments can be made, if necessary, and it will save a lot of time, as it did this evening.

Hon. Mr. Rowntree: I can only say that all of our legislation has been submitted to the legislative counsel, which is located outside of our department.

Mr. Chairman: Shall the bill as amended be reported?

Bill 185, as amended, reported.

THE UPHOLSTERED AND STUFFED ARTICLES ACT, 1968

House in committee on Bill 193, An Act to amend The Upholstered and Stuffed Articles Act, 1968.

Mr. Chairman: Are there any questions, comments or amendments to the sections up to and including section 8?

Mr. Ben: Mr. Chairman, I have a question of section 3. I am not proposing an amendment. This came down last year, Mr. Chairman, and so my memory is rather weak as to why I have made a notation here. At the end of section 3 it reads, "was a registrant or member, officer, or director of a registrant." I have a question mark beside that and I ask, is this not dangerous if you restrict it in this manner:

> The registrar may refuse to grant registration where,
>
> (a) the applicant;
>
> (b) a member of the applicant, where the applicant is an association or partnership;
>
> (c) an officer or director of the applicant, where the applicant is a corporation, was a registrant, officer or director of a registrant, whose registration has been cancelled, unless the registrar is satisfied that material circumstances have changed.

I was just wondering if one person, being a member, should jeopardize the whole operation.

Hon. Mr. Rowntree: This legislation, this Act, is significantly different in nature than any other legislation of ours. Just as The Cemeteries Act is different from anything else we have, so is this Upholstered and Stuffed Articles Act because the products which come forth to the consumers are exposed to people who sometimes deal in used rags and other used stuffings, and if they were engaged or had been found to be using such goods for stuffing furniture, for instance, which were unacceptable, and later tried to get the registration back under another firm name but were still in the habit of operating in the used stuffing business, I think that would be a material circumstance that the registrar would want to verify in his own time. You will recall that this Act originally was looked upon as a health Act. Disease, and what not, was communicated through shredded rags and stuffings that went into mattresses and furniture and so on, and the emphasis today is away from health because those factors, the health factors still exist and we enforce them, but the emphasis in today's

society is more from the consumers' point of view of which health is one. I think material circumstance factor, in this particular industry, is something that is quite important.

Mr. Ben: Perhaps I did not communicate with the Minister the way I should have. Under section 3(2) the registrar may refuse, and I am grateful for the word "may" because I think most members of the House can be satisfied that to the present time, the registrars that had been appointed to the various Acts, have exercised the discretion in a democratic and a judicial manner, so the word "may" is laudable.

However, to me it is dangerous to the degree that, if a corporation applies for registration, and the registrar discovers that one of its officers, whether it is an officer or director, had been an officer or a director of the applicant whose registration in the past had been cancelled, the registrar may refuse to register such a corporate applicant, even though that particular officer or director had been a completely innocent party in the previous corporation, whose licence had been cancelled.

I trust that the Minister sees what I am driving at. This is what bothers me—I see that it says "may" and I trust that the registrar uses his discretion; that he would not refuse a registration to a corporate applicant simply because one of the officers or the directors of that corporate applicant, had been an officer or director of a previous registrar whose licence had been cancelled. He might have been an innocent party to any cause for cancellation.

Hon. Mr. Rowntree: If he were an innocent party, and he is the principal operator, or the head of the new company, then it may be proper for it to be granted.

Do not forget that there is this whole tribunal there, to correct any mistakes or wrongs that are done—

Mr. Ben: Oh! I appreciate that. It is just the wording that I find rather dangerous. As a matter of fact I have the notation in black pen, "dangerous." I will ask the Minister to give consideration to perhaps finding a better wording for that section at some future time.

Hon. Mr. Rowntree: Well, I will be glad to take that suggestion.

Mr. Sargent: The word tribunal and appeal board—how many tribunals do you have in vour department?

Hon. Mr. Rowntree: There will be the one tribunal, dealing with appeals under all of these Acts. And this is where the question came up earlier. How many people would be connected with the tribunal? Well, quite a few, because there will be two or three nominees for the tribunal, from each industry. And one of the amendments we did today was to put into words, rather than leave to policy, the fact that someone—say in the used car business—would be tried before the tribunal, of whom one of the sitting members was from his own industry.

Mr. Sargent: So it would seem, Mr. Minister, that this "tribunal", in quotes, has wide powers over the business area. Is this another appointed commission not responsible to the people? I mean, what are the appeals?

Hon. Mr. Rowntree: The way you are putting it, you almost—

Mr. Sargent: I am not saying it unkindly. I am trying to find out.

Hon. Mr. Rowntree: The tribunal theory, made up of people from outside the department, is designed so that the department itself cannot be the issuer of a license to do business, the investigator as to complaints, and the same person that metes out any discipline or suspension of licenses.

To take this on is too much on the hands of one department, or one person, in today's concept of society. So the tribunal is made up of people from the public.

Mr. Sargent: May I say I have personally been impressed with the way you handle your department, and I think you have come a long way? And the whole ball of wax, as far as we started a few years ago, the mess you took on—

Mr. Ben: He means if you keep this up, they may keep you there.

Mr. Sargent: No, but I am always concerned about the approach of the average person to an area that is not responsible to the people anymore. These are appointed people. Now I should know this—are there five or six people on this tribunal?

Hon. Mr. Rowntree: Yes, there will be representatives of consumers; there will be a neutral permanent chairman, and probably a permanent vice chairman.

Mr. Sargent: How much do you pay these people? I am sorry, I should have just asked this one point.

Hon. Mr. Rowntree: Well you are away off the track—

Mr. Sargent: I know I am way off the track—

Hon. Mr. Rowntree: The chairman will be paid, I think, $18,000 to $20,000.

Mr. Sargent: How much do the individual members get paid?

Hon. Mr. Rowntree: Per day?

Mr. Sargent: *Per diem* basis.

Hon. Mr. Rowntree: Yes.

Hon. Mr. Grossman: That is another ball of wax.

Hon. Mr. Rowntree: In fact, they are responsible to the Minister, and I have to account to you for their conduct. And do not forget—I know this is taking time—there is an appeal from the tribunal straight to the supreme court.

Hon. Mr. Sargent: There is an appeal?

Hon. Mr. Rowntree: Straight to the court.

Mr. Sargent: Thank you.

Mr. Chairman: Does the hon. Minister have an amendment from section—?

Hon. Mr. Rowntree: Yes, I move that section 11 of the Act as re-enacted by section 9, and the bill be amended by renumbering subsections 4, 5, 6 and subsections 5, 6, and 7, respectively, by adding thereto the following subsection 5:

> An applicant or registrant, giving evidence under oath before the tribunal, shall be advised of his rights to object to answer any question under subsection 9 of The Evidence Act, or section 5 of The Canada Evidence Act.

Mr. Chairman: The hon. Minister moves that section 11 of the Act is re-enacted by section 9 of the bill, amended by renumbering subsections 4, 5 and 6 and subsections 5, 6 and 7 respectively, and by adding thereto the subsection as read by the Minister. Shall the motion carry?

Motion agreed to.

Mr. Chairman: Are there any further questions, comments or amendments to this bill?

Mr. Ben: I am now serious, Mr. Chairman. Section 13 of this bill amends subsection 3 of section 25. Now subsection 1 of that particular Act, section 25, reads as follows:

> Except otherwise provided every person who (a) countervenes this Act with regulations, (b) fails to comply and so and so (c) furnishes and so on.

I am curious why you have not moved an amendment to this particular section, as you did in a previous Act, to insert the word "knowingly" after the word "who".

Mr. Sargent: Routine?

Mr. Ben: No, it is not in the amended bill, Mr. Chairman: It is in the Act itself, section 25, subsection 1, Chapter 140 of The Statutes of Ontario of 1968—

Hon. Mr. Rowntree: Wait, is this the upholstery section?

Mr. Ben: Yes it is.

Hon. Mr. Rowntree: Well, I will have a look at that. There will be another session coming in a month or so.

Mr. Ben: Well, it would be so simple. I could probably move it now.

Hon. Mr. Rowntree: I would not move it now.

Mr. Ben: You would not—

Hon. Mr. Rowntree: I would not change it now.

Mr. Ben: What? It would only take you a second, and why do you not be a sport and look at it?

Hon. Mr. Rowntree: I like being a pretty good sport. And not only—

Mr. Ben: Oh all right. Now you are being like a stuffed shirt.

Hon. Mr. Rowntree: I took the suggestions that came from the committee, and all of the things I have brought along here today have been an act of faith on my part to make this thing work. But I do not think I could take any more suggestions.

Mr. Ben: I think the statement made by the hon. member for Grey-Bruce has gone to your head. Now if somebody writes while I dictate, maybe we can get this amendment in.

At any rate, Mr. Chairman, section 25(1) of chapter 140, of The Statutes of Ontario, 1968, which this particular bill, Bill 193, purposes to amend—

Mr. Chairman: This does not amend subsection 1, though, or section 1.

Mr. Ben: No.

Mr. Chairman: Not at all.

Mr. Ben: And reads as follows: "Except where otherwise provided every person who—".

Mr. Chairman: Well, any reference to that section has nothing to do with this bill and is out of order.

Mr. Ben: If the Minister can insert amendments to sections—

Mr. Chairman: Oh no. It is not in this bill.

Mr. Ben: Can I not amend after section 13 of this new bill?

Mr. Chairman: No, this bill has gone through first reading, second reading, committee stage and there cannot be any further amendments by adding anything further to it.

Mr. Ben: Mr. Chairman, obviously either the hon. members who sat on the committee did not have before them the Act, which was being amended or it did not arise—as might be substantiated by the fact that this Minister today amended all the other Acts we dealt with by inserting that word there.

Now why all of a sudden does he become so obstinate? Is it not a logical amendment?

Mr. Chairman: It may be logical, it may be illogical. It may be proper, it may be improper. But it has nothing to do with this bill, and any reference thereto is out of order.

Mr. Ben: Well, I can move that section 13—

Mr. Chairman: No, the hon. member cannot move.

Mr. Ben: Why not?

Mr. Chairman: Not pertaining to that section.

Mr. Ben: Section 13(1) amends section 25 of The Upholstered and Stuffed Articles Act.

Mr. Chairman: Not in this bill.

Mr. Ben: It does so.

Mr. Chairman: It is not in this bill.

Mr. Ben: I want to further amend section 25.

Mr. Chairman: No, that would be out of order.

Mr. Ben: I take exception to that. I would suggest you seek the advice of eminent counsel sitting at the table.

Mr. Chairman: I have received that advice. They suggested the proposed amendment is out of order.

Mr. Ben: Why?

Mr. Chairman: Because it is not included in this particular bill.

Mr. Ben: Well, then, why has this hon. Minister been getting up here and shoving in these amendments we have been passing and they are not included in the original bill?

Mr. Chairman: Those amendments have been dealt with in this bill and discussed at the committee stage.

Mr. Ben: But they were not passed in the committee stage, they were passed in this committee here.

Mr. Chairman: But the amendments were made.

Mr. Lewis: The Chairman is determined to prolong the issue.

Mr. Chairman: No, the Chairman is not determined to prolong it.

Mr. Ben: Such an obvious amendment, it was passed in all the others; the Minister introduced it, preached to this House the logic of inserting the word "knowingly" after the word "who" and all of a sudden he ceases being affable. All I can suggest is that the hon. member for Grey-Bruce should not have been so sweet in the remarks he passed about the hon. Minister.

Mr. Sargent: Oh, come on!

Mr. Ben: Are you not sorry now?

Mr. Chairman: This discussion is out of order.

Mr. Ben: Will the hon. Minister allow this amendment?

Hon. Mr. Rowntree: I will take it under advisement and we will make shift for next year.

Mr. Ben: That is par for the course. One other question I have of the hon. Minister. This is the last question, Mr. Chairman.

Mr. Lewis: We accept that; that is good enough for us, we will buy your "under advisement."

Mr. Ben: Will the Minister please advise us why there was no provision in The Upholstered and Stuffed Articles Act for bonding as there has been in previous bills which we considered tonight? Would you please advise us?

Hon. Mr. Rowntree: They do not hold trust funds and they operate in that stuffed article business under a labelling system of approved labelling; and the withdrawal of their license, or the suspension of it, is a very strong deterrent to breaches of the law.

As a matter of fact the industry itself, I have to say, is generally most co-operative in the public interest but I do not see where bonding would enter into this picture as it does in used cars. I do not see that point at all.

Mr. Ben: Well, it is surprising that this Act has to have so many sections when they are so co-operative, but The Used Car Dealers Act, as you have stated, has bonding. The Consumers' Protection Act has bonding: I do not know if there are trust funds held by itinerant salesmen; all the other Acts had bonding provisions and this one does not. I just pass that comment and I hope that perhaps the Minister will also take that under advisement.

Mr. Lewis: It is a performance of bravado and endurance.

Mr. Chairman: Shall the bill as amended be reported?

Bill 193, as amended, reported.

THE CREDIT UNIONS ACT

House in committee on Bill 199, An Act to amend The Credit Unions Act.

Mr. Chairman: Are there any comments, questions or amendments to this bill? Shall the bill be reported?

Bill 199 reported.

Hon. Mr. Rowntree moves that the committee of the whole House rise and report certain bills with certain amendments, and certain bills without amendment, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills, with certain amendments, and certain bills without amendment, and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 24th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS
(continued)

Mr. Chairman: The hon. member for Rainy River.

Mr. T. P. Reid (Rainy River): Thank you, Mr. Chairman.

Before getting into the meat of my remarks which I will address to the Minister, I would just like to make the comment to him that I did not partake of the question period this afternoon dealing with Quetico Park because I feel that we will get into this subject very thoroughly during his estimates. I just want to tell him at this time that he is not out of the woods as far as that goes and we will examine it extensively during the estimates.

Mr. S. Lewis (Scarborough West): Cannot see the Minister for the trees.

Mr. T. P. Reid: That is true.

I must say to the Minister through you, Mr. Chairman, that I was very impressed with the booklet that the Minister put out containing his remarks. We all realize that The Department of Lands and Forests always goes first class and to reciprocate I make my own meagre offering that is not quite so fancy, but perhaps will serve the purpose.

Just as a matter of interest it might be worthwhile knowing how much it cost to have this printed.

Mr. Chairman: I am not sure where the hon. member is at, but we have not called any of the votes yet and I do now call vote 1101, and I am wondering if we should deal with this by Programme of Activities, or by total vote?

Mr. Lewis: He is on his lead off.

Mr. T. P. Reid: I am making a few introductory remarks.

Mr. Chairman: All right.

Mr. T. P. Reid: Mr. Chairman, before I get into the rest of my speech I would like to mention to the Minister that I had a rather traumatic experience this summer brought on by him and for which I hold him 100 per cent responsible. Early one morning some friends of mine called me up at about four o'clock and said: "How would you like to go fishing?" and I said: "I would love to go fishing, I have just come back from Toronto and I have not had a chance to get out", and they said: "Well, have you got a fishing license?" and I said: "Fishing license? Now what do I need a fishing license for?" And then it dawned on me that the Minister, in his wisdom, with the consent of the Treasury bench, had imposed another tax on the people of Ontario, and the people of northern Ontario in particular.

Mr. Lewis: Shame!

Mr. E. Sargent (Grey-Bruce): Shame, shame!

Mr. T. P. Reid: I realize this is a sore point with the Minister, but I told him last year during the estimates that this was the one thing that he was going to be remembered for to his everlasting shame: the fact that he was responsible for bringing in a fishing licence to the people of Ontario.

Mr. Lewis: Resign!

Mr. Sargent: That is right.

Mr. T. P. Reid: Now, it being rather late I would like to save some of my remarks for the morrow, but I will get into the first part of my speech. Where did that page boy go? I might point out that my speech will not necessarily follow this copy that you have.

Hon. A. Grossman (Minister of Correctional Services): All right, you have thrown your best punch.

Mr. Sargent: Good man in the chair, though.

Mr. T. P. Reid: Mr. Chairman, I would like to say at the outset that my remarks are going to be very painful for me to make. Especially, in view of the fact that all of us in this Chamber have a great regard for this Minister and I do not think there is anyone in this Chamber who does not like him personally. The invective that is often hurled at other Ministers and at other members never finds its way to his seat.

Mr. Sargent: Until tonight.

Mr. T. P. Reid: But unfortunately this Minister is responsible for one of the very most important departments in the province. And he is especially important to the people of northern Ontario. In the spending estimates and the actual expenditure of money, this department ranks eleventh, but in the numbers of people he affects, and the way he affects these people, this is an important department indeed.

I have just returned from my constituency and had hoped to go back there this week-end until the Ministry over there managed to mess up the order of business. I had an opportunity to affect the role of this department and the way its duties were being carried out.

I want to state to the Minister that his department is coming under fire more and more by all those, especially in the north and certainly in the south, and the evidence exhibited or the questionnaire put to him, by the Algonquin wild lands league is only one of a number.

One of the biggest problems or one of the largest criticisms we could make of this department, is that most of it that deals with lands and forests is situated in the city of Toronto. A great many of this department sit down here in the concrete forest rather than out where fish swim and the grass grows and the trees grow.

Unfortunately there is a wide variation between the role, between the way in which different individuals in this department, this Department of Lands and Forests, see their role. Some are FBI men in their dreams, others are Smokey the Bear in human guise. In between, the vast majority of the field staff are dedicated, but of these, many look for guidance and leadership from the top, that being the Minister, and do not find it, at least not in the measure they would like.

Part of this dissatisfaction with the present state of affairs, arises from the overwhelming preponderance of the central office staff. It is surely the height of absurdity to maintain, particularly in urban Toronto, a staff of the present proportions. After all, there are no lands and forests to speak of here, and one would imagine that even the exigencies of administrative convenience would not call for such a force in the asphalt jungle of Ontario's major metropolis.

Hon. Mr. Grossman: Has the hon. member ever been over to the islands?

Mr. T. P. Reid: I cannot say I have.

Hon. Mr. Grossman: Lots of land and forests there.

Mr. T. P. Reid: Oh there is indeed. They have an air base there.

Why, then, are they here? Is it just tradition that will not die that spells out this futile formula? Or is it, as I sometimes suspect, that a staff which is not at home in the countryside, is earning a living by false pretences in this department, merely by belonging to the civil service at large, here in Toronto?

It should come as no surprise, therefore, to discover the fruit of such urban-oriented minds in Bill 179, which manages to relate wolf bounties and regional governments. The Minister has explained that today. The jolly green giants have obviously been very busy in the Whitney block, and perhaps we should have merit badges to give to them to sew on whenever the uniformed force comes up with a particularly heroic idea like this one.

But the thing that really, really struck home about this—this urban or city-oriented department, which should be dealing with lands and forests outside the metropolis—was the mistake, the obvious mistake, that someone in your department made, when they decided that hunters in the province should be wearing back patches. I understand the rationale behind this was that these back patches would be worn on the back of the coat or parka such as the Minister is displaying, so that farmers could see, at a distance, that people were trespassing on their farms and their farmlands, had shot their cows, or pigs, or whatever, and by use of binoculars, or even at a distance, see the numbers and report them to the department.

Hon. Mr. Grossman: Or take a better aim.

Mr. T. P. Reid: Incidentally, I would be interested to know how many of these incidents have been reported, using this method of detection.

But the mistake that was made and made The Department of Lands and Forests and all its personnel—all of its personnel, even those that are out in the field—a laughingstock, was the fact that these back patches came out in the colour white.

For the member for—where are you for?

Hon. Mr. Grossman: The prairies of St. Andrew—St. Patrick.

Hon. J. Yaremko (Minister of Social and Family Services): The asphalt jungle!

Mr. T. P. Reid: Yes, from the asphalt jungle, or the member for Beaches-Woodbine (Mr. Brown), there, may not realize it, but the largest species or the largest quantity of deer we have in this province, especially in the north-west, anyway, is the white-tailed deer. And oftentimes when one is in the bush and hunting, all one sees is what the hunters call a white flag, which is when the deer's tail goes up and he takes off through the bush.

For the department to come out with these back patches that look, at a distance, the colour white, which corresponds exactly to what the deer's tail would look like, I am sure the Minister has done enough hunting to realize it is a dangerous situation. He realizes this, but they were already sent out.

But, who in the department, could possibly have had the responsibility of designing these things and having them in the colour white?

Mr. Lewis: The Minister himself.

Mr. T. P. Reid: No, it had to be somebody who has never been out in the bush, who has never been hunting, who has never walked through the bush, who has never seen a white-tailed deer.

It is fortunate that, I am sure Phil has seen a lot of deer of one kind or another—

Hon. Mr. Grossman: Not this kind!

Mr. T. P. Reid: Not this kind.

But this is, perhaps, a classic example of the ridiculousness of having a staff of the proportions that this department maintains in Toronto. There is nothing, to my mind, that is more ludicrous really, than to walk over into the new block, or the old one where the department occupied the offices in the old Whitney block, and see all these people in their Lands and Forests outfits, hundreds of them literally, walking up and down, walking around in the middle of urban Toronto where one has to look rather carefully to find very many trees to hide behind.

I would like to know incidentally, and we will get to this later, just how much it cost to outfit these people; because outside of the OPP, I think they are the best dressed department in the province.

One has to have a great deal of respect for the Minister, because on the tour of north-western Ontario a year or so ago, a year and a half ago, the tour was exceedingly well run. It was a completely para-military operation, and one could only think that if the Minister

had the ambition of some of his other colleagues—he had this para-military organization at his command, complete with air force—one should be on one's guard.

I would like to spend a few minutes talking about that tour of northwestern Ontario. I do not believe we have had a chance to talk about it, really, since we took it. I feel very sensitive about that; because as I recall, on a seven-day tour of northwestern Ontario, of five ridings, we only found time to spend about one hour in the Rainy River riding—which happened to be mine of course—which I thought was a direct slap at the people of the district and something which I could not understand the Minister countenancing at all.

I might remind those who were not on that trip that we spent two or three days, two and a half days, in the Kenora riding, which of course is a Conservative riding. One morning the Lands and Forests plane flew some of us who were on this trip down to Fort Frances, which is in the Rainy River district, and they flew—I forget, perhaps the Minister can refresh my mind—about 40 or 50 members in assorted Beavers and Otters. They landed at Point Park at Fort Frances.

They went into a restaurant there, they had a cup of coffee, they got back in the airplanes and they flew back to Kenora. Hardly, I would say, a sufficient time to see what the Rainy River district had to offer; and certainly a most expensive trip to the taxpayers of Ontario, for what the members got out of it.

I said there are far too many people. In the Whitney block alone there are 100 names in the phone book, not counting those at University, Carlton, Grosvenor and all the other nooks and crannies where trees never grow and fish never swim. And I have always been interested in the conservation and education building over here in the old building. I have always had a feeling that there are more in that building than the outside would indicate. Perhaps some time we will find out.

I would like to see—and I suggest this to the Minister—I would like to see all these people rotated out into the field, apart from those on routine administrative and clerical staff. I know that not only have some of them never been in the field but that those who you find it necessary to bring to the city would much rather, some of them, would much rather be back out in the field. And I can think of some people who are sitting in the audience tonight who feel that way. But surely there are those people who have never been, or have not been for so long that they have lost touch. They have lost the spirit this particular department should have.

I leave that to the Minister. I suggest that to him and we will discuss that at further length. But how else can they hope to capture the spirit that must prevail in this department if its activities are to be meaningful in the context of its mandate? The truth is probably that most of these Whitney fieldsmen have families and children who are going to school in Toronto. Their wives will be members of the PTA or home and school association and they will have all the urban ties by now that make my suggestion impracticable. But this is the way the public service proliferates and distorts the original purposes for which a department is created.

It just happens that Lands and Forests is an extreme example of this trend. But Lands and Forests is a particular department, I suggest to the Minister, through you, Mr. Chairman, among all the other departments. There is a certain esprit de corps, a different feeling in this department, or there should be. I say to the Minister that I think it is receding rapidly as it becomes nothing more than another civil service job, or another job, and that spirit that should be there, and was there, is fast fading.

The information and education section of the main office puts out a colourful newsletter but, of course, it is only worth the money spent on it if its distribution is reflected in media use. I should like to know, therefore, details as to what organizations are on the mailing list for this publication, how often the list is updated, what major television and radio programmes and press columns make frequent use of the material in the newsletter, and what is the total calculated reach in all media that results from this particular item of expenditure, the newsletter, and the $433,000 expenditure of the section as a whole.

One minor improvement I would like to see is in relation to tourism, so that coming events in the Lands and Forests newsletter are also carried in Coming Events in "Ontario", which Tourism puts out. This, of course, is just an example of one of the many lacks of co-ordination between this department and The Department of Tourism and Information.

I want to raise with the Minister the role that water bombers have played in the past year. Now, he mentioned in his opening remarks that some water bombing had been done. I would like to have the complete story

on this, figures as to how their plane use is divided between firefighting and other roles? Where, in fact, is the flying service item shown? Is it buried in some other item? I must confess I have been unable to find it, so I want the Minister to tell the House the total cost of all flying services, and I would like a breakdown of their usage.

I would also like to know—I believe we got into this argument before, but I cannot find it in the revenue accounts—where the cost of flying other departmental personnel is. There seems to be no chargeback within the revenues of this department, at least not that I have been able to find, and—

Mr. J. A. Stokes (Thunder Bay): It is $38,000.

Mr. T. P. Reid: How much?

Mr. Stokes: $38,000.

Mr. T. P. Reid: $38,000? Well that is a very interesting figure because I serve notice on the Minister right now, that the expense of "Rene's airforce", as it is affectionately known to all but those who are in the commercial flying business—

Mr. Lewis: Actually, "Brunelle's bombers" is what I have heard.

Mr. T. P. Reid: —is going to come under some pretty close scrutiny. Has there been any use of aircraft for pesticide spraying in connection with the recreational or other programmes, or have any defoliants been used for any reason? I would like to have complete facts on that because I think this is one of the particular things that the people of Ontario are interested in.

It is clear that the environment is in such jeopardy that the utmost vigilance must be applied to the operations of this department, and perhaps we have to take a more global view than one sector of one department can appreciate.

Well, I would like to digress from the written speech for a moment to talk about conservation and pollution and the role of this department in it. The first remark I would like to make is that I do not feel that the newsletter that the department puts out deals sufficiently with the topic of conservation and pollution. One can study the newsletter regularly and find very few items that deal with something that should be a major concern, that should be the major concern of this department.

Unfortunately the responsibility for pollution is spread among a number of departments but mostly under The Department of Energy and Resources Management. But the Minister has been lacking in initiative and in programmes combating pollution and bringing to the fore the problem of conservation. Now, as I see it in my own mind, conservation and pollution are inextricably bound together. Conservation, of course, is the preservation of natural resources, to put it simply, and pollution is the defiling or destruction of these resources.

Surely the Minister, whose main responsibility is the protection and guardianship and custodianship of the natural resources of this province should be the person, the number one person in this government, who is particularly concerned with pollution. And yet, we hear very little, if anything, from this Minister on this. As a matter of fact, the Minister shows very little initiative in a great many of these things that he should be involved in, and surely this is an item that is affecting all the people of the province and especially this department.

I can give the Minister all kinds of examples—as he well knows—of how pollution has served to militate against, and negate, the very programmes that his department is trying to carry out. I think his propagation is an excellent example of where the cohoe salmon, for instance—

Mr. Chairman: Order, please. I should point out to the committee that the time for adjournment has arrived according to our rules and procedures.

Mr. T. P. Reid moves the adjournment of the debate.

Hon. A. F. Lawrence moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed. Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports progress and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, it is the intention tomorrow to deal with Bill 109 in committee and then move for third reading all of the bills that

will be ready for third reading. And there will be a Royal assent given if they receive those third readings.

On Monday and Tuesday it is the intention that we go back to estimates. Also, by the way, after Royal assent we go to estimates tomorrow. On Monday we would be back into estimates, Tuesday estimates, on Wednesday legislation, Thursday estimates, Friday budget.

Mr. Sargent: Start at Monday again, will you?

Hon. A. F. Lawrence: Monday estimates, Tuesday estimates, Wednesday legislation, Thursday estimates, Friday budget.

Mr. S. Lewis (Scarborough West): On a point of order, Mr. Chairman, I have a question to ask the Minister. May I first, on behalf of the member for Downsview (Mr. Singer) thank you for the week's agenda. Does the Minister intend to move from the committee session of Bill 109 through third reading and Royal assent tomorrow?

Hon. A. F. Lawrence: Yes.

Mr. Lewis: On that bill?

Hon. A. F. Lawrence: Yes, it is quite essential that we have Royal assent.

Mr. Lewis: It is essential, is it? Fine.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, on a point of order, may I also prevail upon the good Minister—could he possibly indicate what legislation he has in mind for Wednesday?

Hon. A. F. Lawrence: I am afraid I do not have that information. It would be any item on the order paper. Mr. Speaker, we are getting down to the end now. Once we get a number of these items out of the way—

Mr. Lewis: You might even have to introduce some new legislation.

Hon. A. F. Lawrence: —there will not be that much left on the order paper, and I do not think it will be any hardship for the members to be prepared on Wednesday to deal with any item on the order paper as far as legislation is concerned.

Hon. A. F. Lawrence moves the adjournment of the House.

The House adjourned at 10:35 o'clock, p.m.

No. 201

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Friday, October 31, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, OCTOBER 31, 1969

The House met at 9.30 o'clock, a.m.

Prayers.

Statements by the Ministry.

Mr. R. F. Nixon (Leader of the Opposition): Let us have one from each of them.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I rise today on a point of utmost public importance and I would like to make this statement to the House.

Mr. Speaker: Order! The hon. member has the opportunity at this point only of asking oral questions of the Ministry, unless he has a point of order or a point of personal privilege.

Mr. S. Lewis (Scarborough West): Make it a point of privilege.

Mr. Sargent: Mr. Speaker, I will give you notice, sir, that regardless of what you do I am going to put my point today on this subject.

Mr. Speaker: The hon. member will resume his seat until we get this determined.

Mr. Sargent: I will cover my—

Mr. Speaker: The hon. member will resume his seat until we have this determined. Mr. Speaker has the floor. This is oral question period. It lasts only for 30 minutes. If the hon. member is not going to discuss matters by way of question, then in deference, I would think, to the other members of the House, he would wait until the oral question period was over to deal with whatever matter he has on his mind.

I suggest that to him. I also say to him that unless it is a matter of privilege or of order, he cannot have the floor of the House.

Mr. Lewis: On a point of order, Mr. Speaker, can a member not be allowed a point of privilege prior to the oral question period?

Mr. Speaker: Yes, indeed, but—

Mr. Lewis: Would you not reconsider that under the circumstances?

Mr. Speaker: —but he did not rise before the oral question period was called.

Mr. Sargent: I gave you notice, sir, in your room.

Mr. Speaker: The hon. member gave me notice that he had a matter of urgent public importance, but it is up to the hon. member at the appropriate time in the House to bring it before the House, on the floor of the House. It does not matter what—

Mr. Nixon: When is that? After the question period?

Mr. Speaker: Well, it would be. It is quite all right now provided he wishes to take up the oral question time. I am merely pointing that out. But, it is only points of order or privilege that can be heard at this time other than oral questions.

Mr. Sargent: Mr. Speaker, to the Minister of Energy and Resources Management (Mr. Kerr) and indirectly to the Prime Minister (Mr. Robarts): I would like to make this statement regarding the Douglas Point nuclear generating station, to ask the Minister if he will concur in this request. In view of the alarming developments at Douglas Point involving the cessation of the construction of the 700—one to the Minister and one to the press.

Mr. Lewis: On a point of order, while I think that the member should be allowed to make his statement, he should not be allowed to make it during the question period, using this time. I simply do not think it is fair to the House.

Mr. Speaker: I am waiting to see what the hon. member is going to say because I remember yesterday I drew to the attention of the House the fact that the hon. member for Yorkview (Mr. Young) gave a very long question, which was preferenced by "in view of", and so on, and so forth, and I am waiting to see if this hon. member is framing a question or whether it is going to be a statement. If it is going to be a statement, and not a question, then of course he is out of order. I have explained it to him. If it is

a question or if it develops into a question, then he is quite entitled to ask it.

Mr. Sargent: In the form of a question, sir. In view of the alarming developments at Douglas Point, involving the cessation of construction of the $760 million nuclear plant, I call upon the Minister and the Premier to launch a full scale Royal commission.

Interjections by hon. members.

Mr. Sargent: I will tell the House that I have been up most of the night preparing these documents which I have here, and it is not a joke. Involved here today is a very serious earth-shaking decision for this House to make and I think it is a shocking thing, Mr. Speaker, when a matter of this importance cannot be brought to the forum of the people of Ontario.

Mr. Speaker: Order, please. The hon. member is quite out of order with his remarks. This is a forum and there is a proper place for things such as the hon. member wishes to bring before the House. This is not the time. Unless the hon. member makes it a question, he is certainly out of order. If he will make it a question, certainly he has the opportunity, since apparently the leader of the Opposition has deferred to him.

Mr. Lewis: On a point of order, Mr. Speaker, why are you inviting this? You know that the member cannot do it by way of a question. If the House wishes to grant special time—

Mr. Speaker: I know nothing of the sort. The hon. member will please not put words in my mouth.

Mr. M. Shulman (High Park): The member is not allowed to read the question.

Mr. Nixon: I have a point of order if any are to be raised.

Mr. Lewis: Mr. Speaker, I have not finished my point of order. Why cannot consent of the House be asked so that the member can make a statement of privilege, to which he is obviously entitled in terms of the event? But let us not immediately destroy the question period in this fashion.

Mr. Nixon: The consent of the House is not needed for a member of the House to make a statement on a point of privilege. Consent of the Speaker is needed only. The hon. member for Grey-Bruce made preparation to ask questions of importance of the hon. Minister of Energy and Resources Management, and surely we can give him a chance to proceed with those questions. So that there is no difficulty in this, I would say to Mr. Speaker that the hon. member is asking questions, as the first question from the Opposition this morning. We do not want to use all the time up, and I would suggest that we let him proceed with some questions on this important topic.

Mr. Shulman: Mr. Speaker, on a point of order, you ruled that the questions may not be read. Do you so direct this morning?

Mr. Speaker: I have given the hon. member for Grey-Bruce every opportunity to speak if he was either making a point of order or a point of privilege. He has not yet done so. If he does, then of course he has that right and he has the right to do that in the question period, and unfortunately it will count against question-period time.

Perhaps if I might outline this then we might get this over with. If the hon. member wishes to ask a question, I think that he is entitled to do so in the place of the leader of the Opposition as a first question from the official Opposition. Otherwise then I agree with the hon. member for Scarborough West. With any statement he wishes to make he certainly has the right, if it is either privilege or order, to make it at any time, and it would be preferable not during the question period. Now, perhaps the hon. member for Grey-Bruce will start again and advise me whether it is a question, whether it is a point of privilege, or a point of order. If it is a question, will he keep to the question and do his best not to read it, although we have allowed that this week and I have said that after this week we will be more careful about this. We have too many questions to be read and answers to be read. The hon. member for Grey-Bruce.

Mr. Sargent: This is, in my mind, a point of privilege so far as the people of my riding are concerned. If the phraseology does not come out in the form of a question, it is less than a two-page statement—about three minutes' worth of development—but it is as a point of privilege that I want to bring this up.

Mr. Speaker: The hon. member has the floor for a point of privilege.

Mr. Sargent: In view of the alarming developments at Douglas Point, which I mentioned before, involving the stopping and the halting of the project of a $750 million nuclear programme of Ontario Hydro.

Although my immediate concern is the fact that 200 families in my area will be without

a pay cheque by the halting of construction, larger than this, Mr. Speaker, is the disaster we are walking into. Not only are we launched upon a $1 billion project, the largest ever in the history of our nation, but we are doing so blindly, not knowing whether this system will work, using a system which has been tried by a number of European countries, all of which have been abandoned ten years ago. We are proceeding on a plan to spend $1 billion on a plant which to date has not produced one—

Mr. Speaker: Order. I hate to interrupt the hon. member, but I do want it to be established the hon. member is talking about a matter of privilege, and privilege is only a privilege of the members of this House and not of the people they represent. Do we have the unanimous consent of the House in this instance for the member to complete his statement?

Mr. Lewis: No, Mr. Speaker, unless it is viewed as a legitimate question of privilege.

Mr. Speaker: I have sent a note to the clerk that we will restart the question period when the hon. member ceases talking. I think it is only fair to do that and to give everybody a chance because this is a trial week. Do I have the unanimous consent for the member to complete the statement he has begun?

Mr. Sargent: This is hard work, I will tell you.

Interjections by hon. members.

Mr. Sargent: The Minister of Trade and Development is going to be right in left field when he hears the end of this.

Hon. S. J. Randall (Minister of Trade and Development): Away out in left field.

Mr. Sargent: It is the largest in the history of our nation—this plan we embarked upon so blindly; I submit, not knowing whether the system will work; using a system which has been tried by a number of European countries which they all abandoned ten years ago. We are proceeding on a plan to spend $1 billion on a plant which to date has not produced one ounce of heavy water, even though we have—

Mr. Shulman: This is not a matter of privilege, Mr. Speaker.

Mr. Sargent: —two heavy water plants in Canada, both in Nova Scotia, both beset with problems, and neither one in production.

Mr. W. G. Pitman (Peterborough): What has that got to do with Ontario?

Mr. Sargent: These are in Port Hawkesbury and Glace Bay. Neither one of these plants will work and it is the fault of the Nova Scotia government which produced this fiasco. A most shocking matter which is of great concern to me is the area of danger for the people of my constituency. Top scientists are very alarmed at the danger of the machine. Authorities are not sure that they are not sitting on a time bomb in this project.

Mr. H. Peacock (Windsor West): Is there anybody leading the government this morning?

Mr. Sargent: The background is, Mr. Speaker, that the atomic energy commission wanted a test and the scientists sold the former Minister, Robert Macaulay, on this idea, and the government is now married to it.

Mr. Shulman: On a point of order, Mr. Speaker—

Interjections by hon. members

Mr. Shulman: I just wish to inform you, on a point of order, that a number of us have statements on various matters we will be making when the hon member has finished.

Mr. Lewis: On a point of order, Mr. Speaker! We allowed unanimous consent for a matter of privilege. This is not a matter of privilege, in any sense, within the rules of the House. If a member of the Legislature, Mr. Speaker, wants to put out a statement on a matter deeply affecting him, important to him—which is obvious in this case—then there are facilities for that. This is not a matter of privilege under the rules. The House cannot be used this way.

Mr. Speaker: I would draw to the hon. members' attention, if he will check *Hansard*, he will find that before I allowed the hon. member to proceed, I said that it was not a matter of privilege, because privilege only affected the privileges of the members of this House. Then I also said, would we have the unanimous consent of the House to allow the member to continue his statement. The consent was given. Now as far as I am concerned—

Interjections by hon. members.

Mr. Speaker: It was, and the record will show that that is so, and so for that reason, I

quite agree with the hon. members that the member is not making a statement of privilege. But, having had the consent of the House for this member to make his statement, so far as Mr. Speaker was concerned, he should be allowed to make his statement.

It is not in order, it is not in the proper place, it has disrupted proceedings this morning, but on the other hand if the members agree that they wish to have it, then as far as I am concerned, I am the servant of the House and I felt that was the feeling.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, if I may be allowed to comment at this stage, I must confess it was my understanding that what was happening this morning was that we have had prayers and—

An hon. member: They did not help any.

Hon. Mr. Welch: —we called for Ministerial statements and, prior to going into the question period, a member of the House has risen on a point of personal privilege.

We have reverted to that in order that there would not be the start of the question period.

I felt, sir, that we were consenting to going back to that particular point so that the time would not run out. Whether or not this is a point of privilege, I have not consented to decide on behalf of this group. I think it is for the Speaker to decide whether or not this is in order, at this stage, as a point of privilege. If not, then we go to the next order of business.

Mr. Speaker: Does the hon. leader of the Opposition wish to speak to this, because certainly it is not a point of privilege according to the rules of this House, and the only reason—

Mr. Sargent: On a point of order, Mr. Speaker.

Mr. Speaker: Order, the hon. member will wait until the Speaker has yielded the floor. My understanding was that we had agreed. It is quite out of order by the ordinary rules of the House. Two parties of the House have now expressed their opinion. I would be glad to hear from the leader of the Opposition with respect to his standing and then I will rule on the matter.

Mr. Nixon: Mr. Speaker, we shall certainly abide by your ruling. The hon. member was granted an opportunity to read a statement as a point of privilege, and he has almost completed it.

Mr. Speaker: There is not any question, as I previously stated, this is not a question, or a matter of privilege, which the hon. member has raised, because the matters of—

Mr. Sargent: What do you mean, "ruling," Mr Speaker? Can you not stick to your own ruling for one minute?

Mr. Speaker: The hon. member will please be seated. The matter of privilege, in this House or any House, is a privilege of the hon. members and not of either the public or the hon. member's constituents.

I again say that the reason I allowed the hon. member to go on was because I was of the opinion that I had the unanimous consent of the House for this to be done. It is quite obvious, now, that I do not have it. There is not any question that the hon. member is not in order.

Therefore, we will now introduce our guests who have arrived in the gallery, and then proceed to the oral question period in the normal course.

Mr. Sargent: Mr. Speaker, I am going to finish this statement.

Mr. Speaker: The hon. member is out of order.

Hon. Mr. Randall: He has made his point anyway.

Mr. Speaker: Our guests this morning, in the gallery—

Mr. Sargent: Mr. Speaker, on a point of privilege, I want to ask you why I cannot finish this two-paragraph statement.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): The member has been told.

Mr. Sargent: You have made one ruling; now you have changed it again.

Mr. Speaker: The hon. member has heard what the Speaker has said.

The guests in the east gallery are students from Glen Ames senior public school in Toronto, from Oak Park junior high school in Toronto and from Southwood secondary school in Galt.

Mr. Sargent: Mr. Speaker, I would like to ask the Minister—

Mr. Speaker: Order. The order of oral questions has not been called. The hon. member will resume his seat until that happens. Is the leader of the Opposition, then, yield-

ing his position at the head of the parade this morning to the member for Grey-Bruce?

Now we will start again.

Oral questions.

Mr. Sargent: This is to the Minister of Energy and Resources Management.

Mr. J. E. Stokes (Thunder Bay): Stop wasting time.

Mr. Sargent: Whose time? Mr. Speaker, this is the most important thing we will ever discuss in this House. I would like to ask the Minister of Energy and Resources Management if he knows that in atomic energy we are pioneering a field untried anywhere, and Ontario is taking a licking for the federal atomic group financially.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, my information is that there is a heavy water plant operating in Georgia, in the United States. It is in production; successfully operating, as a matter of fact. We may very well buy water from that plant. I do not think we are completely pioneering—

Mr. Sargent: The Minister thinks he will buy water from that plant?

Hon. Mr. Kerr: We may buy water—

Mr. Sargent: When he cannot produce over here?

Hon. Mr. Kerr: Well, we are hoping to get this plant in production—

Mr. Sargent: He does not know, does he?

Hon. Mr. Kerr: Certainly we do. There is no problem—

Mr. Speaker: Order: If the hon. member has a supplementary question he will wait until the Minister has completed his answer and then he will place it.

Hon. Mr. Kerr: I am just going to say, Mr. Speaker, that the plant in Nova Scotia at Port Hawkesbury is expected to be in production late next year. There is no problem as far as the construction of that plant is concerned. The sister plant has been beset with problems, mainly because they planned to use salt water. This caused corrosion.

I think the statement of the hon. member contains many misstatements of fact and a lot of personal opinions. I realize this is going to be a problem, particularly with those families that he mentioned. It will mean that it will be some weeks before they will again be employed, but there is no disaster connected with this.

It was found by the control board, because of information and experiences in these other plants, that certain safety precautions and procedures should be taken now, and I am sure we would be criticized very strongly if something happened at a later date.

Mr. Nixon: Why did the Minister not take them when he started the construction?

Hon. Mr. Kerr: These are rules and regulations that are now being laid down by the Atomic Energy Control Board in light of their own findings and experience.

Mr. Sargent: The government goofed for $1 million in Winnipeg.

Hon. Mr. Randall: Never goofed at all

Hon. Mr. Kerr: It was not a goof. We feel, Mr. Speaker, that if we take these safety precautions now, certain expenditures for safety installations of procedures as far as the workmen are concerned may not be necessary if we move the actual site of this plant.

Mr. Sargent: Will the Minister answer this question then?

Hon. Mr. Kerr: Yes.

Mr. Sargent: A supplementary question: Does he not think it is inconceivable that the government could launch a $1 billion project having spent many untold millions and not having known these sites? Is that not inconceivable?

Hon. A. Grossman (Minister of Correctional Services): That makes it two statements.

Hon. Mr. Randall: Is he talking about atomic energy or heavy water? What is he talking about?

Mr. Sargent: I am talking about the generating plant.

Hon. Mr. Randall: Talk about one or the other—the heavy water or the thermal units?

Mr. Sargent: It is all part of the same package.

Hon. Mr. Kerr: No, what we are concerned with today is the moving of the proposed generating plant. I do not know why the member is concerned with the heavy water plant.

The target date for that plant, the generating plant, I believe was 1976. We still hope to meet that target date. We are talking about a move that has been taken. The decision has been made because of certain safety precautions that are necessary as a result of using hydrogen sulphide gas in the production of heavy water. The plants, it was decided, were just a little too close together.

We have been criticized before for not following certain safety procedures in other ways; we want to avoid this. People at Hydro may feel that the control board regulations are a little too stiff but we are going to comply with them.

Mr. Nixon: Does the Minister mean the atomic energy commission?

Hon. Mr. Kerr: The control board, the atomic energy control board. We feel that to move this distance, approximately a mile, may be a little extra precautionary, shall we say.

Mr. Lewis: But it will save money later, will it not, on safety devices?

Hon. Mr. Kerr: This is true.

Mr. Lewis: The Minister can rationalize it either way.

Hon. Mr. Kerr: No, Mr. Speaker. For example if that move was within a mile, say a half a mile, we still feel we could save as far as installation costs at a later date are concerned, but we are not going to do so.

Mr. Sargent: How much is the change costing, does the Minister know that?

Hon. Mr. Kerr: We do not know that for sure, Mr. Speaker, but we do not feel it is going to be $1 million, as suggested by the hon. member.

Mr. Sargent: How does he know?

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Speaker, on a point of order.

Mr. Speaker: Point of order?

Mr. R. G. Hodgson: Mr. Speaker, I simply say this: The Minister should be allowed to answer the question that is asked; there should not be repeated interjections and additional questions.

Mr. Sargent: Mr. Speaker, a supplementary question: What does Ontario Hydro know that they do not know in Nova Scotia, insofar as they cannot get their plants operating? How can Ontario do it when they cannot do it? What do we know that they do not know?

Hon. Mr. Kerr: Mr. Speaker, the answer is simple. There are two plants in Nova Scotia.

One plant is on schedule, it is hoped it will be in production next year; that is a fresh water plant. At the other plant, because of the use of salt water and because of certain lack of proper technical personnel, there is a problem. They need $30 million—

Mr. Nixon: The engineer did not know the difference.

An hon. member: That was a federal engineer, though.

Mr. Sargent: They need $51 million to—

Hon. Mr. Kerr: But there is nothing the matter. The Canadian General Electric plant at Port Hawkesbury is on schedule, and—

Mr. Sargent: Have they produced yet?

Hon. Mr. Kerr: No, we hope they will be in production about this time next year.

Mr. Speaker: The hon. member is very quickly using up his share of supplementaries. He may still have the floor for a further supplementary, and then the member for High Park has the floor for a supplementary.

Mr. Sargent: Could it be that the motivation to build the plant in Ontario—the nuclear plant for $1 billion—was because the government did not want to buy uranium from the United States or from Germany? Is this the motivation? That is a question.

Hon. Mr. Kerr: The motivation to build, Mr. Speaker, is to have adequate power in this province for our needs and not to put all our eggs in one basket as to the method of production of power.

Mr. Speaker: The hon. member for High Park has a supplementary. I advise the hon. member that it will be—

Mr. Shulman: Mr. Speaker, to the Minister: in view of the fact that similar plants were built some years ago in England, why did you not send someone to England first, to see these plants so that this blunder could have been avoided?

Hon. Mr. Kerr: I do not think, Mr. Speaker, there is any similarity between this so-called

blunder and what has happened in England. I am not aware of all the facts, whether the plant was commenced or there were plans to install this type of a plant in England and it was discontinued; but I am sure Atomic Energy of Canada Ltd. are aware of the complete ramifications on the construction of this type of plant and the experiences of other countries.

Mr. Lewis: A supplementary, Mr. Speaker, about this so-called $977,000 blunder.

Interjection by an hon. member.

Mr. Lewis: Well it seems to me as appropriate as any any other figure I have heard offered.

Mr. Speaker, could I ask the Minister, what relationship does Hydro have with the atomic energy commission by way of prior discussion, examination of joint projects, or conferences on the implications of the project which might have avoided this kind of blunder. How did it happen? Who is responsible for it?

Hon. Mr. Kerr: Mr. Speaker, I am sure that there is close consultation and relationship, as suggested by the hon. member, between Atomic Energy and Hydro. The arrangement in this situation is that Atomic Energy of Canada Ltd. builds the plants and we buy power from them. I am sure that there is very close consultation with Atomic Energy. There certainly is in respect to heavy water and the availability of heavy water for our plants that are under construction now.

Mr. Lewis: Mr. Speaker, surely the communication broke down badly when one is left with a gaping evacuation and the need to move a plant. Can the Minister tell the House what formal contacts existed in the building of this particular project which subsequently went awry?

Hon. Mr. Kerr: Mr. Speaker, as I indicated earlier in my answer to the hon. member for Grey-Bruce, in light of information and experience—

Mr. Sargent: Why? Did the Minister not know—

Mr. Speaker: Order!

Hon. Mr. Kerr: —obtained by the Atomic Energy Control Board, it was felt, in the name of safety, and for safety precautions because of the use of hydrogen sulphide, that the site for the generating station should be changed. I do not know how we can intimate that negotiations or an association broke down. This is a decision that is made—

Mr. Lewis: Why did the government proceed in the first place?

Mr. Speaker: Order!

Hon. Mr. Kerr: After this information is obtained by one party, they discuss it with the other party, and then a joint statement is issued saying that it is decided that the site should be moved. Really, I think the importance given to this by the hon. member for Grey-Bruce, to the effect that the degree or status of it is a disaster, is ridiculous.

Mr. Sargent: So the Minister does not think $1 million—

Mr. Lewis: It is $1 million?

Hon. Mr. Kerr: Well, the member is not going to get me to say, "What's a million?" No.

Mr. Lewis: Very close to it.

Hon. Mr. Kerr: No. A million dollars is a lot of money.

Mr. Lewis: Ah, a revelation.

Hon. Mr. Kerr: Even $977,000 is a lot of money.

Mr. Lewis: Might better be used by the Indian affairs development branch.

Mr. Speaker: Order!

Hon. Mr. Kerr: But we may be saving a life or two at some later date.

Mr. Sargent: How many lives is he going to lose on the whole project?

Hon. Mr. Kerr: I think the hon. member is doing a great disservice—

Hon. Mr. Randall: To his own riding.

Hon. Mr. Kerr: —to his own riding, and to the province, to imply some form of disaster or great future danger to human life. He will not get these 200 men back to work if he keeps this up.

Mr. Nixon: He never implied that at all.

Hon. Mr. Kerr: Well, certainly, he read his statement. It is all—

Mr. Speaker: Order! The hon. Minister has the floor.

Hon. Mr. Kerr: Do not keep emphasizing the danger here, because what we are doing—

Interjections by hon. members.

Mr. Speaker: Order.

Hon. Mr. Kerr: —is to minimize any possible—

Mr. Speaker: Order. If the hon. Minister has completed his statement, plenty of our question period has been taken up with an important matter.

Mr. Lewis: Mr. Speaker, we would like to know when the next move of the plant will come.

Mr. Speaker: Does the hon. leader of the Opposition have any further questions at this time?

Mr. Nixon: Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: The hon. leader—

Mr. Nixon: Mr. Speaker, I have a question, particularly one that should be directed towards the Premier or the Attorney General.

Mr. Shulman: He is out of order.

Mr. Nixon: No, I would presume that is completed; I have a question to ask.

Interjections by hon. members.

Mr. Lewis: On a point of order, Mr. Speaker.

Mr. Nixon: There is a point of order here, Mr. Speaker.

Mr. Lewis: I would have thought that when the leader of the party defers to someone to begin, that is in effect the allocation for the party and it then moves to the next.

Mr. Nixon: Mr. Speaker, whether or not the hon. member would have thought that, I have a question that I want to put before the House.

Interjections by hon. members.

Mr. Speaker: Does the hon. member for Peterborough wish to speak to the point of order?

What I was about to say when this erupted was that it was my understanding that the leader of the Opposition had deferred to the member for Grey-Bruce for his first question, and therefore if the leader of the Opposition had any further questions, he would normally have been able to ask his questions—all of them, which is the present procedure. I thought this is what we would do and then we would pass to the member for Scarborough West. If that is not the understanding of all the members, then of course, as far as I am concerned, I am prepared to rule that the member for Scarborough West has the floor.

Mr. Nixon: Well, are you ruling that?

Mr. Speaker: I want to know if the New Democratic Party is agreeable to the leader of the Opposition completing the questions.

Mr. Shulman: No.

Mr. Nixon: Well, I certainly am not going to accept their veto. I will accept your ruling but certainly not their veto.

Mr. Speaker: I agree with the hon. leader, but what I am trying to say is this, that we have wasted a great deal of our question time today; if it is possible not to waste more by everybody agreeing then that is fine.

Mr. Sargent: Why do you not make up your mind on something?

Mr. Speaker: I, unfortunately, would inform the hon. member that I made up my mind about his problem and he compounded the problem by not accepting what the Speaker made up his mind about.

What I was saying was that if it were possible to have this proceed unanimously and without the waste of further time, I would do so, otherwise I would rule. I would say that there is some justification for the New Democratic Party's view. I did say that the hon. leader of the Opposition had yielded his place, as I understood it, to have the first question asked, but there could be a misunderstanding of what I have said.

Therefore I rule that the leader of the Opposition's questions have been asked now and that the member for Scarborough West has the floor. It will then go to the government and back to the Liberal Party, and the official Opposition and the leader will then have his opportunity.

Mr. Lewis: Thank you, Mr. Speaker. I have a question—not of the government, not of the party opposite, but as the leader of the House described them, of "the group." A question of the Minister of Social and Family Services of "that group."

What policy pronouncements are coming from the Minister's department in light of all

the discussions held during this summer with Indian communities in Ontario?

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, those meetings are still being followed up with consultations. At the present time the department is involved in a course of action. We have been taking a lot of steps to do our job. It has not yet been determined what form of consultation will be taking place at the federal level. Mr. Chretien has not announced the form or the format of those discussions. We take the position that this has yet to be determined. The initial relationship of the Indian to the federal government must first be determined and then we will participate, as asked, in those discussions. We do not envisage that the province will state a position prior to that series of consultations.

Mr. Lewis: A supplementary, Mr. Speaker: Given the advent of winter, the questions of housing and of unemployment, and of transportation to school at 30 degrees below zero, are there emergency measures which the department is now prepared to contemplate for Indian communities throughout northern Ontario?

Hon. Mr. Yaremko: Mr. Speaker, the department is taking a course of action to meet every request which has emanated from the various communities across the province.

Mr. Lewis: A final supplementary: What portion of the Minister's budget is as yet unexpended; how much of the $1 million?

Hon. Mr. Yaremko: I think we have expended one quarter of the allocation—

Mr. Lewis: One quarter.

Hon. Mr. Yaremko: —which has met, I may say, every request which has emanated from the Indian community.

Mr. Lewis: What about initiatives from the department?

Hon. Mr. Yaremko: Mr. Speaker, the expert on Indian affairs over there is so far off base—

Mr. T. P. Reid (Rainy River): He knows a lot more than the Minister does.

Mr. Lewis: Another $750,000 down the drain.

Mr. Speaker: Order. The Minister apparently has not finished.

Hon. Mr. Yaremko: We have been asked and advised that the proper procedure and course of action to take to ensure success, is to have the initiative emanate from the Indian communities rather than telling people what to do.

Mr. Lewis: Oh, come on. Another $750,000 down the drain.

Mr. Nixon: A supplementary question to the original question: I wonder if the Minister can tell us how he has filled the seven vacancies resulting from the resignation last spring of the majority of his Indian staff, or the staff pertaining to the Indian administration.

Hon. Mr. Yaremko: Mr. Speaker, the position of the director of the Indian community development branch is in the process of going through the civil service commission. We have now set up the position of the assistant director. That is also going through. We are in the process of having interviews to enlarge our staff.

Mr. Nixon: A supplementary question: It would be true to say, then, the Minister has been carrying on the administration of this fund simply by filling in from other parts of the department without filling the vacancies left last spring.

Hon. Mr. Yaremko: Mr. Speaker, we have seconded senior personnel within our department to bring about, I may say, more action in one month than we were able to have in the course of almost two years prior to that.

Interjections by hon. members.

Mr. T. P. Reid: By way of supplementary, Mr. Speaker: Would the Minister explain why he waited until the night before the meeting of the Union of Ontario Indians at the Lakehead to announce that they were going to receive their grant of some $54,000 which they had asked for in the previous March?

Hon. Mr. Yaremko: Mr. Speaker, during the course of holding these meetings, at which we were able to meet with 88 of the 92 organized bands of the province of Ontario, during one of the meetings, which was held on a Monday, there were present, in their capacity as representatives of bands, Mr. Fred Plain and Mr. Omer Peters. During the course of the meeting they brought forward again, I think just before lunch—they renewed, if I may say—their request for the $54,000. I was fortunate that at

that particular meeting, my colleague the Treasurer (Mr. MacNaughton) was present. We had a full discussion at that time with Mr. Plain and Mr. Peters. The matter was then put before Treasury Board on the Tuesday or Wednesday, and was approved by the Lieutenant-Governor-in-Council, as it must be under the estimates, on the Thursday. I was pleased to be able to get Mr. Plain on the telephone Friday morning to tell him of the action which had taken place Monday, Tuesday, Wednesday and Thursday.

Mr. T. P. Reid: On a supplementary, Mr. Speaker, is the Minister aware that first of all a great many of the Indian people had only about one day's notice of these meetings, and secondly that they were not aware of the purposes of these meetings before they came here and sometimes even when they got back home.

Hon. Mr. Yaremko: Mr. Speaker, I have mentioned that we were able to meet with 88 chiefs and representatives from 92 bands, the largest process of consultation of its kind ever held anywhere in Canada—

Mr. Speaker: Order.

Hon. Mr. Yaremko: Despite whatever difficulties may have occurred in the length of notice, which was varied, we took all measures to ensure the attendance of those who were invited to come down. Those matters which we intended to discuss were discussed, and if anybody went away not knowing, they will still have the opportunity for further discussions before the final decisions are ultimately made—whenever they will be made.

Mr. T. P. Reid: Will the elected representatives be made aware of these meetings or be invited?

Mr. Speaker: The hon. member stated before that his last question before was his final supplementary. The member of Thunder Bay has the floor for a supplementary.

Mr. Stokes: I would like to ask the Minister why he did not see fit to attend the northwestern Ontario development conference, in view of the fact that one of seven residents of northern Ontario are Indian, and their economic problems are so much more severe that—

Mr. Speaker: The hon. member is entitled, and any other member is entitled, to ask a question supplementary to the original question. So far we have been on the borderline with the supplementary questions, but I think this one, is entirely off the original question and therefore I rule it out of order. The hon. member for Peterborough.

Mr. Pitman: Supplementary question to the Minister: Can he assure the House that in the replacement and enlargement of the Indian affairs branch, that there will indeed be a substantial number of Indians in that branch?

Hon. Mr. Yaremko: Mr. Speaker, the general principle which our branch—our department and the government as a whole—will follow will be the involvement of the Indian population to the greatest extent possible in every form.

Mr. Pitman: Does the Minister mean then that there will be no Indians hired to the civil service in this Indian affairs branch? Is that what the Minister is saying?

Hon. Mr. Yaremko: Mr. Speaker, the hon. member is not asking a supplementary. He is making a statement.

Interjections by hon. members.

Hon. Mr. Yaremko: He is completely off base. I have made the statement that there will be the involvement of the Indian—

Mr. Pitman: Is he hiring any?

Mr. Speaker: Order!

Hon. Mr. Yaremko: The general principle is the involvement in every capacity—

Mr. Pitman: Is he hiring any?

Hon. Mr. Yaremko: Yes. We have employed, and we will continue—

Mr. Pitman: In the branch?

Hon. Mr. Yaremko: Yes, in the branch. Yes.

Mr. Speaker: Order.

Mr. Pitman: That is all we wanted to know.

Hon. Mr. Yaremko: Mr. Speaker, may I just add that I suggest that the actions of the deputy—

Interjection by an hon. member.

Mr. Speaker: The hon. Minister is answering a question. He may continue if he is going to make suggestions to the Opposition that it is not proper answer to a question.

Any member of the government party may have a question now.

Mr. R. G. Hodgson: Mr. Speaker, I would like to ask the Minister of Tourism and Information whether he will be making an interim report on the Trent-Rideau severance study.

Hon. J. A. C. Auld (Minister of Tourism and Information): Mr. Speaker, the Rideau and the Trent studies are ones done jointly with the federal government. I would expect that there will be reports from time to time. I cannot tell the hon. member specifically when there will be a report because as I say it is a joint project and any report would be from the joint committee.

Mr. Speaker: The hon. leader now wishes to place another question. It is the turn of his party.

Mr. Nixon: Mr. Speaker, I was very concerned about the statement made by Ontario's chief coroner about the legalization of marijuana. I wonder if perhaps the Minister of Correctional Services, who deals with those people who, under present law, are offenders in the use of marijuana, might make a comment in light of the important statement made by Mr. Cotnam.

Hon. Mr. Grossman: This is a matter of government policy, and as a matter of fact, I do not know that we could legally do anything about it. It would be up to the federal government to change the Criminal Code if they felt it would be advisable to do so. However, I have not read Dr. Cotnam's statement completely. I just read a few lines of it and I do not feel, really, that it is within my jurisdiction to answer that question anyway.

Mr. Lewis: Supplementary, Mr. Speaker. Has Cabinet discussed the possibility of the drug addiction foundation doing a model research project on the use of marijuana, and its extent?

Hon. Mr. Grossman: Mr. Speaker, of course I am not going to divulge to this House what we discuss in the Cabinet.

Mr. Lewis: We know anyway that—

Mr. Speaker: Order. The hon. member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): This is not a supplementary, Mr. Speaker. Am I in order with a new question?

Mr. Speaker: The hon. member is in order with a fresh question, yes.

Mrs. M. Renwick: A question of the Minister of Trade and Development. What has been done by OHC to find alternative accommodation for Mrs. Douglas and her five children who have been evicted from the OHC unit in Guelph today?

Mr. Speaker: I would like to point out that the question period is reserved for matters of public importance, and while it may be of great importance to the lady in question that she find accommodation, it is a matter which I think should be taken up directly by the member with the Minister, and not be allowed to take up time in the House question period. Therefore, is there any government member who has a question? If not, the New Democratic Party is entitled to place a question. The hon. member for Sandwich-Riverside, who is always on his feet. It is not the government's turn because I turned down the question from the member for Scarborough Centre.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question for the Minister of Lands and Forests. Is the Minister now in a position to tell the House the results of his tests for mercury residue in wildfowl and in the fish near the pulp and paper plants, which he said were being undertaken by his department?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member I would say that we hope to be in a position by the end of next week or shortly afterwards. Dr. Jervois of the Toronto University — of the chemical and engineering department—who is a specialist in this field, is conducting a survey into the possible effect of mercury compound on game birds and fish.

Mr. Speaker: The hon. member still has the floor.

Mr. Burr: Has the Minister issued a directive to the pulp and paper companies to eliminate mercury from their effluent?

Hon. Mr. Brunelle: No, Mr. Speaker, it is not my responsibility to issue directives. This comes under my colleague.

Mr. T. P. Reid: By way of supplementary. Is the Minister aware that in Alberta, I believe, they have banned the shooting of

pheasants and partridge because of the mercury content that has been found in these birds?

Hon. Mr. Brunelle: Yes, Mr. Speaker, and as the hon. member knows the prairies are a great area for the growing of grain. Therefore when they use this mercury compound in the treating of fungus, they use much larger quantities. In our province, except maybe the Niagara peninsula—southwestern Ontario—there is not too much grain grown. Consequently, we use this mercury compound to a much more limited degree. We have taken samples of birds—game birds—and up until now the samples that we have taken have shown no reason why we should ban hunting in this province at this time.

Mr. T. P. Reid: Can the Minister perhaps inform the House what level of this mercury poisoning would be necessary to harm a human being?

Mr. Speaker: This is not a proper supplementary to the original question. We have time for one more question. The member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): A question of the hon. Minister of Trade and Development. Will the Minister investigate reports from the Hamilton *Spectator*, made by the members of the newly formed Mohawk Gardens Tenants' Association, that tenants in the Hamilton Housing Authority housing projects in Hamilton must seek permission from the authority before they are allowed to have overnight guests stay in their homes?

Hon. Mr. Randall: Well, I did not see the article in the Hamilton *Spectator*. If the member will let me have a copy of that I will investigate it.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Clerk of the House: Mr. Whitney, from the standing Agriculture and Food committee, reports the following resolution:

Resolved that supply, in the following amounts, to defray the expenses of The Department of Agriculture and Food, be granted to Her Majesty for the fiscal year ending March 31, 1970:

Department of Agriculture and Food, departmental administration, general expenditure—$1,858,000.

Agricultural production, general expenditure—$19,333,000.

Agriculture production disbursements — $200,000.

Rural development, general expenditure—$13,632,000.

Agriculture marketing, general expenditure —$6,229,000.

Agriculture education and research, general expenditure—$15,276,000.

Mr. Speaker: May I just point out before we proceed that this report will now go on the order paper and in due course will be called for the two-sitting debate which our new procedures provide.

Mr. Peacock: Mr. Speaker, on a point of order. In announcing government House business yesterday evening on adjournment, the acting government House leader, of course, was not in a position then to take account of this report which will now appear on the order paper to be called at the government's own instance. I wonder if I could ask the present House leader if he would inform the House, at the conclusion of today's sitting, when he is likely to call this report for debate?

Hon. Mr. Welch: Mr. Speaker, it will not be called next week because we have already indicated the order of business. So it will be in the following week's business, which will be announced next Thursday.

Mr. Speaker: I am sure that all the members are pleased with the work of this standing committee in having its estimates back and its report several days ahead of the deadline. It augurs well for the increased efficiency of the House.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 17th order, House in committee of the whole; Mr. A. E. Reuter in the chair.

THE ONTARIO ENERGY BOARD ACT, 1964

House in committee on Bill 109, An Act to amend The Ontario Energy Board Act, 1964.

Mr. Chairman: Are there any comments, any questions, any amendments to this bill?

Mr. V. M. Singer (Downsview): Any comments to what, Mr. Chairman?

Mr. Chairman: Any comments, any questions or any amendments to any section of this bill?

Mr. Singer: Do we not do it section by section?

Mr. Chairman: No, I point out to the hon. member for Downsview we are operating under the new procedures.

Mr. Singer: I guess I do not understand, Mr. Chairman. I guess I had better have a comment or two.

Mr. Chairman: I might just tell the hon. member for clarification—I do not think it will do any harm to repeat it again to the committee—that under provision No. 8 of the new procedures, when a bill is called in committee of the whole House the Chairman shall enquire whether any comments, questions or amendments are to be offered and to which sections, and will call only such sections. If no sections are so designated the bill will be reported as a whole.

Therefore if the hon. member for Downsview has any comments, questions or amendments to any sections, he may proceed, and if so, which sections?

Mr. Singer: Mr. Chairman, I have a comment I would like to make about a section that is not in the bill before us, but in the section that was in the bill that was amended. We have had three printed bills; we had a bill that was introduced on March 31—

Mr. E. Dunlop (York-Forest Hill): The one before us is the one that was amended by the committee yesterday.

Mr. Singer: Yes, and then we had one reprinted for the consideration of the legal and municipal committee, and now we have got the report as amended by the legal and municipal committee.

Mr. Chairman: Do the comments pertain to any particular section of this bill?

Mr. Singer: Of this bill? Well, that is my difficulty, Mr. Chairman. There was what appeared as section 7 in one of the bills, in the second one that I mentioned which now is not here, and I understood that the Minister was going to take that section back for reconsideration. Without entering into any great debate on it I wonder if the Minister is satisfied that he is going to abandon the principle set out in the former section—that is the Lambton Gas Field section, if I can identify it as such—or whether that problem does not bother the government any more? It disappeared, Mr. Chairman, because the Minister was considering it, but it was before us.

Mr. Chairman: I must say to the hon. member for Downsview that in this situation anything that has been in a previous bill or another bill and which is not in this particular amendment before the committee would, in my opinion, be out of order because it is not before the committee at this time. However, it has been dealt with.

In view of my recollection of the previous bill and the particular section and the importance of that section, I believe that if the hon. member for Downsview wishes to direct a question to the Minister in this regard, I will permit it.

Mr. Singer: Well, that is the question. I just want to ask the Minister the simple question of whether or not he has given any further consideration to the problem of the Lambton Gas Field and whether it is the government's decision not to take any action on it at all at this time.

Hon. G. A. Kerr (Minister of Energy and Resources Management): I believe the hon. member left the first committee meeting just a few minutes before it adjourned last Tuesday and what happened at that time was that the old section 7 was withdrawn. It is expected to be reintroduced in new legislation. However, further consideration of that section and the ramifications of that section are to be made by my department with the idea of introducing new legislation at the next session.

Mr. Singer: All right, Mr. Chairman, I will accept that. I just thought that the member for Lambton, who is not in his seat at the moment, should have no doubt about the reason why his constituents in the Lambton area were not looked after by the government and that it was not the Opposition's action that had anything to do with it. I would hope someone would draw that to the attention of the hon. member for Lambton when he returns.

The second point I wanted to comment on—and this is something that is in the bill, Mr. Chairman—is section 7 in the bill as it appears before us. Let me say, Mr. Chairman, that

some of us had the opportunity to attend the two sessions of the legal bills committee and to hear some of the most unusual and Neanderthal-type representations that ever came before a committee of this Legislature. It really is amazing some of the attitudes that some of the members of the financial community of this country would want to bring before a responsible body such as this assembly. The suggestion, Mr. Chairman, that was made to us by a representative of one of the large and important and respected securities companies here in Toronto and the suggestions that were brought before us by the president of the Montreal Stock Exchange and the Canadian Stock Exchange just are beyond belief. And the thought, Mr. Chairman, that in this day and age apparently responsible members of the financial community want to put forward the idea that: "If it is good enough for the investors it must be good enough for Canada, and that is the only test and we wish the government would go and stop bothering us," just cannot be allowed to go by without some additional comment.

I was pleasantly surprised that the government saw fit to bring in a section such as section 7 which gives some beginning of control in the public interest over an amalgamation or a takeover or a joining together of companies involved in the utilities business. Granted, Mr. Chairman—and I am not going to fight this battle again—they did not do it quite in the way that we thought would be the best. We believed then, and still believe, that there should be a larger role played by the Legislature in this. The government has seen fit not to accept our suggestion and not to accept our amendment, but nevertheless, I think it is most important and I think it is most important that it be clearly understood in so far as I am able to make it understood, that the Legislature believes that when the public interest is involved, that the public interest does not coincide at all times with the interest of the investor.

There is a different kind of interest that may be involved. I resent a suggestion that people who are in the securities business or in the financial business in this province and in this country, sincerely believe that the government should stay away.

Hon. J. H. White (Minister of Revenue): Is this second reading?

Mr. Singer: No—it is not second reading.

Hon. Mr. White: Is it the principle?

Mr. Singer: If the Minister of Revenue wants to get up and defend this sort of thing, I think it is his privilege.

Hon. Mr. White: I think it would be nice if the rules were adhered to for a while.

Mr. Singer: These gentlemen believe that the government should stay away from their business and if there is an amalgamation that is going to take place, or takeover in the utilities business, it is none of the government's business. Well, I say, Mr. Chairman, that it is most important that the government stand by and watch and protect the public interest.

Hon. Mr. White: What section are we on?

Mr. Singer: I am concerned, Mr. Chairman, and I am still concerned, about subsection (c) of 25(a)1 which says:

> The investigation by the energy board and the approval by the Lieutenant-Governor-in-Council are necessary when a share transfer exceeds 20 per cent of the shares outstanding of a gas transmitter.

That figure was reduced as a result of Opposition suggestions, from 50 per cent to 20 per cent, but I think it is accepted that although the 20 per cent figure looks much better than the 50 per cent, it still is not the complete answer.

It was suggested in this House and certainly has not been denied, either in this House or on the committee, that Union Gas was controlled by something like 11 per cent of the total shareholders and that the 20 per cent figure might, in certain circumstances, not catch the kind of transaction that this section is substantially directed to.

I agree, Mr. Chairman, that the drafting of the exact wording for the idea that was put forward, is a very difficult problem. The company law committee put forward a certain suggestion, somewhat cumbersome in its language and somewhat difficult to interpret finally, that that language should appear in any bill that has been given first hearing, and would actually amend The Corporations Act, but it has been sitting on the order paper for quite some time. That is, I think, a somewhat better system of determining when the government should be concerned about share transfers and disclosure in that instance, than the system here of fixing the arbitrary figure of 20 per cent.

The Minister shakes his head, but I am sure he will agree with me, that when you get

large companies with a large number of shares having been issued, the percentage necessary for control, certainly need not be over 50 per cent. It certainly need not be over 40 per cent; even the 20 per cent figure, Mr. Chairman, does not catch it.

My draftsmanship is not that excellent, but I would like to see something more than just the arbitrary test of 20 per cent. It seems to me that we could get a merger, an exchange of shares or a takeover where the effective decision is made by the owners of 5 per cent of the outstanding shares, and in that case the utility, quite legally would change hands, or the control of the utility could change hands legally. There would be no ability to have the matter reviewed by the energy board or by the Lieutenant-Governor-in-Council and there would be no one there to protect the public interest.

I think, Mr. Chairman, that the difficulty we have, is that the Minister said, not once, but three times during the debate on second reading, that he does not care who has control of the utilities, as long as the rates are all right. It was not just a slip of the tongue, Mr. Chairman, because if you go back into *Hansard*, you will see that not only did he say it, but when questioned on it, he repeated it.

It is interesting to note that that same idea of not caring about who has control, was reflected in the committee hearings and legal bills hearings yesterday, when Mr. Crozier, the chairman of the energy board said he did not care who has control. I do not think it is important that Mr. Crozier cares who has control, but if the Minister believes that as well, then I think we are in serious trouble.

The whole question of control is what bothers us in the Opposition. The ability to determine the public interest—whether, when control of the utility changes, that control is going to be exercised, bearing in mind the public interest—is what this whole debate is all about. I think it is a very disappointing thing, Mr. Chairman, when the Minister has indicated to us that the control element does not matter.

In bowing to the Opposition suggestions, and reducing the percentage from 50 per cent to 20 per cent, perhaps without saying so, he has changed his mind. But if the Minister, in saying he does not care who has control of these utility companies, is expressing the government point of view, then I think it is a tragedy for the government to approach a matter such as this and say, "We do not really care who controls our utilities."

This is the thing that we are concerned about—very seriously concerned about, Mr. Chairman. The problem is, that insofar as the control of utilities is concerned, we have to be satisfied, in the public interest, that the people controlling utility companies are going to be responsible people, that they will operate the utility in the pubic interest and that the public is not going to be hurt by reason of the change of control in a privately owned utility company. And that point has to be made abundantly clear and repeated and repeated, again and again.

This is the day, Mr. Chairman, of the conglomerate and I do not know that one can really draw a parallel between the conglomerate that is now apparently about to acquire a hockey franchise in Vancouver, and the possibility of a conglomerate coming in here and taking over a utility such as Consumers' Gas, but certainly it is something we have to think about.

The conglomerate that they are talking about, that is looking at the hockey franchise in Vancouver, started out as a drug trading company, as I understand it, or a medical products trading company. Certainly there would be no particular reason why this could not happen to a utility on the basis of an ability to avoid the review by the energy board or the Lieutenant-Governor-in-Council of a transaction which would allow that kind of takeover. I am not satisfied, Mr. Chairman, that the 20 per cent is necessarily going to catch that kind of takeover or exchange of control.

Control is very important. I repeat again, Mr. Chairman, my reference to a line or two from the Windsor *Star*, where they explained what could well happen insofar as our utilities were concerned: American interests or foreign interests could come in and take over control of our utilities, while the provincial government and the federal government each blamed one another.

Now we have this matter before us, and there is no question, Mr. Chairman, that we have the legislative competence to deal with it. While, as I say, the 20 per cent is better than the 50 per cent, I am still not satisfied in my mind that the Minister recognizes what the problem is. When he says the government, or "I, the Minister, do not care about control", then I think he has missed the whole point of this debate. Not only must the Minister care about control, but the government must care about control, and the statute must reflect that concern.

There is a possibility that control could get into the hands of persons who might

not operate in the public interest. I think that the 20 per cent figure is not sufficient to make sure that that will not happen, I would suggest that the Minister, perhaps even today—

Interjection by an hon. member.

Mr. Singer: Mr. Chairman, the Minister points out that I voted for it, and quite correctly. I also voted for what I thought was a better amendment, but Mr. Chairman, it is better to take half a loaf than no bread at all. And that is exactly what we did. Because had we not brought the pressure to bear—and let no one make any mistake about this—had the Opposition not pointed this out, had the Liberal Party not focused substantial public attention on this facet of the Act, then there would have been no change at all. The 20 per cent is a compromise.

The answer is not that we voted for it, but that this is better than what was originally before us. I think we must do much better, Mr. Chairman, and I think it is up to the Minister to come up with some kind of wording that will catch the exchange of control where the exchange of shares is less than 20 per cent.

It is not a hypothetical case at all. It is a probable case, it is a practical example, and I do not think the Minister has expressed proper concern in connection with this matter at all.

Now with those remarks, Mr. Chairman, since the government defeated us and our amendment in committee yesterday, and since the Minister says that we voted for it yesterday, I think I will leave it at that. I do not think there is any point in me trying to propose it.

Hon. Mr. White: You have missed the point. You are talking about ownership.

Mr. Singer: Well, Mr. Chairman, I am very happy that the Minister of Revenue participates in this at this point.

Mr. S. Lewis (Scarborough West): It is called functional conservatism.

Mr. Singer: Yes, I think that you and Mr. Jaffray should have got together and joined in a common submission.

Mr. Lewis: Right, right.

Mr. Singer: Now let me tell you about Mr. Jaffray. It sounded really like the Minister of Revenue under a different face. The Minister of Revenue would have said: "Probably."

Interjections by hon. members.

Mr. Singer: Mr. Chairman, I am not going to prove anything by calling the Minister of Revenue names. He calls himself names every time he opens his mouth. The point is, that the epitome of Toryism was represented before that committee.

I commend the Minister for not accepting. If the Minister of Revenue thinks that the Minister of Energy and Resources Management made a mistake, let him get up and say so. If the Minister of Revenue does not believe that the essence of control is what we are talking about, and that the public interest does not have to be protected, when control of the utility takes place, then let the Minister of Revenue get up and say that.

Interjection by an hon. member.

Mr. Chairman: Order, we are dealing with Bill 109.

Mr. Lewis: Can I hear that interjection again?

Mr. Chairman: Order.

Hon. Mr. White: Yes, I said that I agree with the great David Lewis. Nobody is worried about the ownership of stock anymore.

Mr. Chairman: The hon. Minister is out of order.

Mr. Lewis: And you should take more examples from modern socialism.

Hon. Mr. White: So the Liberal Party is missing the point again.

Mr. Singer: In conclusion, Mr. Chairman, let me say this. I would hope the Minister has received advice in the last 24 hours which will allow him now to introduce an amendment which would bring the protection of the government interest and of the public interest, before the Cabinet or before the energy board, in cases where control can be exercised by less than 20 per cent. He has available to him legal advice, draftsmanship, and so on, that, we do not have as quickly available.

But this is the problem and the Minister must recognize it, and the public must recognize it. There is an interest to be protected, and the interest can only be protected by some review of a government body which is interested in protecting the public when

utility ownership, management, and control is being affected.

Mr. Chairman: Any further discussions on section 7? The hon. member for Lambton.

Mr. L. C. Henderson (Lambton): Mr. Chairman, I would just like to take this opportunity to thank the hon. member for Downsview for assuring me that he was ready to support that clause in the bill. The hon. member for Sarnia (Mr. Bullbrook) has also given me that assurance.

Mr. Singer: It was your colleagues who let you down.

Mr. Henderson: My colleagues did not let me down. It was an agreement within the committee. But I shall assure you that the farmers back in the area will know that you and the NDP were ready to support this section of the bill. I take it for granted—

Mr. Singer: Everybody except the Minister.

Mr. Henderson: I take it for granted that they were ready to support it anyhow. I will also inform them that if they do want to bring this section back next year, that they can count on the support of both Opposition parties. I will convey this along to the farmers. I know that they are very happy with this, and I thank you for it.

Mr. Singer: Will you tell them the Tories would not support it?

Mr. Henderson: No, no, no. They were there when it happened, so they are quite happy.

Mr. Chairman: Further discussion on section 7? The hon. member for Scarborough West.

Mr. Lewis: Mr. Chairman, listening to the member for Downsview, I would begin by saying that:

Controlling this, controlling that, the drooling left us chatters;

but freedom for free enterprise, sir, is all that really matters,

This freedom was ordained by God, upon it rests all others;

for man's divinest impulses to overreach his brother's.

And so to this celestial urge, we make our offering votive;

behind all human freedom lies, the noble profit motive.

Now, Mr. Chairman, having established our credentials, it is necessary to point out—

Hon. A. Grossman (Minister of Correctional Services): Is that on this section?

Mr. Lewis: It is necessary to point out, Mr. Chairman, that—

Hon. Mr. Grossman: That proves he is a poet, but not necessarily a good legislator.

Mr. P. D. Lawlor (Lakeshore): He says it better than you boys.

Hon. Mr. Grossman: We are not here to spout poetry.

Mr. Lawlor: He is defending our cause.

Mr. Lewis: There were a number of people who came before the select or the standing committee, who, by report, were in fact, caricatures of much that we construe as the financial community. And it did not particularly reflect well for the security, or the assurances of members of that committee, and their feelings about the bill. It was most revealing in terms of the so-called financial leadership of this province, and the way in which it would respond to this very marginal intrusion on public affairs.

Mr. Dunlop: Were you there?

Mr. Lewis: Was I there? No. I got very good reports. As a matter of fact my friend from Downsview told me that the head of Dominion Securities, either Mr. Jaffray—

Mr. Dunlop: You got inaccurate—

Mr. Lewis: My friend from Downsview—

Mr. Dunlop: He is not the head.

Mr. Lewis: He is a senior official. He said that he had received a phone call at 4.00 o'clock in the morning from Switzerland.

Mr. Dunlop: Five o'clock.

Mr. Lewis: Well, well. Look where I got my information from.

Mr. Singer: Why tell the House about it?

Mr. Lewis: I think it worthy nonetheless.

Mr. Lawlor: He can give an hour in the morning.

Mr. Lewis: At 5.00 o'clock in the morning he received a phone call from Switzerland, the effect of which was to say: "What in heaven's name are you people in Ontario doing?"

Mr. Chairman: I wonder what section that is?

Mr. Lewis: It is directly on section 7, Mr. Chairman. Because if someone called me from Switzerland at 5.00 o'clock in the morning, I can tell you what I would say to them about section 7 of this bill!

Mr. Chairman, the reality is that the submissions made by certain of the people who appeared before the standing committee, if I understand it correctly and read the press reports correctly, showed no sense of public interest whatsoever. They were profoundly insular, and I am associating myself, in this instance, with the remarks of the member for Downsview and with the very full reports that have appeared in the press.

The entire emphasis of those remarks tended to fasten on the privileges and rights of the investors without recognizing that in the amalgamation which is presently before us, there is an all-consuming public focus which the barefoot boys from whatever street should not dismiss so lightly. And it is to the credit of the committee that it was not accepted with alacrity.

Mr. Chairman, the subsection which is before us will be supported by this party, albeit with some reservations. We too do not believe that 20 per cent is really a control factor, although for this government it is a remarkable clause nonetheless.

I think, Mr. Chairman, that certain questions should be asked, and perhaps predictions made before the bill goes through. The questions and predictions are of one and the same kind. Why was this clause introduced at all? Why suddenly did the government become concerned about Consumers' Gas acquisition of Union Gas?

I would suggest, very strongly, Mr. Chairman—I dare to predict very strongly—that when the Cabinet meets on this issue in the month of November, or early December, it is going to turn the amalgamation down. We will await the outcome.

Hon. Mr. Kerr: Scare campaign.

Mr. Lewis: Not at all. As we read it, Mr. Chairman, what has been done, in the process of bringing forth this clause, is to indicate publicly the government's intention of turning the amalgamation down for reasons best known to itself. As a matter of fact, they are not even turning it down for the right reasons, which is what concerns us.

Hon. Mr. Kerr: What are they turning it down for, Mr. Chairman?

Mr. Lewis: What are the reasons?

Hon. Mr. Kerr: Yes, why are they going to turn it down?

Mr. Lewis: Well, I think there is a certain competitiveness between Hydro and Consumers' Gas. I think there are some peculiar attitudes within the Cabinet towards the rights of Consumers' Gas to acquire another company. The attitude stems from that ingrained competitive instinct which always exists in the Treasury board.

I think there may be a variety of largely irrelevant considerations that are coming to bear on it, to which this House will never be privileged. But the Cabinet has decided not to allow the amalgamation to take place—dare I venture that prediction?

Hon. Mr. Grossman: What is the member's next—

Mr. Lewis: I am coming to that. Had the Cabinet come to the conclusion that public ownership was better than amalgamation—a conclusion to which my friend from Sarnia almost came irresistibly, on second reading.

An hon. member: He came to his senses.

Mr. Lewis: Right—stopped himself, but almost came to it irresistibly. Then that might be a worthy argument; then you are simply saying to the House, why have an amalgamation because our next step is to make natural gas a wholly owned public utility anyway. Has the government—

Mr. D. M. Deacon (York Centre): Just like we have in Hydro.

Mr. Lewis: Just like we have in Hydro.

Mr. Deacon: A real mess there!

Mr. Lewis: Well, I am not so sure, I do not share the views of Hydro, apparently, that the member has, other than on certain specific atomic energy projects.

It may also be, Mr. Chairman, that if the Ministers opposite had truly had consumer protection in mind, the rigorous analysis to which the merger should have been subjected prior to committee would have been made. It was never made. If, on the other hand, Mr. Chairman, the control percentage were important, the Cabinet would have thought more carefully about 50 per cent, or 20 per cent, or what constitutes control, or given a definition of control rather than so cavalierly accepting a figure of one kind or another. Frankly, Mr. Chairman, it does

not really make very much difference to the Cabinet what the clause says. The decision having been made, the clause will simply serve to protect or rationalize the decision.

It would be interesting to know why it is, internally, that the Tories have decided on this extraordinary venture, but apparently they have.

So we can only judge the bill on its somewhat bald merits. What the bill really required was to set an example for all amalgamations, mergers, takeovers, in the province of Ontario. By way of regulation, a very special control clause should have been written in which could have applied to foreign enterprise taking over Ontario industry, or indeed, Canadian conglomerates subsuming other more modest companies. This bill could have served, and this clause could have served, as the prototype for all subsequent takeover behaviour, and heaven knows, that is something that this branch plant economy desperately requires.

Instead, it is an *ad hoc* arrangement, thrown in in the last 24 hours prior to discussion, given very little thought so far as we can see, and with obviously mixed motives, or there would not have been that frantic last-minute nature to it.

One cannot help but feel, Mr. Chairman, that because it does little service to oppose a control clause, we accept this only with reluctance. We would dearly wish to know the motives that lie behind the behaviour that has characterized government up to this point, even to the stage—Mr. Chairman, may I make this point and then take my seat—that the committee met yesterday morning; the bill was reprinted yesterday afternoon.—would that we could have such service for *Hansard*—special arrangements were made to bring it on in committee stage of the whole House this morning; we are going to rush through third reading; and his Excellency is waiting for Royal Assent. Why? Why? What is it about this bill other than that minds had been made up and the masquerade must be pretended as quickly as possible.

Mr. Chairman: The hon. member for York-Forest Hill, I believe, wanted to speak.

Mr. Dunlop: Mr. Chairman, my remarks have really more to do with order than with the clause of this bill. Let me say that the two gas companies concerned and their financial agents stated several times that their instructions were, throughout, in the first instance, that the interests of the consumers were to be considered first, and only secondarily those of the investors.

Hon. Mr. Grossman: You will never get into Schreyer's Cabinet.

Hon. Mr. White: He did not have a reliable source.

Mr. Chairman: The hon. member for York Centre.

Mr. Lewis: I happen to accept the hon. member for Downsview's views.

Mr. Deacon: I am surprised, Mr. Chairman, that the member for Lakeshore has not spoken to the member for Scarborough West about the testimony that was presented yesterday by the chairman of the Toronto Stock Exchange in which he stated that in his view the public interest was paramount in these matters. He also indicated, of course, what he thought the proper figure for control was —in the order of 25 per cent—and he was very helpful in that discussion. I mention also the fact that in the United States, where free enterprise is certainly a very basic fundamental behind the operation of their economy, they have turned back and reversed takeovers of control, such as the situation of the Schlitz-Labatt takeover. But it has not destroyed confidence, and the investment community in the United States and the investment community here, the responsible elements, recognize that the public interest must be paramount.

I am pleased that we did make some change in the bill to recognize a figure for meaningful control lower than 50 per cent, which was originally in the bill. But we have still left a door wide open that I hope the Minister will take into consideration in revisions to this bill in the future. I understand why he wants to push it through now, in a hurry, to make it possible for the board to consider the whole matter during the period of the offer of this particular transaction. But I suggest to the Minister that it should be the responsibility of his government to look into situations where any corporation—not just the gas utility, not just the storage company—but where any corporation is known to have gained effective control of a company, and effective control being that type of control that the member for Downsview's motion indicated before.

Hon. Mr. Kerr: It is in the Securities Act.

Mr. Deacon: It is not a Securities Act consideration, it is a public utility energy consideration. I urge the Minister that this type of consideration must come into The Energy

Board Act, because we are dealing with a public utility. We should know that the control of our public utilities is held by bodies that we approve of. Unfortunately this clause is only concerned with gas transmitters, distributors and storage companies.

I urge the Minister to introduce legislation at a subsequent date, when he has an opportunity, which will not leave this wide-open door to some big conglomerate such as Leasco, as is described in *Business Week,* or some other large corporation to come in, which is not interested in the local distribution of gas, but is interested in its own quick gains and destroying what could be a very fine private utility.

Mr. Chairman: Any further comment? The hon. member for Lakeshore.

Mr. Lawlor: If one listened in the committee to the remarks of the president of the Montreal Stock Exchange and to the thrust of the business community—excepting to a point, a modified point; that of Mr. Sterner of the Toronto Stock Exchange, who is a rather balanced and sensible man—then one would have to come to the conclusion, which I would expect is not really foregone, that this is fundamentally socialistic legislation, and for that reason all to the good. As as matter of fact, so socialistic is it, and so enlightened is the Minister over there, that I expect him to join us any day.

In any event, on the weight of the argument that took place before the board and the rather commendable stand that the Minister took in instance after instance, I think he disenchanted most of the government's friends, and so I expect also that the Tory coffers shortly will see a great denudation of funds. This particular industry, in the course of the hearings, would not particularly accede to the fact that it was an autocracy; that it did have substantial control over a specific resource industry by way of monopolistic structure. It would always point to competing fuels other than gas itself, and to that extent it was unwilling to face the full implications of this legislation.

It was not particularly concerned, as I gather it. Mr. Sterner was very wise in this regard, pointing out that the banking and financial institutions of this country—in a block now ranging as far as trust companies, and so on—were all consolidated in one proposition that they were not going to suffer American or any other foreign incursion of capital so as to upset our financial markets in this particular regard.

This proposition was, I think, accepted by implication by all members of this committee in having reached the 20 per cent figure in an attempt at least to block it. Now it may be that 20 per cent can effectively control Union Gas. As we discovered in the course of the committee, the shares are widely distributed and are not held in solid pockets. Whether Consumers' Gas in the face of this situation is willing to proceed is a question which we will leave in their hands.

On the whole this is highly beneficial, consumer-oriented legislation, and one can do nothing but support it. Would, Mr. Chairman, that half as much intelligence were shown with respect to the real estate industry of this province. One wonders what impact this is going to have on another Minister's bill, in light of the protection this Minister accords to the consumers of the province touching the gas industry. The ramifications and impacts of the one far outweigh, in millions of dollars, the amounts of money involved in this particular enterprise. Would that these two Ministers might collide in the hallway so that the meshing of brains would bring about a situation that would bring some relief in the other area that we spent time debating yesterday.

On the whole I feel that a move has been made forward. It may not be altogether satisfactory. The member for Downsview did have a formula with respect to the election, as to who sits and who is elected to these boards of directors, as to the determinative factor, which apparently was cut out. I am sorry to see that, but as a second best this is a good one.

Mr. Chairman: Are there any further comments or amendments to this bill? Any further discussion? Shall the bill be reported?

Bill 109 reported.

Mr. Singer: How about the Minister, can we hear from him?

Hon. Mr. Kerr: Just a few remarks, Mr. Chairman, if it is all right. On this section in reply to—

Mr. Chairman: I might point out that this bill has been carried. However, the Minister may comment if he wishes.

Mr. Singer: We will give the Minister unanimous consent.

Mr. Chairman: The hon. Minister may comment if he wishes.

Hon. Mr. Kerr: I do not want to get into the whole realm of the debate on what is effective control. However, I do feel that the amendment in committee to 20 per cent, particularly in light of the remarks of some of the submissions that were made to the committee, will, in fact, be effective control.

As I said to the hon. members before, our main concern is the operation and the structure of a utility company and we are concerned, of course, with the customers, with the shareholders—the type of service, the accounting procedures, and everything that would affect people who are in some way affected by utility companies.

The hon. member for Scarborough West made some predictions. He said that the Cabinet will probably not approve of this transaction. I think he was reaching. The hon. member started out with hearsay and he ended up with fantasies.

I think that as a result of the hon. member's remarks there will be more phone calls from abroad. And I think if we did as he suggested that some of them may be from Russia rather than Switzerland, I am not sure. They may be even earlier in the morning.

In any event he asked the question, "Why the hurry?" As I have indicated before, we want the board, under this legislation, to view this transaction.

Mr. Lewis: You could view it without boards.

Hon. Mr. Kerr: The timing is unfortunate; but at the same time, in the event that the board does recommend to the Lieutenant-Governor-in-Council, after a lengthy hearing, that there is no reason for this transaction not to go through, in all fairness we want to give the parties the opportunity to complete a transaction. It is as simple as that.

On that basis I will conclude my remarks.

Hon. R. S. Welch (Provincial Secretary) moves that the committee of the whole House rise and report one bill without amendment, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report one bill without amendment and asks for leave to sit again.

Report agreed to.

THIRD READINGS

The following bills were given third reading on motions:

Bill 108, The Gasoline Handling Act, 1968-1969.

Bill 126, An Act to amend The Sheriffs Act.

Bill 127, An Act to amend The Surrogate Courts Act.

Bill 128, An Act to amend The Trustee Act.

Bill 143, The Ambulance Act, 1968-1969.

Bill 157, An Act to amend The Age Discrimination Act, 1966.

Bill 170, An Act to amend The Department of Financial and Commercial Affairs Act, 1966.

Bill 171, An Act to amend The Collection Agencies Act.

Bill 176, An Act to amend The Real Estate and Business Brokers Act:

Mr. D. M. Deacon (York Centre): Mr. Speaker, I am sorry that on third reading of this bill the government has not seen fit to change the figures for control of a corporate real estate corporation from 51 per cent up to a more reasonable figure of 80 per cent, or something close to that.

I think it is avoiding the matter of real control, it is not dealing with the issue, if they think a 49 per cent block cannot in effect have control, in the instance of a large real estate corporation or even a smaller one, where in another field of operation they consider control to be as low as 20 per cent, I am very disappointed the Minister has not seen fit to change that figure.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, if I had the tongue of Jeremiah, or maybe the tongue of Jeremiah and Cassandra rolled into one, I would then have the requisite eloquence with which to express my dissatisfaction with this particular clause. It does not seem to have yet dawned on this assembly as to the full implications of this legislation. I have done my very best but it came to me overnight; the light hit, so to speak, and I made no penetration. This is the fate of prophets, I think, calling from housetops or from benches. But the effect on the province will be felt and, I daresay, I make no dire predictions, but I just predict that a year from now this legislation will be severely amended, because of the influx of criminal elements from the United States and elsewhere, which we have opened the gates to, and because of the inundation

of foreign capital again, which will be drawing vast sums of money out of this province in this particular regard.

What has been suggested is a simple thing, a simple thing directly in line with what we passed a few moments ago; simply asking that the real estate broker be allowed to retain control and sovereignty over his own business, and that people who have nothing whatsoever to do with real estate and who may be nefarious elements within the real estate profession, are now given leave to enter in and in no way are subject to control within the ambit of this Act. This legislation is going to have very serious implications, both with respect to our overall financial condition and with respect to the climate and quality of the profession that we are seeking to regulate or pretending to seek to regulate within the ambit of this statute.

What else can one say? I tried to spell it out. Some people accuse me of being too esoteric, of speaking in lofty terms, you know, and not being understood. So when one gets down into the gravel and tries to put X's and O's and put the one, two, three's down in graphic terms by illustration to make it quite possible for even the most simple-minded member of this House to understand, that wins an equal and opposite reaction. So I shall just continue on in my own orbit, just as I see fit, no longer seeking to illustrate by graphic example what may happen in the dwellings of Guelph or elsewhere, and leave the matter precisely at that. I say that this legislation is bad legislation. I say that clause 7 should be looked at very particularly by the responsible members of the opposite party. Take another squint at it; I think you may come to some conclusion along the lines that I have indicated and save yourselves and the profession of real estate in this province a great deal of trouble.

Mr. S. Lewis (Scarborough West): Mr. Speaker, culturally rooted in the prophetic tradition, I will not try to further embellish what my colleague has said. I want to support him, offer him the plaudits of this party for having discerned in this bill the Achilles heel for the entire real estate profession in the province of Ontario. Re-emphasizing, Mr. Speaker, that we have just passed a bill this morning in which control is viewed at 20 per cent, we now pass a bill in which control is viewed at 49 per cent; the discrepancy alone should raise suspicions in the minds of government members as to what is afoot in both bills. And the reality is, Mr. Speaker, that this bill opens doors which should never have been allowed to obtrude in this province, and one trusts that very early in the new year the government will significantly amend this legislation.

THIRD READINGS
(continued)

Bill 176, An Act to amend The Real Estate and Business Brokers Act.

Bill 179, An Act to amend The Wolf and Bear Bounty Act.

Bill 180, The Used Car Dealers Act, 1968-1969.

Bill 181, The Mortgage Brokers Act, 1968-1969:

Mr. Deacon: Mr. Speaker, in connection with this bill, I am sorry it is being rushed through before we have a report on the effectiveness of the present legislation and this legislation in dealing with instances such as the Greenaway case, where a man can continue to operate with the public when he has judgments outstanding against him. And the fact that there is not sufficient, in my view, financial jurisdiction and control over mortgage brokers in this Act is something I regret to see not amended by the current legislation.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, I think I must object to the term of the hon. member for York Centre that these bills are being rushed through. If he had been here last night when these matters were discussed and debated in committee he would have heard the Minister's reaction and answer and argument in respect to his previous argument, and he could have been here last night in committee to discuss this particular bill with the Minister. It is a very unfair innuendo for him to leave now, that the matter is being rushed through without any discussion, because there was the fullest of discussions and some of these repetitious arguments that we are now hearing from the Opposition were fully gone into last night.

Mr. Lewis: Mr. Speaker, on the third reading, and putting it in a slightly different context, there was no innuendo that was unfair at all; it is a very sober observation on the bill. Had one preceded, Mr. Speaker, as one should logically proceed, since the Minister yesterday promised the House a full statement today or Monday, it would have been well to wait for third reading until next Wednesday.

Mr. Deacon: Mr. Speaker, I point out that I did participate—

Mr. Speaker: The hon. member has already spoken once and this is a formal debate.

Mr. Deacon: On a point of order—

Mr. Speaker: On a point of order?

Mr. Deacon: —I wish to point out to this House that I did participate and expressed our views very fully in the standing committee, and although I did have a commitment last night and was unable to express them again, I wish to express them at this point.

Bill 181, The Mortgage Brokers Act, 1968-1969.

Bill 185, An Act to amend The Consumer Protection Act, 1966.

Bill 193, An Act to amend The Upholstered and Stuffed Articles Act, 1968.

Bill 199, An Act to amend The Credit Unions Act.

Bill 109, An Act to amend The Ontario Energy Board Act, 1964.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, if you will excuse me, the Lieutenant-Governor is standing by to give Royal assent.

The Honourable, the Lieutenant-Governor of Ontario, entered the Chamber of the legislative assembly and took his seat upon the Throne.

Hon. W. Ross Macdonald (Lieutenant-Governor): Pray, be seated.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings, thereof, passed several bills to which, in the name of and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk's Assistant: The following are the title of the bills to which Your Honour's assent is prayed:

Bill 108, The Gasoline Handling Act, 1968-1969.

Bill 109, An Act to amend The Ontario Energy Board Act, 1964.

Bill 126, An Act to amend The Sheriffs Act.

Bill 127, An Act to amend The Surrogate Courts Act.

Bill 128, An Act to amend The Trustee Act.

Bill 143, The Ambulance Act, 1968-1969.

Bill 157, An Act to amend The Age Discrimination Act, 1966.

Bill 170, An Act to amend The Department of Financial and Commercial Affairs Act, 1966.

Bill 171, The Collection Agencies Act, 1968-1969.

Bill 176, An Act to amend The Real Estate and Business Brokers Act.

Bill 179, An Act to amend The Wolf and Bear Bounty Act.

Bill 180, The Used Car Dealers Act, 1968-1969.

Bill 181, The Mortgage Brokers Act, 1968-1969.

Bill 185, An Act to amend The Consumer Protection Act, 1966.

Bill 193, An Act to amend The Upholstered and Stuffed Articles Act, 1968.

Bill 199, An Act to amend The Credit Unions Act.

Clerk of the House: In Her Majesty's name, the Honourable, the Lieutenant-Governor, doth assent to these bills.

The Honourable, the Lieutenant-Governor was pleased to retire from the Chamber.

Clerk of the House: The 38th order, House in committee of supply, Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS
(continued)

Mr. Chairman: The hon. member for Rainy River was speaking, I believe.

Mr. T. P. Reid (Rainy River): Thank you, Mr. Chairman. I would like to pick up where I left off last evening. And what I was saying then, Mr. Chairman, was that this Minister who should have one of the most active departments in this government, and should be coming forward with initiative in a great many fields. It is a department that gets pushed around and pushed into the background by certainly every other department of the government, and as I said last night, the Minister is a very nice gentleman. He has the respect and amity of all in this House. But I think his being that kind of a gentleman is just the reason why this department is being shoved into the background. Let me give you some specific examples of this.

As Minister of Lands and Forests, I think the Minister should be putting forward initiative on behalf of northern Ontario. Now, although lands and forests is not exclusive

to northern Ontario, sir, that is certainly where the great bulk of the forest and land of Ontario is.

I would just like to bring to your attention, Mr. Chairman, that the government had a public relations tour through northern Ontario in the last few months, and it was rather interesting to see that these three meetings held in northern Ontario were chaired and guided by the Minister of Mines, who is a Toronto member.

Hon. R. Brunelle (Minister of Lands and Forests): He did a very good job.

Mr. T. P. Reid: Oh, he did an excellent job; it was one of the best Tory whitewashes and public relation tours we have been on since the Minister's own of a year ago.

Hon. A. F. Lawrence (Minister of Mines): I am a Toronto member, but a northern Minister.

Hon. Mr. Brunelle: His heart is in the job.

Hon. A. F. Lawrence: When we do anything, we do it right.

Mr. T. P. Reid: I must really bow to you fellows, and especially the Minister of Mines. I am sure if he is ever out of a job—as he will be after the next election—any public relations firm in Ontario or in Canada would be happy to hire him.

Hon. A. Grossman (Minister of Correctional Services): Jealousy will get you nowhere.

Hon. A. F. Lawrence: I will come to the member for Rainy River for a reference.

Mr. T. P. Reid: There was not a dissatisfied Tory in all of northern Ontario. Not one.

Hon. A. F. Lawrence: A few dissatisfied Liberals, though.

Mr. T. P. Reid: But the interesting point, Mr. Chairman, was that it was not the Minister of Lands and Forests—who himself is a northerner—but was the Minister of Mines who, as we know, is a Toronto urban member. And one can only question his motive.

Hon. A. F. Lawrence: Mr. Chairman, I rather object to that. I may be a Toronto member, but surely I am a northern Minister. There is a difference.

Hon. Mr. Brunelle: And his heart is in it.

Mr. T. P. Reid: I do not think that it is his heart which is so much in the north. I think it is rather that he thinks fate is in the north. And I suggest that only because of an article that was in the *Globe and Mail* weekend magazine some weeks ago, where it pictures the Minister of Mines looking to the north and saying, with his hand across his breast: "The future lies in the north".

Of course, the next line was: What the Minister meant was that his future lay in the north.

And it was interesting to know that none of the other contending candidates, shall we say, for the leadership of the party opposite, was invited or at least was present at these gatherings. And one could only wonder where they were, or if they had been invited by the Minister.

Mr. R. F. Nixon (Leader of the Opposition): You are cutting the Minister of Correctional Services off at the pass.

Mr. T. P. Reid: Yes, the hon. Minister of Correctional Services, I am sure, was very miffed he was not invited along.

Hon. Mr. Grossman: I will bring that up at the next Cabinet meeting.

Mr. T. P. Reid: But the point I want to make out of all this is that in the Lakehead, in the city of Thunder Bay, according to newspaper reports—and due to other commitments I was not at that particular meeting—the Minister of Mines said that it was ridiculous that mining companies or mining claims could not be used in provincial parks.

I do not have the quote in front of me, but apparently the Minister made some remark to the effect that mining could not be, or was not being carried on in provincial parks, and it should be. Is that a misquote?

Hon. A. F. Lawrence: That very definitely is a misquote. I know the newspaper comments the hon. member is referring to, and it left out a couple of very important words. We were talking about the far northern provincial parks which are planned for the future, parks that cover immense, square miles.

And it just seems to me that with the limited amount of mining potential areas we have, in those far northern ones which cover such great areas, that it would be ridiculous to try to keep mining exploration out of those areas. That was my comment. It was a complete misinterpretation by the reporter.

Mr. J. E. Stokes (Thunder Bay): Surely the Minister is not talking about one area, the provincial Polar Bear Park?

Mr. T. P. Reid: My point in all this is that I wondered what the response of the Minister of Lands and Forests was to that. He got no coverage at all, and surely if it is anyone's responsibility to make policy, I suggest to other members of the Cabinet, including that gentleman from Toronto whose heart lies in the north, it should be the Minister of Lands and Forests.

Let me give you some other examples from this. A year ago, or two years ago, shortly after I came down from Toronto from the riding of Rainy River, I had reports that Ontario Hydro was about to cut a line through the northeastern section of Quetico Park. Indeed they had begun to do so already. It was not until I brought this matter to the Minister's attention in the House—I had brought it to the Assistant Deputy Minister's attention and nothing had been done although I had been assured it would—that finally Hydro was stopped from putting this line through a supposedly wilderness, or primitive park. And I do not use those terms in classifications as the Minister would, but the frightening thing about this was that this park is under the jurisdiction of the Minister of Lands and Forests.

Quetico Park, I think the Minister would agree, is a very important park. He did not know anything about this until I brought it to his attention.

Apparently his officials at the local level had said: "No, you cannot put that line through there." But they had been completely overruled by Ontario Hydro, who proceeded to go ahead and do as they damned well pleased. And had they not been stopped they would have cut one of their sloughs through the bush and ruined part of that park.

Where was The Department of Lands and Forests? Where is the communication between the local level and the Minister? Why even at the local level were they not able to stop this? Who has control of these things? It would seem that it is not The Department of Lands and Forests.

I was talking last night, Mr. Chairman, about conservation and pollution and there is a dichotomy between the two of them. Surely they are intimately interrelated. Yet this morning, in the question period, when asked by the member for Sandwich-Riverside (Mr. Burr) about the mercury content in the animals and fish and whether the Minister had made any recommendations or told the pulp and paper companies to cut down on their dumping, his answer was not, "We are looking into it," or, "Yes, we have made certain recommendations to the Minister of Energy and Resources Management." His answer was, "Well, that is the business of the Minister of Energy and Resources and it has really nothing to do with me." How can you be a Minister of Lands and Forests with the protection, custodianship of these things, and disclaim any responsibility for these things?

Hon. Mr. Brunelle: I would like the hon. member to be accurate. I did not say that it had nothing to do with me. I said that the responsibility for issuing directives to the companies would rest with the Minister of Energy and Resources Management. Certainly we are very concerned about pollution, and when pollution is brought to our attention we will look into it and then we will refer it to the proper authorities to issue the proper directives.

Mr. T. P. Reid: I really find the Minister's attitude on this whole thing rather hard to discern. Yours is a reactionary department. You sit there and you say, "Well, when these things are brought to my attention then we will do something about them," but surely your department is more aware of what is going on in this province on the basis of environmental control that OWRC and Hydro or the Minister of Energy and Resources, and surely you should be acting in this field, not sitting back and saying: "Oh, when these things are brought to our attention." Surely it is your department which has the expertise and the knowledge and the time to spend on these things. To sit back and say: "Well, when somebody tells us where, we will pass the information on." Surely your department has got some responsibility in this to bring these things to the fore. The Minister's attitude is entirely incomprehensible to me in this regard.

Because of these things, Mr. Chairman, I would suggest to the Minister that he give consideration to changing the abstract of the set-up of this department. In his very lengthy comment in the introduction of his estimates, he suggested what he thought were pertinent reasons why the particular setup or controls within his department should not be changed. I want to suggest most strongly that they should be changed because this department is not doing the job it should be. This department was set up with certain responsibilities and those responsibilities have now changed and this department has not been kept up with.

I would just bring to the Minister's attention—he may want to have some of his officials look into this—the fact that in the department, or in the State of Minnesota, they have now passed a new Act setting up a Department of Conservation. I just read for the Minister's information, and if he would like to see this, I will send it over to him:

> The purpose of this Act is to centralize the operating authority of The Department of Conservation, and the commissioner and his deputy, in lieu of the commissioner and several operating divisional directors, to co-ordinate the management of the public domain, to eliminate duplication of effort and function and to best serve the public in the development of a long-range programme to conserve the natural resources of the state.

It is that last line, I think, that is of special importance and I want to impress upon the Minister in these estimates—and I think that this is the most important point of the things that I will be saying and asking—that you are responsible for environmental control in this province through The Department of Lands and Forests, and you have to take a much greater role in protecting that environment than you have been in the past. It is going to mean, I think, a restructuring of your department so that it can handle these responsibilities.

I go on; I go on to timber. I go on to timber, Mr. Chairman. Turning to timber, item 5 is very meagre: Grants to municipalities and conservation authorities. I should like to know whether, as a condition of such grants relating to timber, the department approves of plans for reforestation and planting programmes and then hands out an appropriate sum, or whether this money goes to these authorities in the form of unconditional grants. This House is clearly entitled to know a great deal more about the transaction north of the Soo between the Crown, Algoma Central Railway and Abitibi with its first option on five kinds of pulpwood.

The reply of the Minister to my leader, which members will find on pages 7118 and 7119 of *Hansard*, is interesting more for what it omits than for what it says. There is obviously a two-part transaction here, and I would like to know much more about what happened in the 1940s—the last two lines on page 7118—and exactly what land reverted to the province then, and from whom. I suppose that the province and Crown are synonymous in this situation, but here we have the odd situation where the Crown is conveying its rights in pine to Algoma in the first part of the deal, while in the second part Algoma is donating its right in five species of pulpwood to the province, so that the province can sell this pulpwood on an option basis to Abitibi. The obvious question is: What precisely has Algoma Central gained, if anything? We know the acreage involved in the first part of the deal to be about 850,000 acres, but we are not told whether the second part of the deal covers the identical acreage of the first part, or whether a much smaller area is involved. If the acreages are identical, then at first sight, Algoma Central would appear to be remarkably generous. Something inside me, however, suggests that this is not the case and that there is a consideration hidden somewhere, probably in the form of diverse acreages or the fact that the five species do not include pine. So firstly, what are the five species? The Minister may wish to answer all these questions after I have made my initial remarks or we can come back to them during the particular votes. I might make a statement in regard to what I just said. It seems awfully difficult to follow the transactions of the timber branch of this department. It seems very difficult to trace down what exactly happens in this branch.

The other puzzle about this deal is this: How could the province in the 1949s enter an agreement with the Abitibi company when the pulpwood was not, at that time, the property of the province? The statement is ambiguous to say the least and the Minister might wish to clarify it when he speaks. No doubt we on this side will then have further comment.

On the question of construction of logging roads, the press has shown, since the estimates of this department were last debated, how little communication and co-ordination there has been between the recreational and occupational forces which are always at work in this department. All too often it seems, they are at cross purposes with one another. So once more I would ask the Minister the simple question: How widely are plans and proposals circulated within the various branches of his own department?

With regard to that, I would like to ask the Minister what kind of training, in conservation aspects, does personnel in his department, as a whole, undergo, or is there any? Certainly a large segment of this department is particularly concerned with conservation. The timber branch itself, which is the golden-haired, fair-haired boy of this department, and which rules all the other

divisions or branches, seems to have complete sway over parks and every other department.

In talking to some of these gentlemen, it frightens me no end that their interest seems to be wholly commercial. They have no regard for the conservation aspect or the recreation aspect which form a goodly part of this department.

I would suggest to you, sir, at this time, and I will raise it at the particular vote, that again within this department certain changes have to be made. Perhaps an entirely new department could be set up which divorces the timber interests from the parks and recreation uses. This could be an amalgamation of The Department of Tourism and Information and this aspect of your department.

Our comments on the above take into consideration how close we are now moving towards co-ordinated land use development, not only in Algonquin Park which I will deal with later, but also throughout the department's vast domain. It is clearly evident that co-ordination must begin at home. What is not so evident is that such co-ordination exists. Perhaps at least some of the energy of the information people could be directed towards better internal communications so that we do not come to the ultimate absurdity of canoe portages being obliterated by off-limits logging roads or heavy machinery and power saws making the night air hideous with noise pollution in recreational areas.

Turning now to lands, I know that my colleague for Welland South (Mr. Haggerty) will be ready with some pertinent questions on the Lake Erie situation. He will be speaking, I understand, in regard to riparian and other rights in that region. I want to say just briefly, however, in regard to lands that of all the gentlemen in the lands branch in northern Ontario that I talked to, their largest concern is the lack of work and the lack of priority that their particular branch enjoys within this department. Surely before we can do any planning, we have to have an inventory of what we have and the Minister's department is sadly lacking in doing this inventory, even in conjunction with the federal ARDA people, and we will have more to say about that during the particular estimate.

There is an aspect of land acquisition and disposal, however, that I do want to comment upon. It concerns the practice of disposing of Crown land by auction.

In order to be quite specific, I want to refer to the auction of properties on Monrock and Buckskin Lakes which took place at Wilberforce on Saturday, May 31, and which we observed, with the co-operation of the Minister's office and Mr. Walroth, district forester for Lindsay, which I acknowledge as being very full and frank. We were quite open about our intentions. We told Mr. Walroth and also the lands section officials, Mr. Hyslop and Mr. Gordon in the Whitney Block, that the purpose of our study would be to examine the auction sale method critically, in the course of these estimates. I must say they were very sporting about the whole thing and are expecting to take their lumps, and I am sure they will not be disappointed.

We took a number of colour photographs and, no doubt, the media will be interested in seeing how this lovely piece of Canada was disposed of to the affluent. I wonder if there is a tie-in with Whiterock Estates in this regard. This really is the basis of my critique in this area, the proposition that, because the auction form of disposal was used, it was quite impossible for the average wage or salary earning citizen of Ontario, who still may have dreams of a hideaway in the bush, somewhere where he can forget the rat-race for the weekend and, in this instance, somewhere where he can get away from power boats at least to a degree, because the lakes in question are quite small.

According to plan number 487 issued by the department, prior to the sale, there was a footpath around Buckskin Lake. In fact, no such path or trail even existed. It was necessary to hack a trail through virgin bush, with a machete at times, to get around to the other side of Buckskin Lake from the road, which terminated abruptly in a rough launching ramp. It was clear that the only access to the lots on Buckskin Lake, was by water. Yet, in spite of this, lot number one—only 0.93 acres with a frontage of only 117 feet to the lake—was auctioned for $2,150, a sum which shook the local people who had gathered in the Wilberforce community hall, really a cow palace used for livestock auctions, to watch the foreigners buy a little more of the countryside.

After the initial folly of lot number 1, the bids were halved, but they still stayed above the $1,000 mark for property which could only be tamed by the application of masses of capital. Brawn was not enough. It was clear to the purchasers, and they accepted it as a fact of life, that they would form some sort of co-operative, or engage some contractor, to build a barge to ferry their cottages or building materials across Buckskin Lake. It was generally agreed that a contractor would

be needed to clear the bush to the specifications laid down by the department, which were at once rigid and foolish since they constituted a fire hazard. Whose responsibility is this?

Lands and Forests officials were insisting that water frontage trees remain together with all other trees and undergrowth on the lot which were not immediately on the ground occupied by the dwelling itself.

A man who was at the auction, and who happened to be in the fire insurance business, pointed out that this would so increase the fire hazard that this would be reflected in the premiums charged. I am sure that even that great northerner, the Minister of Mines, can see the illogic in that statement.

By this time, the Ontarians, apart from a few wealthy Rosedale types, who seemed to have money to burn, were joining the locals in their expressions of bewilderment. Then a Hydro official, who had only hours before done a survey with the aid of a power boat, stood up to explain to the prospective buyers that, due to the low density, there would be a premium charge levied on the cottagers in order that the company could afford the laying of lines, four miles in from the highway, and in around the lake.

By this time, the prospective buyers were anxious to hear the whole story, and an official from the local township office was finally persuaded, very reluctantly, to say a few words.

He had, he said, no knowledge at all of whether the coming of the new county school boards would affect the taxes to be paid by the cottagers. He thought, however, that buyers should consider that water purification costs would be an individual expense and, in this particular location, that they would be a necessity rather than a luxury. Then it was pointed out that any roads built around the lake on concessions already taken back by the Crown, would have to be funded on a private and co-operative basis by the cottagers, and that the launching ramp was as far as the Crown would go with its access road.

Keeping the road open from the ramp would also be a private expense. There was then some talk about how to do this as cheaply as possible, but by this time, it was clear that this was indeed going to be a high-priced subdivision when everything was taken into consideration. In fact, one man figured that a weekend away from Toronto, counting gas mileage, cottage upkeep and all the extras that had been mentioned in an almost casual fashion, would put this development completely out of his reach, and he was not a poor man by the looks of him, either.

In fact, as so many remarked on that occasion, the combined effect of all the factors I have mentioned, was to exclude the working man and small salary earner from owning a piece of Ontario. Literally scores of people who had driven up to Wilberforce as a result of a very effective advertising campaign, which included the Toronto papers, came away disappointed and, in fact, with a feeling of having been cheated out of their birthright.

There were several statements and attitudes by departmental officials which added to this feeling of distress. For example, the department made it quite clear, in response to questions asked by prospective Canadian buyers, that citizenship was not a requirement for ownership and that the department would not seek any information regarding a buyer's nationality. Since there were several American licence plates in the parking lot, you can imagine how this piece of news was received by the crowd. We do not suggest on this side, Mr. Chairman, that Americans or anyone else should not be allowed cottage land in Ontario, but surely there should be some reasonable proportion, and on a priority basis, that the residents of Ontario have first choice and that a larger proportion should be given to residents of Ontario.

Mr. M. Makarchuk (Brantford): After you sold out all the timber, oil and mines, etc.; now you are talking about the land.

Mr. Nixon: When did you get back from Winnipeg?

Mr. T. P. Reid: It was soon evident that all the department wanted of that successful bidder was $100 Canadian, in cash or by certified cheque, on the barrelhead, and the balance of the money to be forthcoming within 30 days. In return the department made it clear that patent would be granted as soon as the cottages were erected and approved. There would be no minimum ownership or a residence requirement before the completed cottages could be put on the speculative vacation market.

One was, therefore, not in any way surprised to note that a large number of the bidders were speculators and realtors' agents who had absolutely no intention of getting their own hands dirty, nor, one suspected, of seeing much of the site in which they were investing. There were enough professional service agents and contractors of all kinds

hanging around the auction for the speculators to complete all or part of a plan to make a quick dollar at the public expense.

In the extreme, it was possible for a professional to go to Wilberforce that day, make a few contacts with builders, plumbers, Hydro and Bell Telephone people and so on, and never set eyes on Buckskin or Monrock Lake again—sure of a profit of a few thousand dollars on a vacation property he would never see, except perhaps in a multiple listing photograph. The abrupt change in the bidding pattern after the first few lots, showed that the professionals were bidding to their own preconceived plans, and that the real auction would take place later in some smoky room.

Now I ask the Minister: Is his department in the government of Ontario in the speculative land business? If we were to ask the Minister of Trade and Development (Mr. Randall), he would probably suggest that we are, or are not; I am not sure what his answer would be.

But surely it is a denial of your responsibility to allow these conditions to exist, so that there would even be the remotest possibility of this kind of action taking place—which it apparently does—and we will be interested to hear the Minister's defence of this abnegation of his responsibility.

I regard the Wilberforce auction of Crown land as a prime example of this government selling out the heritage of the people of Ontario. Furthermore, just as in the case of the terrible plan which is misnamed Medicare in which we have the private insurance companies as collaborators—here we have the realtors as the private element with whom this government seems to be working hand-in-glove so that all may earn a fast buck. No wonder the Tory ward chest is never empty.

This is a total betrayal of the principles of responsible government by an administration that regards the people as being those who can communicate with it through the back door. Well, so much for that, we will get back to that during the votes.

I do not number the Minister of Lands and Forests among those who would deliberately mislead the people of Ontario. But I do fault him for not getting a sufficiently strong grip on his departmental policies, particularly in the matter of land disposal.

I want to propose, therefore—and I want his reaction to this—that in future the auctioning of Crown lands, which must have the ultimate effect of escalating the cost of recreational facilities people will need more and more as southern Ontario becomes more crowded, should cease forthwith.

In its place, I want a fixed price to be set for property which is for sale. I suggest that the few thousand dollars more which the department gained in this sale is absolutely inconsequential in relation to the damage which was done by the manner of the sale and the ultimate disposal of the land.

In regard to that, having set and established a price—and, in this instance, five hundred dollars would seem to have been a fair price, and would have paid for the access road and the ramp that was erected—then people should have been invited to send in certified cheques for that amount, together with proof of citizenship.

The letters, which would have been clearly marked by the senders would then have been drawn like lots in an open and independently supervised lottery. And the successful applicants would have been notified within days of the date of the draw.

In this way we would be sure that the land was remaining in Canadian hands because there would, in addition, be a condition that the property could not be disposed of, except to other Canadian citizens—and then only after a term of years.

In other words it would be a limited patent. I am not a lawyer, but I do know this: that if they wanted to, your lawyers could make such a scheme work, and it would not infringe upon McRuer, or any other civil rights statute.

I would say to the Minister, through you, Mr. Chairman, that this is a fair and reasonable plan. That instead of those, the wealthy, the affluent, the ones who can afford the big money, having the first chance at this land—to the denial of the average wage earner of this province—surely this is a much more equitable plan—where there is a reasonable value, first of all, put on the land.

Surely the Miniser would admit that $2,100 for a lot of the kind described, is a ridiculous price and surely, secondly, the Minister would, I am sure, agree that the fairest way to do that is to have those who want such land given a fair and equal opportunity, because obviously the demand exceeds the supply.

The only fair way to do it, therefore, is to give all those who are interested—and I would be willing to say a portion of non-residents could be included in that; maybe 70 per cent to 30, or maybe even 60 to 40, but some reasonable proportion—they could be given an opportunity on a fair and equal basis by

having their request drawn out of a hat, if you like, to put it in simplistic terms, so that everybody is equal in this venture and that wealth and affluence does not mean that the rest of the working people of this province will be denied a chance to share in the heritage that is theirs.

Now turning to the question of land purchase, I would like the Minister to have his staff get busy on furnishing the answer to these questions which I will ask now in order that they may be researched, and the answers given before we get to this particular vote 10; I had intended to put this question on the order paper originally, but I will ask these questions now.

1. In the period of the last five years what is the total amount of land in acres that has been purchased by, or on behalf of, The Department of Lands and Forests?

2. How many of these purchases were for parcels of land of over 100 acres?

3. May we have the geographical location of each such purchase, by which I mean the municipality, county, district, or other political division?

4. Who was the vendor in each instance?

5. Who was the agent, if any, in each instance?

6. What was the agent's commission, assembly or consolidation fee or other remuneration, in each instance?

7. May we have the names of any other government departments involved in the assembly, purchase or consolidation of land on behalf of The Department of Lands and Forests?

8. How many of these parcels have clouded titles, in the sense that there may be restrictions on, or reservations from, clear title to the holdings?

I imagine that, with Algoma Central Railways as the recent example, there must be many such deals in the shadows. It is because I do not want to put this question on the order paper and have to wait for six or eight months that I make this request of the Minister now.

I would add a final question. What is the intended use of these parcels of land? These are questions that people across this province are asking—what is being done, how much is it costing, what are they for?

Now, lest the Minister's staff feel that I am being a little hard on them, I must say that I have been working our own people just as hard; and among the figures that they have turned up are some from the Dominion Bureau of Statistics which confirm some of my worst suspicions.

I asked for details on how many new pulp and paper plants or mills had been established in the last five years in Ontario, Quebec and British Columbia, respectively. The figures they gave me are very revealing and are real cause for concern. Mr. Chairman, in those five years, 1965 to 1969, the Dominion Bureau of Statistics shows no new plants in Ontario, but five new plants in Quebec—namely, in 1963, Consolidated-Bathurst; in 1967, Domtar, Consolidated-Bathurst, and CIP; and, 1969, Quebec North Shore.

During the same five-year period in British Columbia there were no fewer than 12 new plants started up. These were: in 1965, Kamloops Pulp and Paper, B.C. Forest Products and Canadian Forest Products; 1966, Northwood Pulp and Paper, Prince George Pulp and Paper and Skeena Kraft; 1967, Tahsis; 1968, Intercontinental Pulp and Paper and Crestbrook Pulp and Paper; 1969, Eurocan Pulp and Paper, Alexandra Forest Industries and Bulkley Valley Pulp and Paper. So the score is B.C. 12, Quebec, that troubled province, five, and Ontario, a place to stand and a place to grow, zero.

There is obviously something wrong—some initiative lacking somewhere. And I want to know why these answers are so telling? Now the Minister said in his estimates last year that one of the reasons was transportation costs.

Hon. Mr. Brunelle: This is the biggest factor.

Mr. T. P. Reid: The biggest factor. Well, this is an area where the Minister should be concerned. First of all the province of Ontario is centrally located to the midwest of the United States and we are very close, relatively speaking, to B.C., to the east coast market.

Why then, was the point made—and the northern development conference and the Minister of Mines I am sure will substantiate this as the Minister was there—that forest products can be shipped from B.C. to New York or the eastern coast cheaper than they can be from northwestern or northern Ontario to New York.

The Minister no doubt can answer that question, but my point is that this is something that the Minister should be having investigated. There must be good and ample reason.

Hon. Mr. Brunelle: I was just going to say, Mr. Chairman, that I thought the Minister of Mines was going to make a comment. The

purpose of our three economic conferences in northern Ontario was that we were aware of this but this brought it more to light and transportation is probably the biggest factor whereby the development in the north is not progressing in the way it should, and transportation is mainly a federal matter. At the same time, this does not prevent the province looking into this and making representations to Ottawa and doing certain things. But transportation—mainly railways, I am speaking of—is mainly a federal matter.

Mr. T. P. Reid: I realize that, and certainly everyone in this Chamber realizes that and the Minister long before has realized that. I read his speeches with great delight and great interest and great enthusiasm, and he makes great speeches and he is always, and his speech writers are, excellent. But they are just speeches—nothing ever happens. At the meeting of the resource Ministers in Halifax, the Minister gave a great speech on northern development, and the main theme of that speech was that government must decide to develop the north. It must take an active interest. It must promote, it must co-ordinate and so on and so forth.

Well, I ask the Minister, realizing that you have said this, what effect have you had on your colleagues? I suggest to you, none. And what effect has the Minister of Supplications—if that is the word—or this government, the Cabinet, had going to Ottawa? Or have approaches been made to Ottawa in this regard? What studies is the Minister of Transport (Mr. Haskett) making, for instance? I say this to the Minister of Transport, he is in last place; the Minister of Mines is in second or third place. What studies are being carried out?

Hon. Mr. Brunelle: There are studies, very active studies being conducted.

Mr. T. P. Reid: Well, I am certainly delighted to hear that, and maybe within the next couple of years, right after the next provincial election, this report will come to light and we will have some action. But surely these are problems that did not come to light yesterday? Surely these are problems that your department has been aware of, as certainly we on this side have been aware of. Anyone who lives in the north knows this. What I am trying to tell the Minister is that he should be the leading light within this Cabinet structure that should be pushing for northern Ontario in all these respects. Perhaps the Minister is being quietly diplomatic, but if so we have seen too few results on that side and this is what we are asking.

Perhaps our answer to this lack of initiative in attracting new primary industries to Ontario is to be found in the fact that out of a full departmental budget of over $65 million, less than $1.75 million were spent on research of all kinds. Furthermore such research as is being undertaken tends to be esoteric in the extreme, and one senses the familiar publication for individual advancement ritual is just as strong in Maple as it is anywhere in the free world.

I have a copy right here, an example of some of the research that is being undertaken at Maple, and let me tell you what it is all about. This paper deals with parasites in the nasal cavities. Two new parasites were discovered and appropriate Latin names given—*pellucid haptor catostomi* is named after its host, while *pellucid haptor nasalis* is named from its location in the nose of its host. Both of these parasites, we are advised in this research paper, have copulatory complexes, which I for one do not find surprising considering their habitat. I would imagine there is not much to do in the nasal cavity of a fish.

The paper also contains the frightful statement, and I quote: "It seems likely that future examination of nasal cavities of fresh water and marine fish in North America will result in a significant amount of new material."

Wow. I have always been interested in the —what is it again? We are paying for this.

Now do not get me wrong, Mr. Chairman, I am all for research. I am all for pure science in the university centre. I want to see the frontiers of man's knowledge extended as much as anyone. However, I think that staffers at Maple and departmental employees in general have a far greater responsibility to make their work intelligible to their employers, the public, than do researchers in university.

The game has been played according to certain formal rules. The game seems to be called "academic rigor," or "publish or die". What practical application can this have? There seems to be none, and there is certainly no conclusion, and if you want something that will guarantee to put you to sleep at night, I heartily recommend it. But my point is, where is the direction? Why was this research project, this particular one, undertaken in the first place? I would appreciate that, we will get to that. I have become very interested in this particular problem. I have been checking the nasal cavities of the fish I have been

catching in the Rainy River district very closely to see if we have this problem.

Well, as I say, in this research paper the parasites and suckers are themselves parasites. There is not a word in this research paper about the practical application. There is no relationship here to the death of fish for the simple reason that the fish kills are far more likely to be related to primary pollution of the environment by man, rather than the second stage, infected by parasites. *Hansard* wants a spelling of that disease, maybe, and I would be happy to provide them with a copy of the speech if they so desire.

I suggest that before the public of Ontario could feel that it got its money's worth out of this project, it ought to have been entitled to a report in layman terms which would say quite simply: "I have been working on your behalf for the past year off the southern coast of Manitoulin Island and in the laboratory at Maple examining parasites which infect suckers and which have this or that effect upon the commercial or game fish population of Ontario's lakes and rivers".

I suggest that we do not need to have a man do this when he is taking public money by way of salary.

Where, Mr. Chairman, are we to find a common description of this man's work otherwise? And without such a description, how is the man in the street, who gets this kind of information at one more remove, through Tiny Bennett, Harvey Currell and similar outdoor columnists, ever to appreciate the use to which his tax dollar is being used?

No, Mr. Chairman, it is not specialization of this order that should be occupying our government staffers, but rather the fundamental problems of conservation and ecology, from which there is no escape, even in Maple, or afloat in the warm summer sun of Georgian Bay. The basic conservation question which I suggest is being ducked by the research branch, is: "How can we stay alive on this planet after 1975, if we continue in the way we are going now?"

Surely, that should be the main problem this research branch should be concerned with. I suggested to the Minister last year that his research facilities, a programme that was set up, was completely inadequate. For a department that has so many dollars tied up in it, that has the very life that we are leading, the quality of life, involved in it, more so than most other departments, to have such a meagre, pitiful research programme going on, is a disgrace.

I do not understand how the Minister, in this day and age, can sit there and try and justify how little his department is doing in this regard.

I have a clipping here somewhere, and I am sure the Minister has seen it, from the resource council, that puts out a bulletin periodically, or every month, issued by the Canada Council of Resource Ministers. And in April 1969—I will just read for the Minister's information, in case he has not seen it—it says:

> Quebec Ministry of Lands and Forests has announced the creation of a council for forestry research. The council will be charged with the duty of proposing a research programme most likely to contribute to the growth of Quebec and to be economically feasible. The council will also set up special committees for each important branch of forestry research, review research already in process in Quebec and elsewhere, and propose an order of priority for projects in hand. It it hoped that the council will act as a focus, co-ordinating administrative and scientific bodies, concerned with forestry research in Quebec.

I am sure that no one on this side of the House would object if the Minister were to rise in his place and say: "We are allocating $5 million or $10 million"—I do not know how much this Quebec scheme is going to cost—"for forestry and ecological research". And I leave that consideration for the Minister.

I notice that Senator Nichol, the other day, pointed out that mankind is just like any other species—just like another species, the rat, which most of you are familiar with. He said we have the same capacity for fouling our nest, and being prodigal with our resources.

That being the case, we have to have leadership from The Department of Lands and Forests, and the fullest co-operation with Tourism, with Energy and Resources Management, with Hydro and with OWRC.

This problem is too big to remain fragmented. I notice that pesticides are still with The Department of Health, which is just ridiculous. It is going to have to be exposed as such by that fine young body of students, Pollution Probe, of the University of Toronto, before pesticides is moved to Energy and Resources Management, along with other waste matters.

I would like to read into the record a little poetry, as I sometimes do during the

Ministers' estimates. And it is from Robert Frost:

> Nature within her own inmost self divides, To trouble man with having to take sides.

I am sure that is reasonably clear to one and all, and to the Minister. But man has to make choices. We have that ability to influence our environment. This is one of the things that distinguishes us from animals, that we can influence our environment. For good or bad, we seem to be doing a poor job, a bad job.

Well, if we can have a meaningful interdepartmental committee, really get down to pollution problems, this is what we really need. And I would think that it should be headed by the Minister of Lands and Forests. When it comes to the conservation aspect of this, I would expect Lands and Forests to show the leadership, and there I believe is the justification for Maple's existence.

Let this be underlined. It is a practical research branch, and its primary purpose is to ensure that the balance of nature is preserved; and the environment maintained in such a state that it affords recreation and relief for those to whom it is a fast-shrinking lung, the city dwellers.

If any of the research branch staffers still place the "publish-or-die" philosophy before the "conserve-or-die" philosophy, then I say they have no place in this department, and should make way for people with a broader view of their responsibilities.

In 1966, Lord Brain, the aptly named president of the British Association for the Advancement of Science, came over to Canada to address the American Association for the Advancement of Science, its sister organization, which was meeting in Montreal. In a chilling address Lord Brain warned that there is nothing unique about the human species that will guarantee its survival.

Further, he pointed out that there is nothing special about the intellect either. In other ages, in other circumstances, intuition has served better than the thinking process—cognition.

More recently, Professor McLeon of the National Institute of Mental Health, Bethesda, Maryland, came up to Queen's to speak about man's heritage in the form of a reptilian brain, which leads to what Robert Ardrey called the "territorial imperative." It is this vestigal brain which is blocking the development of regional government in Ontario, or alternative functional and abstract forms of government. There is a salamander in all of us.

Both of these distinguished speakers emphasized that research ought to be urgently directed to saving mankind from oblivion. We now know that if the hydrogen bomb does not get us—and if we are spared the horrors of biological warfare, or an accidental plague through biological materials—that we still have to face the threat of perishing in our own foul wastes. Conservation is the alternative to oblivion.

It is as simple as that.

So this department ought, without further delay, to get the conservation message across, again cross-linking Maple's research effort with the information and education function.

At present, the weak link in resources management is telling the public what they ought to know. Exponential curves wait for no man, and the degradation of our habitat is irreversible.

Well I read this point because I do not want it to slip my mind in this connection. I understand that a great deal of the fish propagation efforts of the Minister's department, I believe, in the context of famine, have been highly unsuccessful because the fish going up river to spawn, when they come back down run into the pollution problem, and are killed by pollution in the river.

Surely the Minister would agree that this is the height of absurdity to be using these resources, the time, the money, the effort of the department, on these kind of fish and wild life propagation programmes, when the fouling of the environment by ourselves is just making the whole thing a waste and a completely futile effort.

In regard to all this, it is quite unbelievable to discover that the key ecological body in this province, the Conservation Council of Ontario, is not in receipt of a departmental grant; but must sustain itself on a $30,000 donation from the Canadian Sportsmen's Show, together with smaller amounts that voluntarily come its way, totalling $10,000, for a grand total of only $40,000.

Now, perhaps the Minister has not been approached by this organization, but perhaps he can inform us: What are we coming to when we let this kind of thing happen?

Here is a body that ought to have the department 100 per cent behind it. But no, the department hands out $5,000 to the fur breeders, and another $5,000 to the Ontario Council of Commercial Fishermen, but nothing to the one body, that, in the very nature

of things, is the most deserving of all, the Conservation Council of Ontario.

Hon. Mr. Brunelle: Are you against grants to commercial fishermen?

Mr. T. P. Reid: No, no, I do not intend to leave that impression with the Minister, or anyone else.

I am not against these grants, but the Minister has been missing my point this morning. My point is that if the Minister does not control the environment, and the lakes and the forests, there are not going to be any fish for the commercial fishermen to fish. So what in the devil is the use of giving grants to them if they cannot fish because pollution fouls the water?

Let us have a priority basis. If we do not have clean waters, healthy fish, then you can give all the money you want to the commercial fishermen—it is not going to do them very much good.

I am not against those grants, but surely on the list of Minister's priorities, the Conservation Council of Ontario should be entitled to a fairly healthy grant for the work that they are doing.

This procedure will stimulate a constructive debate which I hope will cross party lines on the entire subject of conservation in relation to this department.

Members will appreciate that, in the new circumstances, a free voice is essential for the Conservation Council of Ontario. This means that the former dependence on industrial donations, accounting for most of the $10,000 not coming from the Sportsmen's Show, must cease. Also, it is undesirable that the Sportsmen's Show itself whose interests are, shall we say, "sectarian"—in relation to the total ecological picture—should be the main sponsor of the council.

In fact, it is very unhealthy that this state of affairs should continue because it makes the conservation council a lame duck, a muted voice, at a time when it is absolutely essential that voices be raised in defence of our ecosystem.

Historically, the council has always felt it wanted to be free of government control, but what is, in fact, happening is that diplomacy is taking the place of vigour in the conservation council. And it is left to the University of Toronto students, banded together as Pollution Probe, to do the social conscience job that the council ought to be doing by way of leadership.

Let me say, I am absolutely delighted by the efforts of Pollution Probe. This is a shining example of what young people can do when they direct their abundant energies to a worthwhile cause—in this case, exposing everyone who tries to destroy our environment in any way.

I hope that some of the misdirected energy that went in to the "Burn, baby, burn" campaign in previous years, will now be channelled into this effort and I hope that Pollution Probe will spread to all the universities in Ontario. In fact right across the continent, as a new force of conservation; and as a vigilante group, that will let none of us elected representatives of the people rest or become smug in this regard.

I hope that Pollution Probe gives the Minister of Energy and Resources Management (Mr. Kerr), the Minister of Health (Mr. Wells), the Minister of Highways (Mr. Gomme) and the Minister of Lands and Forests many sleepless nights because then the pace of action will be kept up, and not end as just a flash in the pan.

The Minister of Lands and Forests, I hope, will keep in close touch with the UNESCO committee for the preservation of the biosphere, this thin doughnut of air and water which supports all life on "spaceship earth". These people have an office in Ottawa now, the Canadian commission, and there must be absolute co-ordination from here on in.

First of all, we must make the conservation council truly independent of industry by funding it properly while refraining from interfering with its operations. I suggest that the sum of $100,000 should be set aside for its expanded operations in the fiscal year 1970-1971 and that a condition of that grant be that it accept only individual donations in future and not corporate donations or sponsorship. This, I know, will change the direction of the council but I submit this is all to the good. Affiliation along the present lines will still be permitted. I want, however, to see the Algonquin Wildlands League on the masthead of the council's stationery along with the other organizations presently listed.

Returning to the theme of co-operation with the Canadian commission to UNESCO, I understand that Mr. David W. Bartlett, who is the chairman of UNESCO's working group on man and his environment, would like to see closer co-operation with the provincial governments, particularly with the government of Ontario.

One example of co-operation that we ought to be working on right now—and the Minister of Fisheries, Mr. Davis, has touched on this—is the Canadian resources satellite which the federal government hopes to launch in the early 1970s, perhaps two or three years after Telesat is established, which will continuously scan our resources and send back a flow of data by means of telemetry. It will tell us when there are forest fires and it will pinpoint them long before they are spotted from towers on the ground. The Minister touched on this briefly in his remarks.

Such a satellite can also be made to measure and compare the heights of lakes and rivers from one pass to the next, thus giving warning of floods and facilitating control. In addition, it can observe growth of foliage and exterpolate this information to predict forest crop yields. We may well find that over some simple natural barrier which people have not bothered to traverse are the hardwood or special wood resources that are now being spirited away from our provincial parks. Part of our problem is that our inventory is so very incomplete and out-of-date. I suspect that logging roads driven into virgin bush might be just as good an investment as roads laid down for mineral exploitation purposes, provided we have a clear infra-red satellite map of our targets—the timber species that we want.

I suggest to this Minister that the Minister of Northern Affairs, the hon. Jean Chretien, has stated that B.C. and Quebec both have an excellent inventory of their forest resources. Not excellent—very good.

Hon. Mr. Brunelle: In no way has Quebec an inventory as good as ours!

Mr. T. P. Reid: Well, perhaps the wording is wrong. I am going by his statement. He said that B.C. and—maybe it is not Quebec; perhaps it is Alberta. Would Alberta fit in? Does that sound good?

In any case, Ontario was the third in line. It was B.C. and perhaps Alberta, and then Ontario. The other two were far ahead in resource inventory compared to Ontario's third-place finish. I think Ontario should be in the lead. We cannot have complete comprehensive planning unless we have a complete inventory.

Hon. Mr. Brunelle: Right!

Mr. T. P. Reid: It is this approach I propose in order to relieve the unbearable tension accompanying multiple use of the provincial parks, including Algonquin, Killarney and now Quetico. I hope that all my listeners have read the Algonquin Wildland League's report on Quetico or, at very least, the summary on page eight of the *Globe and Mail* of yesterday.

I must say that I, and many of my colleagues, have been impressed by statements of Dr. Pleva of the University of Western Ontario which boil down to this: If you are faced with a choice between backing primary forest industry and recreation, back recreation every time from a purely economic point of view. This is rather a bald statement but, in the long run, perhaps this is what it is going to come to because the forest industry has indicated itself that it is becoming so mechanized and automated that very few people will actually be employed in the forest industry.

I want to state our position on this problem and that is: In those areas such as Algonquin Park where logging operations have been going on since before the park was created, one cannot just simply cut out the logging operations and have the resulting economic dislocation. Surely the Minister and his department can control the logging operations that go on within that park and that is what we are asking for—control. The Algonquin Wildlands League has issued various statements that would indicate that this control that the Minister has promised—and has stated is in effect—is actually not in effect. They have charged, and I think in some cases rightly so, that the Minister is responsible for mismanaging the parks of this province.

It has been brought to light in recent days, by the Algonquin Wildlands League, what is going on in Quetico Park. Long before the Algonquin Wildlands League I asked the local officials what was going on in Quetico Park, and I asked a great many questions that the league now asks. I have not been entirely satisfied with the answers.

Mr. J. R. Smith (Hamilton Mountain): Why do you not go there yourself?

Mr. T. P. Reid: Did I hear somebody nattering?

Mr. S. Lewis (Scarborough West): There was a peep over here.

Mr. T. P. Reid: A peep? You mean there is somebody from that party in here?

Mr. L. Bernier (Kenora): You put us to sleep.

Mr. P. D. Lawlor (Lakeshore): The boy came down from the mountain.

Mr. Bernier: Bedtime story.

Mr. T. P. Reid: Mr. Chairman, I thought that I heard one of the flapping seals down there say something. Usually all they can do is beat their desks, so that we were not sure that they could speak, but I understand what I heard was: "Why do you not go there?"

Hon. Mr. Grossman: Mr. Chairman, that is unparliamentary.

Mr. T. P. Reid: I was there, Mr. Chairman, and as the Minister well knows, Quetico Park is in my constituency. I happen to have a cabin on the lake which is one mile from Quetico Park. Last summer—I was not able to go this summer because of my duties on the special committee—my two brothers and a friend of mine from Ottawa took a 10-day trip through Quetico Park. It was most enjoyable. Quetico Park is one of the most beautiful parks in North America.

Hon. Mr. Brunelle: Were you disturbed by the logging operations?

Mr. T. P. Reid: We were not, because we took a special route so that we would not be disturbed. I am willing to admit to the Minister that the logging operations so far have been confined to the northeastern section of the park, but the limits go farther than that. They go deeper into the park than just that one small corner where they are now being carried out.

My question to the Minister would be in this regard: Why, in all of northwestern Ontario and in this particular area, do these limits have to be given in Quetico Park?

Hon. Mr. Brunelle: No, there have been timber licences in Quetico for many years.

Mr. T. P. Reid: Some were given years ago, but surely this government, if it wants to change something—people's feelings certainly have very little to do with getting in the way of government policy—could give other limits to these companies in this area.

Hon. Mr. Brunelle: Certainly.

Mr. T. P. Reid: Why does the Minister who is responsible for the preservation of the heritage of this country, of the province of Ontario, of the lands and forests, allow these things to go on? I say Algonquin Park is a separate situation because you just cannot throw these people out of work and destroy a forest industry and all that it supports. We agree with that. But why allow these things to happen in other areas of the province where they have not taken place?

Hon. Mr. Brunelle: Is the member saying that there should be no logging at all in Quetico Park?

Mr. T. P. Reid: I personally would prefer to see that.

Mr. Nixon: It should not be expanding.

Mr. T. P. Reid: It certainly should not be expanding if there are alternatives so that this logging can be carried on in other areas. I am not convinced that there are not other timber resources in the immediate area that would cost very little more, if any more, to exploit. In other words, why not give them a part up here, north of the park, rather than in the park itself? Let me tell the Minister about my trip through Quetico Park, with the four of us in two canoes. We crossed the portage of Batchewan, in the Batchewan Lake and we paddled down through, and we made a couple more portages, and we were paddling along and it was the first day and, two of us being politicians and another a civil servant, we were all out of shape, and it was rather difficult. But you have a feeling when you are in a canoe and you are on a lake and the sun is shining and the leaves are sparkling and the water is rippling. There is nothing like it in the world and I am sure the Minister of Mines is just—

Hon. A. F. Lawrence: I do it in my riding every day.

Mr. T. P. Reid: —a fanatic. Well you sure paddle a lot, I will tell you that. You bail a a lot too. But let me tell you, there you are, you get away, there is absolutely no noise, no transistor radios, no television, no telephones ringing—

Hon. Mr. Brunelle: No girls.

Mr. T. P. Reid: Well, I do not know how you go canoeing. You go canoeing your way, I will go mine. I can do without the television.

Hon. A. F. Lawrence: You never did say who the fourth was.

An hon. member: Back to the rippling water.

Mr. T. P. Reid: But I am sure the Minister knows what I am talking about.

Mr. Nixon: Yes, we are.

Mr. T. P. Reid: That is not quite what I had in mind. You are out there under your own power, you are not driving in a car, flying in an airplane, riding on a subway, you are out there, and the air is clean, it is fresh, and so is the water. You can stop the canoe, you can drink the water, it is fantastic. And it is clear, you can see the bottom of the lake, and you are at one with nature if you like to be.

And then you come around the bend, or around an island, and two high-powered speed boats almost run you over that had come from the other end of the park.

Interjections by hon. members.

An hon. member: Oh, so nice up until now, and they have wrecked it.

Mr. T. P. Reid: Without girls. Well, that is one thing. But imagine, I say to the Minister, imagine if you had gone out for this kind of wilderness experience, to get away from everything, the pollution, the hurly burly of the city, the ratrace that goes on in our daily lives.

You get out there, and it is beautiful, it is serene, it is quiet. On a canoe trip people talk very little, unlike here. This is another nice thing. Among people who work in the bush, who enjoy the bush, very little conversation goes on. I am sure the Minister would agree, because you do not have to talk, there is a communication of a different kind there. But to have this interrupted or ruined by high-powered forestry equipment, one might as well stay home and watch "Living Outdoors", or whatever that programme is on TV. It completely destroys it; you are not alone there any longer.

It is, if you like, a kind of air pollution that you are trying to get away from, and there you have it. As a man more versed in these things has said: "You cannot explain these kinds of things to people who have not experienced them; you cannot put it in words, you cannot do that, you have to have experienced it."

And perhaps this is one of the reasons why the programme of the Algonquin Wildlands League and others, in this regard, has not caught the public imagination as it should have, because you cannot put these kinds of things in words. The Minister mentioned this very fact, that one cannot understand the enjoyment unless one has done it and one cannot put it in words, although I think the Minister did a very good job of doing this.

Hon. Mr. Grossman: Try hard, go on.

Mr. I. Deans (Wentworth): Do not ask him to do that, he has been at it for two days.

Mr. T. P. Reid: I would like to take the Minister of Correctional Services and the member for High Park (Mr. Shulman) out on a canoe trip, because I am sure that by the end of that trip, there would be only one of them left—

Mr. Lewis: Just so long as the member for High Park is in the stern.

Interjections by hon. members.

Mr. T. P. Reid: I am sure I am making my point—perhaps not to the member whose heart is in the north, but at least to the Minister. I am sure he is aware of it, and I realize he has to balance the economic factors against the aesthetic quality, but I say to him that in the long run these aesthetic things are more important. To me, in the short run they are. I would not enjoy going to Japan for three weeks, half as much as spending three weeks in Quetico Park.

But I want to say to the Minister that I do not think he has balanced these things off. It seems to me—and certainly to others—that the timber branch in his department is the *numero uno* and what they say in these deals goes.

I was not able to be satisfied that The Department of Lands and Forests, in my own area in regard to Quetico Park, had looked at the alternative, and had tried to find other timber licences for these people so that we could guarantee these parks.

Now, let me go on from that point to the fact that I am going to ask why the Minister has not been able to come up with the federal government for a plan for a national park in Ontario. As the Minister now knows, we are the only province—

Hon. Mr. Brunelle: My doors are always open.

Mr. T. P. Reid: We are the only province in Canada that does not have a national park. The national park's criteria are different from the Minister's, and it is for this reason the preservation of a complete natural environment—

Mr. J. R. Smith: What about the trapping in Quetico?

Mr. T. P. Reid: What would the member like to know about it?

Mr. J. R. Smith: Does the member approve of it?

Mr. T. P. Reid: The trapping in Quetico is done by the Lac Lecroix Indian band, and they were there a few years before Quetico was made a park. The point about that—and this is what I am trying to say to the Minister—is that that is controlled. They are told how many beaver or muskrat or what-not have to be taken, so that the level of animal life will remain at the level that will propagate itself. So there are those controls, and this is what we are asking for.

But I am saying to the Minister: I think we need a national park in Ontario to preserve the kind of wildlife heritage, and the natural environment that is not being done in the other parks in Ontario because of this subservience, almost, to the timber interests.

As I say, one has just received copies of the news release from The Department of Indian Affairs and Northern Development that a new national park has been set up in Quebec—the Brebeuf-Cartier Park, I believe it is called.

Hon. Mr. Brunelle: Yes. You know the terms?

Mr. T. P. Reid: Well, I am not sure of the terms but it is only 16 acres. Is that right? That is what it said in the press report, and I wondered about that. I do not know the terms, and I was of a divided mind on whether we should succumb to the pressures of the federal government in giving them freehold, and so on, to the entire block of land.

But it now seems that it is the only way that we can preserve the kind of park that we are going to need increasingly in this province. Because the Minister's department does not seem to be capable of keeping them that way; not at all. One wonder what this park integration board is doing. I have a report here; the Minister has more studies and meetings going on than any other department, and one only wonders whatever happens to them all. But, I point out to the Minister, in this report it refers to Lake of the Woods Provincial Park as being in the Kenora district. Now I point out to the Minister that the Lake of the Woods park is in the Rainy River district.

Mr. Bernier: We will move it.

Mr. T. P. Reid: That is one thing you cannot put on wheels. I hope you are putting everything on wheels so that it will all come back after the next election.

I hope I make myself clear on this. I think the Minister has been abrogating his responsibility in regard to these parks, and I say to him: I do not think his people have done enough to find alternatives to what they are doing, and especially in my own area in Quetico Park.

Now the Minister will receive submissions from the Quetico outfitters, who are very concerned about these roads being built around the lake. As I said, Quetico Park's title is "The Most Beautiful Wilderness Park in the North American continent." It would ruin it to allow roads, and the Minister knows what happens when you build roads. It is almost impossible to keep the hunters or the fishermen from using those roads, and surely we have enough land in this country that we can have those areas set aside for the canoeists, for the nature lovers, where they can be free from the noise and other kinds of pollution—and human environmental pollution of other human beings, for that matter, taking up space.

Hon. Mr. Brunelle: Our master plan of Quetico will provide this.

Mr. T. P. Reid: Your master plan will provide this, but meanwhile they are building roads through the park. The Ontario and Minnesota Power Company comes along and says, "This is a nice handy area." As you may or may not be aware, one of the questions of the Algonquin Wildlands League is: Is The Department of Lands and Forests building an access road to Beaver House Lake? I can tell the Minister they are not, because the road only goes two miles. It will be two miles north of the lake.

The Minister knows himself how close that is and how little effort it would take for a couple of bulldozers and a few trucks to have a road right into that lake for lumbering purposes. The last time I was through that area was ten years ago and—Beaver House used to be a beautiful area and to destroy it by lumbering would be a shame. I suggest to the Minister that there are alternatives, that is what I am suggesting, and he himself should be personally involved in preserving these things for the people of Ontario.

Of course tht could bring me to another problem and that is, the usage of the park by our American friends, which the Minister said was 95 per cent. It is now 96 per cent according to your latest figures, and they all

come through the American side, but more of that later.

Before I get carried away with the other I was talking about the trade-off between the tourist industry and commercial interests, and I offer this for the Minister's consideration.

Even though the tourist industry is still seasonal, it is approaching a year-round business in many areas, and as more ski hills are developed this will increase until there is only a short quiet season in November and another quiet month in May. With the compressed millions of urban dwellers coiled like watch springs every Friday evening ready to get away, the market for human renewal is buoyant and it is the Minister's responsibility to ensure that these facilities, the land and resources will be available.

Because we are coming close to the moment of adjournment, I digress once more and ask the Minister what his policies are in regard to ice fishing during the winter. This is something that is causing great concern in that particular area and I am sure across all of northern Ontario because, as the Minister knows, there is great pressure on the lakes during the summer but the factor is increased during the winter. The fishermen are taking more fish out of the lake at a fantastic rate and unless the Minister can come up with some policies, and he should have come up with some policies in this regard, long before this, the stock of fish will be seriously depleted.

I was talking about parks. Let me say that the need for primitive areas within the provincial park system, is absolutely vital and what remains of Quetico, which is one of the few such areas left on the continent, must be maintained in an unspoiled state. Already one-fifth of Quetico has been despoiled; the remaining four-fifths must remain in the state of nature.

The Minister misses the point when he says that logging and recreation can go hand in hand. Of course they can. But what cannot go hand in hand is logging, recreation and preservation of a unique ecosystem which, once destroyed, cannot be recreated since the Minister is not God. I mean there are others on those Treasury benches who perhaps could do the job, because they think they are, but the Minister cannot.

Hon. R. S. Welch (Provincial Secretary): I want to prepare the way for adjournment. I did not want to interrupt you in the middle of a very important point. Have you got much more?

Mr. T. P. Reid: Have I got an important point? This will be it.

Hon. Mr. Welch moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the Chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Speaker, may I at this time make a point with you, sir?

At the end of this, our trial week on new procedures in the Legislature, I believe there are two points that should have further consideration by both you and by the members of the House. I believe the first one should be that the members of the House should preface their questions with, "A question, Mr. Speaker". Or, if supplementary, "A supplementary question, Mr. Speaker". This would indicate to you, sir, the intention of the member at that point.

The second point I believe we should not overlook is that interjections made when the questioner is placing his question, or the Minister answering, have a tendency to create a situation where the members will not understand thoroughly, and, therefore, be unable to fully grasp what a supplementary should be to that question.

I believe that this will improve greatly the intelligent approach to supplementaries, and assistance in that regard. It also would allow the Minister to fully grasp the question being placed. May I suggest to you, sir, that these points be taken under advisement by all concerned over the weekend.

Mr. Speaker: I think it would only be right, too, if I said to the members that I personally, despite some trials and tribulations, believe that the new question period has worked out well.

The reading of *Hansard* will indicate that I suggested on Monday that, if there were supplementaries, the member should so indicate to Mr. Speaker. And, of course, so far as I am concerned, I think it is a matter of courtesy, if nothing else, that a member be allowed to ask his question without interruption and the Minister should be able to answer.

Again, as far as I am concerned, this House makes its own rules and procedures, and if the House wishes to have the crossfire as it is called, then of course, I would be guided by that.

I am always glad to have the views of the chairman of the committee which produced the report, which I think is producing some good results, and helping Mr. Speaker and members of the House in this regard. I thank him for his suggestions. I personally think they are sound.

Perhaps next week we will all endeavour to make the first real week of the question period operate satisfactorily.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, if you will permit me, I would say as well that the experiment has worked well, but if you are considering undertaking to stop interjections, you are undertaking a job which I wager you cannot possibly fulfill.

Mr. Speaker: I am quite in agreement with the hon. leader's statement.

Mr. J. E. Stokes (Thunder Bay): Observations.

Mr. Speaker: Observations, that is the correct word. As I recall, during discussions earlier in this session, I believe before the recess, we were discussing the matter of how to have some proper crossfire and some real confrontation, if you wish, between the members of both sides of the House. This is one of the ways of doing it.

However, as I have said, this is a matter entirely for the House, and if the House decides that it does not wish interjections, Mr. Speaker will be put in the position of trying to enforce this wish.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I would just like to clarify in my own mind why a Minister is allowed to make a Ministerial statement—a courtesy which the Chair allows—but an ordinary member in the House cannot make a like statement on behalf of his constituents, or of public importance. I would like to have the ruling of the Chair in this regard.

Mr. Speaker: Well, that is very simple. If the hon. member will read the order paper, he will see that, in accordance with a resolution introduced a week ago now, the first heading is "Statements by the Minister". It has been agreed by the parties, and this is in accordance with Parliamentary procedure, in other Parliaments, that that is quite proper, and that government matters which are of interest to all of the public of Ontario and even a wider sphere are to be announced and dealt with by the Ministry in this particular area of our day's proceedings.

There has been no such determination or order placed on the order paper for statements by members. If it should be that something like that is desired, Mr. Speaker has no objection to it, but it must be properly provided for among the parties' representatives here and on the order paper.

Mr. S. Lewis (Scarborough West): Mr. Speaker, the definitive word on voluntary restraint was, of course, given by the Prime Minister (Mr. Robarts) earlier this week. We, too, in this party enjoyed the week's experiment and, if it is not presumptuous, Mr. Speaker, we noted that you smiled a little more often and seemed almost to enjoy it yourself on occasion, and would urge you to continue to do so.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I would like to join with the member who just spoke to encourage you to smile as often as you like during the session of the Legislature. I would like to say that as far as we are concerned, it has been a very interesting week. We have enjoyed it thoroughly, and we know that it is in this spirit that we are experimenting with these new rules, and there are other matters yet to be discussed that are not incorporated in this experiment.

On Monday, we will continue the discussion of estimates, carrying on with the estimates of The Department of Lands and Forests, to be followed by The Department of Revenue.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1.05 o'clock, p.m.

No. 202

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 3, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 3, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: Today in the galleries we have many guests, and I trust that they will be quiet as they sit there and listen to, and watch, the proceedings in this House. In the east gallery we have students from Danforth Gardens Public School, in Scarborough; in the west gallery from John Buchan Senior Public School, Scarborough; in both galleries students from Essex Senior Public School in Toronto.

Statements by the Ministry.

Hon. C. S. MacNaughton (Treasurer): Earlier this year I announced the intention of this government to undertake a comprehensive examination into the management and operation of the public service in Ontario. I provided to the Legislature details of the Productivity Improvement Project that will explore thoroughly and critically the structure and administration of the government of this province.

Today I want to announce the members of the senior steering committee who will be responsible for directing this project under terms of reference that provide the broadest possible scope for enquiry and recommendation. Before I list the names, however, let me elaborate briefly on the Productivity Improvement Project.

The objective of the review is to reform the management and operational processes to cope more effectively with the expanding dimensions of public activities authorized by this Parliament. In recognition of the increasing complexity of the governmental role, we want to redesign our machinery wherever necessary and desirable to meet the challenges facing Ontario in the 1970s.

At a basic level, the purpose of the Productivity Improvement Project will be to cut the costs of government administration by whatever means can be recommended. If any waste, duplication and inefficiency should be found to exist, we want it eliminated. We want the Productivity Improvement Project to take a taxpayer's view of our operations. We want it to ensure that our tax dollars are spent effectively.

In recent years, all modern governments have been confronted with the administrative complexities of a rapid growth in the scope and range of public programmes. The escalation of governmental activity in Ontario is reflected in the provincial Budget, which surpassed the $1 billion mark only seven years ago and today totals almost $3 billion. The resulting expansion of the public service creates problems of scale which can reduce efficiency and co-ordination of government operations.

For these reasons, we have intensified our internal management strategy through the acceleration of programme budgeting, management science and systems analysis. While these efforts are producing results, some of which are most impressive, we do not believe we can be content with internal efforts. Because of the rapid development of management and technological processes, we want to bring in outside advisers to review our methods and recommend improvements that can be adapted from the business community.

The senior steering committee will be asked to undertake specific studies in such key administrative areas as personnel management, paperwork and systems, automatic data processing. How can we make better use of our manpower? How can our systems be improved to increase productivity in our day-to-day administration? How much more computer technology can be applied to reduce costs?

Important as these considerations are, however, our public service overhead embraces only about 20 per cent of the total expenditures approved by this Legislature. The major portion of our Budget relates to the wide spectrum of provincial programmes and activities designed to improve our social and economic environment. The refinement and development of these policies, to meet new challenges and new opportunities, require a management structure that will be most conducive to ensuring the best use of our financial resources.

The careful selection of policies and programmes is critically important to efficient use of tax funds. The processes of priority setting, long-range planning, programme co-ordination and of achieving objectives through the most economical means must be accelerated and refined. The traditional vertical structure of government, through departments of special interest, must be modified to ensure the broader consideration of total governmental activity. Our public service machinery, at the senior level, must be geared to a horizontal consideration of the interaction of problems, developments and policies over the broad range of public programmes.

One of the paramount concerns of PIP, consequently, will be to examine the present organizational structure in relation to new policy demands. This portion of the project will consider functional responsibilities, organizational planning, proper relationships between departments and between departments and cabinet committees. Essential to this analysis will be consideration of the decision-making process and the overall management strategy.

Another vital aspect of governmental management relates to financial control and planning. We expect PIP to give particular emphasis to effective supervision over expenditure, complement, revenue and cash operations, accounting and reporting systems, public accounts and auditing procedures. The project will examine closely the roles of Treasury Board, Department of Treasury and Economics, Department of Revenue, Provincial Auditor's office, public accounts committee and other departments.

The senior steering committee will give overall direction to the project, and provide guidance and co-ordination to the specific studies which we expect to be assigned to project teams. The committee will review draft reports of the project teams and prepare final submissions for the government and for the Legislature. As I have suggested, its terms of reference are *carte blanche*. No strings are attached.

The chairman of the Productivity Improvement Project will be Mr. John B. Cronyn, director and executive vice-president for corporate affairs of John Labatt Limited, London. He will bring to the government the extensive experience he has gained through his successful career with this outstanding Canadian company, his associations with firms in other fields of endeavour and with a number of community, university and cultural organizations. He is director and second vice-president of the Ontario Chamber of Commerce, which has urged this government from time to time to undertake a review of this kind.

The other members from the business community are Mr. Charles C. Hay, who retired recently as president of Gulf Oil Canada Limited, Toronto; Mr. Gerald R. Heffernan, president and chief executive officer of Lake Ontario Steel Company, Limited, Whitby; Mr. Alfred Powis, president and chief executive officer of Noranda Mines Limited, Toronto; and Mr. Ray D. Wolfe, president of Oshawa Wholesale Limited, and IGA Canada Limited, Toronto.

Mr. Hay has served as president of three oil companies during his 36 years in the petroleum industry. He remains as director of Gulf Oil and serves on the board of a number of financial, research, export and trade organizations, as well as the national executive council of the Canadian Manufacturers' Association. He is president of Hockey Canada.

Mr. Heffernan, a gold key honour award winner at the University of Toronto in 1943, is chairman or president of four metal industries at Windsor, Toronto and St. Paul, Minnesota, in addition to his position with Lake Ontario Steel. He has been active in a number of technical societies and associations in both Canada and the United States.

Mr. Powis, in addition to his chief executive position at Noranda Mines Limited, is a director of 37 companies in the extractive, processing, manufacturing and financial fields. A graduate of McGill University, he was employed in investment before joining Noranda as an internal auditor in 1955. He is a trustee of Toronto General Hospital and a member of the board of governors of York University.

Mr. Wolfe has held senior positions with numerous community service organizations, both at local and national levels, in addition to his extensive business career. In 1968, he received the Human Relations Award from the Canadian Council of Christians and Jews. His corporate responsibilities include directorships with a number of financial and industrial companies and he has been prominent in North American trade associations.

The government is extremely pleased that these acknowledged leaders in the business community are assisting in this project. I appreciate the sacrifice they have accepted to participate but I trust they will be gratified by the contribution I know they will make to the improvement of the Ontario public service.

They exhibit a high degree of citizenship by giving of their talent and time to this project.

The senior members of our service who will act on the committee are Mr. G. H. U. Bayly, Deputy Minister, Department of Lands and Forests; Mr. C. E. Brannan, secretary of the Treasury Board; Mr. A. R. Dick, OC, Deputy Minister of Justice and Deputy Attorney General; Mr. H. I. Macdonald, Deputy Treasurer of Ontario and Deputy Minister of Economics and Dr. J. K. Reynolds, secretary to the Cabinet, Department of the Prime Minister.

Mr. Bayly has served 27 years with The Department of Lands and Forests since securing his forestry degrees from the University of Toronto, and he is a graduate of the senior officers' administration course of the government of Canada. Mr. Brannan, who entered the Ontario service in 1961 following employment in the municipal management field of British Columbia and Toronto, is a member of the Canadian, American and British institutes of public administration. Mr. Dick held senior positions with The Department of Highways before returning to The Attorney General's Department, to which he was articled during his law studies. Mr. Macdonald came to the government as chief economist in 1965 after distinguished scholastic achievement in Toronto and Oxford, and ten years on the academic and administrative staff of the University of Toronto. Dr. Reynolds served 12 years with The Department of Lands and Forests before joining The Prime Minister's Department in 1964, where he was chief executive officer prior to his present appointment.

As I explained in the original announcement, the government concluded after considerable study that this combination of external and internal composition for the project direction has significant advantages over other approaches, including a Royal commission or independent committee. The latter forms of enquiry tend to discourage innovations and improvements until their studies are completed, while the method we have adopted can provide on-going advice on changes that should be implemented as new developments occur. The knowledge that will be gained from the review will remain with the public service officials who can provide further guidance throughout the implementation process. Finally, the senior service officials will bring to the committee a depth of knowledge about existing governmental operations that an independent committee would require months to acquire and assimilate.

The senior steering committee will select the executive director who will be responsible for the overall execution of the project. He will also serve as director for the study on machinery of government in which he will be assisted by the directors of the other study areas.

I expect the committee will choose directors of specific study areas from private business and management consulting firms to maintain the emphasis on objectivity. Project teams will be assembled in consultation with the committee which will be authorized to draw on internal government staff. Advisory committees, chaired by senior officials from the public service, will be appointed in each area to discuss and comment upon the proposals put forward by the project teams.

I expect that the entire project will require about two years to complete but, as I indicated earlier, I anticipate that improvements will be implemented throughout the period.

With this announcement, I believe that the government has launched one of the most effective management analysis programmes ever undertaken in the public service in Canada. I welcome the exceptionally qualified businessmen who will join us in this project to improve our provincial services. I am confident the taxpayers of this province will benefit materially from this intensive review.

Hon. I. Haskett (Minister of Transport): Mr. Speaker, the driver licensing operation of The Department of Transport has encountered some difficulties this last month. The department's programme to convert driver records from manual operation to electronic data processing is now complete, culminating more than three years of planning and programming. It will be appreciated that the resulting merger of some 5,000,000 additional records into the file containing the cases of more than 3,000,000 drivers on the computer system could hardly be achieved without some accompanying problems.

With one notable exception most of the problems to date are oriented to individual reinstatement of driver licences and do not affect the broad segment of the driver population. In these individual problems we are giving top priority to bringing them up to date. Unfortunately the changeover to the new system caused some delay in both the issuing and processing of renewal applications for driver licences, about 100,000 of which were due to expire on birthdays between October 20 and October 31. As a result, a number of persons, particularly those who did not return their applications imme-

diately did not receive a renewal licence prior to the expiry date of their old licence. In these circumstances a person may have his expired licence extended for 60 days at any driver examination centre. The provincial and municipal police forces across the province have been notified of the current situation.

Almost 40,000 renewal applications were received in the department on Wednesday and Thursday of last week. While most of these would be for renewals for licences due to expire from November 20 to November 30, some could well be October renewals that were late coming in. With this thought in mind a staff of some 60 persons worked over the weekend to clear up the backlog and the situation should be back to normal this week.

With the computer processing of driver records, our driver control section moved from 800 Bay Street to the seventh floor of the Ferguson block bringing all the department's operations under one roof for the first time. Once the new system undergoes a shakedown period, it will provide a comprehensive, up to date and readily accessible file as a public service and for enforcement agencies.

Mr. Speaker: Before we proceed to the oral question period, I would just like to inform the members that I have now received the first of the printed copies of the debates on the standing committee on agriculture and food. The members will probably find them in their books tomorrow. The members will also note that the face of the daily edition is numbered "S" rather than just 1, 2, 3, 4 so that you may be able to distinguish it. There will be a book on your desk with these alone in it and they all have a box labelled, "Standing Committee on Supply" and the name of the department. I think that with these books the members will be able to follow the supply committees as they deal with these matters.

It is only one week ago today that this committee began to sit. This one is for the Wednesday afternoon session. I understand that the others will be coming along, the back ones, and we hope to have them caught up before the new committee sits on Wednesday. I thought the members, particularly of the New Democratic Party, would be interested in this and I am going to send this copy down to the member for Windsor West (Mr. Peacock) who has been very interested in these matters, so that he may have the very first issue and the first copy thereof.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have a question for the Treasurer based on his statement made just a few moments ago.

We remember, of course, his first statement on the productivity improvement programme, which, if I recall rightly, was more than eight months ago. Now I would like him to explain to the House why, in a programme which is designed to improve efficiency, he himself was so grossly inefficient as to delay this long, in bringing about the survey of government functions.

Hon. Mr. MacNaughton: Mr. Speaker, without commenting on the rather negative aspects of that particular question, may I simply say that it has taken this long to ensure that the backup forces that will be required to assist the steering committee have warranted—and I think appropriately warranted—the whole basis of the provisions for the research has required a great deal of work and a great deal of advice, and I assure you, Mr. Speaker, that the recruitment of very busy people from the private sector, to lend their time and their talent to a project like this, cannot be done overnight either.

I would say, Mr. Speaker, that the important thing, and I say it quite frankly, is that the job has been done. Excellent people have decided to provide us with their time and talents to do it—

Mr. Nixon: It is eight months late.

Hon. Mr. MacNaughton: —and the job will be done and the only thing the hon. leader of the Opposition can point his finger to today, is a little bit of delay.

Interjections by hon. members.

Hon. Mr. MacNaughton: If that is the best he can do—

Mr. Nixon: Mr. Speaker, as a supplementary question, does the Treasurer recall the emphasis he gave his original statement many months ago, when the implication was given to this House and to the people of the province that an immediate survey of the efficiency of government was going to take place, and instead of a little delay—

Mr. Speaker: Order, order. The hon. member is now making a statement and the Minister has answered his supplementary question by saying, "Certainly".

Mr. Nixon: If the Minister recalls that occasion, and he says he does, I would ask a further supplementary question: If, in fact, it is not coincidental that there is a similar circumstance in that this same Minister announced centralized purchasing by the government and it was many months later before that programme got off the ground—if in fact it is getting off the ground at all—I would ask this Minister if he expects the first report of this Productivity Improvement Project, or the council that he has named to us, to be available before the next Budget is brought before this House, which we would expect some time in February.

Mr. T. P. Reid (Rainy River): Or before the next election!

Hon. Mr. MacNaughton: Mr. Speaker, the members of the steering committee have been asked to meet on Monday, November 24 for an organizational meeting. In this context I may assure you, Mr. Speaker, that from now on, rather than informing the House of our intentions, however long it may take to implement them, we will do it on a back-to-back basis as far as this Minister is concerned.

Mr. Nixon: We should ask for further clarification of this back-to-back business, but I would like, as a supplementary question—

Mr. Speaker: The hon. leader has another supplementary.

Mr. Nixon: —to ask the Treasurer if he is giving *carte blanche* to this Productivity Improvement Project. Does that mean that he is going to give them, as well as *carte blanche*, guidance as to where they are going to begin their study, or in fact, will they be completely independent of the Treasurer and the Deputy Treasurer, who is a very important member according to the statement of the steering committee?

Hon. Mr. MacNaughton: I said *carte blanche*, Mr. Speaker, and I mean *carte blanche*. We do not think that the study can be objective in any of its characteristics unless *carte blanche* is made totally available. It is the intention of the government to make it an objective study. There will be no direction from the Treasurer. I think it is quite appropriate when you start off a project of this kind in the manner in which it is being started to combine representatives on the committee from the private sector and the public sector. I think it will stimulate the work of the committee. I think it will stimulate it a great deal, but I can assure the hon. leader of the Opposition that there will be no intrusions or no directions from the Treasurer, or from anyone else, as far as I am concerned.

Mr. Nixon: It is an independent study?

Hon. Mr. MacNaughton: It is an independent study with the support staff that we think important to ascribe to it.

Mr. Speaker: Has the member for York South a supplementary to this?

Mr. D. C. MacDonald (York South): I have two supplementary questions on this statement, Mr. Speaker. One: Will there be any official reports made to the public as the Treasurer indicated at the time of his Budget speech? At that time I think he said there would not be. Will there by any official reports, or is it going to be an "in" kind of study so that we will never know exactly what stage it has reached, or when it starts to be implemented, or when it is finished?

Hon. Mr. MacNaughton: Mr. Speaker, the hon. member probably did not hear me as I read the statement. I referred to reports to the government and to the Legislature on an interim basis, and that is one of the important characteristics of this type of study. It will lend itself to interim reports. A commission type of study usually does not lend itself to very much until the commission is discharged and the report is written. That is why he have chosen to do it this way, and if you examine the remarks when you get them in print, you will find that I have mentioned the Legislature as well as the government.

Mr. MacDonald: As of last spring it bore some weight because that is a change from the statement at that time. However, my second supplementary question is: The Provincial Treasurer indicated that he wants an unbiased study. Does the Provincial Treasurer really believe that he can get an unbiased study from members of the business world who have a well-known prejudice against public administration, and indeed a well-known lack of understanding of the difference between business and public administration?

Hon. Mr. MacNaughton: Of course, Mr. Speaker, that is where I have to disagree with the hon. member for York South. I do not think the business community has as much resistance to the type of study as you would think. The people who have responded

to our call are quite enthusiastic about making these sensible comparisons and making some very objective recommendations. This is what we hope for.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of a supplementary—

Mr. Speaker: The hon. member for Rainy River was on his feet a little while ago; all right, the member for Downsview.

Mr. Singer: By way of a supplementary, in defining this *carte blanche*, would the committee have sufficient scope to enable it to recommend the unification of departments or the doing away of some departments? Or, is it bound within the four walls of present governmental structure? For instance, if it came to the conclusion that The Department of Correctional Services could well be under the control of the Attorney General (Mr. Wishart), would that be possible? Or, is it as I say, confined within the four walls of present governmental structure?

Hon. Mr. MacNaughton: No. Mr. Speaker, I would have to say that that is inherent to the material I have just read to the House. I think it is—

Mr. Singer: Well, are they confined?

Hon. Mr. MacNaughton: No, they are not confined. *Carte blanche*, in my opinion, Mr. Speaker, is *carte blanche*. I do not know how you would change it.

Hon. A. Grossman (Minister of Correctional Services): Read the statement over again.

Hon. Mr. MacNaughton: Let me see if I can find what I said here.

Mr. S. Lewis (Scarborough West): We can expect a quartering of Cabinet Ministers.

Mr. E. W. Sopha (Sudbury): I think what the Minister really meant is American Express.

Hon. Mr. MacNaughton: Mr. Speaker, I would have to say—if we are going to get these observations in the House, then of course, you do not really expect very much—that is an absurdity.

Mr. Lewis: Most of them are expendable.

Mr. Sopha: Mr. Speaker, does the Minister mean Diners' Club?

Hon. Mr. MacNaughton: I meant that was an absurdity out of the hon. member's mouth.

Mr. Sopha: Do not read the statement again.

Hon. Mr. MacNaughton: The member does not want me to read the statement, just the section?

Mr. Singer: Just the section that will answer my question.

Hon. Mr. MacNaughton: All right.

> The project will examine closely the roles of Treasury Board, Department of Treasury and Economics, Department of Revenue, provincial auditor's office, public accounts committee and other departments. The senior steering committee will give overall direction to the project, provide guidance and co-ordination to the specific studies which we expect to be assigned to project teams.
>
> The committee will review draft reports on project teams and prepare final submissions for the government and the Legislature. As I have suggested, its terms and reference are *carte blanche*. No strings are attached.

I think that answers the hon. member's question. As far as I am aware, they can make any comments, observations or recommendations they like.

Mr. Singer: Can I presume from that, that the Treasurer's answer is "yes".

Hon. Mr. MacNaughton: Yes.

Mr. Singer: Good. That is fine. That is all I wanted.

Mr. Nixon: Mr. Speaker, if there are no other questions about the Ministerial statement—

Mr. Speaker: The leader may pass to another question.

Mr. Nixon: Thank you. I have a question directed to the Minister of Energy and Resources Management. In view of the statement made by Dr. George B. Lawrence, president of the Atomic Energy Control Board that no new safety regulations were brought to bear on the decision to move the Bruce atomic facility, in the view of the Minister, who is responsible for the mistake in judgement which is resulting in this costly delay and resulting in the movement of the Bruce facility one mile from its present location?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I am

not aware of a statement by Dr. Lawrence whereby he said no new safety regulations were considered at this point. I have no knowledge of any such statement made by Dr. Lawrence. All I have seen is what was in an editorial in this morning's newspaper.

Mr. Nixon: As a supplementary question, I might begin by informing the Minister that the statement was widely reported. I did not see the original text myself. But in view of this particular statement, I wonder if the Minister can assure the House that since we are deeply involved in the development of atomic facilities and the production of heavy water, he is satisfied that the safety features and the preservation of, let us say, the safety factors that are insisted upon by the federal control board are adequately insured. In fact should he have some additional, let us say, objective advice, some further independent consultations of the type perhaps that the Treasurer was talking about today? Is he satisfied then with Ontario Hydro's position in this matter?

Hon. Mr. Kerr: Mr. Speaker, I am informed that there is a very low probability of any sizable release of gas as indicated in the statement by Dr. Lawrence. Dr. Lawrence, who really is the president of this control board, is the man who knows more than anyone else the type of safety features and regulations that are required. The control board has representatives from the provincial government, from air management branch, from The Department of Health, The Department of Labour, as well as federal representatives and representatives from Atomic Energy itself.

They are continuously revising safety regulations. This is done on a progressive basis even before construction starts and while construction is, in fact, in progress. When the construction of the plant is completed, certainly before it can be put into operation, there has to be approval to the plant. So from what I am informed, every possible safety precaution is being taken. One of them, of course, was the change in the site of the generating station.

We had some criteria, some precedent in that the plant in Georgia has been in operation for about 17 years. There have not been any problems, any loss of life or any problems as far as the emission of poisonous gas. So, I think certainly we are doing everything possible to assure that this operation will be safe.

Mr. Nixon: By way of a supplementary question, we are trying to lay the blame—there is no doubt about that on this side—at the correct place for the decision to put that generating facility where it should not have been located in the first instance. Would the Minister say that the president of the Atomic Energy Control Board is to blame for not assessing the safety factors earlier and advising Ontario Hydro that the location was not safe?

Hon. Mr. Kerr: I am informed that negotiations, and certainly discussions, go on continuously at this control level, this control board, as I say, with provincial representation. There is bound to be close liaison, for example, between the control board and Hydro. The decision, I am informed, to make this change was just made last week as a result of further study and consideration. In the light of experience that the control board had found out, it was decided for safety reasons, during the construction of the generating station, that it should be moved about a mile away. As I say, the previous statement of the hon. member that there is no new regulation just does not make sense in light of that decision.

Mr. Nixon: Well, it would be interesting to compare what the Minister says with what the president of the control board—

Mr. Speaker: Order!

Mr. MacDonald: A further supplementary question, Mr. Speaker: Apart from the hydro-electric generating plant, since this government is responsible for air pollution, was it aware of the likely effluent of dangerous gas from the atomic energy plant—the heavy water plant that was going to be built—while the plans were being developed for that plant?

Hon. Mr. Kerr: As I mentioned, Mr. Speaker, the director of the air management branch sits on the Atomic Energy Control Board and this very well may be one of the reasons the generating plant is being moved.

Mr. MacDonald: Just a minute, Mr. Speaker, that is not my question. I said let us forget the generating plant for the time being. The atomic energy heavy water plant is going to be spewing out into the air poisonous gas which—and I accept the comments of Dr. Lawrence—can be very, very dangerous. Does the Minister's comment in effect say that his government, with one of his key officials sitting on the Atomic Energy Control Board, was aware of this likely development with the establishment of the heavy water plant and went along with it?

Mr. Speaker: In my opinion, this is not a question supplementary to the original one, and the hon. member for York South may in his turn if he wishes, on a new subject, re-address himself to the Minister.

The hon. leader of the Opposition, unless there are other supplementary questions.

Mr. I. Deans (Wentworth): Of course it is supplementary.

Mr. Singer: I would like to ask a supplementary if the hon. member is through.

Mr. MacDonald: Why is it not supplementary?

Mr. Speaker: The original had to do, in my opinion, with the moving of the plant. It had nothing to do with fumes and the hon. member for York South said, "Let us get aside from this question about the generating plant," which was part of the original question.

Mr. MacDonald: Mr. Speaker, if you have read the *Globe and Mail* editorial this morning, with reference to the gas—

Mr. Speaker: Order! The hon. member for Downsview has a supplementary?

Mr. Singer: Yes, Mr. Speaker. I wonder if the Minister could advise us how much it is going to cost to move the generating plant from the original site to the new site?

Hon. Mr. Kerr: Well, as the hon. member knows, the construction of the plant has not started. There has been certain preliminary work done, including excavation. There was also, I understand, some facilities. A construction camp had been established in that area. Now, the figure of $1 million has been mentioned in this Legislature and it is my information that there will not be any loss, shall we say, of anywhere near that amount of money. Much of the work that has been done in respect to the generating plant—

Mr. Lewis: Was my figure right?

Hon. Mr. Kerr: —we will still be able to take advantage of and utilize.

Mr. Singer: Well, by way of a further supplementary, what is not anywhere near $1 million? Is that $900,000, or $50,000, or $100,000?

Hon. Mr. Kerr: Closer to $500,000.

Mr. Singer: Closer to $500,000.

By way of further supplementary, could the Minister advise us how long ago it was that it was decided to move the generating plant from its original site to the new site?

Hon. Mr. Kerr: Last week.

Mr. Singer: Last week. How long ago was the original decision made to locate it at the first site?

Hon. Mr. Kerr: I believe that is about a year ago.

Mr. Singer: About a year. Could the Minister explain how, within a period of a year, Hydro, apparently can waste at least $500,000 of the public's money?

Hon. Mr. Kerr: That question was answered on Friday, Mr. Speaker.

Mr. Singer: No, it was not.

Hon. Mr. Kerr: This change has been made in light of a new decision by the Atomic Energy Control Board. This is a new requirement of that board. Hydro was advised of that last week and they intend to comply with it.

Mr. Speaker: The hon. member for Peterborough has a supplementary?

Mr. W. G. Pitman (Peterborough): It is a short one. I wonder if the Minister could say whether there will be any change in the employment, or prospects of the atomic power development division of CGE as a result of this decision?

Hon. Mr. Kerr: Mr. Speaker, there will be a temporary layoff of approximately 200 men who were involved in the work in the construction of the generating plant. It is hoped that those people will, of course, be rehired as soon as possible.

Mr. Nixon: Mr. Speaker, I have a further question for the Minister of Energy and Resources Management: Did he personally approve the advertising campaign sponsored by Ontario Hydro which was designed and is designed to bring to public attention the opinion of the *Globe and Mail* that the 700-foot projected chimney stack at the Hearn plant will, in fact, distribute the sulphur dioxide pollutant to the point where it will not have a serious effect on Toronto?

Hon. Mr. Kerr: Yes, Mr. Speaker. After the insertion of an advertisement by Pollution Probe that was in some way incorrect in its facts and information—and I have thousands of those little ads to indicate the response from the public—there was a meeting in my office with the representatives of

Pollution Probe, Ontario Hydro and also representatives from my air management branch. As a result of that meeting as indicated in the Hydro advertisement, representatives of Pollution Probe were satisfied that the construction of that stack was necessary. And in order also to inform the public because of the previous ad by Pollution Probe, we felt this bit of information was necessary.

Mr. Nixon: A supplementary question. Might we then assume it is going to be part of the policy of the department under this Minister that the confidence his predecessors had in the ability of the media to distribute information has been lost, and that this Minister is going to use an advertising campaign as he has used it with Ontario Hydro and already with Ontario Resources Commission? I recall, Mr. Speaker, the ads run about the super-soft water in London. Is this going to be a part of a continuing campaign that the Minister is going to sponsor week by week? It seems to be severely high in its cost and rather limited in its effect.

Hon. Mr. Kerr: No, there is no such policy, Mr. Speaker. The reason the particular advertisement was inserted by Hydro was because of the previous advertisement and the fact that every day we are receiving letters—rather anxious letters—from people who have read the Pollution Probe advertisements. Rather than my office or my staff attempting to answer thousands of letters, we thought the advertisement would be more appropriate. But there is no policy—no change in policy—as far as advertising various activities or branches of my department.

Mr. Nixon: I have a supplementary question. I wonder if the Minister can tell us, in connection with his advertisement, whether sulphur dioxide levels regularly rise above the safety level in the city of Toronto, or Metropolitan Toronto—the levels set by his own air pollution experts?

Hon. Mr. Kerr: Well, yes they—

Mr. Nixon: Regularly?

Hon. Mr. Kerr: I would say occasionally.

Mr. Speaker: The member for Wentworth has a supplementary question?

Mr. Deans: A supplementary question. Could the Minister explain why the same results could not have been achieved by way of a Ministerial statement at considerably less cost?

Hon. Mr. Kerr: Well, I still feel, Mr. Speaker, that the advertisement by Hydro and as inserted by Hydro, was the most effective way to answer a similar type of advertisement.

Mr. Speaker: A supplementary from the member for Scarborough East?

Mr. T. Reid (Scarborough East): Could the Minister inform the House the degree to which the calculations say that the sulphur dioxide content over Scarborough will be increased by this higher stack, as the level in the city of Toronto may be reduced? Has there been any study of what this is going to do to Scarborough if the city benefits?

Hon. Mr. Kerr: My information is, Mr. Speaker, that the concentration, or the fallout, from that station over Metropolitan Toronto will, in fact, be less and less dangerous.

Mr. Speaker: The member for High Park has a supplementary.

Mr. M. Shulman (High Park): In reference to the advertisement mentioned by the leader of the Opposition, is the Minister aware that one of the statements made in the advertisement about the benefits of soft water, is in direct contradiction to studies made by his colleague, the Minister of Health (Mr. Wells), which showed the dangers of soft water?

Hon. Mr. Kerr: No, I do not necessarily think that Hydro agrees with other statements in this respect.

Mr. Speaker: The member for York South has almost *carte blanche* now to ask his question.

Mr. MacDonald: Thank you. If I may return to the supplementary question on the issue, with regard to the poisonous gas in the heavy water plant, a *Globe and Mail* editorial states that according to Dr. Lawrence the public emission of these poisonous gases will be inevitable. Can I conclude from the Minister's earlier comment that the chairman of his air pollution branch, along with other members of the Atomic Energy Board at Ottawa, feel that there is no need for a study, that the public is not endangered by any of this prospective gas emission?

Hon. Mr. Kerr: Mr. Speaker, the hon. member for York South previously used the phrase, "spewing out poisonous gas". There is nothing in that editorial that indicates that. The editorial says quite plainly that any release of gas will be accidental and we are

taking every possible precaution to see that this does not take place, and that includes the representatives of the air management branch.

Mr. Nixon: I am sorry; what was the concluding portion of the answer?

Hon. Mr. Kerr: I said that included the representatives of the air management branch. We will make sure that every possible precaution and regulation is enforced to see that such accidents do not happen, any more than they would happen, for example, in Sarnia.

Mr. MacDonald: That is the reason I am asking the question, because it has happened periodically in Sarnia and my question is, do I conclude from the Minister's statement that all of these top officials, including the chairman of his air pollution branch, feel that no further studies are required, that the public is not going to be in danger?

Hon. Mr. Kerr: There is continuous study being done in this line.

Mr. MacDonald: I conclude rightly or wrongly that the Minister is not sure.

Hon. Mr. Kerr: There is continuous study because this is the reason this Atomic Energy Control Board has been set up, and why we have the director of the air management branch on it.

Mr. MacDonald: May I move to another question, Mr. Speaker? Of the same Minister —this seems to be his day in the hot-seat:

How does the Minister reconcile his assurances of a tough approach to air pollution, with the statement of his colleague in Windsor a week ago to the effect that industry, particularly the pulp and paper industry, cannot, or will not, abide by any regulations at this time that will result in closing down the industry? Have we another division here on the approach of two Ministers?

Hon. Mr. Kerr: Mr. Speaker, I have been assured by the hon. Minister of Municipal Affairs (Mr. McKeough), that he has been quoted out of context. He was explaining the problems that we are running into in enforcing our laws and regulations, particularly with the pulp and paper industry. He assures me there was no intention to imply that we were going to take a different attitude, that we were not going to enforce our regulations and laws as are on the books, and as the editorial very completely points out, we have these companies in a programme; we have them on a time table, and certainly, Mr. Speaker, as long as I am Minister, that programme will stay on schedule.

Mr. MacDonald: Mr. Speaker, I am not interested in the *Globe's* editorial, but I am interested in the direct quotes of the Minister, so my question of the Minister of Municipal Affairs is: According to the *Globe*, page 5, October 27, in direct quotes this is what the Minister said; would he confirm that he said this or that he did not?

> Many industries, particularly in the pulp and paper field, will not buy the answers now and if you want to eliminate air pollution you will just have to close the industrial plants down. It just is not as simple as telling them what to do, you prosecute them and they close down. A little later he warned that if too much pressure is put on industry, it would create disruption and unemployment.

Is that a direct quote and how does the Minister of Municipal Affairs reconcile that with the assurances of the Minister of Energy and Resources Management that if air pollution costs money it still must be done under the terms of cost of production?

Hon. W. D. McKeough (Minister of Municipal Affairs): I think the hon. member should know, and the members of the House will be interested to know, Mr. Speaker, that I was addressing a group of young Progressive Conservatives, a group of very fine young men and women drawn from our universities across the province, who are not interested in set pieces and stage-managed productions with speeches being released on Friday or Saturday for delivery on Sunday. They want the answers. So the format of that particular meeting was a question and answer period, and being young Progressive Conservatives, being Progressive Conservatives, they wanted to know quite frankly, why pollution cannot be stopped yesterday—not today or tomorrow, but yesterday—and I have a great sympathy and a great admiration for their zeal in coming to grips with certainly one of the major problems of this province.

Interjections by hon. members.

Hon. Mr. McKeough: What I am quoted as saying is correct, but I think we should put it in the context of what was said before and afterwards. Interestingly enough, one of the questions raised I think immediately before was from a young man I know very well, and he wanted to know why, for example, we did not immediately go to bat,

and why the Prime Minister (Mr. Robarts) was not down camping on the doorstep of the mayor at Detroit's city hall. He said we should be talking directly to the International Joint Commission and doing something about the pollution which is emanating from the American side of the river.

I think it is fair to say that these young men and women recognize that what we have done in Ontario, was something that we could crow about, that we had more in this jurisdiction—

Mr. MacDonald: On a point of order, Mr. Speaker, I asked the Minister whether he would confirm whether or not this is what he had said and he has confirmed that this is what he has said. The rest of the explanation, I suggest, is irrelevant.

Mr. Speaker: The Minister is quite entitled to answer the question in any manner that he deems fit.

Hon. Mr. McKeough: I have assumed that the member would want to know the context in which the question was asked, and I answered. I pointed out to these young men and women that the record of the Ontario Water Resources Commission and the record of this government was second to none in the field of curing pollution in this North American continent. It was something about which we would not take a back seat to anyone, but that we did not think it was appropriate for the Prime Minister or the Minister of Energy and Resources Management to start another Gabon incident by going directly to Michigan; that hopefully, we worked through the International Joint Commission, and that was—I beg the member's pardon?

Mr. Sopha: The Minister is infringing upon my time.

Hon. Mr. McKeough: That was the context in which the question was asked and the question was answered. I assure the member for York South that the Minister of Energy and Resources Management has nothing but the greatest support from me for his programmes.

Mr. MacDonald: The Minister's words cut through the context.

Mr. Sopha: Come on, ask the question.

Mr. MacDonald: My question to the Minister of Health is, in view of the reaction of the food and drug division in Ottawa indicating a willingness, in a controlled fashion, to make marijuana available for experiment—all this in reaction to Dr. Cotnam's comments on Friday—would the Minister have the Alcoholism and Drug Addiction Research Foundation engaged in precisely that kind of controlled experiment to answer the question as to the relative lack of danger in marijuana?

Hon. T. L. Wells (Minister of Health): Mr. Speaker, I would like to say, in answer to that question, that I personally feel that Dr. Cotnam's comments were very unfortunate. I have had many comments on them over the weekend suggesting that they reflected some position by this government on this very question, and of course—

Mr. MacDonald: He is repudiating them, is he?

Hon. Mr. Wells: Well, personally, Mr. Speaker, I am unalterably opposed to the legalization of marijuana and I resented the—

Interjections by hon. members.

Hon. Mr. Wells: Somehow, people seemed to think because Dr. Cotnam was a doctor, he worked in my department. I had to assure them that he did not. Now, in regard to the question that the member has posed about various experimentations and so forth, I would have to talk to the addiction research foundation people and see what they felt on this matter. Certainly, my personal views are as I have stated them.

Mr. MacDonald: Mr. Speaker, I have a supplementary question for the Minister. For the moment I am not very interested in his personal views. I know a lot of people support him and a lot of people hold the opposing view. Does the Minister oppose the proposition of getting the facts?

Hon. Mr. Wells: Mr. Speaker, our foundation has been attempting to get the facts over the past several years. They have been engaged in various projects to get the facts on this problem.

Mr. MacDonald: Have they been engaged, by way of supplementary question, in the controlled use of marijuana? Have they been doing that in the past or are they working now to accept this offer of the food and drug directorate to have a controlled experimentation with it to find out whether the Minister is right, or whether those who disagree with the Minister are right on the relative dangers?

Hon. Mr. Wells: I would not know exactly. I would assume that they have not been doing this up to the present time because it is illegal. I would hope that they have not been doing it. If they have, they have certainly been doing it without any legal authority from anyone in this government. As far as what they are going to do in the future, I have not even seen this release from the food and drug directorate. I have seen speculations that they are going to release something like this but I have seen no indication that there is any suggestion that the law that makes it illegal to have marijuana in your possession is going to be changed.

Mr. MacDonald: Mr. Speaker, may I leave it this way by asking as a final supplementary question? Will the Minister enquire of the food and drug directorate as to whether they made this offer, and, secondly, as to whether or not the Addiction Research Foundation will engage in this kind of experiment? I suggest that that is what is needed to answer all of the mythology and get down to the facts. Will the Minister do that?

Hon. Mr. Wells: I would be happy to do that, Mr. Speaker, but I am not sure that I agree that it is what is needed.

Mr. Speaker: The member for High Park has a supplementary.

Mr. Shulman: Mr. Speaker, I would like to ask the Minister if he is aware that the very study that was recommended by Dr. Cotnam has already been done at MIT in the United States and it proved that marijuana was harmless?

Hon. Mr. Wells: I am not aware of that Mr. Speaker, and—

Hon. Mr. Grossman: I doubt if anybody thinks that it is harmless.

Hon. Mr. Wells: —even if they may have proved that it was harmless and there are other studies that can prove that it is harmless, it still is not an excuse for legalizing it.

Mr. Speaker: The hon. leader of the Opposition.

Mr. Nixon: A supplementary question, Mr. Speaker. Is the Minister not aware that the Alcoholism and Drug Addiction Research Foundation has already expressed views pertaining to the use of marijuana without the experimentation that the leader of the NDP has been advocating, and that these views comparing its harmfulness with alcohol have been put on the record through their publication called *Addictions*, and have been available for some years?

Mr. MacDonald: All illegal, presumably.

Hon. Mr. Wells: I am aware of what the foundation has been doing. I do not believe that they have ever suggested legalization of marijuana. I realize that they—

Mr. Shulman: They suggested further study.

Mr. MacDonald: That is not the issue. The Minister is hung up.

Hon. Mr. Wells: They have suggested different methods of treatment. They have suggested even where a person is convicted on marijuana charges that he be put into a probationary situation where he can be rehabilitated. This has certainly been suggested.

Mr. Nixon: Can the Minister assure the House that the Alcoholism and Drug Addiction Research Foundation has not already made use of marijuana for experimentation? Really, it was our expectation here that they had.

Hon. Mr. Wells: That they have made use of marijuana?

Mr. Nixon: Yes, of marijuana.

Hon. Mr. Wells: I could not tell you whether they have or not. All I have said is that I do not believe that they have because it has been illegal to use.

Mr. Speaker: The hon. member for Riverdale has a supplementary.

Mr. J. Renwick (Riverdale): Mr. Speaker, I wonder if the Minister of Health would consider making the members of the Assembly a control group for the purpose of such tests?

Hon. Mr. Wells: The member may want to go on, but he can count a lot of us and a lot the people of Ontario out.

Interjections by hon. members.

Mr. Singer: Mr. Speaker, in view of the Minister's violent reaction to the chief coroner's comments, is it fair to conclude that the Minister does not believe that the chief coroner is entitled to make speeches giving opinions on matters such as this?

Hon. Mr. Wells: If he wants to make a speech on it, that is fine, as I say. I have merely been asked if he was speaking on behalf of my department of the government, and I assured people that he was not.

Mr. MacDonald: I thought I had asked a final supplementary, Mr. Speaker, but is the Minister aware, since he has reacted so strongly to this, of juvenile court Judge Little's comments, that marijuana is less dangerous than alcohol and tobacco?

Hon. Mr. Wells: Mr. Speaker, I have varying opinions about Judge Little's comment. His is only one comment. His comment is probably only as valid as mine or as the member's on this subject.

Mr. MacDonald: I have a final and different question, Mr. Speaker, to the Minister of Lands and Forests. Am I correct that no union, such as the IWA representing the workers involved in lumbering in Algonquin Park, has a representative in the new advisory committee?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, on the advisory committee we have representation from the various interests. I would think that among those interests, such as the Ontario Forest Industries Association and the campers' association, and so forth, members of the union would be represented.

Mr. MacDonald: Forgive me—

Mr. Sopha: Be fair!

Mr. MacDonald: Forgive me. The Minister is saying that he thinks management is going to represent the union in the discussion of this issue? What dream world is the Minister in?

Hon. Mr. Brunelle: Mr. Speaker, to my knowledge, I have not received any letters from any of the unions asking for representation.

Mr. Speaker: The hon. member for Grey South.

Mr. E. A. Winkler (Grey South): Mr. Speaker, I have a question for the Minister of Energy and Resources Management. Is the Minister aware of the problems of pollution that exist in the Beaver River and the area of Clarksburg and Thornbury referred to by Mr. Tiny Bennett of the *Telegram* in the evening issue of October 31. Has he any plans to remedy the situation?

Interjections by hon. members.

Mr. Speaker: Order, the hon. member for Timiskaming has a point of order.

Mr. D. Jackson (Timiskaming): It is a question on the previous question, Mr. Speaker.

Mr. Speaker: Unfortunately the member did not catch the Speaker's eye. I apologize for missing it but we have passed that question. The hon. Minister has the floor.

Hon. Mr. Kerr: The answer is yes, Mr. Speaker. Negotiations have been going on between Ontario Water Resources Commission and the representatives from Thornbury and Clarksburg. Discussions are in the advanced stage on both engineering and design cost, for a provincial sewage treatment plant.

Mr. Speaker: The member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): Is the Minister aware that the Thornbury River is the only good trout river that is left in the Georgian Bay area for the rainbow trout? The rainbow trout spawn in that river more than in what used to be called the Indian River which has dried up. The Thornbury is the river where the rainbow now spawn.

Hon. Mr. Kerr: Yes, Mr. Speaker, I have fished many times at the dam in Thornbury. I think it is the Beaver River dam, and we had some problems with the septic systems in that community as well. That has been solved and this is one of the reasons we hope to build a sewage treatment plant there.

Mr. Speaker: Now the member for Sudbury.

Mr. Sopha: Once again, perseverance pays off. I have a question—

Mr. J. E. Stokes (Thunder Bay): He cannot read it.

Mr. Sopha: I have a question in four parts for the Prime Minister, notice of which has been given. In view of the statement made in the House by the Minister of Public Works that he would welcome the spies in his department, are we to assume that the government has decided to place a stamp of approval on the actions of the hon. member for High Park in placing his paid inside man in The Department of Health, with instructions to report directly to him, in return for $65 a week—probably below the minimum wage?

Interjections by hon. members.

Mr. Sopha: Are we to assume that the government rejects the previously expressed view of the Minister of Justice, that any such action is in direct violation of The Civil Service Act? Are we to assume, thirdly, that the government opposes the suggestions put forward by me some weeks ago, that this matter be referred to the committee on privileges and elections? Finally, are we to assume that the Premier, as he said he would do, has investigated the matter and has now reached the conclusion that the action by the hon. member for High Park is quite permissible conduct for a member of this Legislature?

Hon. J. P. Robarts (Prime Minister): Good question! Mr. Speaker, there are four parts. I would say first, that this government has not placed its stamp of approval on the action of the hon. member for High Park—of course we have not. I could never approve of such behaviour under any circumstances. In answer to the second question, I am informed, as a result of my investigation, that what has been alleged to have been done by these civil servants, whoever they may be, is not in violation of The Civil Service Act. One of the major problems; we do not know who the individuals concerned are—

Interjections by hon. members.

Hon. Mr. Robarts: We have only the word of the hon. member that this is in fact—

Mr. Lewis: It must have been a pretty keen investigation—

Hon. Mr. Robarts: —the only allegation there is. Now then, the government does not, in answer to the third part of the question, oppose the suggestion put forward that this matter be referred to the committee on privileges and elections. I think that is a question for this House to decide. It is a question for the members themselves, whether they feel that this action—does it in any way abuse privileges of the members of the assembly. This is a question for the House itself to decide and the government would not oppose such a course of action if the House wishes it.

And finally, the question, "are we to assume the Premier has now reached the conclusion that the action of the member for High Park is quite permissible conduct?" I would say, sir, there is nothing illegal in it that I can discover. That does not mean I approve of it. I think it is reprehensible. But it is not a question of whether it is permissible or not—it is not an illegal action on his part. This is the information I am given.

Mr. Sopha: Well, I have one supplementary question. Are we to assume that the spies, whoever they may be, will be permitted to carry on their activities unhindered and unfettered, or will the government take steps to ascertain the identity of the persons?

Hon. Mr. Robarts: Certainly we will attempt to find out who they are and perhaps when we do discover what they have in fact done, then a decision can be reached as to the legality or otherwise of what they have done. But at this moment in time—

Mr. Sopha: I thought the Premier said it was legal.

Hon. Mr. Robarts: No, I did not say it was legal. I said I had been advised it was not in violation of The Civil Service Act. The member must remember that we do not know who these people are and we do not know what they have done. We have one member who says he is paying somebody to spy. Have they in fact spied? Who are they? We do not know.

Maybe this is the type of thing the committee could find out. I do not know, but I repeat that it is for the members of this House to decide. As far as the committee on privileges and elections is concerned. It is for the members of the assembly to decide whether in fact their privileges have been abused.

Mr. Speaker: The member for High Park has a supplementary.

Mr. Sopha: I have a supplementary question for the leader of the New Democratic Party. Does he approve of this conduct—

Mr. Speaker: Order, order. The member for High Park.

Mr. Shulman: I have a supplementary question for the Prime Minister, Mr. Speaker. Does the Minister intend to do anything about the reprehensible conduct which produced this situation by the Minister of Health barring members of this House from his institutions?

Mr. Speaker: The hon. member's question is not—

Mr. Shulman: In that case, may I ask a new question on a different matter?

Mr. Speaker: No. The hon. member for Timiskaming may now, if he wishes, ask his supplementary question as a new question.

I will give him the floor. The one that he was not able to ask before.

Mr. Jackson: Thank you, Mr. Speaker. I would ask the Minister of Lands and Forests whether he believes that labour should make representation to him to be represented on the advisory committee or whether he should appoint that person, the same as he did with all the other members.

Hon. Mr. Brunelle: Mr. Speaker, I would be pleased to receive letters from the labour unions if they wish to be on the committee.

Mr. Deans: Why does the Minister not invite it?

Hon. Mr. Brunelle: Mr. Speaker, may I mention, however, that on the advisory committee to the Minister of Lands and Forests we have had Mr. Andy Cooper, a well-known labour leader, who is the official labour representative.

Mr. Speaker: The member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Speaker, I have a question for the Minister of Energy and Resources Management. Is Ontario Hydro planning a property purchase in Essex county for the purposes of erecting a generating station in that area? If so, will special consideration be given to the desirability of locating that along the lower reaches of the Detroit River in the Amherstburg area?

Hon. Mr. Kerr: Mr. Speaker, I am informed by Hydro that they have no plans for a generating station at this time in Essex county. They are looking at property for the possibility of establishing a transformer station, but this is something that is well in the future.

Mr. Paterson: Might I ask a supplementary? Is this the transformer station in relation to a supply of energy across the river?

Hon. Mr. Kerr: I am not aware of that.

Mr. Speaker: The member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): A question of the Minister of Energy and Resources Management: Has the Minister's department, or perhaps the OWRC, directed paper and cellulose plants in northern Ontario to discontinue the emission of mercury in their waste effluents as indicated on radio last Wednesday by the Minister of Lands and Forests?

Hon. Mr. Kerr: Mr. Speaker, the hon. member asked me this question last week. As a result, I have asked the OWRC for a report. I did not hear the remark of the hon. Minister of Lands and Forests, I would like to get this information that I have asked for and I will give it to the hon. member in the House.

Mr. Speaker: The hon. member for Scarborough East.

Mr. T. Reid: I have a question for the Minister of Energy and Resources Management. In regard to the Minister's remarks on the Hearn plant and the 700-foot stack, could the Minister find out whether the degree of air pollution by that plant in Scarborough is likely to be greater after the construction of that 700-foot stack, than it is at the present? The point being, the Minister said that in the Metropolitan Toronto area—

Mr. Speaker: Order. The hon. member has placed his question and I think it is quite understandable.

Hon. Mr. Kerr: This is practically the same question given in a different way, Mr. Speaker. I am assured by Hydro that as a result of the construction of the higher stack, the concentration and the danger, shall we say, of the fallout to the Metro Toronto area will be less than at the present time.

Mr. T. Reid: Supplementary question, Mr. Speaker: In the metropolitan area this might be true, but the distribution of air pollution from that stack will, of course, I would say, be much different—probably less in the city and possibly much more in Scarborough. Therefore, my question to the Minister as I originally put it has not been answered, I ask the Minister whether he would get me the answer as soon as possible.

Hon. Mr. Kerr: I will give him the answer right now. It is no.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: A question of the Minister of Municipal Affairs, Mr. Speaker.

In view of the widespread alarm and numerous representations that have been made by credit unions throughout the province to every member of this House in reference to Bill 205, has the Minister reconsidered and will he assure the House, and through the House, the credit unions, that section 9(b) which so alarmed the credit unions will be removed?

Hon. Mr. McKeough: The matter is under consideration.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Minister of Municipal Affairs.

Since the farm assessment committee has not yet reported would the Minister consider giving some direction and advice to the various county assessment commissions who insist on assessing certain farm operations for business tax purposes?

Hon. Mr. McKeough: I think the member is referring to the situation in Huron county which was reported in the *Farm and Country*? The Treasurer has been in touch with me about it as well.

Without knowing all the facts I do not think the assessment, as undertaken by the assessor, will stand up. There are a number of court cases on this and I do not think the assessment is correct and I do not think there is the cause for alarm which has emanated from Huron county and we are looking into it.

Mr. Speaker: The hon. member for Wentworth. A supplementary?

Mr. Gaunt: Mr. Speaker, is the Minister saying then, in effect, that the situation is going to rectified either with his intervention or without?

Hon. Mr. McKeough: I would think, in case there is any question about it, I think that those people, if, as and when they receive that assessment for business tax should most definitely be appealing.

Mr. Speaker: The member for Wentworth.

Mr. Deans: A question of the Minister of Health.

Will the forthcoming drug price list that is going to be introduced in the near future have both the retail and wholesale price listed in it for the various drugs that are involved?

Hon. Mr. Wells: Mr. Speaker, this whole question of the list, of course, is actively under study by a task force that is working out the actual details. As far as I know, the thought at the present time is to have one price that is the price that will be charged, plus the dispensing fee which will go on top of it to provide the ultimate price to the consumer.

Mr. Deans: May I, by supplementary question, ask whether this list will be available for the general public's use?

Hon. Mr. Wells: Well, I suppose the public will have a chance to see the list if they want to. It really will not mean that much to the public. It will be available to doctors and to pharmacists and the hospitals and so forth.

Mr. Deans: Will it then be available to the consumer affairs branch that they might be sure that the prices that are being charged are not being set by the various drug companies, rather than being open to competition?

Hon. Mr. Wells: Certainly, Mr. Speaker. It will be available to anybody who might feel that any such practice such as the hon. member mentions, was occurring. The list would be available.

Mr. Speaker: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Speaker, a question of the Premier.

What has been the outcome of the discussions which the Premier assured the Legislature he would hold with the federal government authorities about six months ago with regard to having the railways provide the same type of service for commuters in the Toronto area as in the Montreal area?

Hon. Mr. Robarts: I would be happy to make a report to the House. I cannot say that the outcome is very favourable. I will bring the matter up to date and tell the members what has been done. This is an old question, and it has been dealt with between the two levels of government many times before. I am not really very optimistic about the outcome but I will bring the matter up to date as to what the situation is now.

Mr. Speaker: The member for Sandwich-Riverside.

Mr. Burr: Mr. Speaker, a question of the Minister of Health regarding the Metropolitan Hospital in Windsor.

Is there any obstacle remaining to the approval for tender in the expansion plan?

Hon. Mr. Wells: I would not have that information with me now, Mr. Speaker. We can attempt to get it or we can get in touch with the hospital services commission which is looking after these details. The hospital services commission, of course, looks after

these internal details concerning hospitals, but I can try to find out for you.

Mr. Speaker: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Lands and Forests.

Is the Minister considering the revocation of the licence of occupation, licence number 3879, granted to the Wyandotte Chemical Company permitting it to conduct its wastes from the city of Detroit, or Wyandotte, Michigan, to Fighting Island in the Detroit River?

Hon. Mr. Brunelle: Mr. Speaker, I wish to take this question as notice and give a reply tomorrow.

Mr. B. Newman: Mr. Speaker, I have a supplementary—

Mr. Speaker: I do not think it is proper to ask a supplementary question until the original has been answered. I would so rule. The member for High Park.

Mr. Shulman: A question of the Minister of University Affairs, Mr. Speaker.

Has the Minister received a request for a judicial inquiry into the alleged extravagance and waste of funds at the University of Guelph, and the alleged inability of the university to provide salaries and conditions on a par with those prevailing in the civil service, even though the employees had been offered that at the time they left the civil service?

Hon. W. G. Davis (Minister of University Affairs): Mr. Speaker, there has been some general suggestion from a group of people at the University of Guelph—whether they were directed specifically to The Department of University Affairs, quite frankly, I do not recall—there were certain statements in the suggestion or request indicating that the university found it appropriate to spend moneys in some areas, but they were not at this moment prepared to see fit to grant the requests of this particular group.

Mr. Speaker, the position of the department is very simply this. The grants allocated to the University of Guelph on a formula basis are exactly the same as granted to any other institution of higher learning that is a university in this province. The matter, surely, is one for internal solution within that institution. The University of Guelph student amount, therefore, is exactly the same, as I say, as the University of Toronto, Western and what have you. Too bad the member for Sarnia is not here. He would want me to expand on the, what have you, university. I cannot really, Mr. Speaker, tell the hon. member for High Park any more than that.

Mr. Shulman: A supplementary, Mr. Speaker.

In view of the bitterness that is developing in Guelph, would the Minister offer his good services as an arbiter to try to solve the problem?

Hon. Mr. Davis: Mr. Speaker, I am never one to burden my colleagues with additional work, but surely this is a matter between management and labour and if somebody were to become involved as an arbiter, it should be somebody other than the Minister of University Affairs. I am really not too knowledgeable in this field, although I always like to think I am available to help solve a problem.

Mr. Speaker: The hon. member for Parkdale.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, I have a question for the Minister of Trade and Development.

In view of the fact that the federal Minister in charge of housing has said that he has asked the various provincial governments for their housing programmes for next year, has the Minister forwarded to the federal government his programme for housing for Ontario for next year?

Hon. S. J. Randall (Minister of Trade and Development): I do not think the programme has been forwarded yet, but we are working on a schedule which we anticipate will be going forward to Mr. Andras in Ottawa; I hope in the next couple of weeks.

Mr. Speaker: The oral question period has now been completed for today.

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, with your permission, I would ask all of the members of the House to join with me at this time in welcoming in the Speaker's gallery some 12 members—bright and handsome members I may say—of the Fort William Indian Friendship Centre. They are on their way home after participating in a Friendship Centre Conference in the London-Paris area, which I trust was interesting and informative.

Earlier this summer, at the Lakehead, I extended to them an open invitation to come

to the Legislature to see it in action, and they have taken up that invitation today. We welcome them here today.

Mr. Speaker: Petitions.

Presenting reports.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: House in committee of supply; Mr. R. D. Rowe in the Chair.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS
(continued)

Mr. Chairman: The hon. member for Rainy River.

Mr. T. P. Reid (Rainy River): Thank you, Mr. Chairman. Before I get into my remarks concerning Lands and Forests I would like to add my pleasure in seeing the people in the Speaker's gallery from the Friendship Centre in Port Arthur from the great northwestern part of Ontario.

As I finished on Friday I was talking about Algonquin Park and logging. I would like to go on to another point concerning the parks and the facilities in the parks in Ontario. I want to end my opening remarks with a comment regarding the facilities people get for $2.50 in Ontario provincial parks and what they get for the same money in state parks in the United States.

I will try not to be unfair. I will not mention the wonderful gold and eagle passport with which you can wander through any lodge in the United States federal parks and conservation areas for a whole year for just $7. I wish we had that in Canada, too, federally and provincially but in all fairness you do have to pay $2.50 in the state parks. Well what do you get for your money there? Let us then compare Shad Landing state park in Maryland to Allegheny state park in New York with some lakes still under development but now almost complete and with a good weekend visitor revenue.

The first thing that happens in Allegheny is that upon registering the visitor is given a brochure and a map. This is not just a mimeographed sheet as it is in Balsam but an attractively printed map on thick paper about 18 inches by 14 inches showing all the drives, nature trails, lakes, streams, conservation areas, and other features of the park.

The ski area is delineated, the fire towers are marked, you are shown where the garbage is to be incinerated, you are shown where the nearest food stores are. The brochure which is also sent through the mail to advanced applicants is printed on the reverse side of the map with an extra flap to tear off and mail for reservations of sites and peak periods.

In Allegheny state park it is possible to rent a furnished cabin for as little as $6 a day. A four-room cottage with electric light, electric refrigerator, electric stove and fireplace costs $10 a day or $40 a week, and this includes the park charge. There are also many of the facilities to be found in Maryland's Shad Landing park. Shad Landing is an absolute recreational delight and a first class example of how parkland is cleared of undergrowth, although it does include some areas of untouched bush.

However, it is being tamed and civilized to recreational purposes and can by no means be considered permitted. It is planned for people escaping from Washington on their way to the coast. There is a fully operational marina and restaurant on the river. There is an Olympic-size swimming pool.

There is a training lake where children are taught to fish properly and where adults may not fish. There is an automatic coin laundry, an automatic food dispensary, hot showers and the washrooms, of course, are water-flushed and equipped, and with hot and cold water, liquid soap, paper towels and hot air hand dryers.

The tent or trailer sites are properly arboured with trees and bush screening each site from its neighbour and marked with fluorescent numbers which can be easily spotted by late arrivals.

Balsam Lake has tremendous potential but it is in real danger of going unrealized because the time has passed when visitors will be content with the kind of accommodations they are getting there for their $2.50. The beaches are very good, probably the best beaches that any provincial park has within easy reach of Toronto, but it is a long way from the campsites and quite a tiring walk for small children.

The toilets are still totally inadequate. There are, I think, four small groups of flush toilets on the large older open field campsite and there are always embarrassingly long queues of people waiting to use them in the morning.

In the newer sites in the woods those privies have been erected and are full of flies all summer. Water taps and pumps are widely spaced to neuratical operation, the wood piles for fire are also distant. There is no hot water in the woodland sites and this, of course, does not just pertain to Balsam Park. A number of the parks in the province are run in this manner.

I am not advocating a namby-pamby approach here although I remember this is a family camping, not pioneer-survival camping, which is a different story. This is the weekend camp for Torontonians and their children in the Kawartha Lakes district and we have to look accordingly as to what people get for the high fee they are now charged. More about that during the estimates.

I do want to mention, very briefly, about the angling problem that we have with the American commercial operators operating in northwestern Ontario. I am sure the Minister is aware of the study done by his department under the signature of the regional director, Mr. Ringham, which is quite an indictment, I would think, of the Minister's department for not having dealt with this problem before.

I was also disappointed that the Minister did not raise this in his opening remarks and the Minister could have come to us and informed the Legislature that some concrete steps had been taken by his department and other departments of government to stop this flow of commercial traffic, American commercial traffic in northwestern Ontario.

I am sure the Minister is aware of this report and I just draw one small item in the report to his attention. A report done by Mr. Bridges of The Department of Tourism and Information in which he calculated, very roughly, that each tourist flown in by these American operators meant that this American operator was making a gross profit of $200 per American visitor, where the people of Ontario, I think, realize something like $23 or something—or just the cost of the licence.

He went on to say that by his calculation, extrapolated from this report, it was costing the people of Ontario over $1 million a year, in this one small section of northwestern Ontario. We were losing this money because this government allows this kind of traffic to keep operating in northwestern Ontario. However, I will have more to say about that during the particular votes.

I would just like to sum up some of the criticisms that I brought to the Minister's attention: this department is too urban-centred; too many people live and work in Toronto and have a civil service outlook. The information and education section is not doing its job in relation to the urgent task of telling the people why and how conservation is essential to our very survival.

The operations of the flying service are hidden and no details on spraying, in defoliation operations, are readily available. No clear leadership is apparent and the reforestation programme is not being carried out in association with conservation authorities.

The assumed land deal has not been fully explained to this House. Riparian rights and other rights in Lake Erie are being jeopardized, as my colleague from Welland South (Mr. Haggerty) will talk about later. Again, this was not something that was mentioned in your opening remarks, and it was certainly brought to your attention last year.

Auction sales are not the right way to dispose of Crown land for recreation purposes, since this matter leads to wheeling and dealing in selling out Ontario's birthright. This Legislature has been kept in the dark about land purchases and consolidation on behalf of this department. No new primary industry has taken roots in Ontario in the past five years. The research section is concerned with academic publication, rather than down-to-earth research that people can understand. The department is showing no leadership in the war on environmental pollution. The department is failing to support the conservation council of Ontario at a time when this body must free itself of industry pressure so it can speak clearly on the key problems facing us.

The department is not co-operating as fully as it could with UNESCO's environmental studies. It must take the initiative rather than wait for a formal approach through cumbersome federal-provincial protocol.

The department is not yet co-operating with the federal Department of Fisheries on the utilization of the Canadian resource satellite. The department has become trapped by its multiple-use policies and Algonquin criticisms. The Minister has no long-term plan for these areas and has not practised his good planning principles in his department. Urban campers do not get a fair deal for the $2.50 they are charged in provincial parks. The flying piracy situation in northwestern Ontario is critical. Let me again say that I like the Minister as a person, but that is a pretty damning indictment of his department. I think perhaps we have been nice to him for too long and that now we have to start

getting a little tougher. This may be a short estimate, but it will not be an easy passage. There are too many mistakes in this department for the people of Ontario.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, before I get into my remarks regarding the estimates of this department, I, too, would like to join with the Minister of Social and Family Services (Mr. Yaremko), and the member for Rainy River in welcoming Mr. Xavier Michaud and representatives from the Port Arthur Indian youth centre. I trust their deliberations in southern Ontario will be fruitful and useful and will serve to benefit the people from northern Ontario whom they are representing.

Now, I do not intend to match the verbosity and the verbal diarrhoea of the member for Rainy River—

Mr. T. P. Reid: That is because you have a constipation of ideas.

Mr. Stokes: —which have continued in three sittings of this Legislature. But I do want to do a fairly comprehensive critique of the Minister's stewardship during the past 16 or 18 months since we have had an opportunity in this House to view the actions of his department. I spent about three days three weeks ago going through a thesis by Mr. A. P. Pross on the policy of this department running back to about the year 1886 up until 1941. I did not find it to be particularly useful insofar as highlighting the deficiencies of this department with regard to the policies as they have come about in recent years since 1941.

I think, however, it is quite significant that one of the observations made by Mr. Pross in his thesis, was something he called the incremental method of decision making. This means that the policy maker will know the alternatives open to him and he does so in such a fashion that he excludes all but those alternatives that are only marginally or incrementally different from existing policies. Decision making has been the principal component of the formation of the Ontario forest policy.

I would like to agree with that observation. I think this department down through the years and the Ministers of this department have been most reluctant to depart from the norm or the patterns of the past in innovating ideas, in coming up with something that will be a great improvement over what has gone on before. I think you could apply that observation to almost any facet or any operation of this particular department—whether it be in land use, whether it be in timber operations, whether it be in the field of conservation—any of the facets this government and this department should be interested in.

I think it is safe to say that observation is valid, that they are most reluctant to take any steps that will vary from the norm or change the policies of this department to any significant degree.

Now, I intend to speak on the forest management policies of this department. I intend to speak on land use, I intend to speak on the reluctance of this department to take seriously the recommendations of the Brodie forest unit study. I want to elaborate on what the member for Rainy River said regarding disposal of lots and crown land and I would like also to discuss the pollution aspect as it applies to this particular department.

The government and this department are most reluctant to involve themselves in proper forest management. Ontario has regulations but are limited to preventing a further breakdown. That is, they have not come to grips with where this department is going and how they are making provisions for the future use of the resources that are within its jurisdiction.

Now, the limitations governing the potential yield of the forest lie not so much in the physical capacity of the soil and the natural environment as they do in man's ability and willingness to manage the forest more intensively. It is a problem not only of forest management but of social management. Social values attached to the resources. Social attitudes towards private versus public control of the resource. Institutional arrangements governing ownership of the resource. All of these affect the level of forest management which can be achieved.

Social values, attitudes and institutional arrangements have retarded the development of effective forest management. Historically, the resource appears limitless. This, coupled with the deeply held conviction about the absolute control of vested ownership of land has tended to place conservation low on the scale of social and economic values. This government has been timid in exerting its responsibility even with respect to publicly owned forests and has exerted very little authority over the management of private forest land.

Acres forested on Crown land and agreement forests for the year ended March 31, 1968 was 94,000 and 27,000 acres in natural regeneration treatment. The exploitable forest area was 82.8 million and on Crown land it was 72.4 million acres. Now, the allowable cut on these various tracts of land breaks down into three categories as outlined by the forestry study unit.

The exploitable forest areas are comprised of 44 per cent of mature and over-mature timber while 37 per cent is immature and 16 per cent is young forest. Now, normal distribution of age classes would require approximately one-third of the forest land area in each of the three classes and no forests in the over-mature age class. The calculation of the allowable cut must take these abnormalities into account and permit a more rapid reduction in the area of over-mature and mature forests on which there is little or no net growth. At the same time it must promote an increase in the area of young forest where there is the greatest net growth.

If the allowable cut is taken, it should lead to a more balanced and more normal distribution of the age classes and inventory volume. The net merchantable allowable cut for all of Ontario is 18.3 million cunits for all species equally divided between conifers and hardwood. The total conifers allowable cut is 9.9 million cunits. A comparison of the allowable cut for Crown and patented lands in the exploitable forest areas with the wood used in 1965 shows that only 32 per cent of the total allowable cut was actually utilized. That is borne out by facts brought forward in table 20 at page 60 of the Brodie forestry study unit.

Only 52 per cent of the allowable cut of conifers and 11 per cent of the hardwood is being utilized. Now, when one considers that Crown land in Ontario represents 90 per cent of the total productive forest areas and only 10 per cent of it is on privately owned land, you can readily see this department has a responsibility to see that the allowable cut is used for the benefit of all of the people of Ontario, particularly in areas where that resource is.

It is estimated that when the full allowable cut comes under utilization by about the year 2000, there will be nearly 90 per cent reliance upon Crown land and Crown wood.

A vigorous silvicultural programme by the department must be implemented to rehabilitate the red and white pine areas and greatly improve the quality of hardwood so that it will be able to support a much greater sawmilling and veneer industry in the Great Lakes-St. Lawrence regions.

Swamp drainage and fertilization can increase the yield of our productive forests and the allowable cut. Minimum silvicultural programmes are now overdue just to maintain the present conservative allowable cut for use up to the year 2000.

The stumpage rates, in terms of constant dollars for pulpwood production, have declined at an average annual rate of 0.6 per cent. During the same period from 1944 to 1965, saw logs stumpage prices in terms of the same constant dollars have increased at an annual rate of 1.5 per cent. The stumpage charge for saw logs has risen from a point well below those charged for pulpwood to a position well above the pulpwood price.

Ground rentals which were established at $1.00 per square mile on the productive forest area under licence in 1954, applies uniformly to all timber licences. This represents a collection of less than $100,000 in income to the province annually since 1964. This is a very insignificant figure indeed. The ground rentals for 1966 were less than $84,000.

In Alberta it was $15 per square mile, in B.C. it was $6.40 per square mile, on Dominion timber berths it was $10 per square mile, in Quebec it was $10, in New Brunswick it was $50. Forest production charges for 1966 were only $1,083,000, while it cost the province $11,841,000 for forest protection. The total tax revenue from the forest industry is estimated to be about $17.05 per cunit of roundwood used. $6.47, or 38 per cent accrues to the provincial government; $1.70, or 10 per cent to the municipality; and $8.88 per cunit, or 52 per cent of the total tax is paid to the federal government. According to the Hedland-Menzies report, as a result of forest industry activity in Ontario in 1968 the industry contributes $36.7 million to the provincial treasury and $42.7 million to the federal treasury for a total of $79.5 million in that year.

It is significant to note that in the same year, which is 1968, employees of the forest industry contributed $67.5 million to the provincial Treasury and $141.5 million to the federal Treasury, for a total of $209 million. Now, when the Minister and the department trots out all these figures that they have to bolster their argument about the benefits that accrue to the economy from the activities of the forest products industries in the province of Ontario, they lose sight of the fact that the employees in those industries contribute about three times as

much to the provincial Treasury as all of the moneys that accrue to the province and to the federal government by way of corporation tax, by way of stumpage and by way of Crown dues.

All of the many taxes that are collected from the operators in the industry represent only a small portion of what accrues to both the provincial and federal economy as a result of moneys paid out by the employees themselves. Consider the tough time of municipalities which find themselves located in areas where the resource is. Consider the intolerable situation they are faced with with regard to providing the services, not only in the organized municipalities but the unorganized municipalities, services that people employed in the industry have come to expect in this day and age. I would suggest to the Minister that he should take a long, hard look at some kind of financial reimbursement or compensation to the municipalities which are responsible for providing the services for the employees in the industry in much the same way as The Department of Municipal Affairs, or some department in this government, makes a grant available in lieu of taxes to mining municipalities, or municipalities which act as dormitory towns for the employees in the mining industry.

When you consider the amount of money that comes out of the pocket of the employees in the industry, to pay for those services where most of them, in the case of organized municipalities, are based on a residential tax base where there is no way of taxing the industry as such, it becomes an intolerable situation, not only for the employees but those municipalities to come up with the funds to provide the services that are so necessary.

I do not think I need impress this upon the Minister, who is a northerner himself. I think he knows what the problem is in places like Hearst, and places like Kapuskasing, places where they are a dormitory town for the employees in the industry, and yet they have no way of collecting taxes from either the industry or from the provincial government as a, say, grant, in lieu of taxes against the industry or the plants which are located, in most cases, outside of the municipality.

Now, it becomes obvious that Ontario is not getting an adequate amount of revenue from the activities of the forest product industries when one considers that the department had an excess of disbursements over revenue amounting to $21 million last year. I think that those figures will be much more accentuated this year when you consider the overall expenditure of some $65 million, and one can only speculate as to what the revenue will be. I suggest that possibly the deficit experienced by the operation of this department will be even greater than it was during the fiscal year 1967-1968.

Since there is a large unused, allowable cut of spruce and jackpine in this province, ground rent should be increased to licensees who are not using, or making available to other users, portions of that allowable cut. This would encourage industrial expansion and will produce higher revenue return to the province. The forest study unit points out that a new pulp mill or a mill expansion to produce 600 tons of sulphate pulp per day, would require 400,000 cunits of roundwood annually. This would yield to the province an additional revenue of $2,408,000 made up of $1,288,000 in stumpage, $224,000 in logging tax and $896,000 in corporation tax. Each additional cunit of wood used would add $6.02 to the provincial revenues. Industrial expansion would raise the gross provincial product and broaden the tax base of the province, increase employment and generally promote the provincial objective of maintaining a growing economy.

The first recommendation of the Brodie forest study unit of 1967 was that a sustained high rate of economic growth in its broadest sense, to achieve full utilization of the forest resources, be the aim of the public policy, in the multiple use management of forests, and forest lands. This has not been achieved, even though the Minister said that they have implemented or accepted it in principle.

The second recommendation was that the forest management be progressively intensified so that regeneration and the tending of the forest crop will supply the raw material to the forest based industries on a sustained yield basis, to the whole economically attainable production potential of our forest lands. This has not been accomplished, and at the present rate of regeneration programmes, we are not even catching up on the backlog, let alone making provisions for increased usage and production. If forest management is not stepped up, our future wood needs will not be met. If the full allowable cut of Crown wood had been used by the industries in Ontario, that is during the past year, all the resources contributing to the revenues, stumpage, Crown dues, charged at the present average rate, would amount to $40 million annually. This is $23 million more than the

province collected in 1968 and it would have wiped out the deficit experienced by this department during the last fiscal year.

Recommendation 8 calls for the department to provide for the supply of roundwood to all industries in the spruce-jackpine forests by encouraging the sorting of special quality material such as sawlogs, pulpwood, veneer bolts, poles and ties wherever it is economically possible.

Consideration in planning for the future should be given to the uneconomic dispersal of many sawmills. The high freight costs on the delivery of chips to the pulp mills, as well as the cost of exchanging pulpwood and sawlogs between the industries, could be reduced by better location of the plants in relation to each other. Complex forest products manufacturing facilities should be developed in northern Ontario and centred around the pulp and paper plants.

The smaller forest based industries should also be located at such central communities, or strategically located along the flow lines of large quantities of wood feeding into the centres. This would eliminate uneconomic cross-haul of wood going to various users in the industry. The interchange of wood and further manufacture and finishing would be promoted to the benefit of many northern communities such as Beardmore, Geraldton, White River, Latchford, Matachewan, Nipigon, Sioux Lookout and Savant Lake.

Among the forest study unit's recommendations it has been indicated by the department that they have accepted one which would look into the feasibility of a chip and saw operation. Now, I would like some time during these estimates for the Minister to explain to me how they have implemented that, where the pilot plant is located and why they have not encouraged much more of it across the province, or if indeed they have, what is the hangup?

The forest study unit concludes that the forest-based industries will be in a better economic position generally, through planning for the broadest industrial use of wood.

The main concern of The Department of Lands and Forests should be the utilization of the forest resources as a whole to the best advantage of the province, economically and socially. Recommendation No. 9 called for The Department of Lands and Forests to promote the efficient and full use of the allowable cut under increasing mechanization, more integration of logging operations, better licensing programmes, forest management and the encouragement of improved location for processing plants.

With regard to integrated logging operations, I would like to quote from page 176 of the forest study unit, on a submission that was made by the Ontario Forest Industries Association:

> The sharing of wood values to achieve maximum utilization has been a difficult problem for both small companies and large licensees, and for the Ontario Forest Industries Association and The Department of Lands and Forests. This problem stems from a lack of a clearly defined policy upon which co-operating companies can base arrangements tailored to local conditions.
>
> Large licence holders wish to avoid any conflict with their own operations and frequently receive insufficient returns to compensate for limit carrying charges, developments, and so on. Smaller operators, however, require reasonable charges and a longer, more secure tenure to allow for efficient and economic operational planning. A determined effort should be made to create a practical, flexible wood-sharing plan acceptable to all concerned. This association will co-operate fully in the efforts of interested parties in producing one.

The Ontario Lumber Manufacturers' Association, who represent mainly the spruce-jackpine sector of the sawmilling industry, in their brief to the forest study unit state the problem in the following terms:

> The supply of adequate raw material for the pulp and paper industry has to be without question assured. But this fact should not mean that logs which are the raw material to make lumber at the sawmills should be permitted to put to pulp at the paper mills. Doing so at present does not convey any advantage to one, but is to the great detriment of the other.
>
> Any part of a tree which would yield a sound log, 16 feet and longer with a seven-inch diameter at the small end, should be directed to a sawmill. This procedure would not deprive the pulp mills of an adequate supply of raw material as about 50 per cent of the log volume would return to them in the form of chips, as most sawmills are equipped today with adequate debarking and chipping facilities.
>
> Further, any tree or part of a tree which is not up to the above-mentioned size would be directed to the paper mills from their own limits and they are in far greater preponderance and in adequate supply in our province. We believe it is in the public

interest to derive from our forests, the greatest variety of products and thus take care of the greatest variety of demand, giving year-round employment for a larger spectrum of employees.

It should be a matter of principle that no material must be utilized for a certain purpose when it can be efficiently substituted with another of lower value or utility. The rational exploitation of our forests dictates this, the government of our province who grants the timber licences should reallocate these by keeping the above-mentioned basic facts of truth in mind as a guideline, thus permitting the establishment of a healthy basis for the lumber manufacturing industry with all its social implications.

There are instances where certain pulp and paper industries have no use for jack-pine, poplar or other hardwoods and white and red pine on their concessions, and still they do not give access to these species to the sawmill operators who are in great need of same. This alone is proof that no specific territory should be reserved for one industry only, but it should be established after careful research into how many different industries could be economically supported from this terrain.

It must be clearly stated as a policy by the department that the holding of a Crown timber licence, carries with it the obligation of the licensee to utilize all of the timber standing on the licensed area that can be used economically and observing good forest practices.

Utilization of the timber on licensed areas may be at the plants of the licensee or, alternatively, wood must be made available to other industries. Since markets will, in general, determine the timber that can be used economically, wood sharing plans for specific licensed areas should be flexible.

Recommendation No. 40: It was recommended that the government and the department adopt a vigorous policy of promoting integrated operations on all Crown licensed areas. In order to provide an incentive for expansion of the forest products industry to utilize the full allowable cut, integrated logging operations are a necessity.

It was also recommended that a reduction from the basic Crown stumpage rates of 50 cents per unit be applied to all licences north of the Canadian National Railways through Cochrane, Hearst, Nakina and Sioux Lookout.

At the present time there are at least 1.5 million cunits of the allowable cut, tied up and unused in areas already under licence. This alone would supply four new pulp mills with a daily production of 600 tons of sulphate and provide employment for thousands of northern Ontario residents. Since large-scale manufacturing units tend to be the most economic especially in the sulphate pulping process, it may be more advisable to expand existing mills to their most economic size.

With regard to regeneration, I would like to quote at page 217 of the forest study unit. The Ontario Professional Foresters Association, in their brief to the forest study unit, states as follows:

> Mechanized harvesting and clear cutting are the main logging systems for the foreseeable future. Although necessary from an economic standpoint, they are silviculturally undesirable on some sites in that they cause heavy mortality of advanced growth, lengthen rotation and make post logging treatment necessary more often.
>
> Intense competition from regions such as the southern States is not likely to lessen. In the last decade they have planted an average of 300 million trees per year as compared with Ontario's 37 million. Even with the southern advantage of climate, accessibility and growth they are taking steps to grow fully stocked stands of the best strains and by seed selection they hope to double their allowable cut.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Chairman, I missed that. How many did you say in Ontario?

Mr. Stokes: Thirty-seven million, as opposed to 300 million in the southern States.

For Ontario to remain competitive close attention must be paid to the economics of logging but in addition there must be accessible stands of good timber. To achieve and maintain this latter objective, cutover must be regenerated promptly and new stands must have good stocking of the best strains of the right species. Much more consideration must be given to seed quality and genetic characteristics in order to obtain fast growth of superior trees.

The Ontario Forest Industries Association, in their brief to the forest study unit, with regard to regeneration, state as follows:

> The association endorses the regeneration plans of The Department of Lands and Forests. We trust that in the very extensive

programme already under way the members of this association can make a worthwhile contribution. Forest industry is ready to work co-operatively with The Department of Lands and Forests on the further development and improvement of equipment and methods used in regeneration work. The progress made in the field of harvesting and forest protection are indicative of the results that should be anticipated.

The association believes that full advantage should be taken of natural regeneration. There are large areas that should, or must be, treated artificially. We suggest that full co-operation may ensure that there will be an adequate stocking and that moneys expended will be only for areas definitely requiring treatment.

Now when you consider what is being done in the southern States and having regard for the kind of species that they are planting, the much more rapid growth, and consequently the less time it takes to have a tree grow to maturity, you can see that if we are going to remain competitive we have got to come up with the right kind of reforestation policies—planting the best species in forests that are best suited for that species, along with fertilization, if necessary, which has worked very well I believe in some of the Scandinavian countries.

That brings me to another topic and it has to do with the kind of policy that this department should be engaged in with regard to having large portions of private land revert to the Crown. At page 240 in the Brodie Forestry Study Unit they speak about patented parcels of land and I quote:

From a number of patented parcels of land in Ontario there is a severance of timber ownership. In many of these, pine timber is reserved for the Crown while other species are passed to the patentee. The largest area involved is on mining land. In the early days a mining claim holder while obtaining his Crown grant virtually became the owner of an absolute title in the land. Before 1869 he became the owner of the mining rights and the surface rights including the trees on the mining claim. After 1869 pine trees were reserved for the Crown in land grants under The Mining Act, and after 1918 all species of trees were reserved in such grants.

In 1955 The Mining Act was amended to provide that an addition to the reservation of all trees in Crown grants under the Act would be a reservation of the right to enter upon the land to carry on forestry. On all mining lands granted between 1869 and 1918 there is a severance of timber ownership although patented mining lands may form the largest area involving severance of timber rights. Many other lands not granted specifically for agricultural pursuits are also involved. As forest management activities expand it appears essential that all timber on a specific area of land should be under one ownership. This would be brought about either by an outright purchase of the land by a province or the issuance of a patent by the Crown to the landowner for the reserve timber.

This rather complex problem is being dealt with by the province and while it does not refer specifically to any one particular parcel of land, I think it is quite obvious that the one referred to particularly in northern Ontario is one that was touched on briefly by the member for Rainy River, and I hope to expand on it a little later.

Now it says:

The adjustment could be accelerated both to the benefit of simplifying administration and also to adjust timber ownership on these lands to better promote forest management.

Consequently, they recommend the programme of consolidation of Crown management units be continued through purchase by the Crown of privately owned lands as they become available. This includes the possible purchase of large lots of privately owned land in northern Ontario and the purchase of scattered lots in predominantly Crown areas. The programme for purchasing scattered lots is predominantly in the Crown areas should be maintained at a minimum level of 10,000 acres annually.

Dealing specifically with a large parcel of land that happens to be in the hands of the Algoma Central Railway, I think I would like to recapitulate what has gone on with regard to this parcel of land, this huge feudal domain, since about the year 1900.

The first statute passed in 1900 only called for the construction from the Soo to a point on the CPR transcontinental between Dalton and White River and of course it ended up at Franz on the Canadian Pacific Railway. But for this, the government land grant to the Algoma Central Railway was one of the largest ever known—7,400 acres per mile of construction, amounting to 1,632,000 acres. But that is only part of the loot they received

for building this railway. According to the Algoma Central Railway's own statement, another company held a provincial land grant of 5,000 acres per mile for railway construction between the CPR and James Bay, but never started work on it.

In 1911 the government passed this grant over to the ACR covering the section between the CPR and the CNR from Franz to Hearst. For this construction they were granted another 498,000 acres for a grand total of 2,131,000 acres.

In a recent statement by the Algoma Central Railway they did not tell us that the company also obtained a $2 million loan from the provincial government as well as an outright subsidy of $6,400 per mile from the Dominion government for this portion of their line from Franz to Hearst, nor did they mention other terms they were to fulfil in return for the land grants, which was to bring out 1,000 settlers per year for whom they were to provide schools, hospitals and community centres, in effect, open up and develop the north country.

The ACR contended the land was unfit for farming, so no settlers were brought out. To indicate to what extent they lived up to their agreement a typical school provided was the one at Michipicoten Harbour, a condemned building already used for 35 years as a bunkhouse, and it continued in use as a school for another 25 years, until parents refused to send their children to this building. Then the Michipicoten township built a new one.

The Red Cross provided the only hospital in the territory at Hawk Junction and it was largely supported by public donations. Community centres were nil. From 1903 to 1938 the ACR also held a charter from the Dominion government for a railway extension north to James Bay, but apparently the only use made of this charter was an excuse to charge exhorbitant freight rates under the pretext they were still under construction.

Between the years 1915 and 1928, the Algoma Central Railway sold the surface rights of 398,000 acres north of the CPR—no doubt for a tidy sum—but they retained the mineral rights on all of this land and still held approximately 1.7 million acres of the original grant. In 1925, the provincial government imposed a land tax which presumably applied to all Ontario residents, but the ACR ignored it, considering themselves exempt as they had been for the previous 25 years.

By 1940 they owed $2,250,000 and the government of the day took them to task. They took back 800,000 acres of the land grant plus a cash payment of $122,000 in an agreement dated March 18, 1940.

But, it was a settlement for back taxes alalready due from 1925 to 1940 and that was definitely brought out in the Legislature by both the hon. Kelso Roberts and the hon. Minister of Justice (Mr. Wishart), as recorded in *Hansard* on May 6, 1964. Was that for payment of $2,250,000 debt already due, or was it a payment guaranteeing them exemption from taxation even to eternity? It surely could not be both. The agreement states that it covered taxes due, was studied March 18, 1940, and the exemption from future taxation was signed in 1941.

According to a government official, under old British law, rights to the pine was reserved by the Crown for use for masts and spars for ships of the Royal Navy. The Algoma Central Railway claims this did not include jackpines, so they were giving something extra. But, it worked to their advantage to the tune of thousands of dollars when a fire broke out on their land. The government had to do the firefighting to save the Royal pines.

Thus, ACR did not pay fire taxes as the municipalities do and only when it could be proved that the fire was started by their own carelessness did they have to pay for any firefighting. That has been changed, I think, within the last year or so, but this is just to give you some idea of the special considerations that have been given this company, even though they fail to live up to the terms of the initial agreement.

In 1953, the ACR was informed by The Department of Mines, that it owed back taxes of $3,088,000, from the mineral rights they had retained since 1928. The law stipulated that when a land grant holder disposed of the surface rights but retained the mineral rights, he must pay a tax of ten cents per acre for those rights.

Once again, the ACR considered themselves exempt, saying that the mineral tax had never been meant to apply to them. The small land holder perhaps, but not the ACR. They also pleaded ignorance of any such law. Apparently they had never heard of the law which says "ignorance of the law is no excuse". The mineral taxes of $3,088,000 were neither paid nor cancelled, but merely set aside by a series of meetings and letters.

Behind the scenes of manoeuvres and government personnel, they managed to hang on to these mineral rights for another ten years, with the understanding they would carry out mining explorations. Finding no mineral of

value in October, 1963, they returned the mineral rights on nine townships to the government and considered this, plus the explorations and the costs of much less than $1 million, wiped out the debt of $3,088,000, plus the ten cents per acre they agreed to pay from 1954—which is roughly $400,000, for a total of approximately $3.5 million. Never in the history of Ontario has such a large tax debt been wiped out with such small payments—and on top of 50 years of exemption for all land taxes as well, from 1900 to 1925, and from 1941 to 1966.

This company along with other railways in Canada receives a $50 million yearly subsidy from the Dominion government. The ACR's share of this cake is approximately $250,000 a year. But, that is nothing at all to the 40 per cent subsidy they got from the steamships. The *Sir Dennis Lawson,* according to the ACR's own financial statement, is valued at $4.8 million and this government paid a subsidy of $1.9 million. The *Joudry* at a cost of $7.5 million cost the taxpayers of Canada approximately $3 million in subsidies.

Yet this company, whose profits are in the millions, howls to high heaven at the idea of having to pay provincial taxes, yet it has no qualms about accepting subsidies of the taxpayers' money and rooking its unfortunate lessees any way possible.

Their land grant encircles the Wawa area much like the arms of a giant octopus and with just about as devastating an effect. No fishery stocking had been carried out on the small lakes of this private feudal domain, to the detriment of the tourist industry in the area. Many people interested in building summer cabins and resorts—both Americans and from southern Ontario cities—will not build on ACR property when they learn the terms of the lease, thus the Michipicoten district loses this business also.

Not only should the ACR be taxed on the same basis as other taxpayers in Ontario—no more special deals or concessions—but some provision should be made to have the land revert to the Crown from around highways and the important lakes so that they might be developed properly.

This brings me to a deal that was signed just recently by The Department of Lands and Forests. It was indicated in the April 12 issue of the Toronto *Globe and Mail,* that Ontario will deal for Soo timberland trees or tax relief. I understand, even though the Minister of Lands and Forests said that he would be reporting to the Legislature in two or three weeks, that that did not happen. He is reporting to the Legislature at this time, so I take it that deal, as reported in April 12 issue of the *Globe and Mail* was not consummated. I was very interested in the *Globe and Mail's* story of October 2, 1969, which said "Public Fishing Gains in Algoma Land Deal" and I quote:

> The provincial government has completed a deal with Algoma Central Railway that gives the public the right to hunt and fish on 850,000 acres of land granted to the railway earlier in this century. Under an exchange of rights registered this week in the land titles office of Sault Ste. Marie, Algoma gets ownership of all pine timber on the land in a string of townships between the Soo and Wawa. In return, the public will be entitled to hunt and fish on these lands subject to the necessary precautions to protect operations being conducted on the land, according to a statement from the office of lands and forests Minister Rene Brunelle. Until now, the crown retained ownership of the pines although other timber species were owned by the railway. Since 1966, the railway has paid provincial taxes on the land, which was originally granted to encourage the building of the railway line. At the same time as it removed the tax exemption on the lands, the province prohibited the company from charging fees for hunting and fishing rights on the land. D. H. Ferguson, chief of the Lands and Forests Department law branch, says the exchange of rights registered this week ensures public access to hunt and fish on the land owned, even if there is a change in ownership.

This leads to several questions that I would like to ask the Minister, and possibly later on in the estimates he can provide me with some answers. Do tourist operators who have established on ACR lands still pay a yearly fee to this company? Now, if they do, I am wondering what the Minister referred to when he was quoted as having said on April 12 that recovery of the land could mean good news for Ontario tourist operators and outdoorsmen. The government's action could open the area as a vacation spot. Now, if indeed they are still paying high lease rates to the Algoma Central Railway for the privilege of conducting operations on their land, how can the Minister state that—you know—this would be a boon to the tourist operators? Now, will any fish stocking be carried out on ACR land? And why has this land not been acquired by the Crown as recommended by the Brodie Forestry study unit. What is the nature of the tax relief amounting to between $5 million

to $7 million as reported in the *Globe and Mail* of April 12, 1969 and what taxes does the ACR pay on its feudal domain amounting to 748,864 acres spread over 37 townships? Does the ACR have ownership of all timber on the 748,000 acres, including white pine? And how will the recently signed agreement benefit tourist operators and potential sportsmen in the area? I would like him to answer those questions for me.

An hon. member: There are no answers.

Mr. Stokes: Now, when the Minister was questioned recently at the Northwestern Ontario Development Conference at the Lakehead by my leader, the member for York South (Mr. MacDonald), about the allowable cut and why people were allowed to retain huge tracts of land that were not being used, to the detriment of other people in the industry who might vitally need this supply, the Minister replied that these were under a review every five years and they would indeed do that. Now, how does the Minister reconcile that statement with the deal that he has just signed with the Algoma Central Railway, giving them exclusive rights to all species of timber on 850,000 acres, when in fact, the Algoma Central Railway is not involved in timber operations at all? Obviously they must have a deal with somebody else. In fact, what you are doing is that you are putting the timber resources of this huge tract of land into the hands of a railway company to dole them out to users as they see fit, having no regard for the kind of industry that that resource might be able to sustain. I think that this Minister and this department has a responsibility to take over that land and to dole the timber out in the best interests of the people of Ontario.

To get to another aspect of timber operations, surely it has become obvious that technological changes in the forest industry have been more rapid than in almost any industry in this province. Changes in the method of harvesting have reduced the work force in the woodland section of the industry by over 50 per cent in the past few years. It is estimated that by 1975, 75 per cent of the cutting and forest operations will be done by mechanized methods. This has meant that thousands of workers who were accustomed to looking to the forest industry for employment have had to either move out, seek employment elsewhere or attempt to learn other skills.

When one considers that 90 per cent of the merchantable timber, 86 per cent of the pulp and 76 per cent of lumber production is in northern Ontario, six out of every ten jobs in the forest industry are found in southern Ontario and that was a fact that was brought out by the Hedlin-Menzies report. Now of 78,000 directly employed in the industry, only 31,000 are employed in northern Ontario. Of 135,000 indirectly employed, only 50,000 are in the north. If the situation were just reversed and six out of every ten jobs were located in the north, it would mean 50,000 additional jobs for northern Ontario. You might ask what this department could do to reverse this trend to assure that resources found in the north be exploited to the benefit of northerners.

First, you must ensure that all species of trees be used to the full allowable cut of mature and over-mature trees for the benefit of the economy of northern Ontario. A significant portion of the allowable cut is not being used by licensees and is allowed to over-mature and decay—a total economic loss. The added production could be accomplished by integrating logging operations, and sharing of timber and locating of plants such as pulp and paper mills, saw mills and veneer plants and chip and saw operations near existing towns where the resources are located. Has the Minister ever considered the economic benefits which would have accrued to towns like Kapuskasing and Terrace Bay if the $20 million tissue plant which is under construction near Huntsville had been located in the north? Has the Minister considered the economic benefit which would have accrued to the people of Beardmore, Jellicoe, Geraldton, Dorion or Hurkett if the new saw mill which was just opened with the assistance of an EIO forgiveable loan in Port Arthur had been located in any of these towns?

Northern Ontario is losing population at the rate of 8,000 per year. Most of these are in the lower age groups and are forced to leave because of the slow growth of employment and employment opportunities. If present trends continue, the north, which comprises four-fifths of the land mass of Ontario will have only 6 per cent of the provincial population in 20 years. Your colleague, the Minister of Mines (Mr. A. F. Lawrence), has admitted that the government policies have missed the boat in providing any spark that would put the north on an acceptable economic footing when compared to the rich southern sections of this province. A feeling is deeply ingrained that the

rich, furry tail around Toronto has been wagging the shaggy dog of the north for far too long.

Notes the Fort William *Times Journal* or the Port Arthur *News Chronicle*, on the eve of the Northwestern Ontario Development Conference:

> The value of yearly production from the forests in northwestern Ontario alone, is approaching $275 million and a complete reappraisal by this department of the possibilities that exist in northern Ontario and solid programmes to develop those resources, is essential.

The Minister, who is a northerner, should be the first to realize that the north is not a poor relation when it comes to supplying wealth and riches to the south, and I am sure that he will agree with me there. This, it should be noted is newly created wealth and does not involve simply the re-circulating of existing moneys.

The existing forest industries should be encouraged to provide jobs by fabricating their own raw materials into finished products right in the north. The forest industries are our greatest producer of wealth in the north. This government and this department must concern themselves to make sure that not only our forest resources are handled so as to be on a sustained yield basis, but also to ensure that the maximum economic use of all species is made, in keeping with the present and future forestry methods and technology.

The search for new uses for species now regarded as waste trees should be undertaken. In this regard, it should be noted that only one-third of the Lands and Forests personnel is located in the north. It would seem feasible to locate a major research station at some place—might I suggest Geraldton—where basic research and field studies could be carried out to explore the possibilities of greater and more efficient use of the forest resources. It would seem much more practical if those who control the policies of this department were closer to the raw material where they could see for themselves what is going on. I suggest the decentralization of this department to achieve this end. The people of northern Ontario feel that a thriving northern Ontario would be a boon to the entire province.

Game and fish which fall within the purview of this department are in serious danger of being depleted by unscrupulous non-resident hunters and anglers. Seizure of large quantities of game fish and laying of fines this year has focused attention on this criminal abuse of Ontario's game laws and our hospitality. It is significant that virtually all offences were uncovered among motorist fishermen. No such inspection was conducted on the large numbers of fly-in fishermen, who flew in and out of our remote or wilderness lakes from points in the United States.

Any law, whether federal or provincial, which permits non-residents to fly home without passing through Canadian customs, is nothing less than stupidity. To disclaim responsibility at the provincial level because of federal jurisdiction is sheer lunacy. These fish are the property of the province of Ontario, and any infraction of the fish and game laws should be the concern of this department. All non-resident anglers and hunters must be required to report to Lands and Forests conservation officers at specified points before returning home, as a condition of their licence.

Now, an article in the Port Arthur *News Chronicle*, dated Friday, June 20, states that "Fish Fly-ins Spark High Level Meeting." The Minister indicated that he was very concerned; that he would be holding a meeting with various interested groups at the Lakehead to deal with this specific problem.

That was on June 20, and that is roughly five months ago. I have not heard anything since, so I take it that nothing fruitful came out of the meeting, or the Minister and his department have made no significant progress to stop this flagrant abuse and violation of our fish and game laws.

With regard to our laws, I would like to allude briefly to the land use permits that are issued by The Department of Lands and Forests to various people, some resident and some non-resident. One of the instances that brought this whole problem to light early in the fishing season in the spring was when conservation officers of The Department of Lands and Forests intercepted a group of American hunters going across the Pigeon River border with something like 748 fillets of various species of fish, some of them were—

Mr. T. P. Reid: Three hundred and seventy-four fish.

Mr. Stokes: Yes, and as a result of this I believe that The Department of Lands and Forests in northwestern Ontario did some investigating to try to find out who was responsible for allowing this to take place. A person or a group of people just do not go into a wilderness lake and come out with

748 fish all fillets—all neatly filleted and packed—without some kind of assistance from someone. While they were never able to prove it, I think that both The Department of Tourism and Information, which is responsible for licensing such operations, and The Department of Lands and Forests which is responsible for issuing land use permits, had a pretty good hunch that somebody who was licensed by a department of this government had to assist these people in violating our fish and game laws. I think it is fair to say that they were not able to acquire enough evidence to lay charges against these tourist operators, or these people who cater to these non-resident fishermen, but I think it is safe to say that there was sufficient evidence to warrant a complete reappraisal of the kind of people to whom these land use permits are issued, and to impress upon them the responsibility that they, as tourist operators, have to see that our fish and game laws are lived up to. As I say, while it was never conclusively proven that they did act in concert with these American tourists, I think there is sufficient evidence to say that they had knowledge of it. This was discussed recently at a recreation and land use planning meeting that we had in the area in question. In fact, we even know the lake that these fillets came out of. We even know where they stayed and with whom they stayed, but as I say, The Department of Lands and Forests was not able to say conclusively that this person indeed sat by while our fish and game laws were being so flagrantly violated.

I think that this department has a responsibility to review the way in which the land use permits are handed out and I think that you also have a responsibility, even though the federal government has failed up to this point to act in regard to these people flying back without going through customs—Canadian customs—on their way back. I think that this government and this department has to come up with a way of stopping these people and making it a condition of the licences, whether it be a hunter or a fisherman. I think it must be a condition on the licence that they must report back to a conservation officer at a specific point before returning to the United States, and I think this is the only way you are going to stop these abuses.

It is not too hard to understand, Mr. Chairman, that if these abuses are allowed to continue even for a brief period of time, we are just not going to have any fish and wild life resources left. There is just not going to be anything left for the people of Ontario at all.

Now, another area that I would like to touch on briefly is pollution, in answer to a direct question or a challenge from the member for Rainy River. The Minister has said that he is not responsible for pollution, but is concerned about it. Now, I wonder just to what extent he is concerned. What does he do specifically about pollution? Does he go to his colleague, the Minister of Energy and Resources Management (Mr. Kerr) and does he say, "George, you simply must do something about all of this pollution which is killing my fish"? Does he say: "George, the pulp and paper mills that I have licensed are spoiling our lakes and rivers. How am I going to sell fishing licences if there are no fish? How am I going to attract people to Algonquin Park if our water is polluted?" Or does he say: "Take it easy on this pollution bit, George, you simply must not do anything that will upset our friends"?

OWRC states that the pulp and paper industry are the worst pollution offenders in Ontario, and indeed all of North America, and that one large pulp-paper mill produces enough waste to equal that of a city of 100,000 people.

Our present programme of prosecuting pollution offenders is completely unsatisfactory and has no more effect than a public flogging with a wet noodle. While our lakes and rivers become cesspools, and our fish and wild life are being slaughtered, the Minister of Lands and Forests sits wringing his hands and is content to sit back and let George do it, that is, do the flogging with the wet noodle.

Mr. S. Lewis (Scarborough West): That is quite a programme you have over there.

Mr. Stokes: The final point I would like to make is with regard to land use and conservation of certain areas for the use of the people of Ontario, and this is a letter that I received from a gentleman in Hamilton who is vitally interested in the Long Point area of Lake Erie and it says:

> This is a fabulous area for wild fowl and wild life, including deer, and is the last such area left on Lake Erie, and it no doubt surpasses even Point Pelee and Pelee Island. No such area exists for Lake Ontario and Huron. It certainly should be a protected area and it is one of the two fly-ways out of Point Pelee across Lake Erie.

For the reason that shallow water at Long Point contains much marine and plant life, it is a main feeding area each spring and fall for literally millions of ducks and geese. These fine birds rest and feed at Long Point and then fly another several hundred miles on their north-south migration. Also, just this weekend the near extinct white swan, perhaps six feet long, were observed on their flight north to the Arctic—

You must remember that this letter was written in April of 1969.

The Long Point area has some fine beaches too, but the water has now become badly polluted. Should these beaches be developed by cottagers, it would, unfortunately, to a large degree destroy the wildlife.

This is a popular area for boating, and fishing, as it boasts the best bass fishing in North America. Many campers trespass on Long Point, to the consternation of the owners who claim to own not only the water's edge, but the lowest water levels recorded, which they claim are 100 yards from shore, that is out into the water. Their "no trespass" signs try to enforce their sovereignty.

And he says:

I have enclosed two topographic maps of this area, and I have marked for your information the areas which should, in my opinion (and many others), be expropriated and protected for the use of future generations.

Area No. 1, at Turkey Point—approximately four square miles. This marshland is mostly owned by the Turkey Point Hunting Club. The area is part of a township of Charlotteville office at Vittoria, Ontario. Township officials know the particulars.

Area No. 2, at the west end of Long Point—approximately five square miles. This marshland is also mostly owned by hunting clubs, and is part of South Walsingham township office at Port Rowan, Ontario.

Ontario Department of Lands and Forests area is shown between areas 2 and 3. Please note it is rather a small comparative area, as some 50 per cent of it is owned by cottagers whose population is several thousand in the summer. The department's Aylmer, Ontario, office manages this area.

Area No. 3, consists of approximately forty square miles, with a federal government lighthouse on fifty acres they own at its end. Wherever marsh is not indicated on these maps, there exist fine sandy beaches and especially on the south shore, which is a fine unbroken eighteen mile long beach.

There is no doubt that the owners could build a road along this south shore and start an influx of 10,000 to 25,000 summer cottagers and there is no doubt that the few owners of this forty square miles can make a fortune from their original investment of only $15,000. Should this happen, the very last of our natural heritage in all of southwestern Ontario, would be lost forever.

Each year the owners of these lands build more cottages until each year it becomes more split up into ownership and will become more difficult to acquire and certainly more costly. Much of this land is owned by the Long Point Land Company whose particulars are known, I understand, at the South Walsingham township office, in Port Rowan. While I realize it is difficult for the department to immediately expropriate it, and purchase all of the areas they would like to, I believe this particular area should be proceeded with, as it is in the most populated area of Ontario where it can serve perhaps two to three million people, in one way or another.

I believe the Long Point area should immediately be made into a wildlife conservation and sanctuary area, similar to Point Pelee and Pelee Island. If it cannot be acquired as a provincial park soon, then it should immediately be frozen for all future building, to conserve its present features and that more restrictive and controlled shooting of wild fowl over the daily limits, should be enforced.

Please consider, that just 15 miles west, Canada's second largest steel company, the Dominion Foundries and Steel Company has purchased 5,000 acres and 15 miles east, Canada's largest, the Steel Company of Canada has purchased 8,000 acres. All too soon, both these areas will be towns and then cities. Great highways will then span the Lake Erie north shore. Please visualize, would it not be great to have southwestern Ontario's last wildlife natural park in the midst of this industrial complex for the benefit of millions of people in years to come?

I hope that the Minister will take that under advisement, and I have—

Mr. R. F. Nixon (Leader of the Opposition): Who signed that letter?

Mr. Stokes: It is signed by Mr. D. E. Tidey, of 554 Main Street East, Hamilton, Ontario.

I have taken up enough time. As we are on a strict quota basis, I have a few other things that I would like to bring up during the course of the estimates. With those remarks I will close, in the hope that the Minister will find time to answer a good many of the points that I have raised during the course of my dissertation.

Mr. Chairman: Before we proceed, the committee may be interested to know that the elapsed time so far, under the new procedures, is a total of 17 hours and 20 minutes.

The hon. Minister.

Hon. Mr. Brunelle: Mr. Chairman, first I would like to commend the hon. member for Rainy River for his very interesting remarks, also I would like to thank him for having sent me a copy of them.

With reference—if I may deal with the various items that he has brought to my attention, he mentioned that the department was too urban centred and that too many people live in Toronto, and have a civil service outlook. In numbers we have here at head office, we have 674 employees, of which 340 are in clerical classification, that is leaving 334—that is one eighth in administrative or like positions. We have 2,408 employees in the field. Our total authorized regular staff complement is 3,244. At November 1, we have 162 vacancies, which is quite normal for the number of employees.

The member also said that we should rotate our personnel. It is our policy to rotate the personnel, from field to head office, and head office back to field. For instance, we have three of our regional directors, Messrs. Ringham, Lockwood and Giles, who were transferred from head office positions to field positions, and all three have been in field positions prior to being assigned to head office positions. The majority of our key positions in head office are filled by staff with field experience, thus ensuring that senior administrators are abreast of what is going on in the field.

The hon. member also mentioned he wanted information pertaining to the education section, and that it is not doing its job in relation to the urgent task of telling the people why and how conservation is essential to our survival.

Our mailing list has more than 4,000 names, and they include all fish and game clubs in Ontario, outdoor writers in Canada and the United States, all radio and television stations in Ontario, selected U.S. radio and television stations, and editors of outdoor and related magazines in Ontario and in the U.S. Also we have a French letter that goes out to such papers as *Le Droit*, and also a mailing list for French-speaking personnel.

Our mailing list is constantly updated, and is in current major updating following the recent readership survey, and our material contained in newsletters are often the basis of radio and TV exposure—for instance, CBC's programme, "This Land of Ours," and CTV's upcoming outdoor series. A Kitchener station uses many of our programmes as the basis for filming and radio. For instance, the members are aware that the *Globe and Mail* carries quite a few stories on cohoe salmon in the Credit River, and columnists also use our stories in northern Ontario.

Item 3: The member said the operations of the flying service are hidden, and no details of spraying and defoliation operations are readily available.

The hon. member enquired about the air-service operations. This activity is administered by the forest protection branch under vote 1102, and for the year ending March 31, 1969, the total cost of flying operations, including contract and commercial flying was $1,637,459.

The breakdown of flying is published each year in the department's statistical report, and this information is available up to date, up to March 31, 1968, and a total of 17,940 hours was flown in the year ending March 31, 1969, 14,456 by the department aircraft, and interesting enough, 3,484 hours, or 25 per cent of the total by commercial aircraft. Water bombing is carried out on about ten per cent of all forest fires. In the 1968 fire season, fire bombing operations totalled 274 hours, and 2,064 drops were made.

The hon. member also enquired about flying performed for other departments. Other departments are charged for this flying, and the account revenue is reported in the public accounts accounts, and for the year which ended March 31, 1968, it showed that we received $38,715.36, and last year, we received $44,571.91.

The hon. member also enquired about our extra fire fighting. Extra fire fighting is a contingent item that is requested annually

to cover two expenditures that are almost impossible to accurately forecast, due to their dependence on the severity of the season. Of the amount of $750,000 requested in the estimates, $575,000 is allocated to cover the wages and expenses of additional fire fighting resources, required during periods of severe fire conditions to supplement the department's basic suppression force, and the remaining $175,000 is for replacement of equipment.

I would also like to mention, of course, that we hire a lot of Indian crews to do this, and we have trained more than 1,200 Indian personnel.

With reference to the wages, the minimum is $1.75 per hour and it goes up to $2.60 per hour including board, depending upon individual fire fighting experience and job assignment.

The hon. member also enquired about the role which water bombers play in our forest fire protection. All department aircraft operating from field bases are equipped for fire bombing with special floats, and initial strike action is taken in some areas in at least 25 per cent of our fires. And last year the department aircraft were utilized for 274 hours in fire bombing, making some total of 2,064 drops.

I would like to mention that the department aircraft are not used for pesticide spraying because they are not equipped, and we hire commercial aircraft to do this. As I mentioned about the flying by other departments, they pay for the use of our aircraft.

Mr. T. P. Reid: Do you have the figures on how much they pay?

Hon. Mr. Brunelle: Yes, I will send this over, Mr. Chairman. The hon. member said that the operations of the flying service are hidden, and that no details of spraying and/or defoliation operations are readily available. Mr. Chairman, as I mentioned, I will send this over to him. Also, I am sending him the information on the hours flown by commercial and departmental aircraft used. There is also a copy for the member for Thunder Bay.

The hon. member said that no clear leadership is apparent in reforestation programmes carried out in association with conservation authorities. Mr. Chairman, grants under this provision may be made to any municipality or to any conservation authority to assist in the acquisition of land approved by the Minister for a forest area to be managed and developed, for forestry purposes, by the Minister under an agreement entered into between the Minister and the municipality or the conservation authority under section 2 of The Forestry Act. These grants are not unconditional grants, and are not grants directly related to plans for reforestation or planting programmes to be carried out by the municipality or conservation authorities.

I think the hon. member for Thunder Bay will be interested in the following. This may be a little lengthy but I think it gives a background information and I am sure there will be additional questions.

Discussions with the Algoma Central Railway over the past 18 months have resulted in agreement in principle on two exchanges between the province and the railway. By reason of these exchanges, the province has greatly improved its position with respect to resource management in the area and at the same time removed a source of local irritation.

First, in broad terms, the company has exchanged the fish and wildlife rights on the lands still held by the company in return for the pine reserves of the Crown on the same land. The basic purpose on this exchange is to secure for all time the public right of access to the fish and wildlife values. While an Act of the Legislature prevented the railway from prohibiting public access, this condition would not have applied had the railway resold its land.

On October 2 of this year, I announced that an exchange of rights in respect of lands in the territorial district of Algoma owned by the ACR was registered previously in the land titles office at Sault Ste. Marie. These rights affect railway subsidy lands granted to the company in the early part of the century. The company conveyed to the Crown all the right, title and interest of the company in the game and fish on the land for a conveyance from the Crown of the Crown's right to the pine on the land. Under this arrangement the public would be entitled to hunt and fish on these lands subject to the necessary precautions to protect operations being conducted on the land.

The second exchange relates to land that reverted to the province in the 1940s. This was, of course, under a different government administration than the present one. At that time, the province acquired the reverted land subject to an agreement between the Abitibi Company, who had exclusive rights to five pulpwood species on these lands until the year 2010. The railway donated the five pulpwood species to the province, and this transaction gave the department greater control over the management of these lands.

As a result, the province will realize revenue from the sale of timber to Abitibi which was not the case previously. Such timber as Abitibi will not require can be sold to other users and the legal formalities of this transaction had been completed as of March 31, 1969. The valuation placed on the pulpwood on the reverted township was $5,707,272. A receipt for this amount has been issued by the province, by The Department of Treasury and Economics, to the railway. This figure was arrived at by using recent department inventory data, and standard techniques of evaluating forest land. The pine and fauna on the railway lands were each valued at approximately $333,000. The area of the reverted land is 748,864 acres. The area of railway land that is still owned is 779,436 acres.

Mr. Chairman, I realize there will be additional questions on the ACR, but if I may continue with some of the matters that the hon. member for Rainy River mentioned, then we can revert back to ACR.

With reference to the repairing and rights, and other rights in Lake Erie that are being jeopardized, his colleague from Welland South (Mr. Haggerty) is very concerned. There again, Mr. Chairman, our position is this, that we have examined during the past year, 1,468 such patents covering nearly 2,000 representative parcels of land fronting on the lower Great Lakes and we have collected this information. It is being catalogued and examined.

At this time, there are cases before the courts dealing with the question and therefore, Mr. Chairman, regarding a legal position, we should await the decision of the courts. As the hon. members know, the background of this is that in 1940, an attempt was made to codify the law respecting public ownership of beaches by an amendment to The Beds of Navigable Waters Act.

This Act provided that, notwithstanding the rules of English law to the contrary, the beds of navigable waters were presumed not to be granted, and the amendment included the beach and the bed by providing that the bed extended to the high water mark. In 1951, it was apparent that the intention of the 1940 amendment had not been realized and the 1940 amendments were repealed. I would like to mention, Mr. Chairman, our department, since the inception of the land acquisition programme in 1962, has acquired 72 miles of Great Lakes shoreland and also we have under consideration an additional 30 miles of frontage.

The hon. member referred to auction sales, saying that auction sales are not the right way to dispose of Crown lands for recreation purposes since this method leads to wheeling and dealing and the selling out of Ontario's birthright. If I may deal, Mr. Chairman, with the lottery system. I have discussed this with my own people and with reference to his suggestion that the sale of summer resort land by lottery would be a much more equitable manner, this suggestion is not new. However, it has merit but it has been the accepted legal position that any such scheme would contravene the provisions of the Criminal Code. However, on January 1, 1970, section 179A of the Criminal Code comes into effect and it now is possible, subject to the enactment of the necessary provincial laws, for the government of this province to operate lottery schemes. With this change in the federal law, consideration will be given to the possibility of providing alternative methods of disposal of Crown lands.

The hon. member also referred to the sale of summer cottage lots held on May 31 at Wilberforce. I think he mentioned that this system sort of tended to benefit the affluent. I believe the hon. member said he had attended this sale and—

Mr. T. P. Reid: No, I did not say I did.

Hon. Mr. Brunelle: I am sorry, Mr. Chairman, then someone from his party did. But I would just like to refer briefly, Mr. Chairman, to give you an idea of the occupations. I can send this over to the hon. member, these are the people. They are all Canadians, and I can give you their occupations: Salesman, woman, married woman, machine tender, carpenter and farmer, teacher, draughtsman, clerk, mechanic, married woman, employee of General Motors, and so forth. These are—

An hon. member: You say married woman. What does her husband do?

Hon. Mr. Brunelle: There were no American sales at this particular auction.

Mr. T. P. Reid: Is there any guarantee that they will not be sold?

Hon. Mr. Brunelle: At the present time our policy is that we do not discriminate against non-Canadians. I do not know whether the member is advocating that we should not sell. Is he suggesting we should not sell to American citizens?

Mr. T. P. Reid: I think there should be a balance.

Mr. E. W. Sopha (Sudbury): You should not sell any land, I have been saying that for years.

Hon. Mr. Brunelle: I would say to the hon. member for Sudbury that this is a very good suggestion and this is one that we are giving—

Mr. Lewis: The member for Rainy River contradicted the member for Sudbury.

Mr. Sopha: I often get contradicted.

Interjections by hon. members.

Mr. Chairman: Order, please. The Minister will please continue.

Hon. Mr. Brunelle: I think there is a lot of merit in the suggestion of the hon. member for Sudbury.

With reference to that sale, Mr. Chairman, I would like also to mention that those lots were sold at slightly above the reserve bids. In calculating those reserve bids, the department uses the basic price set by the regulations under The Public Lands Act plus the cost of access roads, plus the cost, of course, of surveying and all the additional costs.

Mr. Sopha: You are selling Canada to the Americans—but that is all right with the NDP.

Mr. D. C. MacDonald (Yorth South): Could I ask the Minister a question?

The Minister has taken one particular auction and he has given us the information. Has he the overall picture?

Hon. Mr. Brunelle: Does the member mean of all—

Mr. MacDonald: Of all the lots that were sold; for example, in each of the last five years, how many of them went to Americans and how many were sold to Canadians?

Hon. Mr. Brunelle: Mr. Chairman, I believe we certainly can get this information. It would entail a fair amount of work to find out the information but we would be pleased to obtain it and send the member a copy.

The hon. member for Rainy River also said that this Legislature has been kept in the dark about land purchase and consolidation on behalf of this department and land purchased by the department.

His first question, No. 1: In the last five years, slightly over 320,000 acres have been purchased by the government for programmes of this department.

Question 2: Slightly over 200 purchases were made of parcels over 100 acres of land. In addition, slightly over 64 purchases were made of parcels containing 100 acres.

And the answers to questions three and four regarding the geographical location of each purchase: The vendor in each instance and the intended use of each parcel is contained in the following schedule, and I am sending a copy to the hon. member as well as a copy to the hon. member for Thunder Bay.

Question 5: The agent in all instances of land acquisition is The Ontario Department of Public Works.

Question 6: There were no agent's commissions for the reason The Ontario Department of Public Works is the agent.

Question 7: Other government departments involved in the assembly, purchase and consolidation of land on behalf of The Department of Lands and Forests include The Department of Public Works, sometimes ARDA and sometimes The Department of Highways. Of course, as you will notice on those sheets, those purchases are mainly for park acquisition, public lands for hunting, for fishing and other recreational purposes.

Question 8: The hon. member has raised a question of clouded title on these land purchases. Mr. Chairman, there are none which do not have clear title. However, in some instances, mineral rights have been separated and in these cases the mineral rights may or may not be acquired depending on the purpose for which the land is purchased. For instance, in purchasing park land we acquire, of course, the mineral rights. If it is marginal agricultural land being purchased, say for forestry purposes, the mineral rights are not considered essential.

In fact, we consider it desirable to have any mineral potential on this kind of land developed and therefore these lands are open for staking when acquired by the Crown. Also, when forest and mineral rights are separated, they are subject to mining tax. In certain other instances, timber cuttings have been retained by the vendor for specific periods. This practice is not the custom and is accepted only when not detrimental to the interest of the Crown. Also in one or two instances, lands have been acquired which are subject to the lease of hunting rights. These leases have been short-term and are not renewed on expiration.

Also, there is the odd time that we give a lifetime interest to owners. This is done for parks, for instance, in the purchase of park

land. In the area of the hon. member for Windsor-Walkerville, we have given the owners a lifetime interest in their land.

No. 9: No new forestry industry has taken root in Ontario in the past five years. This subject was also mentioned by the hon. member for Thunder Bay. That is true, Mr. Chairman. The two members are quite correct when they say that Ontario has not obtained new pulp mills during the past five years. We have been actively seeking new mills for this province and will continue to do so as long as there is sufficient surplus of wood grown annually to support that industry. Expansions in primary production elsewhere must be weighed against the following facts:

Notwithstanding recent development, Ontario's allowable annual cut is still utilized to a higher degree than any other province in Canada. We are utilizing our allowable cut —mind you, I am in agreement we should be utilizing it more—but we are doing more in this province in utilization than any other province.

Our pulp and paper industry came early in the mid-1920s and has grown steadily—mainly through regular increases in plant capacity and replacement of obsolete equipment. For example, the volume of industrial raw wood consumed by Ontario mills increased by nearly 70 per cent during the 20-year period 1946 to 1966. And, also, Ontario's forest economy has now reached a level of maturity which exceeds that in the other provinces by a very wide margin. We carry the degree of manufacturing much further, thereby creating many more jobs per cunit of wood utilized.

Mr. Stokes: In the wrong places, though.

Hon. Mr. Brunelle: The Ontario forest industry employs as many workers as British Columbia, but harvests less than 40 per cent as much wood, with Ontario accounting for only 16 per cent of Canada's wood production, we account for 30 per cent of the value-added in forest products manufactured. For instance, for each cunit of wood manufactured in Ontario it represents $107, as compared to $65 in Quebec and $37 in British Columbia.

Mr. T. P. Reid: All in southern Ontario.

Hon. Mr. Brunelle: Also while new wood industry is desirable, we have sufficient wood for five major mills in Ontario. And also we have added, not new mills, but extensions to existing mills in the year 1968-1969 and next year—these are expansions to pulp and paper mills—$105,935,400. These are not the sawmills and the veneer mills but other mills. Mind you, we are not happy about this.

Mr. Stokes: You are still using less than 50 per cent of the allowable cut.

Hon. Mr. Brunelle: Also with reference to Huntsville, a $20 million mill will be built there next year by Kimberly-Clark. Now, the hon. member for Thunder Bay and a few others raised a question: Why did this plant not establish itself in northern Ontario—and I think the member for Thunder Bay said Kapuskasing or Geraldton. Well, I would say this: When an industry invests that kind of money in a plant, they carry out considerable feasibility studies. Some of the considerations that they take into account are to locate where it is most economical, considering transportations costs, availability of labour and market. Of course to locate in Huntsville is much more desirable economically than it is to locate in northern Ontario, because the markets are in southern Ontario.

Mr. Stokes: They take into consideration everything but the social implications. Everything is oriented to the profit motive.

Hon. Mr. Brunelle: Mr. Chairman, we will probably come back to this, this is a matter of view.

Interjections by hon. members.

Hon. Mr. Brunelle: With reference to research, Mr. Chairman, the hon. member for Rainy River said that it is concerned with academic publication rather than down to earth research that people can understand. The concern of the research branch is with the provision of the scientific base for planning and operations within the department. Publications in the scientific literature are frequent. It is undertaken both as a normal part of reporting and as a most efficient way of securing independent review of our work.

We also produce publications designed for the public and for the use of management. The research branch expends the majority of its time and resources on investigations directly related to field problems recognized by the operating branches and also spends a minor portion of its time in resources and investigations designed to enhance our understanding of the ecosystem.

We must also have answers for our current questions and you also need to anticipate future problems as we do not know enough about them. With reference, Mr. Chairman,

to the matter about the fish. This is a study on parasites. The work of Dr. Dechtiarem Ko is with parasitic diseases of fish and this is a concern of the department because of its public health aspect, because the disease affects numbers of fish and because management practices can frequently be directed to the control of the disease when the nature of the disease is known. This doctor publishes frequently in the learned journals.

This provides the best and the most rapid medium of communication with other scientists. However, he also provides extensive diagnostic services to the department and to the public. He is in the latter stage of preparing a manual on parasitic diseases of fish and this manual will permit managers and members of the public to interpret any evidence of fish parasites for themselves.

Now I believe that it is most important that we have as much research done on our fish as possible if for no other reason than to protect our own fish hatcheries, which of course are worth in the millions of dollars. The hon. member for Rainy River also mentioned that the department is showing no leadership in the war on environmental pollution. I would like to mention, Mr. Chairman, that in 1966 an advisory committee was formed.

My deputy is on this committee and this committee meets often and lots of work has been done. There are six sub-committees each dealing with a major field of pollution and my department is represented on all sub-committees. Although The Department of Energy and Resources Management and The Department of Health are directly responsible for the control of some of the major types of pollution, my department has a significant influence on the development of government policies and investigation to assess the impact of pollutants, and it is possible in the area of pesticides that my department has given the most direct leadership, and this will be interesting, Mr. Chairman, the insecticide DDT has been one of the most controversial factors in the total field of environmental pollution.

As early as 1966, three years ago, our department discontinued the use of this chemical for controlling mosquitoes and black flies in our parks and by the end of the 1967 season we had become one of the first government agencies in North America to discontinue its use entirely. More recently my department has been part of the advisory team responsible for the prohibition of DDT in the province as a whole as well as for the prohibition of other problem-causing chemicals. I would also like to mention that we have also a study that we have requested be made on the plant being built at Nanticoke—a joint study by Hydro, Lands and Forests and the industry, the steel industry, concerned.

Whenever we hear of an industry locating where it will affect the temperature and the chemical characteristics of the water we request that studies be carried out. On item 12, the hon. member said the department is failing to support the Conservation Council of Ontario—at a time when this body must free itself of industry pressures so that it can speak clearly on the key problems facing it.

Well, Mr. Chairman, I would like to say that we certainly commend the Conservation Council of Ontario for the remarkable work they are doing; however, I doubt very much that they would accept any contributions from our department, or from the government, because they would like to remain independent by accepting no contributions. It puts them in a much better position to criticize and make suggestions.

Mr. T. P. Reid: Do they accept contributions from industry?

Hon. Mr. Brunelle: Well, as you know, the Sportsmen's Show came about through Mr. Frank Kortright, I believe, and I am told the profits from the Sportsmen's Show mainly go to the Conservation Council of Ontario.

Mr. T. P. Reid: This is not my question. Do they accept contributions from industry?

Hon. Mr. Brunelle: Well, it could be, it could be, as I said they would not favour a contribution from the Ontario government.

Mr. T. P. Reid: Have you asked them or have they asked you?

Hon. Mr. Brunelle: Yes, we have been told. I have been told by my people that as recently as in the last two weeks they have indicated they were not prepared to receive contributions from the Ontario government.

Mr. Lewis: Well how do you like that? Why do you not offer to corrupt them and see what happens?

Hon. Mr. Brunelle: I would like to mention that they are not the only ones, there are other organizations that the hon. member knows—Northern Ontario Tourist Outfitters and other organizations do not accept contributions because they like to remain independent.

Mr. Nixon: When did you last offer something to the Algonquin Wildlands League.

Hon. Mr. Brunelle: With reference to UNESCO, the hon. member said that we should take initiative to be part of UNESCO. I would like to mention that the UNESCO committee is planning towards a world conference in 1972 in Stockholm entitled "Man and His Environment".

At the present time, the Canadian commission to UNESCO is negotiating for Canadian participation in the conference and I would think, of course, that Ontario would be part of it.

And the hon. member also said the department is not yet co-operating with the federal Department of Fisheries and Forestry on utilization of the Canadian resource satellite. May I tell the hon. member that as early as 1961 we were co-operating with the federal Department of Transport in this field, on the use of satellites. And the first forest fire ever detected by satellite was in northern Ontario in 1961. This year, we received daily satellite photographs of Ontario for study in connection with resource management and the research branch has also made use of satellite photography obtained through The Department of Transport at Malton, and studies of snow and ice conditions relative to various wildlife programmes. So we are co-operating considerably with the federal department.

And, with reference to parks, I would like to mention to the hon. member that as for the use of our major parks, what we are doing now is gathering information and we are preparing master plans on all our large parks: Killarney, Algonquin, Quetico, and he is well aware, of course, that we have established a task force for Algonquin.

With reference to his criticism that our fees of $2.50 are too high for the services provided, well I would like to say to the hon. member that our philosophy is that people who use the parks should make a contribution and later on as we get into that definite vote, he will see that we are spending more than twice—just on maintenance, not on capital construction costs, just on maintenance—we are spending more than twice what we are receiving — I hope I have answered the hon. member for Rainy River, of not, I know he will remind me.

With reference to the hon. member for Thunder Bay, I would like to commend him also for his contribution, for making us aware of the importance of the forest industries to Ontario and, of course, specifically to northern Ontario. I do not need to remind the hon. member that according to the Hedlin-Menzies report 69 per cent of all employment opportunities in northwestern Ontario are due to the forest industries and 31 per cent in northeastern Ontario.

The hon. member referred to various matters—such as that the allowable cut is not fully used. As I mentioned earlier, Mr. Chairman, now I am in agreement that we should be using more of the allowable cut and we are taking steps to do this, but at the same time, as I mentioned earlier, we are using—Ontario is using—the allowable cut more than any other province, to a fuller degree than in any other province. With reference to silviculture regeneration—and th s may surprise the hon. members—we are doing more in regeneration in the province of Ontario than all the other provinces put together and the hon. member mentioned, I think, in his remarks—

Mr. T. P. Reid: You are so far behind.

Mr. MacDonald: These are irrelevancies. The Kennedy report gave you a target to go at 15 or 20 years ago. You are so far behind now. Whether you are ahead of the other provinces or not is irrelevant.

Hon. Mr. Brunelle: We agree, Mr. Chairman, that we are behind and we are doing our best to catch up. And, as money becomes available—it is a question of money. And, of course, with personnel, it is a question of money and we should be doing more because as the hon. member knows by the year 1975, I believe, the demand for the forest industries will have doubled and by the year 2000, will have quadrupled. The hon. member also spoke about the stumpage rate as having declined, and ground rent, and he referred to the Hedlin-Menzies report.

We agree, of course, that our stumpage dues have not kept pace with the declining purchasing value of the dollar. At the same time, we are trying to attract more industries to locate and to expand in the province. Therefore by trying to keep our stumpage rate and our ground rent fees at a reasonable level we hope to be able to encourage industry to come into the province. Again, if I may refer to the Hedlin-Menzies report, for every dollar that we collect in stumpage dues it gives to the provincial Treasury, I believe it is $4 point something, and to the federal Treasury more than $9.

In other words, for every $1 that we collect in the province of Ontario, we give more than $13 in taxation—this is personal

income tax and corporate income tax. The last year of the Hedlin-Menzies report the forest industries gave to the province of Ontario—I believe it was—$104 million, and to the federal Treasury about $180 million.

Mr. T. P. Reid: Can you tell us how Mary Morrison is making out in England? Is he having a tough time over there?

Hon. Mr. Brunelle: As the hon. member knows, he retired two years ago. His son works for us, a very able forester in the Thunder Bay area—Geraldton, I believe. He is a timber supervisor.

Mr. T. P. Reid: Oh, I understand he was over there trying to attract—

Hon. Mr. Brunelle: The hon. member makes a point also about the sawmills and the paper mills, that the plants themselves are not making a sufficient contribution to the municipalities that they are located in. That is a good point. I hope that this matter will be remedied under the proposed regional government.

Mr. Lewis: Is that a Gallic shrug?

Mr. MacDonald: What are you trying to pull, a Trudeau on us?

Mr. Lewis: Did you catch that shrug in the Press gallery?

Hon. Mr. Brunelle: With reference to the Brodie report, the hon. member referred to recommendations 1 and 2. I have here that these recommendations have been implemented to a degree. I guess he probably feels that the degree is not large enough, so I do not know whether he wishes to deal with these recommendations on an individual basis or not.

He also referred to the chip and saw pilot plant. I tell you, frankly, I am not too familiar with the pilot plant the hon. member refers to. May I ask the hon. member where this was advocated?

Mr. Stokes: That is the one you were bragging about!

Hon. R. S. Welch (Provincial Secretary): This Minister does not brag.

Mr. Stokes: The reason why I am asking is that there was one advocated in my own riding and I am wondering if that is the one you are taking credit for?

Hon. Mr. Brunelle: I was not aware, Mr. Chairman, that I had, but I believe there would be merit in it. I certainly will look further into this, but I was not aware that I had made a statement that one would be established.

With reference to regeneration, Mr. Chairman, the hon. member, I think, said something about 37 million in Ontario. He referred to the southern states also. These are the figures for this year, 1969-1970, and the figures that I have are that we will be involved in the production of 55 million trees, in Crown and agreement forests. In private forest land—14 million trees—making a total of 69 million trees to be regenerated this year.

Mr. T. P. Reid: You are only 31 million short.

Mr. Stokes: I was quoting from the forestry study unit report.

Hon. Mr. Brunelle: Plus 20 million tube seedlings. So this is a fairly large amount, Mr. Chairman.

The hon. member referred to ACR. He said that the ACR should be taxed on the same basis as owners of other lands. To my knowledge they are taxed on the same basis. They are paying the provincial land tax of 1.5 per cent on their land the same as anyone else.

Mr. Lewis: Since 1966.

Hon. Mr. Brunelle: That is right, since 1966.

Mr. MacDonald: Liberal and Tory governments have washed out their taxes for two or three generations.

Mr. T. P. Reid: What would Watkins say about that?

Mr. MacDonald: Never mind what Watkins would say.

Mr. Sopha: Are you still speaking for Watkins?

Interjections by hon. members.

Hon. Mr. Brunelle: Mr. Chairman, the hon. member also asked about the tourist operators. Are they still obligated to pay rent on ACR lands? I believe so, Mr. Chairman, because ACR owns the lands and therefore they are entitled to charge rent for the use of their lands.

Mr. Stokes: The reason why I asked is this: Why would this recent settlement that you

have just made be a boon to the tourist operators? Those are your remarks, I want to know on what basis you made that observation.

Hon. Mr. Brunelle: What I said, I believe, Mr. Chairman, in my public statement was that we exchange the fish and wildlife rights for the pine rights. These are on ACR lands, on lands that they own. Prior to 1966 a person could not go on ACR land unless they paid—I forget, it was a nominal fee of, I believe, about $3. Now, a person can go on ACR land without any charge. But, as far as those—

Mr. MacDonald: For the good of the souls.

Hon. Mr. Brunelle: Pardon?

Mr. MacDonald: How good of them. They have only got 750,000 acres up there.

Mr. Lewis: Would that you had treated the Indian treaty rights with the same inviolate respect.

Mr. MacDonald: Exactly.

Mr. Lewis: You rescinded all the Indian treaty rights without consultation. Would that you treated them with the same respect as you do ACR.

Mr. MacDonald: May I ask the Minister, for example, if they are paying all the taxes? What have you done with the $3 million, the figure that was estimated in 1953 in mineral taxes that they had not paid? Then that big benefactor of the corporations of the day, namely, Leslie Frost, gave them ten years to examine whether or not they wanted to continue to hold the land. They said they did not want to continue to hold it, there were no mineral resources on it, so they handed it back—but, they got out of the taxes.

Why do we have two laws? If it was suddenly discovered that I had not paid my taxes—whether it is federally or provincially —they would descend like a ton of bricks and rightly so. But, in 1963—and the irony of this is almost beyond description—some clerk in the department discovered that inadvertently they had not been charging the mineral taxes to ACR. The rule was that if they sold the surface rights they would not have to pay both surface rights and mineral but in the areas where they had sold the surface rights they then became obligated to pay the mineral taxes. The news stories at that time said it was $3.5 million of taxes that they had not paid.

Now after ten or fifteen years of a cozy diddling and daddling and negotiating and so on—

An hon. member: Not cozy!

Mr. MacDonald: If we had not put a fire under Kelso Roberts you would still be doing no negotiating. We put the fire under you four years ago and finally got you started.

Now my question specifically is: Are they obligated to pay anything of the $3.5 million taxes, or that which was wiped out in a great act of generosity by the Tory government?

Hon. Mr. Brunelle: Mr. Chairman, my dealings with the ACR have been on other matters. The mineral rights have not entered into the picture. There were two—

Mr. Lewis: They give you back the fish.

Hon. Mr. Brunelle: Mr. Chairman, the ACR owns 779,436 acres. These are the lands that they still own. On this last agreement that we concluded with ACR. We owned the pine rights on this land, and they owned the fish and wildlife rights. We have exchanged the pine rights for the fish and wildlife rights. On the other lands, there is about a similar acreage, 748,864 acres. These are the reverted lands. These are the lands that in 1940, I believe, reverted to the Crown. However, Abitibi Company had an agreement with ACR which retains five species—the five most important ones—spruce, balsam, poplar, hemlock and balm of Gilead.

Mr. MacDonald: What lands were those? Seven hundred and fifty million—

Hon. Mr. Brunelle: Yes, those are the lands. Abitibi had an agreement that they could own the five species to the year 2010. Those five species were in Abitibi hands until the year 2010. I believe that as a result of the 1966 legislation, whereby we were charging ACR lands for provincial land tax, and railway fire charge. And with last year's doubling of the fire taxes, it could well be that this became a little onerous, and therefore—

Interjections by hon. members.

Mr. MacDonald: Oh, Mr. Chairman, forgive me, for getting in here. You double the ground rent. You double it from 50 cents to $1 and in many other provinces it is $10.

Hon. Mr. Brunelle: From $1 to $2. And the fire charges were doubled. Now they are, I believe, $25.

Mr. MacDonald: And the ground rents alone in other provinces, and I am trying to recollect what my colleague said, are $10 to $13. However, that is not the point that really provoked me. The Minister is glossing over what is really the most scandalous kind of proposition. And I agree with my colleague from Scarborough West; to say that you compare this renegotiating of a treaty for the benefit of a big corporation with the scandalous kind of treatment you have given the Indians in the renegotiation of their treaties, you should go and hang your head in shame. This 750,000 acres or thereabouts, in 1940—how did that revert to the Crown? Let us recall, Mr. Chairman —

Hon. Mr. Brunelle: It was under the Hepburn administration in 1940. We had nothing to do with this.

Mr. MacDonald: Okay. I will get to that. This is the kettle calling the pot black, because you are both black, and that is the point I want to make before I sit down.

An hon. member: Are you the pot or the kettle?

Mr. MacDonald: Neither. In 1926 a land tax was put on, and this company just thumbed its nose at the government, and said we are not going to pay it, and by 1940 there was something like $1.5 million, I think it was $1.5 million or $2.5 million of unpaid taxes that accumulated. The Hepburn government sawed it off. They wiped out the unpaid taxes. They took back this 750,000 acres and then they wrote it into the law that from that point forward they would not have to pay the tax. What a wonderful situation; they would be exempt from land tax from that point forward.

The government finally had to move on the issue. Sure, you wiped out that exemption and made them start to pay the taxes. But you are just as guilty as the Hepburn government. Because in 1953 it was found that there was $3.5 million of unpaid mineral tax, and what you have done is for ten or 15 years now, you have negotiated. The Minister said 18 months ago you started to negotiate. Why Kelso Roberts started negotiating about five or six years ago, and finally got them out of the generosity of their heart to concede that they would not charge an extra fishing licence. This was a feudal domain in which people, citizens of this province in effect had to move into another nationality, to another sovereignty and pay extra hunting and fishing licences to continue their operation. It was incredible, it was a sovereignty within the Canadian or the provincial sovereignty.

Mr. Sopha: Is that a Canadian corporation?

Mr. MacDonald: Well, it is an English corporation, at least they report in London, England, when they hold their annual meeting.

Mr. Sopha: If it was American, it would be all right.

Mr. MacDonald: However, Mr. Chairman, the point I want to make is that this government, and the Minister tends to wash his hands of it. He does not know anything about the mineral rights—but the government as a whole, with mineral rights and with land taxes all mixed up, is now walking out of the picture, and foregoing the tax of $3.5 million that has accumulated in the period back from 1920 to the 1930s on to 1953 when they found inadvertently that ACR had not been paying the taxes.

Mr. Sopha: He is wrong, of course.

Mr. MacDonald: I am not wrong.

Mr. Sopha: He is wrong.

Mr. MacDonald: Absolutely correct.

An hon. member: Is this not out of order, Mr. Chairman?

Mr. Chairman: I did not want to interrupt the hon. member—

Mr. MacDonald: You did not like it; you discover how vulnerable you are as a Tory.

Interjections by hon. members.

Mr. Chairman: Order, please. I did not want to interrupt the hon. member for York South, but I must point out—order—I must point out that the hon. Minister—order, please—

An hon. member: Who is that—

Another hon. member: Throw him out—

Interjections by hon. members.

Mr. Chairman: Order. The hon. Minister was replying to the various points raised by the two lead-off speakers of the two Opposition parties, and the debates were very interesting. I think they should come up under the next vote properly. We have not really got to the votes yet.

Mr. Sopha: Well, with respect his inaccuracy should be corrected at this point. He is all wrong.

Mr. MacDonald: There is no inaccuracy.

Mr. Sopha: He is all wrong in his facts. Perhaps the Minister would tell him, the basis upon which you got that land back, you mentioned the number, was it 400,000 acres?

Hon. Mr. Brunelle: No, it is 750,000.

Mr. Sopha: No, no, no! The other piece of land.

Hon. Mr. Brunelle: In 1940, Mr. Chairman, the reverted, the lands that were reverted to the Crown were 748,864 acres.

Mr. Sopha: Yes. What was the basis that you got it back?

Hon. Mr. Brunelle: Well I am told that we got it back for unpaid taxes.

Mr. Sopha: Right!

Mr. Chairman: Well, perhaps we could let the hon. Minister complete his answers to the points raised by the lead-off speakers, then we will deal with the votes.

The hon. Minister.

Mr. Lewis: Mr. Chairman, by way of the Minister's discussion on the ACR; will he be answering the question of the ACR's right to traffic in the timber rights by virtue of what has been granted it by government?

Mr. MacDonald: Very good question.

Mr. Lewis: Will you answer that question from the member for Thunder Bay?

Hon. Mr. Brunelle: I am sorry, I wonder if the hon. member would repeat the question.

Mr. Lewis: Well as I understood my colleague from Thunder Bay, the ACR has complete timber rights for the 750,000 odd acres which it owns, but it is not now itself lumbering. Can it therefore hand out its own licences to third parties to do the lumbering on that 750,000 acres?

Hon. Mr. Brunelle: Well, Mr. Chairman, as I mentioned earlier, ACR owns those lands; those are private lands, the ACR is free to do whatever it wishes as far as timber is concerned. If they wish to allocate—

Mr. MacDonald: That is the basic scandal—

Hon. Mr. Brunelle: Well, they own those lands.

Mr. MacDonald: Seven hundred and forty thousand acres worth!

Mr. Lewis: The fish in return for the pine, and you will allow a third party the lumber rights on that 750,000 acres, at will!

Hon. Mr. Brunelle: Those are private lands, and we own the fish and wildlife rights—

Mr. Lewis: And that is all you retrieved from them? You gave them the pine rights in the process—

Hon. Mr. Brunelle: And this was assessed by ourselves and also by independent assessors, the value of the pine rights—and mind you, this was questioned, the value of the pine rights. ACR claim they own the pine rights. We took the position that the pine rights were in the Crown and we exchanged these rights. And as far as the exchange is concerned, if it—

Mr. MacDonald: It is a little lawyer's game!

Hon. Mr. Brunelle: It is quite an advantageous exchange.

Mr. Lewis: It certainly is. It certainly is for ACR. It is a windfall.

Mr. M. Makarchuk (Brantford): Pine in hand are worth more than fish in water.

Mr. MacDonald: Do you know that at one time the Hudson's Bay Company owned all of the prairie provinces? We would not have had a country if we had not done something about the original give-away. And you are protecting the give-away.

Mr. Chairman: I think that this discussion should take place under a proper vote and I would ask the hon. Minister to complete his remarks in reply to the questions raised by the lead-off speakers. Then we will call the vote.

Hon. Mr. Brunelle: Mr. Chairman, I have lost track of where I was. Maybe I could ask the hon. member for Thunder Bay if I have omitted any matter.

Mr. Stokes: If you want to answer the questions specifically the one referring to

Algoma Central Railway—the one that I wanted to have you answer was: how do you reconcile the fact that you have implemented various recommendations of the Brodie forestry study, and you say, "Done, Done, Done" or "Accepted in principles" and then you give these rights to the pine on 750,000 acres?

Obviously they are not going to exploit this themselves, unless you have a firm commitment that they will; they are going to have somebody under a third party agreement come in to do this. You have already said, both in answer to one of my questions and one by the member for York South that you are reviewing all the present licences that exist in the province of Ontario today, and any of them that are not using the allowable cut, will revert to the Crown or you will be taking action.

How do you reconcile that, with the action that you have just taken by turning over the rights to pine on 750,000 acres to a company which is not even in the timber business?

Mr. MacDonald: Ludicrous.

Hon. Mr. Brunelle: Mr. Chairman, on the reverted lands, I think the hon. member will agree that it is to the advantage of the Crown to have possession of those five species because they were not being utilized and they were not being managed the way they should have been. Now that we own those five species we can allocate them to the users.

Referring back to the other transaction, the exchange of the pine rights with the fish and wildlife rights, I am not aware that there is, and I could be corrected, that much demand for pine and it was very important that we obtain the fish and wildlife. Is the member against the fish and wildlife rights?

Mr. Stokes: You know that in the province of Ontario they used 102 per cent of the allowable cut in pine and you say there is no use for it. It is the only one that even came close to being used. You just handed over a lion's share of what we have got in pine.

Hon. Mr. Brunelle: I am told that the use of jackpine is not great in that area.

Mr. Stokes: This is not jackpine.

Hon. Mr. Brunelle: Pardon?

Mr. Stokes: This is not jackpine. This is white pine.

Hon. Mr. Brunelle: But the important thing Mr. Chairman is this: It was very important that we acquire the fish and wildlife rights. I think we all agreed that this was most important so that we had two ways of doing it. Either paying them the cash value—

Mr. MacDonald: But why did you have to give away our birthright?

Mr. Lewis: Why? Why? You gave them the land.

Hon. Mr. Brunelle: They owned them. They owned them.

Mr. MacDonald: Why did they own them? They own them because they were given it for nothing.

Hon. Mr. Brunelle: I know, but those are things of maybe 30, 40 or 50 years ago. Do not blame us for the things that happened 40 or 50 years ago. We have enough of our own problems these days.

Mr. MacDonald: Look, Robert Macaulay—dare I use his name? Robert Macaulay said, "We are not going to respect some of the agreements that were made with the oil companies in terms of storage and so on of 40 or 50 years ago, because they were a steal and this is the giveaway."

Hon. Mr. Brunelle: Mr. Chairman, if I may, I would like to put the members at ease. I will get the information to show them that this was a very fair exchange. That we did not go into this blindly and that the exchange of the pine rights for the fish and wildlife, was a very fair exchange.

Mr. Nixon: What kind of pine was that?

Hon. Mr. Brunelle: All pines, red pine, white pine, and jackpine. Mr. Chairman, I will admit that I made a *faux pas*. That the pine is very desirable. But I still maintain that the exchange of values was a fair and equitable one, and I would be glad to send the information so that this was thoroughly—

Mr. MacDonald: I hope the Minister does not play poker because he has just been outpokered by ACR and he has had the pants cleaned off, to put it bluntly, and if he ever plays poker he will come out stripped every time. Sure you got something back. But what did they get? You gave them a chunk of our birthright in terms of the pine on 750,000 acres.

Hon. Mr. Brunelle: You should see ACR. You will find that they do not look at it in that light. ACR feels that we drove a very hard bargain.

Mr. McDonald: You got that—look I would not kid you on that.

Mr. Stokes: Pardon me. Mr. Chairman, if I might direct a question to the Minister through you. Are you going to answer those specific questions that I asked or has the Minister lost track of them? There are two in particular, and I will refresh his memory. One is: Are you going to restock now that the public has rights to the fish and game on that 750,000-acre reserve?

Hon. Mr. Brunelle: Exactly. This is one of the reasons why we wanted to acquire those in order that we can manage them properly.

Mr. MacDonald: They have not managed it, so you have to pick up what they have not done. The old, old story. The public purse has to pay for what private industry has not done.

Mr. Stokes: I might have forgotten some of them, but there is one thing I would like to ask. What has resulted from the meeting that you held with interested groups in the Lakehead, having regard to this fly-in operation where there are non-residents violating our fish and wildlife laws? You had a very important meeting but I never found out what the results were. Could the Minister enlighten us on it?

Hon. Mr. Brunelle: Mr. Chairman, there has been a series of meetings with our own people. Mr. Ringham, our regional director, is the one who is acting on behalf of the government with the federal authorities, mainly the air transport commission under the federal Department of Transport and also with the northwestern carriers.

Mr. T. P. Reid: Air carriers.

Hon. Mr. Brunelle: Northwestern air carriers. Again, does the hon. member know that air services comes under the federal jurisdiction? Where we enter into the picture is the enforcement of our fish and game laws.

Mr. Stokes: Why do you not make it a condition of the licence?

Mr. T. P. Reid: Mr. Chairman, may I interrupt on a point of order? We are really not getting here, and we are all over the map. Might I suggest that you call the first vote and we can get down to these matters and explore them fully?

Mr. Chairman: The hon. members, I am sure, heard my remarks a few moments ago. I was trying to get the Minister to reply to the questions properly placed by the hon. member for Thunder Bay. The discussions went away off the track. If the hon. Minister has any other answers to any questions raised by the lead-off speakers, perhaps he would provide those answers now. If not, we will call the vote and we will deal with these particular topics under the proper votes.

Hon. Mr. Brunelle: Mr. Chairman, I would just say if I have forgotten any questions, and I am sure I must have, the hon. member will remind me on the appropriate vote.

Mr. Chairman: Perhaps he will bring them up under the appropriate vote. There are three votes in this particular estimate of this department and if I may express an opinion, it seems to me that the first vote should be discussed in total. It does not seem to lend itself to discussion by programme of activity.

Do the hon. members agree?

It seems to me, too, that both 1102 and 1103 could properly be discussed by programme of activity.

Is this agreed? Does the hon. Minister agree to this procedure?

All right, vote 1101, the hon. leader of the Opposition.

On vote 1101.

Mr. Nixon: Mr. Chairman, there was a matter announced today in the Legislature that concerns this department. That is the appointment of the productivity improvement council. As I understand it, one of the leading members—if not the leading government member on the steering committee of the council—will be the Deputy Minister of this department.

There are a good many problems that are facing the department and while the Deputy has proved himself to be a very efficient administrator since his appointment just a short time ago, I am rather surprised that the Minister would accede to the request—that must have come to him from the Treasurer—to turn over his top executive to this duty.

It is supposed to be an external examination of the business of the administration of the government. I have two complaints: One, that this department can ill afford the seconding of its chief executive—even for a

limited period of time—when he is just beginning to get the feel of the levers of operation of the department. Second: I would presume that in order that there be no question about the *carte blanche* nature of the total investigation of government departments, the Deputy Minister—in order to prove that he for one is independent—could, I suppose, see that the productivity improvement council turned its searchlight on this department.

Otherwise, there might be some thought that perhaps he was starting researches elsewhere to give himself some breathing time. Now, I think the department is operating well, but I am surprised that the Minister would be so quick to second his top executive for this job.

Perhaps he can give us some background as to what this will mean to the administration of his own department.

Hon. Mr. Brunelle: Mr. Chairman, perhaps I should not be so frank—or maybe naive is the proper word—but I read about it at noon. So, I am told—

Mr. Nixon: I must say I find that shocking, if you will permit me to say it.

Hon. Mr. Brunelle: I am told, Mr. Chairman, by my deputy that this committee will meet maybe an average of twice a month. This is only part of many functions of government and I do not believe that—

Mr. T. P. Reid: He knew and you did not?

Mr. Nixon: Mr. Chairman, if you will recall the emphasis given to the importance of the announcement the Treasurer (Mr. MacNaughton) made today, and how this is going to be a searching investigation of the business of the government of Ontario. While it has not the importance of a Royal commission, so that it can give regular reports to this House, he is putting in the steering committee those people in the government service best equipped to guide the investigation.

Now, surely, the Minister of Lands and Forests might very well have been consulted. I would think that he would be unwilling to turn over his chief executive to the tender ministrations of the Treasurer under these circumstances. And if, in fact, there are only going to be a couple of rather relatively unimportant meetings a month—the way the Minister is trying to pawn it off—then, surely, the Treasurer has been misleading us in the importance of the announcement he made today.

Interjections by hon. members.

Hon. Mr. Brunelle: I would just say, Mr. Chairman, that I am very proud that the Provincial Treasurer has seen the efficient and able Deputy Minister—

Mr. Nixon: I think you should speak to him sometime about talking to you about these important decisions rather than just directly to your Deputy.

Mr. Lewis: Mr. Chairman, on the same point, could I ask the Minister, did your Deputy Minister—as a member of the steering committee—know before noon today? Out of curiosity, did he know before the Minister knew?

Hon. Mr. Brunelle: The answer is yes, Mr. Chairman.

Mr. Lewis: He knew before you knew. When did he know, could you inform the House?

An hon. member: You are very particular.

Mr. Lewis: I am very particular, I would like to know.

Hon. Mr. Brunelle: I am told, Mr. Chairman, that there were announcements on this last year.

Mr. Nixon: That is right, but his name was not involved.

Mr. Lewis: Right. When was the Deputy's name added, Mr. Chairman? When did the Deputy know? This is fundamental, Mr. Chairman, to the administration of this department and we are on the vote.

Hon. Mr. Brunelle: I do not know, Mr. Chairman, I will be glad to find the answer.

Mr. Lewis: Well, he is very close to you. Could you take a moment and ask? I am quite prepared to await the answer, Mr. Chairman. Could you find out when your Deputy knew of his elevation?

Hon. Mr. Brunelle: My Deputy has known for quite some time. This was confirmed today by the announcement of the Provincial Treasurer.

Mr. Lewis: Tell me, do you chaps ever chat together?

Mr. Nixon: To get back to that point. The Minister can assure us that, in his view—and he is responsible for the government—that this will in no way interfere with the

responsibilities that his Deputy has been assigned by him. You can give us that assurance?

Hon. Mr. Brunelle: I would say, Mr. Chairman, that I will certainly find out just what the duties involve and I will certainly be glad to—

Mr. Nixon: Because, if you give us that assurance, it simply means that the steering committee of the productivity improvement programme is going to be ineffectual and relatively useless and that the Treasurer was selling us another bill of goods today.

The second thing that I want to raise, on a matter of policy, was already raised in the question period. The Minister said he would consider extending the responsibility or the ambit of the special advisory committee—made up of representatives of the community and all three political parties—beyond just the Algonquin Park problem that has been put forward by his own announcements and by the statements of interested citizens to include other parks that come directly under this Minister's jurisdiction.

At the time, I suggested the extension of the responsibility of the committee, I also suggested that it might very well become a select committee of this House or it would not be directly responsible to the Minister but the House. I would like him to comment further on that with the view that such a select committee might very well serve the community more effectively than the special committee the Minister has contrived.

Hon. Mr. Brunelle: Mr. Chairman, as I told the hon. leader of the Opposition when he raised this point last Thursday, I believe, it was a very good suggestion and I would look into it. I think there is a lot of merit in it. However, I do believe that it may be that the existing advisory committee on Algonquin Park, should be in another format, so to speak.

For instance, I am sure the hon. member for Rainy River would be an ideal member for his party to serve on a committee say, studying Quetico Park. The hon. member for Thunder Bay would also be an appropriate member, so we certainly think there is a lot of merit in this suggestion. Also the other suggestion of having a select committee because we are interested in having people who represent the various interests, to be sort of a liaison. I think there is a lot of merit in that suggestion, because we are trying our utmost to come up with a satisfactory master plan for each provincial park and we certainly will give every consideration to your recommendation.

Mr. Nixon: Might I ask, Mr. Chairman, if the $5,000 in the first vote refers to this; it does not refer to this special committee which was announced after the estimate, surely—

Hon. Mr. Brunelle: Not this, Mr. Chairman, this is the advisory committee for the Minister of Lands and Forests and it came about by recommendation of the Kennedy report and this committee is comprised of: Dean Sisam who is the chairman and the dean of the forestry faculty; a representation from the mining association, Mr. Perry; the representative from the unions, Mr. Cooper; and the representatives from the various fields of interest. I believe it is about a nine- or ten-man committee. They meet periodically, in fact, they met last Friday to look into the various matters which come under our administration.

Mr. Nixon: I would like to pursue that committee matter further, but the Minister has undertaken to examine the matter and I would be glad to hear his views.

There is something else, perhaps, that we can deal with in the two or three minutes that remain, although I doubt it, I think perhaps there will be further discussion and it has to do with the Minister's attitude on a matter of policy in the expenditure of the money he is asking us to vote for him.

On pollution control in the northern part of the province, particularly that associated with the pulp and paper industry, we have read that two of his colleagues have different views and that the Minister of Energy and Resources Management stated in the house today that as long as he is Minister, the policy of pollution abatement will be actively pursued in spite of what other people might say.

And, the Minister of Municipal Affairs (Mr. McKeough), in trying to defend the statement that was reported, indicated that once again, he believes that it cannot be pursued without putting the pulp and paper industry into economic jeopardy. Where does the Minister of Lands and Forests fit into this?

Hon. Mr. Brunelle: Mr. Chairman, I would say that we are responsible for the natural resources of the province, the game and fish,

where pollution certainly has a very, adverse effect and I am in agreement with the Minister of Energy and Resources Management. I am also in agreement with the hon. Minister of Municipal Affairs—

Interjections by hon. members.

Hon. Mr. Brunelle: Mr. Chairman, I think in all this, one has to be logical and sensible—

Mr. Nixon: Let me ask one specific question: Does the Minister believe that the pulp and paper industry cannot abate pollution without going broke?

Hon. Mr. Brunelle: I believe, Mr. Chairman, that they can abate pollution without going broke and they are doing it and in my own area that I am familiar with. In my own riding, they have spent millions of dollars—

Interjections by hon. members.

Hon. Mr. Brunelle: —and they are doing it.

Interjections by hon. members.

It being 6.00 o'clock p.m., the House took recess.

No. 203

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 3, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 3, 1969

The House resumed at 8.00 o'clock, p.m.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS
(*continued*)

On vote 1101.

Mr. Chairman: The hon. leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I know that we are a bit pressed for time, but just at the adjournment I was asking the Minister where he stands as a policy creator for his department on the question of the abatement of pollution in the pulp and paper industry in northern Ontario. He said he supported both his colleagues, one who has already said the pollution will be abated come what may and the other who said we must not put undue economic strain on the industry.

Now, he says he represents both views, but in fact does he believe that the pulp and paper industry in northern Ontario can economically abate the pollution in the reasonably foreseeable future, the next two years, and do it economically?

Hon. R. Brunelle (Minister of Lands and Forests): Yes, Mr. Chairman, I believe they can do this economically in a specified time. As the hon. leader of the Opposition knows, the Ontario Water Resources Commission has met individually with each pulp and paper mill. And I know those in my area that I am familiar with have been given a time allotment and I believe this time allotment will be met, that they will have installed the pollution abatement methods as requested.

Mr. Nixon: Well the problem that the citizens of Ontario find is that the government has made pronouncements to this effect previously.

I well recall the former Minister of Energy and Resources Management (Mr. Simonett) saying that he expected industrial pollution to be cleared up in Ontario by 1970 or 1971. It now appears that this is not going to be accomplished and as a matter of fact it is very difficult to see that significant pollution abatement in the old mills in the north has come about, or that there is significant response to government pronouncements that show that the companies are taking the government's position seriously.

Now, does the Minister have any information to the contrary, that shows that these companies are prepared to take the action that the Minister of Energy and Resources Management says he is insisting upon? Is there any movement up there?

Hon. Mr. Brunelle: My information, Mr. Chairman, is that the companies are taking the necessary remedial steps. And, of course, as the hon. leader knows, The Canada Water Act recently announced by the federal government also will have quite an important bearing upon the enforcement of this.

Mr. Nixon: Well, there certainly is a problem associated with this divided jurisdiction. I would warn the Minister and his colleagues about relying on another jurisdiction to enforce a programme that they have been fostering for so long. I think unless we are prepared at this level to put the regulations forward and insist on their implementation then we are shirking our responsibility, and I would certainly advise the Minister to see that this is done on a provincial basis and not wait for any other jurisdiction.

Is there any programme through his department that provides the technical assistance and advice that would allow, let us say, the slower-moving pulp and paper firms to do the research needed and to count the costs, so to speak, so they can make a rational decision on the feasibility of the change?

Hon. Mr. Brunelle: My department, Mr. Chairman, works closely on this question of research. As you know, there is considerable research being done by the Canada pulp association and we work very closely with this association and, of course, my deputy is a member of the pollution committee.

Mr. Nixon: He is on a lot of committees.

Hon. Mr. Brunelle: He is a very able person.

Mr. D. C. MacDonald (York South): Mr. Chairman, there are two or three tag ends on the policing that I wanted to raise with the Minister.

Just following up on what the leader of the Opposition has been saying, over the supper hour I happened to read some comments on the Minister of Energy and Resources Management's (Mr. Kerr) references to the pulp and paper industry. The figure that struck me was that ten of the 42 companies have lived up to the schedule which was laid down by the OWRC, and his comments were rather sharp with regard to the grossly inadequate progress that had been made by the 32 companies who had not proceeded on the basis of the schedule laid down.

Now, the point I just want to make and then I shall leave it because I think we have thrashed this issue perhaps as much as can be usefully done today—is that if ten companies have done it, it can be done. Therefore the basic argument of the Minister of Municipal Affairs (Mr. McKeough), namely that industry could not cope with this cost and that you would have to go slower—you would drive them out to other provinces or down to the southern states—obviously does not wash. Ten of them have done it. All you have got to have is firmness on the part of the government to make certain that the other 32 do what the ten have now done.

There is another point I wanted to try to get clarification on from the Minister if I may revert briefly to the ACR discussion we had this afternoon. In the April 12, 1969, *Globe and Mail* news story there is a paragraph which reads as follows—this was when they were at the speculative stage with regard to the agreement, which finally was announced not a few days later but a few months later. I quote:

> In return for handing over timber rights to the five species of pulpwood in the area, the company will receive about $5-$7 million in tax relief. Most of this will be applied against Algoma's federal income tax.

What exactly does that mean? What is the $5-$7 million tax relief if it is not a writing-off of the mining tax which they had not paid? I thought the figure was $3.5 million but now it says $5 to $7 million. If they are writing it off, how can it be applied against Algoma's federal income tax? If there is any meaning to this jumble of words in Canada's national newspaper, I would appreciate it if the Minister could give that meaning to me.

Hon. Mr. Brunelle: As I mentioned earlier, we valued the five species and fish and wildlife rights and this came to some figure that was mentioned there—$5,707,000. A receipt was issued by The Department of Treasury and Economics and this comes under their jurisdiction; this is the gift to the province of Ontario. The Corporations Tax Act provides in Section 39, subsection 1 and subsection 2, that gifts made to the province and supported by a receipt may be deducted from income for the fiscal year up to the total income of the corporation for that year, less other charitable donations claimed under section 39, subsection 1. Should there be a portion of the gift remaining after reducing it by the amount deductible as above, then this balance may be carried forward and treated in a similar manner in the immediately following fiscal year.

Mr. MacDonald: In other words, the government, in effect, has paid this company $5-$7 million for these species and they can calculate this money which presumably they received—theoretically they received it—they can calculate in making their income tax.

Hon. Mr. Brunelle: A gift!

Mr. MacDonald: Calculate it as though it were a gift. But this is a gift in lieu of the taxes that they owed to the provincial government.

Hon. Mr. Brunelle: The five species were evaluated and they were given to the province of Ontario. It is a gift. The Department of Treasury and Economics gave a receipt for the gift. Gifts, for federal corporate income taxes as well as provincial corporate taxes, are considered in the taxation matters. And the effect of this, I am told, will be felt more in next year's taxation; they have two years to recover the value of this gift.

Mr. MacDonald: I do not know whether I can really grasp this. In fact I do not think anybody in the House has grasped it so I do not feel too badly at the moment. But $5-$7 million is the value that this government put on these five species and the company, out of that great depth of generosity which has characterized its career, hands over all of these species.

Mr. E. W. Sopha (Sudbury): As a gift!

Mr. MacDonald: As a gift to the province. They can use that calculation in a fashion that escapes me at the moment when they calculate their income tax——

Mr. Sopha: As an exemption!

Mr. MacDonald: As an exemption.

Mr. S. Lewis (Scarborough West): Is it an exemption?

Mr. Sopha: Sure it is.

Mr. MacDonald: They claim exemption. It will be interesting to see in this theoretical, legalistic transaction—

Interjections by hon. members.

Mr. MacDonald: They were the donors, yes.

Mr. Nixon: It comes as a gift; you do not pay taxes on it.

Interjections by hon. members.

Mr. MacDonald: They have handed over a piece of property, which is valued at $5 to $7 million by the province of Ontario, presumably now for the benefit of the public of the province of Ontario. Under normal circumstances, if an individual hands over money as a gift, I think he becomes obligated to tax it—anything over $2,000.

Hon. J. R. Simonett (Minister of Public Works): No, the recipient becomes obligated.

Mr. MacDonald: The recipient becomes obligated?

Interjections by hon. members.

Mr. MacDonald: The giver pays it—

Interjections by hon. members.

Mr. Sopha: You just stay out of it.

Mr. MacDonald: It does not surprise me.

Hon. Mr. Simonett: Well, I know more about it than you or your friends behind you.

Interjections by hon. members.

Mr. MacDonald: It does not surprise me about our car dealer from Sharbot Lake. I do not think that he is likely to be giving anything away, so he will not have any experience.

Interjections by hon. members.

Mr. MacDonald: However, this is a nice calculation, and it would be interesting to know how much the company saved when they calculated their income tax because of this handover of what should have belonged to the Crown to begin with, anyway. Legally, I grant you, they got it in this great giveaway back at the turn of the century.

Mr. Lewis: That is right.

Mr. MacDonald: But I come back to the question that I still have not got clarified from the Minister. If he insists it is not within his domain, even though he has made this agreement, then I shall have to go somewhere else in the Cabinet to get the answer. What, if anything, happened with regard to the unpaid mining taxes? Is that not part of the deal at all?

Hon. Mr. Brunelle: Mr. Chairman, the mining taxes were not part of the deal. The hon. member knows the mining taxes were dealt —I do not know how many years ago—

Mr. J. E. Stokes (Thunder Bay): They were forgiven those.

Mr. MacDonald: In other words, am I correct in saying that the government has completely forgiven the unpaid mining taxes that they suddenly discovered, in 1953, had not been paid for years and years?

Mr. Stokes: Yes.

Hon. Mr. Brunelle: Mr. Chairman, we did not deal with the mining taxes. We dealt with two things—

Mr. MacDonald: But you are a member of the Cabinet, and the Cabinet must have discussed this. Have they forgiven the unpaid mining taxes?

Hon. Mr. Brunelle: My understanding is—and this was not part of our deal, when I am speaking of this deal that came about in the last four or five years. It commenced before 1966; "negotiations," I guess, is the right word, or "agreement" or whatever. My understanding is that the taxes owing and the mineral rights were exchanged; the mineral rights were exchanged for taxes owing. I may be wrong, but as far as we are concerned with Lands and Forests, Mr. Chairman, we dealt with two matters on the ACR lands. On the lands that they owned before and they still own, we exchanged the pine rights for the fish and wildlife rights. On the other lands, the lands which reverted back to the Crown in 1940 and which five species were retained and the ownership of ACR and on which they had an agreement with Abitibi till the year 2010, those five species were evaluated; they had returned to the Crown and their evaluation was in the figures mentioned, 5,000,000, and—

Mr. MacDonald: I will not press the Minister any further, because he gives me a narrow definition of his responsibilities. I shall have to seek my answer somewhere else in the Cabinet. The fact of the matter was that in 1953 they discovered that for 15 or 20 or 30 years, the mineral taxes had not been paid by the company on those lands on which they sold the surface rights. They therefore ceased having any obligation for paying land tax, but immediately became obligated to pay a mineral tax that they had not been paying. And the agreement at the time by Leslie Frost was, well, "You take a look at these properties and decide whether you want to do any development on them." They took a leisurely look at them over 12 or 15 years before making up their minds. But that still does not give any answers as to what happened to the unpaid mining taxes. Now, it is not in your jurisdiction but we will go somewhere else; we will go to the Mines Minister (Mr. A. F. Lawrence) or the Prime Minister (Mr. Robarts) and find out, because I think it will be well for the public to know how, under certain circumstances, this government can be very, very generous. However, I leave that.

I want to turn, finally and briefly I hope —for this is a matter we have threshed so often—to the question of the lakefront legal tangle and Lake Erie. The Minister, in his earlier comments before the adjournment at 6 o'clock, stated that you were awaiting decisions of the court before you made up your minds exactly what should be done. Now, I am a bit curious and I would appreciate it if the Minister would tell me exactly what decisions of the court you are awaiting, because I know of one or two cases that have gone to the court and the provincial judge has thrown them out, saying that until the situation is clarified at the legislative level, he cannot render any judgment. So, in effect, he refused to hear the case.

If I may just carry my argument forward for a moment: I have yet to hear any convincing argument—and the Minister says they haxe examined 1,468 patents on over 2,000 lots—why the only way that you can get out of this tangle, is by some legislative Act that regularizes the decision as to where the water line is going to be—whether it is the high water mark or whether it is the low water mark; what is public property and what is private property.

Before the Minister says that cannot be done, may I remind him that it was done by a government of the province of Ontario in 1940. Until 1940, the law stated, notwithstanding all of the patents that were outstanding and had been around since the years 1810, 1815, 1830, that the private property ran out to the water's edge. By an Act of this Legislature and Royal assent was given immediately, the shoreline, so to speak, up to the high water's edge was returned to the public domain.

Mr. Sopha: Sixty-six feet.

Mr. MacDonald: Yes, 66 feet. The Minister says that in 1951, when that amendment to The Beds of Navigable Waters Act was wiped out and we reverted to the position in 1940, the reason they did it was that it was ineffective. It had proven to be ineffective.

I have two questions for the Minister. What are the cases that you are delaying because, as I indicated, there are other cases that the courts have refused to hear until you make up your mind; and secondly, what was ineffective in that decade in the 1940s that has convinced you that a legislative Act is not an effective means of establishing and bringing order out of all the infinite chaos in these many patents?

Hon. Mr. Brunelle: Mr. Chairman, in reply to the first question. The case before the courts concerning lots 16 and 17, Broken Front Concession in Bertie Township and the parties involved are Stockton and Walker. In our government's action, the staff of The Attorney General's Department are defending, on behalf of the province, an application under The Quieting Titles Act to establish the ownership of the beach of the applicant.

With reference to his second question—

Mr. MacDonald: Do I conclude correctly, then, that the Attorney General has intervened to establish public domain over the beaches so that you are attempting to restore the position that existed throughout the 1940s?

Hon. Mr. Brunelle: My understanding is that the law officers in The Attorney General's Department are acting on behalf of the province of Ontario to ascertain—to make sure that our rights are protected—to find out just who owns the lands in question. Once this is ascertained we will be in a better position to be able to deal with similar situations. This is more or less a test case.

Mr. MacDonald: But by action of this government in 1951, you wiped out the 1940 amendment to The Beds of Navigable Waters Act so that you restored the beaches to the private domain.

What I am trying to get clear is the intervention of the Attorney General at this point on behalf of the province of Ontario to ascertain what the law is. Or is it to attempt to establish once again the fact that the beaches really do belong in the public domain?

Hon. Mr. Brunelle: The landowners are the ones who are bringing the legal action and the Crown is acting in order to protect the public interest.

The member referred to the 1940 legislation which made the beach lands public. The owners of those lands that were affected took legal action and cases came to court, I believe it was the supreme court, and it ruled that those owners owned those lands. In other words, the law was inoperative, inoperable, and it had a confiscatory effect on ownership.

Mr. MacDonald: That presumably is why the amendment in 1951 wiped out the 1940 amendment and returned it all to the private domain?

Hon. Mr. Brunelle: If I understand rightly—

Mr. Nixon: Might I, on a point of clarification—and I will not keep the floor—I want to understand. As a result of the 1940 Act of the Legislature, there was a test in the courts and the courts found that the 1940 statute could not, and would not, prevail. Is that right?

Hon. Mr. Brunelle: That is my understanding, Mr. Chairman.

Mr. Nixon: You say your "understanding". There has been some research and this is the advice from your legal department, is that so?

Hon. Mr. Brunelle: I stand to be corrected. My legal advisor says that he is not aware of such a case.

I was under the impression that a case had gone through the supreme courts, whereby they had ruled that in this particular case the land did belong to the owner, the registered owner.

Mr. Nixon: But you do not know of such a case actually and cannot cite it and your legal advisors cannot cite it either?

Hon. Mr. Brunelle: I am sure I did not dream this, Mr. Chairman. I am sure there were cases before the court and the courts ruled—I am not disagreeing—the courts ruled that the land in question belonged to the registered owner. This case was prior to 1940.

Mr. Nixon: So by Act of this Legislature the decision was made by this sovereign body that, in fact, it did belong in a public domain and not within the private domain?

Mr. MacDonald: If I may return to my argument. The Minister has unwittingly really underpinned my case in a very solid fashion, because if the court case preceded 1940, and it specified that, in accordance with their interpretation of the patents, the beaches were private property, this Legislature intervened and said no, that beach is public property, and it remained public property for a 10-year period.

Mr. Nixon: We should be sovereign in this.

Mr. MacDonald: Yes, we should be sovereign, right.

Now you see the mystery, Mr. Chairman, about the 1951 amendment that wiped out the 1940 amendment and therefore returned the beaches to the private domain. The mystery of that is that nobody knows why that Act was brought in. I invite the Minister to go back and read the records of the day. There was no explanation given by the Minister who introduced it and therefore nobody was alerted to the significance of the move. The whole thing went through without any debate at all, and I submit that what happened was that there was private pressure by some pretty influential people put on this government, or the government of 1951, and they in effect moved in with an Act of this Legislature which returned the public beaches to the private domain.

My argument is simply this, that I do not know what is going to happen in the court cases which the Minister indicates the Attorney General is now fighting on behalf of the province of Ontario to see if we cannot establish public claim to those beaches. The private owners, of course, are laying their case, and they are going to fight the opposite side of it. But whatever the court decision, you, today, can do as this Legislature did in 1940—you can pass an Act of this Legislature which establishes what the legal position shall be.

I notice some heads are being nodded. I am rather interested that heads should be nodded on this point, because if I may go back to an earlier point we were discussing with regard to pollution. One of the most

shameful Acts of this Legislature was one that was introduced by a previous Prime Minister to countermand the court order that forbade KVP to continue pollution back in the 1950s. When a lowly fisherman, to protect his livelihood, took the case into court, he got a decision of the courts that said that KVP had to quit polluting.

Mr. Sopha: He was not a fisherman, he was a tourist camp operator.

Mr. MacDonald: Okay, I stand corrected, if that is the case. I had always thought he was a fisherman, but tourist camp operators sometimes go out and fish, and therefore, maybe he became a fisherman.

However, my point is, and let us not get it lost, that by an Act of this Legislature, shamefully initiated by the Prime Minister of the day, the court decision was countermanded.

Mr. J. B. Trotter (Parkdale): And then Mr. Frost became a director of KVP.

Mr. MacDonald: After he retired—let us keep the record straight. However, I have made my point, and I suggest—

Mr. P. D. Lawlor (Lakeshore): You know this!

Mr. MacDonald: I suggest to the Minister —as a layman and perhaps it is a case of fools rushing in where angels fear to tread—but I suggest to the Minister that he does not need to wait for the court decision because there have been other cases where the judge has refused to render judgment on it. He, in effect, has said that the decision has got to be made at the legislative level. This is really the nub of the matter; if the Minister and his government are persuaded that the beaches should be public property, the Minister can move now and that becomes the law of the province.

Hon. Mr. Brunelle: Without compensation?

Mr. MacDonald: You moved in 1940 without compensation.

Mr. Nixon: Without compensation?

Mr. MacDonald: Without compensation at all. Nobody was compensated in the fury of the 1940s to 1951. As a matter of fact it is something like the ACR. You are now trying to figure out how you should compensate ACR for what was the greatest steal of the century when they were handed—legally, I admit it—but they were handed all of this public property.

We have reached the stage—particularly at this time with all of the recreational developments and the need for the use of the beaches in the public domain—where this government has got to act to restore the rights of the public domain. Because I suggest that down through the years those rights have been seriously abrogated, partly by the government and partly by individual action.

Hon. Mr. Brunelle: Mr. Chairman, I would still maintain that those own their land and they have title to it. Surely, I do not think any member in this House would advocate that those rights should be taken away without compensation? Mr. Justice McRuer states this in his report—that compensation should be given for expropriation.

Mr. MacDonald: It is a nice question in this House whether they did own it.

Hon. Mr. Brunelle: I may be wrong, unless the Liberal party have changed their position. If I understand correctly, the leader and the hon. member for Sudbury, they agree that the 1940 law should apply; is this correct?

Mr. Nixon: It should never have been repealed. If they had left it the way it was, we would not be in the mess we are in now in providing public access to lakefronts. Believe me, the Minister and his predecessor have been trying to find some way out of this, both through using that $20 million a year fund—or is it $10 million for 20 years, I forget which, for compensation and looking into the variety of titles. I do not think the Minister is making any headway at all with his policy. I do not think you are making significant headway at all.

Hon. Mr. Brunelle: Mr. Chairman, this is our position. We believe that when people own title to their land, we should respect this ownership. Supposing we were to re-enact the 1940 legislation and say all beaches are public.

Mr. Nixon: You still would not have proper access.

Hon. Mr. Brunelle: We would still need to provide comfort stations, parking spaces and so forth. This is what we are doing now; we are acquiring beachland and converting it to provincial parks with all the necessary services. That is what we are doing now.

Mr. Nixon: Let us talk about that for a moment. Are you in fact on schedule with the acquisition of lakefront according to the plan that was announced about five years ago,

which was going to use $10 million publicly each year for 20 years; a $200-million programme of acquisition? Because the prices are changing so rapidly that it appears the law of diminishing returns is definitely acting and that you are not getting significant stretches of lakefront and beach according to the original pronouncement. I do not think you are making any headway.

Hon. Mr. Brunelle: But we have, Mr. Chairman. Here are some of the figures here. Since the acquisition programme of the department began in 1962, we have acquired 72 miles of the Great Lakes shoreland and we have more than 30 miles of frontage under active consideration.

Mr. Nixon: That is right, but what people are concerned with is that this lakefront, this beach access, is close to the heavily populated areas on Lake Ontario, Lake Erie and Lake Huron.

Hon. Mr. Brunelle: We agree.

Mr. Nixon: It is here, surely, that the people of Ontario are not going to wait for a programme of the type that the Minister is administering, because access to the lake is not opening up fast enough. I believe that the 1940 statute should never have been repealed, but beyond that, I think that you should be acquiring a great deal more access to the Great Lakes at an accelerated rate beyond what you are presently doing. Certainly, in those areas with easy access to the big cities, you are not accomplishing enough.

Mr. B. Newman (Windsor-Walkerville): You are too slow, and maybe even too late.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, if I might ask the Minister: At the present time, have the municipalities or private individuals who are requiring or selling the access to the beach and the beach proper to go through The Department of Lands and Forests to acquire permission? In other words, if a municipality has in its boundaries beach property and decides to sell it for private development, does it have to receive any form of permission from The Deparement of Lands and Forests?

Hon. Mr. Brunelle: No, my understanding is that if a municipality owns lands, it is free to dispose of it. Naturally it is subject to certain controls of the planning divisions, and planning controls, but the municipalities who own the lands have the jurisdiction.

Mr. Deans: Well, for example, on Lake Ontario and Saltfleet Township, the beach property that is presently owned by the township under the township's operation. If it decided to sell this land to a private developer, it does not in any way have to conform to the intention of the government at least, to acquire access and ownership of beach property?

Hon. Mr. Brunelle: Well—for instance the road allowances: the hon. members know that there are many road allowances, 66 feet road allowances that lead into the beaches. The municipality owns those lands, but it cannot close those lands without the approval of the Lieutenant-Governor-in-Council, and I think that this would not be given unless the municipality can really show proof that this is vitally needed for other purposes.

Mr. Deans: This is fine; they can leave the road allowance open but as long as the beach is owned privately no one can go and use the beach. They can drive down the road allowance and stop at the end but as long as there is no place to go when you get to the end there is no purpose in leaving it open. What I want to know is that if the municipality decides to permit a development to take place on the beach front, and this has direct access to the beach, and the beach then becomes part of the development, does this municipality or the developer have to receive permission from the government in any form to take this from public beach to private beach?

Hon. Mr. Brunelle: It is not our legislation, Mr. Chairman, this is legislation that would be controlled under The Municipal Act.

Mr. Deans: Then this is the whole problem, because how can you possibly gain the control of the beach unless you have some control of what happens to it now? What is the point of spending public money to acquire beach property when you are permitting beach property to be sold on the other hand?

Hon. Mr. Brunelle: I would be very interested to know if the hon. member can give a specific instance where a municipality has sold beach land. I would be very interested to know this.

Mr. Deans: What happens is that rather than selling the beach land they sell the

right to the edge of the beach land, making it almost impossible to use it, and this is what I am talking about. When you sell to the edge of the beach at—say when the water is in, the high water line, you have lost any access to that beach, and this is what I am trying to get at. If you sell to the edge of the beach property when the high water is in then there is no access to that beach at all. And it can only be used then at certain times.

Hon. Mr. Brunelle: Again, I say this is under municipal jurisdiction.

Mr. Chairman: The member for Windsor Walkerville.

Mr. B. Newman: I wanted to ask the Minister the policy concerning the use of the Fighting Island in the Detroit River. The Wyandotte Chemical Company apparently uses it as a dump for waste products, and from a report that I have from the Ontario Water Resources Commission, it certainly is polluting the Detroit River and one of the settling areas does not meet with the Ontario Water Resources Commission standards. Back in 1934 or 1936, I cannot recall which year, permission was given to the chemical company to dispose of their waste products on this island. It is a very substantial island in the middle of the Detroit River, Mr. Chairman, and it certainly could be used for park purposes at some future date. In its present condition that is sort of unthinkable, but in the future it certainly could be put to park use and it is maybe one of the islands in the river, especially in the Essex county area, that the Minister and his department should have a very, very close look at and acquire for future use.

Now, the permit that the Wyandotte Chemical Company have, I understand, is called a licence of occupation. They have a pipeline under the river from Detroit, or from Wyandotte, Michigan to the island, and if I am not mistaken somewhere I heard they were paying under a dollar a foot for permission to have this pipeline under the river. Would the Minister consider revoking this licence of occupation so that that island could once again revert to its natural state and we would no longer have the pollutants pumped by our American friends onto a Canadian island in the middle of the Detroit River?

Hon. Mr. Brunelle: Mr. Chairman, this licence of occupation is number 3879, and it was issued in 1937 to the Wyandotte Chemical. It covers a pipeline issued to convey milk of lime from the company's plant in Michigan to its property in the Detroit River, Fighting Island, used as a waste disposal bed. The wastes are being deposited on private land. I understand that the OWRC have investigated this operation and I would be pleased to have our own people look further into the matter now that the hon. member has raised this.

Mr. B. Newman: Well, Mr. Chairman, pursuing this same question, could I ask the Minister if he would look into the acquisition of the island so that it could revert to Canadian ownership and at the same time maybe become one of the nicer provincial parks.

Hon. Mr. Brunelle: I would be pleased to do this, Mr. Chairman.

Mr. Sopha: Mr. Chairman, I should like to get the orientation back where it is, and that is north of the French River in what comprises four-fifths of the land mass of Ontario. Before I do that I want to say that I hope I understood the Minister correctly when he informed the House, more or less *sotto voce*, that the first he heard about the appointment of his Deputy to that grandiose committee announced by the Treasurer (Mr. MacNaughton) today, was when the announcement was made in the House. I find that thoroughly incredible, but it is informative to me to assess the state of the administration over on the other side. In case I should make a speech about it somewhere, it certainly is revealing that the power of the London clique in the Cabinet reaches into every department of government.

Mr. Trotter: That is true!

Mr. Sopha: I find it rather incredible that the Treasurer of the province could make so bold, could be so brazen, that he would sequester the Deputy Minister from another department of government without consultation or reaching an understanding with that Minister. Maybe I am under the wrong impression, but I thought the Deputy Minister was what the term implies. He is a deputy and an assistant and an adviser to the Minister of the department. Equally am I surprised that the deputy—and I have no desire to cajole, coerce or condemn—but I am surprised that the deputy would treat with the Treasurer without his Minister's knowledge. And supposing, just supposing that I were a Minister—I hope that is not too taxing of imagination—but supposing, to show the starkness of it, that I were a Minister and I had some plans for the deputy,

some area of research, some planning within the department, and I had not yet opened the subject with him. Well, would I not be surprised if I did and sought to have him embark upon some original planning to be told that he had been treating with the Minister of another department about taking on what we are led to believe was a very onerous responsibility. In such case, I might be moved to the point where I got myself a new deputy, and the present one might be reading The Unemployment Insurance Act, to bring himself up to date on his benefits.

But I think we see the total picture. The total picture is revealing here. That announcement from the leader of the London establishment was just so much baloney, and the responsibilities on the deputy are not all that great. And I just want to say in parenthesis before I leave it, that I will never live so long as to be made to believe that government is business; it is not, it is not and can never be. Government deals with human values, business deals with money. So I want to put that mythology aside.

But I ask the Minister, has he got some qualification to his earlier *faux pas*?

Hon. Mr. Brunelle: I would like to clarify just one thing. My deputy told me a couple of months ago.

Mr. Sopha: And the Minister forgot?

Hon. Mr. Brunelle: And I forgot.

Mr. Nixon: We have heard that sort of tale before.

Mr. Sopha: Well, this is Pearson and Favreau.

Mr. Lawlor: That may be the reason for all of the trouble.

Mr. Sopha: Well, it certainly struck the Minister as being a matter of devastating importance when we told him, did it not? Does the Minister want to tell us the circumstances under which he told him?

Interjections by hon. members.

Mr. Sopha: All right, let us let it pass.

Now, I want to turn to a matter which is of vital interest to me, and that concerns my struggles—and that is not an exaggerated word—to have declared along the Sudbury-Timmins highway, before it opens—are you listening to me?—before it opens next year, a wilderness area? At recreational advisory committee meetings, I have raised this matter perennially, and I should like some commitment on the part of the government that somewhere along that 130 or 140-mile route we will set aside an area adequate in size to preserve the natural ecology of the area.

To sop my feelings—I am glad my friend, the member for Nickel Belt, is in the House, because he has been there and has been a supporter—at the last meeting, I had to leave, but I am told that as a concession they used a part of the old white elephant, the Killarney park, and have defined it to be some sort of a wilderness area.

Now that is not good enough. The Killarney park—you remember how it got started; the leader of the Opposition has been in this act on the Killarney park and he will know whereof I speak. That got started with Kelso the magnificent; he thought this was really the equal of the lunar astronauts' voyage into space. And we all recall how he launched that 100-square-mile area and he was going to initiate the greatest skiing resort this side of the Chilean Andes. In fact, I think he referred to getting a Hilton hotel in there, and they were going to operate a super-colossal diners' club, extra-special, ski resort for the beautiful people, I say to the member for Rainy River (Mr. T. P. Reid). Then they discovered to their horror that it does not snow there; they have no snow. So they had to abandon that. Then they decided to initiate a trailer park. That did not go.

So the people, never without initiative, grabbed hold of the thing and extended it about 50 miles to the west, and it was then called the Georgian Bay recreational area. They tabulated every stone on the beach in it—oh yes, every nature trail, byway, dock, marina—they just found out everything there was to know about the Killarney park.

Well now, here it has ended up; it is going to be the wilderness area. Well, Mr. Chairman, it is not good enough. And I am committed to the proposition that if we do not start to preserve the ecology in some areas, we are going to end up where our grandchildren or, at the most, our great-grandchildren will not know what some of these animals look like; they will be gone. Now, you do not have to be a scientist—

Mr. T. P. Reid (Rainy River): Just like dinosaurs.

Mr. G. Ben (Humber): You know what dinosaurs look like by looking at the government benches.

Mr. Sopha: You do not have to be a scientist to know that the effects of human intrusion are profound, absolutely profound. And

we do not know the channels through which they manifest their effect.

I had the advantage of reading a superb article by Justice William O. Douglas of the Supreme Court in the *Encyclopaedia Britannica* "Book of The Year"—I believe it was 1965 or 1964—and he is one of the outstanding nature lovers on this continent, if not in the world. He makes the absolutely profound argument that, while we have the time, we must set aside areas where there is minimum disturbance of the fauna, of the ecology of the area. Now, what do I mean by a wilderness area? I do not want to leave anyone in any uncertainty. I mean an area where only canoeing, fishing—perhaps on a regulated basis—and nature trails would be permitted. No other disturbance. No motor boats, no hunting—

Mr. T. P. Reid: Like Quetico park should be?

Mr. Sopha: Yes, as Quetico park should be.

For the life of me I cannot see why, along that Sudbury-Timmins highway, the Minister cannot grab hold of—well, what is it you are waving? Have you grabbed hold of 13 or 14 or 18 townships?

Hon. Mr. Brunelle: I know the hon. member would be interested. I would like to commend him on his great interest in nature and that we should make sure that we have sufficient recreational areas in primitive zones.

First, if I may, in the statistics on page 88, we outline the wilderness areas; we have 40 in the province. And then on page 127 we have reserved at Halfway Lake—and this is in the area the member is mentioning, on this beautiful road under construction between Sudbury and Timmins—we have reserved, the member will be interested to know, Halfway Lake Provincial Park in an area of 58,240 acres, a huge area. And we also have reserved another park—

Mr. Sopha: Well I know about that. The 58,000 acres; that is a township and a half. That is about a township and a half; I am talking in terms of 15 or 16 townships. I am talking in terms of a large area along that route somewhere. They do not have to be contiguous to the route. Some of the boundaries—the eastern boundaries and the western boundaries as the case may be—can be along the route, and then they may spread out in depth from then on. And in the area that I visualize under the supervision of the department, controlled cutting, harvesting of the forest resources, could take place.

I do not want the Algonquin Wildlands League to go into the biblical palsy when I say that, but if we prescribed it from the origin of the venture, then nobody's ox would be gored. The longer I live, heaven forgive me, the less sympathetic I become to hunters; the more sympathetic I become to the preservation of wildlife, because I fear its extinction. And I am committed to the proposition that the natural flora and fauna of Ontario ought to be preserved in significant areas for future generations. We can start this with all sorts of geological and—what is the word that would go with that—silvicultural studies and know where we are going right from the beginning.

On the same score, I am unsympathetic; I cop that plea. It has not had much of a reception at the Sudbury recreational land use meetings that we have had, as my friend from Nickel Belt will agree. At one time I had all the senior people of The Department of Lands and Forests—I think almost all of them—persuaded that we should give up the granting in fee simple of lands conveyed by the department. But that never seeped through to the top, at head office; the head office has been very reluctant on that point.

While I am on the subject of voting, I want to leave that; I am going to speak to you about two or three things and then I am going to sit down and have my vote.

For the life of me, I cannot see why, in those beautiful provincial parks, the wardens at the gate—if you call them that, your people at the gate—should permit persons to come in there with those monster outboard motors. It is cruelly ridiculous at Grundy park, truly ridiculous, that you permit the things to go on there that you do. Every one of the lakes is of extremely modest size; they are all little lakes. How stupid to see humankind being permitted by this department to race around those lakes with 75-horsepower motors. And one day, I am telling you out of no sense of exultation—in one of those parks you are going to have a serious accident to swimmers through those boats and motors, and then the hue and cry will really descend upon your doorstep. I do not see for the life of me why people are not told when they come to the gates to check their motor there, that no boating with power boats is permitted in this park.

Is that too great an imposition? Is that too great a deprivation? Should people enjoying the serene beauty of what is truly a Canadian Garden of Eden, should they have thrust upon them the atrocious sound that those

powered motors make? Really now, quite apart from the danger to small children, swimmers and others that are involved.

Well, a word to the wise. I am quite certain that, having raised this matter, some regulations may go into effect next year—there may be some directions in those provincial parks that they are for solitude. If people want to get in those dingbats for the immature, the 75 or 100 horsepower motors, they can get on to the French River, for example, and they can rev them up to full power and go 50 miles an hour.

Mr. V. M. Singer (Downsview): Lake Erie.

Mr. Sopha: Lake Erie—any one of the major lakes. Is it asking too much that they should be reserved to major waterways and kept off small ones?

I want to leave that, then I want to make my perennial plea. I had the misfortune of reading that district government study. Is that what it is called? The study of government to the districts—what do they call the papers just published in the last couple of days?

The only grounds for enthusiasm, I take it, my friends, is that I have heard that that committee has been disbanded. I hope that is so. I truly hope that is so. But it brings to mind that this department is far too top-heavy at Toronto. There are far too many people in this department at Toronto. Too many of the big shots, too many of the senior staff, are situated in Toronto.

The ideal situation in this department, having the profound effect that it does on four-fifths of the land mass of Ontario, is that it ought to be decentralized and stationed in northern Ontario. All you really need, I say to the Minister of this department, is yourself, your deputy—if the same one sticks with you—and about 10 other people. About 10 others, that is all you really need.

All the rest of them can be drafted north of the French River. But I venture to predict that about 60 per cent of the personnel of this department are south of Bracebridge. About 60 per cent are at the head office here or close by it.

Mr. Stokes: Two-thirds are in southern Ontario.

Mr. Sopha: Now that is truly shameful.

I can think of no other department of government that has as much contact with the people in the north, that has as much effect upon their lives and fortunes, or that is held in such respect by the people of northern Ontario as this department is. It would do this government good, from the democratic point of view, if nothing else, if this department were decentralized and these various functions were transferred into the north.

For example, all your timber branch ought to be in the north.

An hon. member: Oh, no!

Mr. Sopha: Well, you could have one or two here, but the great bulk of them—the fish and wildlife branch ought to be in the north.

Hon. Mr. Brunelle: Mr. Chairman, 80 per cent of the hunters and anglers are located south of the French and Mattawa rivers.

Mr. Sopha: That may be so. I always thought of this as a timber department. I always visualized your role in the life of Ontario as being the supervisor of cutting down trees and replanting them. But that is what has gone wrong, that is why there are all the uniforms in this department. The orientation of this department has gone over to the tourist business. This department really has become an adjunct of The Department of Tourism and Information.

Mr. T. P. Reid: Too much flash!

Mr. Sopha: A lot of flash, a lot of surplusage—I think they used to call them in the armed services, the supernumeraries. A lot of them, a lot of the officer class, are around head office, and an awful lot of PR. There is not a department in government that has developed the PR to a point of sophistication the way this one has. They are champions; they really cultivate the press, the fourth estate, looking for favourable publicity. Well, your job, I say to you with respect, is trees, trees, and God never made anything as beautiful as a tree.

Mr. G. Demers (Nickel Belt): Oh, that is beautiful.

Mr. Sopha: That is your job. Our forest resources, the biggest money earner, I say to my friend from Wellington-Dufferin (Mr. Root), the biggest money earner in the whole economy. To my friend from Dufferin-Simcoe (Mr. Downer), more dollars come in the economy out of the forest industries than any other single aspect.

Now, if that is the case, what has this Minister got to do with anglers and hunters and foreign fishermen and tourists, and all that? That is a minor aspect of his job. That can be left to handsome Jimmy, up there. He can

peddle that stuff in Philadelphia or any place else. But really, I hope my words have some effect. I hope some of that top staff over there feel a bit uneasy that they are parked in Toronto—

Mr. Nixon: They are sinking down in their chairs.

Mr. Sopha: —that they are parked in Toronto instead of being out in the field, where they ought to be. I say you could run this department very handsomely with about six here.

Mr. Stokes: Send them up to Geraldton.

Mr. Sopha: And the members could move into the office space that you occupy now, if you reorganized this with a view to the north.

Heavens to Betsy, I sat down the other night, watching the Minister of Mines. You should have seen it. The other night he was on "The Nation's Business" and he was talking about the development in northern Ontario. He has got a big map. He has got that fellow with the moustache that we see every day that works approximately in the part of the county palatine that Leonard Reilly stole from us—you know over there. He has got that fellow asking questions and I say to you they are pointing to the district of Patricia, and he says to his pal, "In order to develop the north what we have got to do is build roads in the district of Patricia." How sad—sad almost to the point of being criminal—when the great bulk of the population, of course lives south of the CNR line.

Well I do not know. This department has failed somewhere. It has failed in that it has not conveyed to the government in its 26 years in office, the sense of destiny in the north, the possibilities, the potentiality.

There is the land link between the grain-growing west and the industrial east. That is what northern Ontario is, it is the land link —it is the peninsula in this country joining west and east and it remains, after a quarter of a century, largely undeveloped.

Mr. Stokes: Right now it is the missing link.

Mr. Sopha: Almost totally undeveloped; populated by a mere three-quarters of a million people. The Department of Lands and Forests could do a great deal to change that if they would get up and hustle a bit, if they would put less emphasis on the creel count, less emphasis on sitting at the ends of roads and stopping people to find out how much game they have got or how many fish they have caught.

That is my plea—to orient themselves to think in terms of the potentiality of the area which they, in fact, almost administer. That is what you are, you are almost administrators in large stretches of this country north of the French.

Mr. T. P. Reid: They are the government!

Mr. Sopha: You are the only arm of government to be found there. For that reason, if for no other, larger numbers of your people should be in there, but the pity of it is, and I resume my seat on this note, that in this department in order to be thought of as successful, to have made your mark, you have got to migrate to Toronto, you have to come to head office. That is the criterion of success. You cannot stay out in the field, in Geraldton or Sioux Lookout or Kenora or Sudbury or Kapuskasing.

Mr. T. P. Reid: Or Fort Frances.

Mr. Sopha: Or Fort Frances; you cannot stay there. I guess you are a failure if you are still a lieutenant in the provinces, like Pilate was in Judea; but you have to get to head office to prove that you have really been a success. I wish this Minister, coming as he does from one of the farthest reaches of the province, would change that and would divest himself of so many of his satraps that he has clustered around him in the Whitney Block. Is that where you are? I have not been over lately.

Mr. Lewis: There are satraps wherever he is.

Mr. Sopha: I wish he would divest them and send them out to the part of Ontario that is begging for this proper type of attention from this department.

Hon. Mr. Brunelle: Mr. Chairman, a few brief remarks. I would like to commend the hon. member for his love of nature, and with reference to the subject of not having outboard motors in certain parts, I would like to tell him that one of the purposes of a master plan for each park is to zone each park. In certain zones there will be primitive areas where no outboard motors will be allowed. There are 117 members in this chamber, and I am sure the hon. member will agree with me that if you ask each individual member what his likes and dislikes are you will find some differences. The hon. member for York Centre is a great water skier; he loves to go with a 50 or 75 horsepower motor. The hon.

member for Rainy River, like yourself, loves solitude. That is why we have zoning to create areas for these many different interests.

With reference to our staff in our department, Mr. Chairman, I would like to say that we are the most decentralized department in government and as time goes on we will become more and more decentralized. Out of a total budget of $65 million we are spending more than half—again the only department spending more than half, $34 million in northern Ontario.

With reference to this question of the responsibilities of the management of the natural resources, we believe that land and water and trees and the wild life in the trees, living there, and the fish are all inter-related.

Mr. Sopha: Taxicology.

Hon. Mr. Brunelle: Taxicology, exactly! In order to manage those resources it is most important that they come under one department. That is why we believe and I would like to say we are becoming—and I admire the hon. members—more and more recreation-minded. On our staff now, aside from foresters, we have biologists, geographers, historians, people with degrees in recreation. We would like to get more because this is the emphasis today, more and more recreation. I would say, Mr. Chairman—

Mr. Sopha: What about the other point, about the large staff, you did not refer to that? What percentage is in Toronto?

Hon. Mr. Brunelle: Maybe the hon. member for Sudbury missed by remarks in reply to the hon. member for Rainy River, in which I gave the figures. A lot of our staff here is secretarial in proportion to all our staff here. We rotate our staff, our head personnel, the three regional directors. They come to Toronto and now they are back in the field. We do this with our staff; we rotate them in order that they become very conversant. We change our staff and most of the members here are aware that we have changed three or four district foresters recently. We advertise our positions—I know the hon. member comes from the north and I come from the north; when I first arrived here I thought that everything was in the north. But as I said earlier, 80 per cent of the anglers and hunters are in southern Ontario, nine-tenths of the population is in southern Ontario. This is the area that is becoming more and more important as far as providing recreational land; I say this, keeping in mind, of course, the importance of the north.

Mr. Chairman: The member for Hamilton East.

Mr. R. Gisborn: (Hamilton East): Mr. Chairman, I intend to be brief because I understand it is agreed to take this vote at 10.30. I want to give others an opportunity to say something on this particular subject.

I want to go back to this question of the beaches, private or public. I think this situation is so far up in the air at this particular time that it reflects very unfortunately upon the ability of the Minister of this department. I think that we have to have an answer from him one way or the other. If he does not know what is going on regarding this question then we are going to have to obtain the information by other means; by writing the Attorney General (Mr. Wishart) or raising questions before the orders of the day.

I am not at all satisfied with the waffling of the Minister as to his participation in this most important subject. I take the Minister back to about July 24 this year when he attended a meeting in Fonthill. I believe the meeting was held at the Lands and Forests regional office, and he met the appeal committee. That is the committee to preserve the East Erie lakefront beaches. Among other things he made a firm statement, according to the press, from that meeting that in this fall session the Minister would make a policy statement in regard to the question of the beaches in Ontario. Now we have heard many questions as to the two pieces of legislation that were on the statutes—the 1940 Navigable Waters amendment and the subsequent 1951 amendment. The Minister said at that meeting, according to the press, that he did not think they would rescind the 1951 amendment but he went on to say that there were only about 25 per cent of the property owners that would be involved in that kind of deed holding rights.

Now that is a fairly firm question and it can be understood that if there are 25 per cent of the property owners that may have legal right and are pursuing their legal rights to the courts, the Minister at least should give us his overall policy in regards to obtaining back for the people public usage of the beaches, and a statement on the other 75 per cent of the properties now owned. If there are 25 per cent that might be considered under the 1951 legislation which gives them the right to the water's edge and they are maintaining their rights through the courts, then we will have to obtain the answer from the Minister of Justice.

But certainly, a statement is necessary at this time as he promised those people. A policy statement in this fall session as to what the government was going to do in regards to beaches and what is the policy. The policy would then tie in on a firm policy statement as to the other 75 per cent of the property owners who have not deeds that give them clear rights to the water's edge, but maybe are fixed in to the 1940 amendment.

Can the Minister answer some of those questions?

Hon. Mr. Brunelle: Mr. Chairman, I do not recall having made any statement about 25 per cent as far as beach lands are concerned to the hon. members. I do not think I can add anything to the fact there are cases before the courts and I said that sometime this fall I hope to be in a position to make a statement. We are still in the fall; today is Monday, November 3. If those cases come to the courts some time during this month, I hope to be in a position to make a statement; either myself, or the Prime Minister, most likely.

Mr. Gisborn: The Minister has made his statement and declared his position. I have to say it is a waffling one, because the Minister must know there have been many questions put on the order paper regarding this situation, there have been many meetings, there are a lot of people interested, and this would have been the appropriate time when his estimates came before the House.

I do not think it is fair to say to the members that we are still in the fall season and he has time to make it yet, but he has made that statement. I just want to remind him that if he does not think he made the statement, he should check his own press releases with the *Spectator* of Friday, July 25, and I quote just the one paragraph:

> Mr. Brunelle said that any deeds which specified ownership to the water's edge would be respected by the government. He estimated that about 25 per cent of them contain this specification.

That is 25 per cent of the present ownership, so in his policy statement we want to know what he is going to do about the other 75 per cent.

I want to deal with just one other question and that is the question of the long term procrastination of the government—and I cannot blame this Minister for this—in regard to the lack of preservation of that desirable piece of land between the Queen Elizabeth on the south and the Lake Ontario shoreline, for preservation for public use.

I put questions to the Minister, which he will recall, based on promises of previous Ministers as far back as 1963. Specifically, I am talking about the 50-point project. About 300 acres there was designated by previous Ministers for a public park based on at least six surveys and reports asked for by this government.

The one that was most specific as to the needs, was the Norman Pearson report of 1963, which spells out very clearly, and just to be brief, Mr. Chairman, that, of the 46 miles of lakeshore from Burlington to Niagara, there were only eight miles left in public ownership, about 300 acres. Calculated on close to 500,000 population at that time, it meant about one inch per person. The report develops the argument that this was a good spot, a necessary spot to develop parks for public use in that area of the province. And they specify that through their analysis of needs and projected needs, that we should be setting aside at least ten acres per thousand population, and so on.

At that time the land could have been acquired for $1,500 an acre, it is now under option by Hamilton developers at $7,000 an acre. The last answer I got from the Minister was, "We have given it up, the prices have gone astronomically out of reach and we are not going to consider that piece of property for development."

It is still there, although the rest of the area has been raped out of all apprehension. There are holes there a quarter of a mile long, a half a mile wide and 50 feet deep, where they have dug the ground out to build the ramps for the new highway. And I wish the Minister would send someone down look at it, but this area we are talking about that borders the Lincoln-Saltfleet county line is still there, still undeveloped, with a very historical site on it that is still available. The surprising point is that the Hamilton district conservation authority have now decided, along with the Niagara development council, the tri-park county committee, that this land should never have been let go, that it is desirable and it is needed, and only this government can be responsible for the procrastination and the loss of this desirable area.

But they are going to get it, the conservation authority thinks so much of the need that they are going to get it, but they are going to pay the price the developers ask for. And I think it is about time this government

gives more attention to the reports they ask for, for the work that is put into them and the money that is spent, to develop research surveys in regard to land use across this province.

The time will come when the youth of this day will look back at that peninsula, the concrete jungle, where it is no longer retrievable, either for fruit use or for recreation, but at least what is there, if we have to pay through the nose for it, let us get at it and get the job done and help the conservation authorities; we will have to raise this with the responsible Minister, but never in my life have I followed a project that had so much support from those interested in the development of recreational areas where needed and a lack of action by the government is just disgraceful.

Mr. Chairman: The hon. member for Welland South.

Mr. R. Haggerty (Welland South): Thank you, Mr. Chairman. I am nearly going to sleep here waiting. I hate to be repetitious, but I do so because of the interest shown in the House this year and last year on the issue of the ownership of beaches throughout the province of Ontario, particularly in my area. I know the member from Hamilton was in my area this summer and I understand they had a ribbon-cutting ceremony on the new road through Sherkston Beach or some place along there. I had, in the past summer, a number of delegations at my place of residence at Sherkston and this touches rather close to home.

One of the questions I would like to ask the Minister is, in the study of recreational development of the lake Erie shore by Dr. J. N. Jackson and the research commissioned by the Niagara regional development council, how many persons in the Ontario Legislature received a copy of this? This is well documented and gives a good outline of the problems on beach property, lakeshore, in the Lake Erie region and Lake Huron. Would the Minister answer this and then I will continue?

Hon. Mr. Brunelle: Mr. Chairman, I received a copy, as did the members of my staff. I could not answer as to how many members in this House have received one. As the hon. member knows, this was a study by Dr. Jackson, which was commissioned, so I do not believe it is a responsibility of my department to make these available.

Mr. Haggerty: That point is debatable, Mr. Chairman, the hon. Minister should have made them available to all members of the House. This is really important, as to the ownership, in future years of the lakefront property.

I was also delighted to have the Minister in my area this summer and this is one thing you can say about the Minister, he is a man who is on the job. If there is a problem or something he is there, and I can perhaps recall the lively discussion that we had with the owner of Sherkston Beaches. Some members have mentioned the right of way through township roads in this vicinity, and there have been a number of arrests and charges laid.

I believe that on some of the charges, the court cases will appear sometime in January, and I think this time we have an exceptionally good lawyer, we have Judy LaMarsh, QC, as representative so I think that they will be well represented in the court case. But I think that one of the things that was brought to the Minister's attention was that the owner of Sherkston Beaches definitely has the road fenced off, and he denies the right of public access to the lake.

The Minister is aware of where this fence is put up and where the road is located, and just last week Mr. Chairman, the same owner applied to the municipal council of the township of Humberstone, for a quit claim deed to a railway right of way that ran out near the quarry to the lake we used to load gravel at some few years ago—back when the Empire quarry was in operation—and if the quit claim deed to the railway is given this again will deny to the public right of way to the lake.

Now this is one of the problems that I find in this area and in many cases along certain roads, you will find a post driven down, fences put across and anything to bar the public from entrance or access to the lake.

Whether this is a responsibility of the local council to have control or the responsibility of this government, the initiative and the leadership should come from this government to see that the public is protected—as they do have that right—of access to our lakes.

In Bertie township, I know that in the description of certain properties in that area —and in this report it says Bertie township is at present the most contentious beach area along Lake Erie—the following phrases are employed when the 35 original patents were issued to some of them: "To the lakes to Lake Erie then along the water's edge". That is rather confusing, is it not—to Lake Erie, then along the bank to Lake Erie, then along

the lake to Lake Erie, then along the shore. No shoreline description, although there is description in many cases. So we find that the description of the property to the lake is rather confusing perhaps to the department, to the government and perhaps to the members here.

But if one applies the English common law as in England, where they use the high water mark, all land lying between the bank and the water's edge belongs or is vested in the Crown.

If we go back to our early Canadian history, to George III's reign, when the settlers first arrived in Ontario from United States—Empire Loyalists from United States—much of this land was subdivided into township lots and much of the description was given at that time from the banks of Lake Erie to the shore to the water's edge to the high water mark to the low water mark. And I know that the department at times uses this one phrase that this means one or all or the same. In other words, they all have the same meaning—to the water's edge—and none would have to disagree with this. If we look at the case here, in Humberstone township part of lot six—and this again deals with the Sherkston Beaches—it says the Crown grant description of lot five is that it begins at the southeast angle of lot number six on the bank of Lake Erie—not to the shore, but on the bank. And again this raises the question that Mr. Holman, the owner of Sherkston Beaches, is trying to make every attempt to obtain complete ownership of the lakeshore.

The next stage that the Sherkston Beaches will apply is to The Lands Quieting Titles Act. Once he applies to this, this will give him all possession of the lakeshore for two and a half miles. And all he has to do is to prove that the public has not had any access to the lakeshore. In this particular area, if he has a fence on Pleasant Beach Road running out to the water's edge, that denies the public the right to the beach to the shore; if he has the fence across Michael Road, there is no access there for the public to the beach. If they go to Wildwood Road, again there is a fence running down to the water's edge denying the public the right to the beach. And we come to the Empire Road—again he has a fence across the township road, and the public is not allowed access to the lake. And if he gets the right of way of the railroad, again the public will be denied this right.

So the next step, as I said before, is that he applies under The Lands Quieting Titles Act, and he has complete control and ownership of this two miles of beach.

This must not happen, Mr. Minister. This is where the road allowances must be maintained for the public; the fences must be removed along the lakeshore so that the public has the right of access to it. Now, has the Minister any comments on this?

Hon. Mr. Brunelle: Mr. Chairman, in reply to the hon. member for Welland South, I know living in that area and being a very able representative, he is certainly very concerned about providing public beach land to the public. With reference to the 66-foot road allowance, as the hon. member mentioned, this comes under the jurisdiction of the municipality. We would be very reluctant to interfere because—well, the hon. member having been a member himself of the municipal council—we feel that the municipal council, since this is under their jurisdiction, are the ones who have the say. If they should decide to try and sell this, of course, they could not do this without the consent of the Ontario government; it would have to be an order-in-council.

With reference to this question of the high water mark and the low mark and the water's edge, in English common law ownership of land is to the middle of the lake and that is why we introduced the legislation, The Beds of Navigable Waters Act, in order to protect the public interest.

As the hon. member knows, we hope to provide more public beaches to the public by establishing a provincial park in that area. Should we take over—it is a bad word to use "expropriate," but some have suggested that we should expropriate the land in question, which the member has referred to as Sherkston Beaches—we feel that by expropriating the Sherkston beaches the price will be very high and that this will not give any additional park land. But by providing a provincial park nearby, we will add park land and provide the necessary services, parking and so forth. Of course, park prices are lower than the prices of the private park. So we believe, and I think that this will add about 1,700 feet of beach land by acquiring this private property.

Mr. Haggerty: You did not answer the question about the fences going down to the lakeshore. This is a point that is important. If he can hold this land there and deny the public the right of access to it, Sherkston

Beaches could apply to The Land Quieting Titles Act for a complete ownership of the lakeshore.

Hon. Mr. Brunelle: Mr. Chairman, it is illegal to place fences on public lands owned by the Crown, and I believe that Sherkston Beaches, the land in question, in their title own their land to the—I am not sure whether it is to the water's edge or to the high water mark.

Mr. Haggerty: I did refer to the plans in lot number five of Humberstone township.

Hon. Mr. Brunelle: They own their lands to the water's edge. I believe this case came to court at one time; I think this was a court case in 1913, in the case of Carroll against Empire Limestone. And the court of appeal held that he owned the land to the water's edge. The case went to the Supreme Court of Canada, but the court did not deal with the case.

Mr. R. F. Ruston (Essex-Kent): That is unusual.

Mr. Haggerty: This is the point. I have the copy of that text here too, Mr. Minister, but I was dealing with the property of the lot five, and it says to the banks of Lake Erie. This is part of Sherkston Beaches, or the Empire Limestone quarry operations at that time, but it said to the banks, not to the shore.

Now, there was a case in the courts, and it said, I think, at that time, that they owned beyond the lakeshore or the water's edge. But again, I mean, many of these decisions handed down by the courts are taken or followed by some other judge who has made a decision a few years previous to that. And when the next case comes up, he just picks this one up and says, "Well, this judge said this at this time; we will follow the same practice or principle that was applied previously." And this is not good—not for the present-day use of the beaches that are required. This is where, I think, you have to have a review of all the beaches within that area and even the previous cases held before the courts. In many cases, maybe they should be appealed. In this case, sir, it went to the supreme court and they dropped it. There was no reason for it, but they dropped it—and yet there was no decision. It always leaves that question in the mind—who does actually own it—is it still Crown land? I believe it is Crown land and you are in the position to prove it.

If you cannot prove it, then I think it is time that this Ontario Legislature moves, by statute, to say that this is Crown land. This is the important thing. I mean if you can take it away under The Navigable Waters Act in 1951. In 1911 or 1914, The Bed of the Navigable Waters Act says:

> —where land bordering on a navigable body of water or stream has been heretofore or shall hereafter be granted by the Crown, it shall be presumed in the absence of an express grant that the bed of such a body of water or stream was not intended to pass to the grantee of the land.

I am sure if you go back to the early statutes and under English common law, I believe, it was not the intent of the King of England, George III at that time, or England, or the Governor of the province of Ontario, to pass such rights to a certain few individuals.

I think they must have meant that it remains vested in the Crown. We can go back to the early part of history, and part of the great lakes system was part of the realm of England under The English High Seas Act. This again raises the question and I am sure if you applied this principle of The English High Seas Act and the intent at that time, that the land along the lakeshore is vested in the Crown or in this province.

Hon. Mr. Brunelle: Mr. Chairman, the member makes some interesting points. Again, may I say that the cases before the courts will certainly give us additional information and will help to clarify the situation. I think everyone agrees that it be desirable to have it clarified and these matters will be reviewed upon the rendering of the decisions of the cases before the courts.

Mr. Chairman: The hon. member for Timiskaming.

Mr. D. Jackson (Timiskaming): Thank you, Mr. Chairman, and I will try to be brief. I heard the speaker a few moments ago on Algonquin Provincial Park and I realize it is under quite exhaustive study by the department at the moment.

Mr. J. P. Spence (Kent): Mr. Chairman, under this vote 1101—

Mr. Chairman: Is the hon. member on a point of order?

Interjections by hon. members.

Mr. Chairman: May I say that this particular evening I have reverted to the list procedure and I have a list of the names—

Interjections by hon. members.

Mr. Jackson: Mr. Chairman, if I have the floor, I wish you would control that little group down there that like to be noisy.

Interjections by hon. members.

Mr. Chairman: He is next.

Mr. Jackson: My colleague from Thunder Bay has already stated that we believe in the concept of multiple use of our forests in Ontario. However, the concept of multiple use means many things to many people and we do not necessarily always agree with the Minister on his concept of multiple use.

Mr. J. L. Brown (Beaches-Woodbine): Hear, hear!

Mr. Jackson: When it comes to Algonquin Park, we definitely do not agree. We feel that it requires many changes and that those changes should be made now, not in 1979 or 1989. By the way, this Minister might not be there to make those changes.

Mr. Lewis: Might not be there? What lack of faith is that?

Mr. Jackson: Over the last few months we have been treated to emotional appeals from two sides, from the Wildlands League and all the people who believe that the park should be exclusively for recreation and by an equally emotional appeal from the Ontario Forest Industries Association who believe that recreation should be secondary to the logging industry. In between, we have a few that really do not know which way they are going.

It bothers me very much, Mr. Chairman, that we are in a position today where the Minister is doing nothing more than mediating what is essentially an argument between two factions. He is going to come up with a compromise decision, rather than a decision that is a politically sound decision and a decision that will be to the benefit of all the people of Ontario rather than one faction. I believe, and this party believes, that we cannot make a compromise in this situation. We must make a decision—and we believe that there is only one person who can make that decision. We hope that we might give him some guidance, and that you will pay some attention to our guidance.

Mr. Brown: It is about time.

Mr. Jackson: It is not good enough to appoint the advisory committee's task force, or so many other little groups that all have their say on how Algonquin Park should be run. What the advisory committee is made up of is these two very factions that are really causing the problem in Algonquin Park. There is no use having a mediation situation unless the Minister has decided now that he is going to make a good sound decision, not end up with a compromise when all of the reports come in.

We believe that the problem is not a simple problem and a simple solution is not available to anyone. We do not believe, however, that it should carry on until 1979 to come up with a decision. Surely, the Minister must realize that in 1979 all of these companies could be out of business or there could be one company; or recreation would be in such demand that there will be no room for logging. Or the logs will be in such demand that there will be no room for recreation. Only he can make the decision that will be the guide for this park as well as for all of the other provincial parks in this province. In coming forward with our suggestions, Mr. Chairman, first of all we go along with the Minister and the department in saying that we should eliminate at the earliest opportunity all lumber licences and leases in the park. They should be terminated without any question and without any compromise or mediation situation.

The lumber companies come up and tell us that they have been lumbering in there since 1843. But when we take all of the facts into consideration, we find that at that time, they were lumbering one species of timber; they were lumbering by horse and manpower, the old axe versus the chain saw of today. That situation has changed. Today they can take in one day the amount of timber that some of those companies took in a month. Surely we cannot compare the lumber companies' position of today with that of 1843.

I have several little pamphlets here and I think they point out some of the situations that should be considered at this time and considered very seriously. One of the pamphlets is "Canadian Pulp and Paper" and it is put out by the Ontario Forest Industries Association. It says:

> As to how much yellow birch is left to be cut in the park, Harold Staniforth—and that is Harold Staniforth of Staniforth Lumber—said it will take 12 more years to complete the first rotation on this company's limit. His mill produces yellow birch veneer. Staniforth then will go into areas logged in the 1920s—

It goes on to say that little good quality yellow birch grows outside the park.

> In five more years of cutting on Consolidated Bathurst limits all mature and over-mature yellow birch will have been cut, said J. O. Smith, of Consolidated Bathurst. Yellow birch now being cut is probably 150 to 200 years old, said John Oatway, of Lands and Forests. Not that much yellow birch is coming in. The critical area for the yellow birch industry is its inability to bring the seedlings to maturity.

I would like to point out, Mr. Chairman, that if what Mr. Staniforth says is true, then he will begin his second cycle of cutting in a period of 61 years. But to go on, the pamphlet says:

> We will have merchantable yellow birch in 80 years at the earliest, although the average is 120 years.

There is a statement from the Ontario Forest Industries Association that says, if you can believe what is in it and I do, that when Staniforth start their next cycle of their property—a company that produces yellow birch veneer—they will be cutting immature timber as they will not have anything else to cut. Surely, there is reason to believe, then, that either they must have further limits within the park, or they are going to be out of that business.

It was my opinion, Mr. Chairman, that there are no further limits to give; that all of the yellow birch area within the park is tied up and it is not going to be given over very easily. In fact, it is going to be very, very zealously guarded. It leaves one solution—that the department has to take over control of all the yellow birch within the park if there is going to be a feasible industry remain in there. And the only way they can do that is if they take everyone's limits. They cannot possibly single out any one industry to cut off their lease; they must say to every industry in there, or every logging company, that as of a certain date there will be no more timber licences.

We also believe that it is not possible for us to say that we are going to put companies out of business by taking away their timber leases or their timber rights. We do believe these companies have a right to exist. However, we must have much stricter control than we have today over those companies.

We suggest that instead of having the timber limits that we now have, we will have a volume cut in such a way that not only does the department control the cut but, I think—and this caucus thinks—that it is quite feasible for the government to do the cutting, or at least to have a company that works under the direct supervision of the Minister to do the cutting. This way we can bring forth one area in the park or, at the very most, three areas in the park.

Mr. Sopha: Not a socially owned company —you are against that.

Mr. Jackson: I do not think we are. Let us say this—

Mr. Sopha: Melville was for that.

Mr. Brown: Do not get hung up on a theory you do not understand.

Mr. Jackson: If it becomes a socially owned company in the interests of the people of this province, I am sure that no one in this party will be against it. In fact, we will be the first ones to stand up and say we are for it.

Mr. Sopha: Shades of the Winnipeg convention manifesto!

Mr. Jackson: We say to you, Mr. Chairman, and through you to the Minister, that this one company will do all of the cutting in the park.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Unless they had monopoly.

Mr. Sopha: I say to the Minister of Energy and Resources Management, if it is an American-owned company, it is all right.

Mr. Jackson: Mr. Chairman, surely he had his say on the floor, and quite a long say, too, quite a long dissertation. He should be quiet.

Mr. Sopha: Well, I just want to understand him.

Mr. MacDonald: You have to listen to understand him.

Mr. Jackson: Anyway, to get back. We say that the logs can be supplied to the mills by a central cutting corporation, a corporation that will not only cut yellow birch, but will cut hard maple and all of the species that are needed in the park area. And it will cut them from areas designated by the department or by the Minister.

The logs that are cut will be distributed to the various lumber companies on a volume basis to satisfy their needs. And as

one area becomes cut over, that area will be rezoned and taken out of production and be rezoned wilderness for the use of the people, and another area will be cut and cut clean and regenerated. We predict, on a basis such as this, that the park can have a sustained yield—an honest sustained yield, which presently does not exist within the park. And the Minister is well aware of that, although he has said many times that it does have. And all he has to do is to talk to his own advisors, because they have told me that it is not true—and John Oatway backs that up.

By doing this, we will take away one of the major problems existing within the park. It is not that the recreationalists are against lumbering in the park. What they are against is the amount of space taken up inside the park; by using three or four areas at the most, we can cut down the conflict, we can isolate one from the other and still provide the logs that are needed to carry out the business of the lumber companies.

At the same time, we realize that over the next few years, because of the growth of Toronto, because of the growth of the urban centres in the south, because of rapid transportation, because of the money that is involved, because of the spare money that people have today, and because of the very fact that we have more free time, over the next few years we are going to have a much greater demand on the parks for recreation. And I disagree with Mr. Conway in his attitude that it should be all wilderness.

I believe there is a place for the person with a trailer, the person with a tent, the person who wants to go in for a weekend, not for a week of hiking where he has to wander 20 miles back into the bush, but something where a person can go and get away from the push of the city. This means that we have to have more camp sites, and under the present system of keeping our camp sites all along Highway 60, we cannot possibly supply the needs of the future generation. This means only one thing: that we must supply more camp sites.

We would suggest that we drive a road right through the middle of the park and keep all of the camp sites along those new roads, or at very best, on the perimeter of the park so that not only does the lumber industry not encroach on recreation. Accessible recreation will be isolated from the timber industry, and camp sites will be put forth or built as the need grows for them. But any area that is left within the park other than the cutting areas that are designated on that day, or the areas designated as accessible camping areas, which we have kept around the rim of the park—all of those other areas wil be designated as wilderness zones and will be left in their natural state so that the conflict—maybe it is a very small percentage of people that will use it, but they will have a place to go. And surely we must provide for the needs of everyone, not just for one faction or the other.

To get on, Mr. Chairman. The most important thing that we find far overshadowing any consideration for recreation, any consideration for economic viability of a lumber company, is what is going to happen to the people who are dispossessed. I speak of the people who are not only going to lose a few jobs because of the change in cutting policy, but are losing jobs today because of the advent of new machinery and technological changes where we now push a button where we used to have four men doing the same job. There are men being put out of work every day.

The lumber industry tells us that if we do certain things we are going to just totally devastate the area, but surely it is being done by the lumber industry itself by bringing in such things as Tree Farmers, such things as the new tree cutter, which not only cuts the tree down, but limbs the tree and cuts it into saw-log lengths all in one operation. One man runs that machine, and he can cut in one day as much as ten or 15 men are cutting in a week at this time. Surely we must think of those people, and we suggest that this government, at this time—not in the future; it should not be of secondary importance, it should be of prime importance —say right now that we will set up a commission to study what is going to happen to these people. And we not only insist on a report in the very near future but, when that report comes in, we do something about it. That we set up training facilities; we make a thorough study of what industry can go in there and take the place of the lumber industry, if and when the lumber industry does fail—as I am sure that some of them will.

You know, it is really no secret, if we drive through some of these towns, that they are dying now. Surely it is ludicrous for us to sit here and say that Algonquin is either for recreation or for the lumbering industry, when what we really should be concerned about is what we are going to do with the people who are being put out of work every day. What are we going to do about the dying towns all around it? I have sat in on

two meetings of the advisory committee, and it has not been discussed. And any attempt to have it discussed is immediately passed off, because the people who are there have no interest in it. They are not worried about the people they are putting out of work, although they claim to be more worried about the 3,200—or 30,000 people as the Ontario federation says—who are going to lose their jobs because of what is happening in the park. But, really, they are not worried. The lumber companies are worried about their profits; the recreationalists are worried about their recreation. Surely the government's position should be that we only worry about one thing, and that is the person who is going to lose his job. And we should set up right now, without any further delay—not wait for your reports from your task force, or advisory committee or anything else. I think it is not a point where you have a choice; it is mandatory on you at this moment that you do so.

You, as the Minister of Lands and Forests, should be the leader in such a thing, because it is through your park and your lumbering industries that the problem now exists, and surely you must accept the responsibility. I say to you that now we must set up a committee to study the problem. A committee that studies it very, very quickly, and immediately starts the procedure to retrain these people, find jobs for them and at the same time looks into supplying industry for the towns that are going down, to either keep them alive or, at the very, very least, supply jobs for the people who are going to be displaced.

Mr. Spence: Mr. Chairman, I would like to ask the Minister a few questions with regard to his policy on parks. This is an old subject of mine and I certainly do not place the blame on him for the policy of that Rondeau Provincial Park, because that policy was enforced long before the Minister had taken over.

As you know, Mr. Chairman, the policy is to buy up the cottages as the leases expire and, after the Minister's department has a number of cottages purchased, they advertise them, and call for tenders. Of course, the buyers are instructed, as I am informed, that they will have to remove the cottages from the park or tear them down, but, in order to remove them from the park, no trees must be cut.

Mr. Chairman, we hear a lot of criticism about this in our part of the province of Ontario, where the prices paid for certain cottages by your department are around $3,900. When they come up for sale the price paid for them—because they cannot move them out of the park, they have to tear them down—the price I hear, in one case, was $20.

We also hear that, in the park this past year, because of the department's policy not to cut any trees so that a cottage could be moved out, some of the cottages, or a cottage, had been burned. I have been contacted a number of times on this subject; this is a very serious matter. At a time when homes, or cottages, are at a premium, many people think that this is a waste of the taxpayer's money and should be stopped.

If the department's policy is to move the cottages, or sell the cottages, I do not see why the policy cannot be changed that a tree or so could be cut, so that a cottage could be moved and make a good home and a cheap home for some of our citizens.

Also, Mr. Chairman, while I am on my feet, I would like to ask how many cottages were burned, if there were any burned? And how many cottages have you sold this year, or disposed of?

Also, Mr. Chairman, we hear from tourists who have visited different Ontario parks across the province that fees for camping or trailers amount to about $21 a week with electricity. Those same tourists who have visited other parks in the province of Quebec, Manitoba and the United States, have informed me, on many occasions, that the costs to visit for a week in our provincial parks are the highest in Canada and the United States and that the facilities do not compare with the other provinces, such as Manitoba. I would like to hear if these conditions exist.

Also, in the Rondeau Provincial Park, many campers are complaining about electrical outlets, and I was wondering if any consideration was being given by the Minister's department to increasing electrical outlets to campers. Is there any programme to improve the facilities, because of the high cost of spending a vacation in these parks?

As I understand it, in Manitoba you can camp in a park there for $12 a week, and here in the province of Ontario it is $21. I would like to know what plans the Minister has.

I understand there is going to be a study made of the different parks and I wonder if Rondeau is going to be one of them. I did not understand when the Minister mentioned some of the parks' names; I did not hear Rondeau.

So I would like to hear how many cottages, if any, were burned; what facilities are going to be improved this coming year, and is there any consideration being given to reducing the fees to compare with other parks in the other provinces and the United States parks, too?

Hon. Mr. Brunelle: Mr. Chairman, maybe I may say a few words in reply to the remarks of the hon. member for Timiskaming, who is the member of the advisory committee.

I agree with a lot of his remarks about the importance of the recreational value of Algonquin Park. If I understood him correctly, he also said that there should be more camp sites, and I agree. One of the things that the task force, as well as the advisory committee, are looking into is providing more camp sites. I think he also made the suggestion that camp sites may be provided on the perimeter, on the outside of the park, and I think this is a very good suggestion. He mentioned a road, and I am not too sure whether he advocated—

Mr. Sopha: Right through the middle of the park.

Hon. Mr. Brunelle: —he advocated a road be built in the middle of the park.

Mr. Stokes: Or the periphery.

Hon. Mr. Brunelle: My own view is that I would hope that this would not be done, because I think—

Mr. Sopha: I would hope you would think about that one.

Hon. Mr. Brunelle: —there is a lot of value about keeping the interior of the park in its natural state and that roads should be constructed on the—

Mr. Brown: You mean all logged off.

Hon. Mr. Brunelle: With reference to mechanization and his concern that mechanization will eliminate that work that is presently being done by bush workers who are using chain saws and so forth, that is quite a concern. However, I am very optimistic that there will be a demand for woodworkers, even with mechanization.

We still need men to operate these new tree harvesters, and so forth, and I am very optimistic that there will be more wood-using industry in southern Ontario—I am hoping especially for southeastern Ontario. Maybe the hon. member is aware that we carried out a survey last summer on private lands to find out how much wood is available and we are presently negotiating with companies on utilization of the wood.

I am very optimistic that, as time goes on, those men who are presently working will not lose employment in the forest industry. They may have to be retrained and use mechanized equipment, but however, it is a matter of retraining and, of course, under the federal programme there is provision for retraining.

Mr. Jackson: The problem is that you were responsible—

Hon. Mr. Brunelle: Pardon?

Mr. Jackson: You should have been responsible and it should be started now.

Hon. Mr. Brunelle: At the present time, to my knowledge those people are employed. If people are unemployed I am sure we would look into a retraining programme—there are retraining programmes available presently.

In reply to the hon. member for Kent, with respect to Rondeau Park, our policy is that no new leases of land within provincial parks are being negotiated. Most of the leases have several years before they run out and if a person wishes to dispose of his lease—say he has another 10 or 15 years—we ask The Department of Public Works to look into and make assessment of the value. If we come to an agreeable price that we can recommend, we usually purchase these cottages. Those that are still serviceable are being rented for short terms for a period of five to six years.

For instance, if the lease is purchased and supposing there are five or six cottages in the group and we at that moment or that period of time, have no present use, we will allow those cottages to be rented for five or six years. However, should the land be required for public use, then we do not lease and we allow them to move their cottages, if it is possible.

I am trying to get the information and I am quite concerned about what the hon. member has said, that cottages have been burned. I am trying to get this information and I am told that if some cottages were burned, those that were were not in very good conidtion. Only the uninhabitable cottages are being sold or destroyed.

Also, with reference to our park fees: as the hon. member knows they were raised last year—they are now $2.50. We have made great efforts to improve our facilities: for instance we have at the end of this year, 297

electrical outlets. In Rondeau—if the member is interested—there are 40, but by June 15 of next year we hope to have 1,050 camp sites with electrical power. In other words we will more than triple the number with electrical outlets. Also we are improving our parks; we are paving certain roads as circumstances permit, and we are very much aware of the need to improve our parks.

Mr. Spence: Mr. Chairman, may I ask the Minister with regard to his answer: How many cottages were there? Could you give me that again or some other time, if you have not got it available.

Hon. Mr. Brunelle: I will be pleased. I have not got that information now, Mr. Chairman, but I will be pleased to have it available to the member. In addition to giving the number of cottages I will put an estimated value of what the cottages are worth.

Mr. Stokes: Mr. Chairman, I would like to ask the Minister two questions, the first one is rather brief and he can hold the answer until everybody has spoken, if he wishes: I would like to know to what use is the data that is collected as a result of the special permits that are issued to Lake Superior trout fishermen? While it does not cost them anything, his department insists that they have this permit so they can fish. Now, what use is this information put to—is it of any earthly use whatsoever? Do they gain any knowledge from it? As a result of the information that come in since these were issued, has it served any useful purpose?

The second question I would like to ask the Minister is: To what extent is his department involved or concerned about the comprehensive surveys with regard to the utilization of water, diversion of water, damming of water, and possible sale of water from the north? To what extent is your department concerned about these ongoing surveys? Are you prepared to make representation to anybody who might make a decision with regard to damming, diversion or sale of water outside of this country? Are you concerned about what it will do to the ecology of the area, how it might flood out certain areas?

I am particularly concerned about this, because you know what happened to Lake Seul when the Hydro dammed water. I am sure you are quite aware of what is happening to the ecology of Lake Nipigon as a result of the fluctuation and the water levels there, the adverse effect that it is having on fish and the ecology of that particular lake. I am wondering to what extent your department is concerned and involved and prepared to to make representations if somebody in this government should decide that the sale or the diversion or damming of water in the north should become a reality.

Hon. Mr. Brunelle: The member's first question is referring to permits for fishing of lake trout in Lake Superior of commercial fishermen?

Mr. Stokes: No—No! It is a permit—does not cost them anything. But you ask all fishermen to pick up one and apparently they are supposed to report back—why?

Hon. Mr. Brunelle: Well, the purpose of this, Mr. Chairman, as the hon. member knows, is that in Lake Superior the sea lamprey reduced the lake trout population considerably, but I am happy to say that in the last few years, due to the efforts of the federal government—the fisheries commission, I believe it is called—and our own department, the sea lamprey population has been reduced by 90 per cent, and the purpose of these permits is to give information in order to assess the trout population and also to find out if they have markings on them due to sea lamprey.

This information of course, is good for statistical information for the rehabilitation of lake trout due to this lamprey.

The question of the sale of water outside of the province, of course, is one of great concern to our department. This study is carried out under the Ontario Water Resources Commission We have two representatives from The Department of Lands and Forests, Mr. Code, the surveyor general, and Mr. Baxter, the district forester from the Lakehead. They are members under a committee working with the Ontario Water Resources Commission which comes under, of course, my colleague the hon. Minister of Energy and Resources Management. We are working very closely, since we are responsible for the management of our fish population, to ascertain that nothing detrimental would be done.

Mr. Chairman: The member for Essex-Kent.

Mr. Ruston: Mr. Chairman, I just have one or two brief items. One is I have a number of complaints from people in the area for duck hunting about the amount of swamps and places that are ideal hunting conditions that have now been rented or leased or bought by American interests and signed off.

They have taken these areas now and they feed the wild life in them and of course this brings them in in large quantities. In some areas I understand they shoot so many of them they do not even pick them up. I am wondering if the Minister has any plans in future to acquire some of these lands that are only good for ducks and geese to hang out and if he has any thoughts of buying any of these properties up.

Also, I think a year ago on August 6, the Minister made a tour of the area and we were very glad to have him, and we showed him around, and I was wondering if he could tell us if he has acquired any new parkland in the north part of Essex and Kent county.

We are aware that there are large areas in Lake Erie, but Lake Erie has got good facilities, and I am just wondering if there should be something on the north side much closer to the large built-up area of Windsor, with much easier access to it by highways that are not overcrowded. Highway 3 is very overcrowded and that seems to be where all the parks are, so I was wondering if the Minister can tell us anything with regard to a park on the Lake St. Clair side? I believe that is all I have right now, Mr. Chairman.

Hon. Mr. Brunelle: If I may start with the last one, Mr. Chairman, the park on Lake St. Clair is progressing very well and nine-tenths of the Tremblay property has been purchased. The remaining one-tenth should be finalized in the very near future.

Mr. B. Newman: Step on the Minister a little harder.

Hon. Mr. Brunelle: Now that we have acquired the land we are in a much better position, of course, to proceed.

The member for Essex-Kent makes a very good point that we should be purchasing land for waterfowl purposes and we are doing a lot of this. It may be of interest to know that up to March 31, 1969, we had a total of 213,447 acres. I am looking here at the various areas that have been purchased—Tiny Marsh and Rama Public and Luther Marsh; Wye Lake, Thunder Bay Development; Johnson Harbour; Dryden Settlement and Cyprus Lake; I am sorry to say that I do not see too much in the area of Lake St. Clair.

In that area, no Crown areas have been leased for many years. My people believe that marsh land has a very high priority in our acquisition and we hope to be able to move ahead on this in view of the dense population in that area. We have this as a very high priority in our land purchasing programme.

Mr. Chairman: The hon. member for Scarborough West.

Mr. Lewis: I am pleased to find time in one of the last minute highlights in this debate.

I want to say a word about one of the recurring, indeed, consistent themes of our party in this Legislature. That is, our erstwhile efforts to repatriate Ontario's economy from the hands of those who would exploit it for profitable designs—useful to people outside the province of Ontario, rather than those inside. I wanted to ask the Minister, to begin with, very briefly, whether he has any policy, when handing out timber licenses, about the nationality of the company which is granted the timber license.

The member for Rainy River earlier made a point about the auction sale of Crown lands. We, in this party, were inclined to agree with his colleague from Sudbury rather more than with the member, that Crown lands should be leased; they should never be auctioned at all. As a matter of fact the suggestion of a lottery verges on madness, I suggest to you.

But in the separate context of the timber licenses and their exploitation, through the lumbering of a primary resource, it seems to me that in the context of the economic autonomy of this province, some policy might be devised by government. I would ask the Minister whether he has some policy about the nationality of firms.

Hon. Mr. Brunelle: Mr. Chairman, in reply to the hon. member for Scarborough West, on the issuing of timber licences on Crown lands, we do not take into consideration the nationality of the licensee. For instance, in northern Ontario, if we were to exclude the American interests, we would more or less eliminate—I am guessing—but I would say at least half, if not more, of our forest industry. As a matter of fact I think we make every effort to attract companies, whether they are American or German or French, or whoever wants to come and establish a pulp mill or a forest industries plan of some type. We do everything to encourage them because they will be using our resources and they will be employing local people and making a contribution to the autonomy of the province as well as to the entire country.

Mr. Lewis: Then, you are admitting—you would not regard it as an admission—you are

revealing to the House that in your mind fully 50 per cent of those that have the timber licences on Crown land are indeed foreign companies, primarily American.

Hon. Mr. Brunelle: I would like to say to the hon. member, however, that they must manufacture the timber products in Canada.

Mr. Lewis: Right!

Hon. Mr. Brunelle: This is the important consideration. But unfortunately I do not believe we have enough people, industrialists, in the province of Ontario to build the type of industry which today a pulp and paper mill complex needs. It must earn somewhere between $50 million to $100 million to be an economic unit; it must be somewhere between at least 500 to 700 tons per day.

Mr. Lewis: That is a bit of an inflation, do you not think, in view of the report which indicated that only $105 million had been spent by all of them on plant machinery and equipment over the last year?

Hon. Mr. Brunelle: Those were just expansions, Mr. Chairman; they were not new industry.

Mr. Lewis: Agreed, but they were, some of them, significant expansions.

I want to make the point albeit rapidly, challenging the Minister's view that the picture is not nearly as bleak as he paints it. At some point this government is going to have to devise some policy to repatriate Ontario's economy. And this is an excellent place to start, because we are not talking about outright ownership. We are talking about the granting of Crown timber licences for lumbering on public land, on Crown land. It seems to me that there is nothing more useful than to start in that area.

I did a rough survey of some of the major companies involved in the field, out of interest. I got the list, Mr. Chairman, from those named by the Minister of Energy and Resources Management in connection with undue pollution in the province of Ontario. For a fellow like myself who frankly knows very little about the timber industry and pulp and paper processing, I was not aware of all the companies by name. It was curious that they could easily be brought to public notice by the fact that they are the chief culprits in the polluting of public lands and waters and air.

Let me take a look at some of these companies, Mr. Chairman, because I think it is rather important very quickly to make the case. Kimberly-Clark, an American firm, has 7,494 square miles of timber licence in the province of Ontario; American Can has 3,985 square miles of timber licence in Ontario; Ontario-Minnesota, which is owned by Boise-Cascade, is a wholly-owned American subsidiary, has 7,508 square miles of timber licence in Ontario; Weldwood of Canada Limited, which is 74 per cent controlled by U.S. Plywood-Champion, has 1,209 square miles of licence in Ontario; Spruce Falls Paper Company, a 51 per cent subsidiary of Kimberly-Clark has 6,301 square miles of timber licence; Weyerhaeuser Canada Limited, which is 100 per cent subsidiary of Weyerhaeuser and Company, Washington, has somewhere in excess of 1,200 square miles of timber licence in Ontario.

Taking just those—not analyzing the vast list of Ontario timber licences as of October 31, 1969—but taking just those companies, we have 35,500 square miles of Ontario timber licences granted to American companies. I should add one other, and that is the Dryden Paper Company, 94 per cent owned by the Reed paper group, which is a British-based firm; 6,782 square miles.

In terms, Mr. Chairman, of the acreage we are talking about, almost 23 million acres of timber licences in the province of Ontario have been given primarily to American-owned firms and, in the case in one instance, a major British subsidiary.

These are vast organizations. I cannot go into the profit structures of the individual corporations involved, but the Minister will know that they have great international holdings in the third world, and in Europe; that some of the moneys, as in all multi-national corporations, are extracted from one province or from one country and used in another country.

He will know as well that the retained earnings level of these companies is enough to win awe from any mortal; he will know that the profits and sales boggle the mind; he will know, indeed, that they are very, very substantial firms.

And yet they occupy, just this small group, fully 40 per cent of the timber licences in the province of Ontario.

Now, I daresay that when one examines the total list one would find that easily 50 per cent of the timber licences in Ontario, amounting to 30 or 35 millions of acres of

timber, were owned, controlled, exploited by American parent companies with one major exception of the British company, the Reed Paper group.

Having made that point, Mr. Chairman, let me come to the other things that should be said.

Mr. Sopha: It is vastly different from the point the member made last year.

Mr. Lewis: Not at all! The Crown land production alone last year, or in the most recent year for which we have figures, was 425 million cubic feet. If memory serves me, Mr. Chairman, that is close to three-quarters of the total production in the province of Ontario, certainly 65 or 70 per cent. The private production is only 175 million cubic feet, according to the Hedlin-Menzies report. So that the major production is coming from the timber licences which these foreign companies have been granted by this Minister.

Now, let me also point out, Mr. Chairman, that the majority of Ontario's 210 million square feet of plywood production is consumed here in the province; of the 3.6 million tons of pulp manufactured in Ontario approximately 3 million tons are converted in the province into newsprint. At page 14 of the Hedlin-Menzies report it says:

> The industry can be regarded as a stable and mature part of the provincial economy and its prospects for future growth are believed to be good.

And when one looks at the individual surveys and analyses that have been taken, like the Hearst-Kapuskasing survey, one finds that they talk about the Kapuskasing mill, which is the Spruce Falls Pulp and Paper Company Limited, a subsidiary of Kimberly-Clark, again an American company on which the economic viability of the region is dependent.

Now Mr. Chairman, these are timber licences granted by the department. They are granted for public land. Much of the profit comes from within the province of Ontario, much of it is marketed within the province of Ontario.

It seems to me that where we do not have a question of ownership, where we have a question of licensing, then this is an absolutely magnificent opportunity to move in and retrieve Ontario's economy. And there is only one way you are going to do it, there is only one way you are going to do it, and that is by the government moving into the primary lumbering business by way of a vast and powerful Crown corporation.

And slowly, Mr. Chairman, the government is going to take back those portions of the allowable cut which has not been cut; slowly the government, by way of primary lumbering, is going to guarantee the wood necessary for the secondary processing of all kinds of wood products. Gradually over a five- or six-year period the government will move into the secondary processing development itself and, frankly, absorb the employment of these major American corporations, do its own marketing, make the profits that are indicated in the Hedlin-Menzies report, provide the employment that is indicated in the Hedlin-Menzies report, and do it all on public land with a public resource.

Frankly, Mr. Chairman, in terms of retrieving Ontario's economy, nothing can be a better starting point than this primary industry. The Minister need not be intimidated by the giants he faces, and he need not say, as his colleague in economics and development constantly says, "we invite them in," "we will welcome them from everywhere," because when they come into this province, they ruthlessly exploit our resources, pocket the profits, often invest them elsewhere, making only an interim contribution to the economy. There is no reason in the world why that contribution could not be made by a public company for public purposes.

Mr. Sopha: That is what Melville would say.

Mr. Lewis: Yes, Melville Watkins would probably agree.

I leave the case there, Mr. Chairman. This Minister has an opportunity unlike any other Minister. He has it laid out in front of him; all the licences, he knows the allowable cuts, he knows what he can do with a government Crown corporation. It would be a simple matter, without expropriation, without nationalization—without all the things that worry Tories, sometimes worry Socialists, too. He could create a condition where we win back our own economy; and heaven knows, Mr. Chairman, we in this party repeat that this is the crucial issue in Ontario: our autonomy in economic terms.

Mr. Chairman: Vote 1101?

Mr. T. P. Reid: Mr. Chairman, in the minute or two I have left, I would like to say a few words.

Mr. Chairman: Well, the House adjourns at 10.30.

Mr. T. P. Reid: Well, it is not quite that.

Mr. Chairman: No, but the committee rises a few minutes before 10.30. I do not want to restrict the hon. member if this is what is desired.

Mr. T. P. Reid: Well, just one short question, Mr. Chairman. I regret there is not more time. I would just like to ask the Minister: Is it a fact that his department in an economy move this summer took off the lifeguards from some of the public and park beaches within the park system?

Hon. Mr. Brunelle: Mr. Chairman, we have beach patrols and in those parks where deemed advisable for the safety of children, those beach patrols have been retained. However, as we are getting more and more park land—and we have thousands of feet of beaches—it is virtually impossible to patrol the entire areas. We also have a system of flags, these flags indicate danger zones.

Mr. T. P. Reid: My question is, were there any less lifeguards?

Hon. Mr. Brunelle: We employed more people this summer in our parks than we ever have.

Vote 1101 agreed to.

Vote 1102 agreed to.

Vote 1103 agreed to.

Mr. Chairman: This completes the estimates of The Department of Lands and Forests.

Hon. Mr. Welch moves that the committee of supply rise and report it has come to certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, tomorrow the Minister of Revenue will introduce his estimates for the consideration of the committee.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 o'clock, p.m.

No. 204

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, November 4, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 4, 1969

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: Our guests this afternoon in both galleries are from Bishop Ryan high school in Hamilton, and in the west gallery from Lancaster senior public school in Malton. Later this afternoon there will be students from Owen Sound collegiate and vocational school in Owen Sound.

Statements by the Ministry.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): We do not have much of a target to shoot at, Mr. Speaker; however, the Premier is here and I would ask him to comment on the letter he received from the president of the police officers' association, Mr. Sid Brown, copies of which were sent to all members, calling on the Premier to intercede with the Attorney General (Mr. Wishart) or do what has to be done in order to see that patrol cars have two men in them rather than one. Mr. Brown's feeling was that following the murder of a policeman in Metropolitan Toronto a few weeks ago, there is a lesson here the government of Ontario should react to. Does the Premier have any statement to make in this regard?

Hon. J. P. Robarts (Prime Minister): No sir, I have no statement to make. There may be something wrong with my internal organization, but I have not yet read the letter to which the hon. leader of the Opposition is referring. No doubt it is somewhere in the pile of papers that accumulates on my desk each day. I presume it refers to the control this government might have over police in the province and I would, of course, refer it to the Attorney General and Minister of Justice.

Mr. Nixon: As a supplementary, it was indicated in the letter that the gentleman, as president of the police officers' association, felt it was important enough to bring to the attention of the Premier, and I hope when the time comes he will give us the benefit of his views.

Hon. Mr. Robarts: I can only say, of course I will, but I get a lot of mail and I will refer it off, but I certainly will read it. I do not want to leave the impression I am going to disregard the letter. If it is addressed to me I will, of course, examine it and read it.

Mr. Nixon: Mr. Speaker, on another matter and also directed to the Premier, this really arises from the discussion in the House last night on the estimates of The Department of Lands and Forests. There was some considerable debate, Mr. Speaker, as you may recall, on the position of the Algoma Central Railway in the economy of the province over the years, and the agreements it has been able to reach with governments since 1904, of every political stripe except the NDP.

Actually, when the details are brought forward, both in answers from the government and from other information, it appears that considerable research should be undertaken into this. I wonder if the Prime Minister would undertake such an investigation. I believe, myself, that such a review should not be by the government nor by even a select committee of the House. I think it spans a number of years and the latest agreement is still not in the best interests of the people of Ontario. Would the Prime Minister thus consider some sort of an external examination, perhaps a Royal Commission, looking into the role of the Algoma Central Railway and the economy of northern Ontario and the justice of the agreement which has been entered into by the government in the last few weeks with that corporation.

Hon. Mr. Robarts: I have given no thought to the appointment of a Royal commission to deal with this. The matter of the various deals that the Algoma Central Railway has made over the years has been of great concern to the government and quite frankly, over a continuing period of time it has been a great concern to various governments. Situations have changed and we have renegotiated agreements. One is always faced with the problem, when going into this matter, of agreements that have been added to in good faith between the railway and the government. The situation, no doubt, can change

and I do not suppose any government could take the position that it would support forever every agreement any predecessor government might make. On the other hand, from the point of view of the railway, this is a very major consideration.

I was not in the House last night, but I assume the Minister laid before the House various aspects of this situation and it has been gone into very very carefully in the last two or three years. I rather doubt that much will be served, at this stage of the game, by appointing a Royal commission. We have attempted to work out agreements that would be in the best interest of the people of the province—also taking into account the fact that there are agreements made by other governments which were entered into in good faith by the railway company itself. Therefore, I do not think much will be served by an investigation of the type the member mentioned at this stage of the game. I think the matter has been very thoroughly gone into over the last 45 years.

Mr. Nixon: As a supplementary question I would ask the Premier if he agrees with me that it may have been gone into thoroughly by the Premier's predecessors and the various Ministers concerned, and now it has also been discussed in the House, but, really, the facts pertaining to the case have never been raised that high from an independent source. Surely the Premier will agree that what concerned Liberal Premier Ross and Conservative Premier Ferguson and Liberal Premier Hepburn is a pile of history that would certainly be of interest and might still have some bearing, but what concerns the present Premier and Minister of Lands and Forests (Mr. Brunelle) in most recent agreements should be a part of that continuing story. I think that an external examination would very well be in order, and surely the Premier would agree that it would serve the interest of the people of the province in this connection.

Hon. Mr. Robarts: I am simply saying that there has been an on-going examination of it.

Mr. Nixon: There has been insufficient public information.

Hon. Mr. Robarts: Well, of course, that may be the member's opinion. I disagree with him in that regard, too. Frankly, I am at a loss to understand on what information he would make such a definite decision. How does he know it has not been sufficient?

Mr. Nixon: Because there has not been an agreement with the responsible Minister on the facts. Mr. Speaker, there has been disagreement with the responsible Minister.

Mr. Speaker: The hon. member for Thunder Bay has a supplementary question.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, if I might ask the Prime Minister a supplementary. Would it not be a good idea to have the whole thing reviewed to determine whether or not the Algoma Central Railway lived up to the terms of the initial agreement and the different agreements that have been entered into from the year 1900? I wonder if he would see whether the $5.7 million tax write-off is justified under the present circumstances?

Hon. Mr. Robarts: I can only say I have checked into all these matters the hon. member mentions. There was a tax write-off, negotiated by a previous government, not by this government. I can only assume that at that time the man who negotiated that agreement when the tax write-off took place, did so in return for certain concessions from the company, which ended this charge and which at that time, was considered to be a proper settlement.

Now, as a government, we have had to deal with certain matters involving the railway. We had to go back over all the history. I think little would be served by sitting in judgement now on what happened, for instance, in the year 1904.

Mr. Nixon: Yes, but it would lead up to the recent agreement.

Hon. Mr. Robarts: It all leads up to the agreements we have made in the last few years which have been fully debated in this House.

I do not really think any good purpose would be served by reinstituting another investigation of the entire matter. That is my answer to the hon. member's question.

Mr. Stokes: Well, if I may ask a further supplementary. Does the Prime Minister not think it is worthy of very close scrutiny in view of the fact that the $5.7 million write-off was just negotiated within the past month?

Hon. Mr. Robarts: Mr. Speaker, I am pointing out to the members that these agreements are based on negotiations and examination of the past and the present situation over a continuing period of time. In the discharge of our responsibilities as a govern-

ment, we think that these agreements are reasonable, otherwise we would not have entered into them.

What is being suggested to me now is that I appoint a Royal commission to go back to 1904 and bring all this history up to date; to go through all the agreements that were made by men who are long since gone. What can you do but read the history books? It is all there for anyone to read, anyway. All the agreements are there; nothing more could be added.

It seems to me that it would not be a very productive course of action to start at the beginning and go through all this, particularly as we have done so on a continuing basis. It has been dealt with by more than one government over the years and as the circumstances have changed various governments have taken different positions. To try and sit in judgement on the value or the lack of value, or the wisdom or lack of wisdom, of decisions made in 1904 or by the Hepburn government who made a big deal I believe in 1941, or 1942. I do not think there would be much value in that.

Mr. Nixon: That is part of the decision he made last month.

Mr. Speaker: Has the hon. member for Grey-Bruce a supplementary?

Mr. E. Sargent (Grey-Bruce): No.

Mr. Speaker: Has the hon. leader of the Opposition further questions?

Mr. Nixon: Not of the Ministers present, Mr. Speaker.

Mr. Speaker: The hon. member for Middlesex South, then.

Mr. K. C. Bolton (Middlesex South): Mr. Speaker, I have a question for the Minister of Transport.

As a background for the question, I will read a very brief letter from one of my former students at Huron College, who writes—

Mr. Speaker: May I just point out to the hon. member that unless this is absolutely essential to the asking of the question, he must phrase the question himself as an oral question.

Mr. Bolton: Thank you, Mr. Speaker, I will do it that way then.

I wish to ask the Minister whether he will use his good offices to encourage the people responsible for school buses to discontinue using the Queen Elizabeth Way. The reason I ask is that one of my students wrote to me reporting the death of her two parents in a highway collision on October 22, which is believed to be due directly or indirectly to the stopping of a school bus on the highway near Grimsby. On the same day, in the same place a seven-year-old child was killed. Therefore, I ask the Minister to use his good offices to see that school buses are not employed on busy highways, or are not allowed to stop on busy highways.

Hon. I. Haskett (Minister of Transport): Mr. Speaker, the operation of school buses on that portion of the Queen Elizabeth Way to which the hon. member has referred is under careful examination as a result of the recent traffic collisions.

Mr. W. G. Pitman (Peterborough): May I ask a supplementary question, Mr. Speaker? Could the Minister indicate whether there has been any substantial rise in the number of accidents involving school buses, say, since January 1 of this year and with the emergence of the county school boards?

Hon. Mr. Haskett: Mr. Speaker, I do not have statistics covering the particular period referred to by the hon. member, but the increased use of school buses and the great increase in the number of pupils travelling by school buses might very well indicate some increase. However, I believe the record is a very commendable one, and I will pick it out and let the hon. member have the facts up to the last month available.

Mr. Pitman: Thank you, I would appreciate that. I wonder if the Minister is aware of the fact that—

Mr. Speaker: Is this a supplementary question?

Mr. Pitman: Yes, it is; I am sorry.

Mr. Speaker: The hon. members might please advise Mr. Speaker and the House as to that, so we will know we are still on the same question.

Mr. Pitman: If I might, a further supplementary, Mr. Speaker. I wonder if the Minister is aware of the fact that the definition of a divided highway, placed on the books of this province last year, has caused a great deal of difficulty because the definition relates to the central strip or median. The evidence is that the corrugated cement three-foot strip

has caused a tremendous amount of confusion on the part of drivers and bus drivers, and I am wondering what the Minister is going to do about that?

Hon. Mr. Haskett: Mr. Speaker, I refer the hon. member to the amendment that was made with respect to the definition of divided highway in the amendments to The Highway Traffic Act earlier this year, which became effective, I think, on Royal assent.

Mr. Pitman: A further supplementary, Mr. Speaker. This is the very problem: That amendment is the confusing aspect in the whole business, because it does not give an adequate description of a divided highway in areas where you have a corrugated cement strip down the centre.

Mr. R. Gisborn (Hamilton East): A supplementary, Mr. Speaker, to the question. Would the Minister, after the review and considerations given to the use of school buses on the Queen Elizabeth Way, make the report available to the members?

Hon. Mr. Haskett: Mr. Speaker, I think this will be part and parcel of the examination that is being made at this moment, which is in respect to these two unfortunate collisions that occurred one after the other recently, on the Queen Elizabeth Way.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Sargent: A question, Mr. Speaker, to the Prime Minister.

Could the Prime Minister advise the significance of announcing the starting of a new plant at Douglas Point the same day that a million-dollar mistake was discovered? Is this to be a backup plant?

Hon. Mr. Robarts: No, Mr. Speaker, there is no significance in the two of which I am aware.

Mr. Sargent: Would the Prime Minister advise, in view of the fact that this is going to be a coal-fired unit, how does he hope to get the coal there? Are they going to send the coal in by navy ships? Are new docking facilities and so on, planned?

Hon. Mr. Robarts: Mr. Speaker, I have not full knowledge of the details of how Hydro proposes to do this. The announcement was made by Hydro and not by the government. If the member asks the specific questions he wants answered, we will be happy to get the specific information for him. But I am afraid I did not come here equipped to answer that question this afternoon.

Mr. Sargent: Would the Prime Minister agree, knowing about the doubt that this plant will ever work and yet they are backing it up with this new expenditure—

Hon. Mr. Robarts: I can answer that question by saying I do not agree.

Mr. Sargent: Well, that is all right. Would the Prime Minister advise, then, the breakdown of the costs in the—

Mr. Speaker: Order. The hon. member has asked his question. Unless this is a supplementary, his time at this—

Mr. Sargent: This is a supplementary, sir, yes. Would the Prime Minister advise the breakdown of the costs so far as the federal AECL is concerned—

Mr. Speaker: I would rule that this is not supplementary to the member's original question. When his turn comes again he may ask the question.

Mr. Sargent: It is a question regarding Douglas Point, sir.

Mr. Speaker: The hon. member for Yorkview has the floor.

Mr. Sargent: Mr. Speaker, this is regarding Douglas Point; the same subject.

Mr. Speaker: It is not a supplementary to the first question. The first question was with respect to one plant.

Mr. Sargent: Would you define when I could ask a question, Mr. Speaker?

Mr. Speaker: Yes, when your turn comes again you can ask this separate question. The hon. member for Yorkview has the floor.

Mr. Sargent: I suggest that you are protecting the government, Mr. Speaker, in this issue.

Mr. F. Young (Yorkview): Will the hon. Minister of Transport clarify, in view of his statement yesterday, whether it is possible that a person whose driver's licence has expired and who has received no notice, can still drive without penalty until the computer catches up?

Hon. Mr. Haskett: Mr. Speaker, in my statement yesterday I made it clear that, recognizing the difficult situation that would

result from the failure of our computer operation to issue licences on time, we had notified the provincial and municipal police across the province of the situation so they would be aware of it.

Mr. Speaker: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question to the Minister of Agriculture and Food. Has the Minister been contacted or are there any meetings taking place, or any negotiations, with regard to the article in the Windsor *Star* that the Ridgetown College of Agriculture and Technology being an education centre, possibly an international education centre, has the Minister been approached or what action has he taken?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, my apologies, I was speaking with the House leader here and I did not know the question was directed to me. I am sorry I did not hear it.

Mr. Speaker: Perhaps the hon. member would place it again.

Mr. Spence: Have any meetings taken place, or have any negotiations taken place in the Minister's department, with regard to the press release in the Windsor *Star* that Ridgetown College of Agriculture and Technology possibly may be an international, world-wide, educational centre.

Hon. Mr. Stewart: No, Mr. Speaker, there have not. We have always welcomed students to the college from outside of Ontario, where it was felt to be in the interests of the people who were sponsoring them from other jurisdictions, particularly underdeveloped countries, but there have been no discussions along the lines the hon. member suggests.

We do feel, however, that there are ample opportunities for Ontario students to participate in the agricultural technology course at the Ridgetown College of Agriculture and we intend to embark upon a significant promotional programme among the high schools of southwestern Ontario to try and establish a greater attendance at the college than has been indicated this year. We feel there are ample opportunities not only in agriculture but in agri-business for the graduates of that college who have made, and are continuing to make, a very significant contribution to the agricultural economic life of this country.

Mr. Spence: Mr. Speaker, a supplementary. Has the Minister seen the report in the Windsor *Star*? Has he seen the report of the Windsor *Star*, October 30?

Hon. Mr. Stewart: No, Mr. Speaker, I have not.

Mr. Spence: I will send it over.

Mr. Speaker: The member for Peterborough.

Mr. Pitman: Mr. Speaker, I would like to direct a question to the Minister of Energy and Resources Management. Would the Minister comment on the allegations of Mr. Brian Kelly at the Great Lakes seminar that the reason the detergent industry is refusing to come out with any alternative to phosphates is because of a long-term contract with the Electric Reduction Company of Canada Limited?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I have noticed that report in the paper and I have asked for a report on it and I will report to the House at a later date.

Mr. Pitman: As a supplementary, Mr. Speaker, I wonder if—

Mr. Speaker: I have ruled that supplementaries are not in order until the Minister has made his answer. In this case the Minister has taken it as notice and will bring in an answer.

Mr. Pitman: As a supplementary to the general context—

Mr. Speaker: I am afraid we could never have supplementaries on something which has never been answered.

The hon. leader of the Opposition.

Mr. Nixon: Since I had my turn, Mr. Speaker, the hon. Minister of Education has entered the House and—

Mr. Speaker: It is out of turn for your party for a question.

Mr. Nixon: Yes, thank you. I certainly do not want to get out of turn.

I would like to ask the Minister of Education if it is his intention to bring forward any legislation at this session. He may recall that we have had just one afternoon of somewhat unfruitful debate on his legislation and otherwise nothing has been discussed, although I do notice that dated December 4, 1968, he has given us notice of his intention to introduce legislation.

Hon. W. G. Davis (Minister of Education): Mr. Speaker, I think as a matter of fact there are two other bills that have been introduced, The Schools Administration Act and I believe, The Department of Education Act.

Mr. Nixon: Almost a year and we have had no debate.

Hon. Mr. Davis: No, I think as a matter of fact they were introduced last March or April. There is notice on the order paper of the possibility of introducing three or four other bills. Mr. Speaker, it is our intention to move ahead with some of this legislation, so the hon. leader of the Opposition will have ample opportunity to discuss these matters at great length, knowing of his abiding interest in this particular subject.

Mr. Nixon: Well, a supplementary question. Would the Minister not agree that perhaps the interest of the Opposition is more abiding and steadfast than his, since his faculty have had no opportunity to discuss it for almost a year?

Hon. Mr. Robarts: Give us time, we will get to it; the session is not over.

Hon. Mr. Davis: Mr. Speaker, I can only observe this, that with one particular piece of legislation we were anxious to move ahead. We made certain accommodations to members opposite that somewhat delayed us; we were also prepared to move ahead with certain other legislation but due to the length of some debates, it has perhaps been expedient that we would move ahead with it in the fall.

Mr. Nixon: Therefore we should deal with education.

Hon. Mr. Davis: No, I think it is quite obvious it has been traditional to deal with the legislation as it relates to The Department of Education and the estimates at roughly the same time, so we could have a continuing dialogue on this matter, and I expect we will be doing something comparable to that this year.

Mr. Nixon: Mr. Speaker, as a further supplementary question, would the Minister not agree, since we have not had an active standing committee, and there has been no legislation and no discussion of the estimates until all the money is spent, that in fact he has abdicated his responsibilities in this House?

Hon. Mr. Davis: I would think the hon. leader of the Opposition has been in this House long enough to know the estimates do not necessarily relate to legislation, but it is conceivable that we will reach a point in time—

Interjections by hon. members.

Hon. Mr. Davis: We may even reach a point in time when the affairs of The Department of Education will be running so smoothly we will not even need legislation.

Mr. Pitman: Could I ask a supplementary question as to whether the Minister is prepared to make a general statement on his department's views on the Hall-Dennis report on the eve of his estimates?

Hon. Mr. Davis: Mr. Speaker, I have presented some points of view relative to the Hall-Dennis report over the last six or seven months. Whether I can condense these for discussion in the estimates, I doubt. Certainly if the hon. member for Peterborough were to ask the Minister during the committee hearings what his views were on certain aspects of the Hall-Dennis report, he might precipitate some response, and yet again he might not, depending on the question that was asked.

Mr. Speaker: The hon. member for Sudbury East.

Mr. E. W. Martel (Sudbury East): A further supplementary to the member's question: Does the Minister intend to give the Opposition an opportunity to reintroduce the amendment which he guaranteed us almost a year ago to The Schools Administration Act dealing with the transfer review boards; and, if so, when?

Hon. Mr. Davis: Mr. Speaker, if memory serves me correctly we gave no such guarantee to the members opposite. What we did say was that there would be an amendment to The Schools Administration Act which is actually on the order paper, and has been given first reading, if memory serves me correctly.

I anticipate when this is given second reading the hon. member for Sudbury East will have ample opportunity to introduce his amendment or the amendment of the member for Peterborough—at this moment I am not sure just whose amendment it was—relative to the transfer review board.

I should also point out that in spite of the many discussions held on this particular matter with the trustees' council, with the federation, there has not been brought to my

attention—at least during this rather critical period of time—a single complaint with respect to teacher transfers in this jurisdiction.

Mr. Speaker: The hon. member for Grey South.

Mr. E. A. Winkler (Grey South): I have a question of the Minister of Energy and Resources Management: I wonder if the Minister could tell the House if the federal government, through Atomic Energy of Canada, is going to reimburse Ontario Hydro for the error that has been made at Douglas Point in the relocation of the Hydro plant.

Hon. Mr. Kerr: Mr. Speaker, this matter is being negotiated by the two parties involved.

Mr. Nixon: A supplementary question, Mr. Speaker. The question and the answer would indicate, then, that the Minister puts the blame on the federal government for the improper location?

Hon. Mr. Kerr: Why is the member so anxious that I do that?

Mr. Nixon: I want to be very sure that whoever is to blame either pays or accepts the responsibility; the Minister has not been able to tell us who is to blame. If it is the federal government, they should pay.

Mr. Speaker: Order.

Hon. Mr. Kerr: Mr. Speaker, I was very interested in the motive behind the question and now I know the motive—

Mr. Nixon: What is his motive?

Hon. Mr. Kerr: No, the motive of the hon. leader of the Opposition. This matter is being negotiated. In other words, we will find out exactly what the costs of the relocation amount to, who will pay and how much, or if there is any sharing; this has all to be decided.

Mr. V. M. Singer (Downsview): By way of a supplementary question, Mr. Speaker, could the Minister tell us the makeup of the body that made the decision? To what extent was it federal and to what extent was it provincial?

Hon. Mr. Kerr: I answered that very question yesterday, Mr. Speaker. The Atomic Energy Control Board is made up of representatives from the air management branch, The Department of Health and The Department of Labour of this province; also representatives from the federal government and two representatives from Atomic Energy Limited of Canada.

Mr. Singer: Mr. Speaker, again by way of supplementary, I do not think the Minister has really answered me. How many members were in the decision-making body and how many of those members were federal and how many were provincial?

Hon. Mr. Kerr: I believe there are eight altogether; I think there are four each.

Mr. Singer: Does either the federal group or the provincial group have the power of veto?

Hon. Mr. Kerr: No. The Atomic Energy Control Board as a body decides things like safety measures and location of plants and things like this. They have the ultimate say. There is no question of a veto by personnel within that board.

Mr. Singer: Was it a decision of the group of eight to move the site?

Hon. Mr. Kerr: Yes.

Mr. Singer: I see, and the eight were made up of four federal and four provincial?

Mr. Speaker: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Energy and Resources Management.

What is the department policy concerning liquid industrial waste disposal?

Hon. Mr. Kerr: Mr. Speaker, I am not quite sure what the hon. member is driving at. If liquid industrial waste is a pollutant, if it contains effluent that is polluting water, we prohibit it.

Mr. B. Newman: Mr. Speaker, a supplementary. Does the department have a deadline for municipalities to set up some type of facility for the elimination or the disposal of liquid industrial wastes? These questions come about as a result of a survey conducted by the University of Windsor industrial research institute, concerning liquid industrial wastes in the city of Windsor that have been disposed of in the sanitary land fill and have been known to be polluting waters.

Hon. Mr. Kerr: This is the member's specific problem in Windsor, Mr. Speaker. The hon. member knows that we are hoping the treatment of all wastes will improve greatly with the operation of the new plant.

Certainly, as far as the municipalities are concerned, we cannot treat each municipality the same; they have different problems. They have different degrees of problems as far as disposal of waste is concerned. But as I indicated to the hon. member, any pollutant, including industrial waste, is prohibited—for example, Hamilton has a great deal of industrial waste through its municipal system. There are deadlines and programmes that the municipality, as well as the industry, has to meet in eliminating this waste from our waters and rivers.

Mr. B. Newman: A supplementary of the Minister. May I ask the Minister, has he set a deadline by which each municipality must meet the problem so that liquid industrial wastes are no longer disposed of in the present method but may be incinerated and evaporated?

Hon. Mr. Kerr: Yes, municipalities have a deadline; but remember they are not necessarily the same. Each municipality is different. But those municipalities that are in a programme have a completion date for the programme.

Mr. B. Newman: Will the Minister then inform me of the date he has set for the city of Windsor?

Hon. Mr. Kerr: I am not aware of that date.

Mr. Speaker: Has the hon. member for Peterborough a supplementary? Then the member for Sandwich-Riverside has the floor.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question for the Minister of Energy and Resources Management. In preparing the new site at Douglas Point, will the destruction of cedar trees be involved, as was the case on the previous site where thousands upon thousands of cedar posts or trees that could have been used—

Mr. Speaker: Order! The hon. member has asked his question. He does not add a statement.

Hon. Mr. Kerr: My information, Mr. Speaker, is that there will be a certain amount of land clearing which will involve cutting trees. It is also my information that it will not amount to anywhere near the degree that was required in the original site.

Mr. M. Gaunt (Huron-Bruce): A supplementary, Mr. Speaker, if I may. Can some arrangement be made to accommodate those who wish to purchase cedar from Ontario Hydro?

Hon. Mr. Kerr: I would think there would be no problem as far as that is concerned.

Mr. Gaunt: There was a problem before.

Hon. Mr. Kerr: I will look into that for the hon. member.

Mr. Speaker: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): I have a question of the Minister of Municipal Affairs.

In which municipalities has the Minister imposed subdivision control legislation where local authorities have failed to develop that legislation?

Hon. W. D. McKeough (Minister of Municipal Affairs): In which?

Mr. Breithaupt: In which municipalities has the Minister imposed subdivision control legislation?

Hon. Mr. McKeough: There are Minister's orders placed on a number of municipalities. I do not have a list of them here nor do I have it in my head. I would be glad to get a list for the member. Off hand, I do not know how many there might be.

Mr. Pitman: I have a supplementary on that. I wonder whether the Minister would be prepared, in view of the events of the last few days, to put subdivision control on every municipality in southern Ontario until regional government is in effect?

Hon. Mr. McKeough: This is under consideration from time to time.

Mr. Pitman: Come on now, the Minister can do better than that.

Hon. Mr. McKeough: I think it is fair to say that government policy will be announced in due course.

Mr. Pitman: That is a good idea, right?

Hon. Mr. McKeough: I think what we have to bear in mind is that there are a number of townships in which the situation is not serious, and potentially cannot be seen to be serious. Therefore there would be no need for such an order; no harm is being done. On the other hand, I would have to say to the members of the House—and I think the hon. member knows this—that those municipalities which a couple of years ago appeared

to be under no threat of large-scale urbanization, such as the kind we have been talking about, suddenly have come into their own.

It is a little bit hard to look ahead and decide what municipalities are going to need this and which are not. I think I would have to say that in southern Ontario there are not really very many municipalities left without subdivision control, which has been imposed by Minister's order or which has been done by the council itself.

Mr. Pitman: As a supplementary, would the Minister not agree it is the responsibility of the government to look ahead, and would he not agree also that it is those municipalities which most need subdivision control that in many cases do not have any control at all?

Hon. Mr. McKeough: No, I would not agree with that.

Mr. Speaker: Does the member for Sudbury East have a supplementary?

Mr. Martel: Does the Minister intend to introduce subdivision control in northern Ontario to eliminate the problems we are confronted with in regard to the unorganized territories where so many problems are now occurring, as the Minister is aware?

Hon. Mr. McKeough: The decision of the government will be known in due course. I cannot give a yes-or-no answer to this. I think if I am asked about a specific location, what is immediately going to happen is that there is going to be a wave of subdividing which will take place if there are, in fact, pressures. I cannot give the member an answer for that reason.

Mr. Martel: One more supplementary: What does the Minister intend to do, then, to bring under control the growth patterns that are developing in the north, which are completely chaotic and so on?

Hon. Mr. McKeough: This is a very large question. Of course, part of this is in areas with municipal organization where the municipalities have the prime responsibility of doing something about this. They have not chosen to do so, but at the appropriate time we have to move. If an area is without municipal organization, we do from time to time place both subdivision orders and zoning orders on these areas. I am aware particularly of what the member is referring to and I can tell him that it is in hand.

Mr. Speaker: The hon. member for York Centre has a supplementary on this?

Mr. D. M. Deacon (York Centre): Mr. Speaker, supplementary to the matter of the subdivision control bylaws, have the regional development councils made recommendations for further implementation of that type of subdivision control bylaws, under orders by the Minister?

Hon. Mr. McKeough: The regional development councils?

Mr. Deacon: Yes.

Hon. Mr. McKeough: Not to my knowledge, no. In areas where Minister's orders have been put on or have been contemplated, I cannot recall that it was at the urging of a regional development council. It may well be that there are briefs from regional development councils which have suggested this, but I cannot recall them at this point in time.

Mr. Singer: By way of a supplementary question, has the Minister received any complaints, similar to those emanating from the Whiterock Estates development, from other portions of the province, such as in the area of Muskoka or just south of Muskoka?

Hon. Mr. McKeough: No, I do not think so, and what I would have to say here is that the complaints which have come about Whiterock Estates have come from members of this House and from the press. We have not, I do not think, at this point had any direct complaints.

Mr. Singer: By way of further supplementary, could the Minister advise us what criteria he and his officials use in determining whether or not in a municipality where government does exist—in organized municipalities, in other words—and where there is no subdivision control bylaw, he will impose one? In other words, when is the time? What are the tests used?

Hon. Mr. McKeough: The answer is: An unusual amount of real estate activity. The member will ask me to define that. In the case of the orders most recently placed in the two townships of Northumberland and Durham, we received word from one source or another that something in the neighbourhood of several thousand lots were about to be created. That meant an unusual amount of real estate activity without the benefit of subdivision control. If it had been 200 or 300, I think I would have taken the same action. If it were 20 or 30 I do not suppose I would have even heard about it.

What I also take into consideration—and sometimes these things are done very quickly —is that we ask for a review of the meetings which our staff has had with the local council in an attempt to urge on it, over the years, to impose these controls itself, and the list is always a lengthy one.

Mr. Singer: By way of supplementary, would the Minister not agree that if he waits until there is an unusual amount of real estate activity before he takes action which he can take, that he is, in fact, locking the barn after the horse has gone. In other words, is he not too late if he is going to wait that long?

Hon. Mr. McKeough: I think we run that risk; on the other hand, the philosophy of the Minister of Municipal Affairs and of the government, and I am sure of members opposite, and I do not say this in a political sense, is—and I would hope it would continue to be —to leave the maximum responsibility at the local level, with the local elected councils. If they have not chosen to act, and do not act as quickly as they should act in these circumstances, then perhaps a few horses do get out of the barn. But I think that is a risk we have to take, otherwise we put another large dent into the armour of local autonomy.

Mr. Speaker: The hon. member for Hamilton East.

Mr. Gisborn: A question, Mr. Speaker, to the Minister of Energy and Resources Management. Subsequent to the provincial government's takeover of air pollution control, the Hamilton branch was established and its first obligation that it committed itself to was a survey of the performance of industry in Hamilton. It said we would have a report in six months. Could the Minister say when this report will be given to us? It is now a year and a half ago that the promise was made.

Hon. Mr. Kerr: That data and the information for that report, Mr. Speaker, is still being compiled. I will let the hon. member know when it is available. It is hoped to have it available by the end of this year.

Mr. Speaker: The hon. member for Nipissing.

Mr. R. S. Smith (Nipissing): Mr. Speaker, I would like to ask a question of the Minister of Lands and Forests.

Could he inform the Legislature how many drownings occurred at public beaches within the parks system of his department, and how many of those drownings occurred at beaches from which he had removed life guards during this past season?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, I am not aware of any drownings where we have removed life guards. I will be pleased to get the information that the hon. member has asked for.

Mr. Speaker: The hon. member for Yorkview.

Mr. Young: To the hon. Minister of Municipal Affairs, Mr. Speaker. I would like to ask the Minister whether or not a subdivision agreement has been signed between the Peel-Elder Goldale interests and the town of Preston in respect to the subdivision being placed on lands recently acquired by the town and which was marked yesterday by a sod-turning ceremony. If such a subdivision agreement has been signed, is the Minister satisfied that the interests of the people of Preston are well protected in view of the proposals of the developers at the time of the annexation hearing?

Hon. Mr. McKeough: Mr. Speaker, I think, as the member will well recall, our activity has intensified since his day. We approve something like well over 1,000 plans of subdivision in the course of a year, and that is a question which, in my opinion, should be on the order paper.

Mr. Speaker: The member for Halton East.

Mr. J. W. Snow (Halton East): Mr. Speaker, I have a question for the—

Mr. Speaker: The hon. member for Yorkview has a supplementary, but I would rule that the answer to the question—being one which should go to the order paper—is not subject to a supplementary question because the answer has not yet been given. The hon. member for Halton East.

Mr. Snow: Mr. Speaker, I have a question of the Minister of Municipal Affairs.

I was wondering if the Minister would consider provincial legislation requiring landlords—whose responsibility it is by way of a lease or agreement to supply heat to residential accommodation—to supply this heat based on a minimum outside temperature, rather than the present Municipal Act, which makes it permissive for municipalities to pass such legislation.

Hon. Mr. McKeough: Well, again, Mr. Speaker, I appreciate this question; we had

some discussion about it ahead of time, a few days ago, in The Municipal Act. But I would hesitate—and I feel my colleague, the Minister of Health (Mr. Wells), would feel the same way—to legislate what a municipality should or should not do. The provision is now permissive; they may pass a bylaw, and one of the obvious reasons for this is that the appropriate temperature outside varies so very greatly from one part of this province of ours to the other that the date would vary as to when this provision should come into effect. I would be glad to take the hon. member's suggestion into consideration, but offhand I think this is the sort of thing that is best left in the hands of our municipalities.

Mr. Snow: A supplementary. Is the Minister aware that in some cases municipalities are passing bylaws requiring a landowner to supply heat from, say, October 15 to May 15, or some such dates? Of course, in many cases, cold weather arrives before or after these dates, and some landlords have refused, regardless of interior temperature in an apartment, to supply heat based on an Act of a municipality, saying that it is not their responsibility. I believe it is and would the Minister consider this a health hazard? Perhaps this should go to the other Minister.

Hon. Mr. McKeough: Yes, and I think the local medical officer of health probably has some authority to do something about this. But the date, October 15, this year certainly was too late, because it turned cold before that. The municipality probably should review its bylaw in the light of this year's temperature pattern, but then again, the horse is out of the barn, as the member for Downsview said.

Mr. Speaker: The member for Ontario South.

Mr. W. Newman (Ontario South): A question for the Minister of Agriculture and Food.

In this morning's *Globe and Mail* there was an article which would indicate that the government is going to drop Bill 194, the dog bill. I would like to ask the Minister of Agriculture and Food if this is true.

Hon. Mr. Stewart: Mr. Speaker, in reply to the question, I have the article before me that appeared in the three papers today, and I was quite surprised to note that the Ontario Humane Society apparently has satisfied itself that the government did not intend to proceed with the legislation and had asked that the contracts be renewed. Well, I am as much surprised by that statement as anyone—certainly, as much as the hon. member who has asked the question.

May I say that there has been no indication given to anyone that we do not intend to proceed with the legislation. I presume that the article has been generated out of discussion with Scarborough municipality. Several other municipalities did bring the matter to our attention after the humane societies had indicated to them in writing that their contracts to maintain animal control bylaws would be withdrawn as of the end of this year; they contacted us to find out the details. We advised them it was their own prerogative to work out the details as to animal control bylaws enforcement with whoever they wished.

Some municipalities in Ontario, as you know, provide their own animal control officers and facilities; others engage the services of either affiliated humane societies or the Ontario Humane Society, as the case may be. We have nothing to say about what arrangements are made in this regard. That is the prerogative of the local municipality. Several of the municipalities came to us and asked for a meeting. We met with them and we advised them, as I have now advised the House. Some of them indicated that they were quite prepared and willing to take over their own animal control services.

They, I think, were perhaps motivated to some degree by the fact that their previous contract called for a certain figure—I believe, in some cases, it was 35 cents per capita—to maintain the animal control bylaw. In the proposal that has now been made to them by the Ontario Humane Society, that fee would be raised to 50 cents per capita. I think they felt that since the society indicated they wished to withdraw from the service, this perhaps might be an opportune time for them to do so. This, then, would indicate that the municipalities involved—and who have been advised, as was indicated by the report in the newspapers of the Scarborough meeting last night—are perhaps going to establish their own animal control provisions.

Mr. Nixon: Mr. Speaker, a supplementary question.

Mr. Speaker: The hon. member for Windsor West was on his feet first.

Mr. H. Peacock (Windsor West): Despite what the Minister has just described, is it his intention to call Bill 194, in any event, before this session adjourns?

Hon. Mr. Stewart: Mr. Speaker, I am always governed by the legislative procedure

through the House, as determined by the House leader, and there is no intention, as far as I am concerned, not to proceed with legislation.

Mr. Speaker: The hon. leader of the Opposition.

Mr. Nixon: Surely the Minister, while he was explaining the options open to the municipality, is aware that it is difficult for these municipalities to exercise their option as long as the bill is hanging fire. If he can assure them the government is going to proceed, then they will know where they stand with relationship to the humane society. And if there is some doubt that, I suppose, they want to wait until they—

Mr. Speaker: This is a question?

Mr. Nixon: Does he understand that this is one of the problems that the municipalities face in making the decision?

Hon. Mr. Stewart: Yes, quite, Mr. Speaker, but several of the municipalities have indicated to us that they intend to proceed on their own anyway, whether the bill proceeds or not.

Mr. Nixon: There are some that want to know.

Hon. Mr. Stewart: Oh, there may be.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, my question is to the Prime Minister.

In view of the danger potential in the nuclear programme in Ontario; in view of the fantastic financial commitments of the people of Ontario; in view of the experience in not getting the programme off the ground in Nova Scotia, will the Prime Minister advise why he will not consider the calling of a Royal commission into this whole nuclear programme in Ontario?

Hon. Mr. Robarts: Mr. Speaker, there is no comparison between what has gone on in Nova Scotia and what has gone on in Ontario. It is not even the same thing. The delay in Nova Scotia is in the construction and operation of a plant designed to produce heavy water—and heavy water is only one component of the final process by which nuclear energy is translated into electrical energy. I just do not think we need a Royal commission into this matter at the present time. That is my opinion.

Mr. Sargent: A supplementary to the Prime Minister, Mr. Speaker. Does he not agree that when we have great concern on behalf of people in that area insofar as the danger of fumes—there is a $1 million mistake and he did not know about it—does he not think it is time he should have a look into this whole affair?

Hon. Mr. Robarts: Mr. Speaker, I can only say that this is an ongoing programme. There was a press release issued, I gather, shortly after I was answering some questions from the hon. member. I was not aware when I answered the questions, that the decision had been taken to move this plant, but I think we can be satisfied that Atomic Energy of Canada Limited, together with Hydro, have taken all the precautions they could, and have taken into account all the risks that could occur. I think they are aware of any dangers and hazards there may be in this whole matter. I think they have taken the necessary action and this is part of it—the decision to shift the location of this one plant.

I have confidence that these men are researching the programme very carefully and are doing everything humanly possible. I do not think any good purpose would be served by appointing a Royal commission to check into what they are already doing.

Mr. Sargent: This mistake of perhaps $0.5 million—

Mr. Speaker: Is this a supplementary?

Mr. Sargent: Supplementary to that, Mr. Speaker, the breakdown of the costs is 40 per cent federal, 33 per cent Hydro, 27 per cent Ontario. I believe that is the breakdown in this particular operation—40, 27 and 33 per cent. Who pays the $0.5 million—the federal government or Hydro or the province of Ontario?

Hon. Mr. Robarts: This question has been asked three or four times to my knowledge. I think the Minister of Energy and Resources Management has said that when these figures are available he will make them available to the House.

Mr. Sargent: I am anxious to know who pays.

Mr. Speaker: Order! I think this matter has been examined sufficiently. Is there someone else with a supplementary question?

Mr. Winkler: I would like to ask the Prime Minister if, as the result of the objections by

the member for Grey-Bruce, a change in location has to be made, would he consider placing it in my constituency?

Interjections by hon. members.

Mr. Speaker: Order! The hon. member for Scarborough West.

Mr. S. Lewis (Scarborough West): A question for the Premier, Mr. Speaker.

Will the Premier attempt to appease the despair and consternation rife within the legal profession as a result of Justice McRuer's remark that the description "Queen's Counsel" is a fraud on the public, irrelevant and petty? Is there any other designation which the Cabinet intends to propose to separate the legal barons from the legal serfs, Mr. Premier?

Hon. A. Grossman (Minister of Correctional Services): None of the NDP members has refused them.

Mr. Lewis: If I cannot elicit a comment that way, Mr. Speaker, perhaps I can ask the Premier whether the Cabinet has taken this under consideration?

Mr. Speaker: By way of supplementary?

Mr. Lewis: By way of supplementary. It is a little difficult to be supplementary to silence.

Hon. Mr. Robarts: Mr. Speaker, I think the members of the Cabinet have read the report and will make up their own minds.

Mr. Speaker: The hon. member for Scarborough East.

Mr. T. Reid (Scarborough East): A question of the Minister of Education. Will the Minister of Education answer questions 95 and 97 on the order paper concerning the need to have comparable estimates of The Department of Education for 1969-1970, in terms of the 1968-1969 votes and items, before the first meeting of the standing committee on education and university affairs tomorrow at 3.30 p.m., so the Opposition members can have some basis on which to ask some decent questions?

Hon. Mr. Davis: Mr. Speaker, I would like to think that the member opposite would have information other than this upon which to base questions for the next few days, knowing the very extensive research he has been doing in this area for the past number of years. Certainly I shall endeavour to have as much of this information available as possible, as I indicated to the House some ten days ago, for discussions at the committee hearings.

Mr. Speaker: The hon. member for Peterborough.

Mr. Pitman: Mr. Speaker, I wonder if the Minister of Energy and Resources Management would indicate whether the silence and lack of participation on the part of industry at the Great Lakes conference is an indication of either their lack of interest in, or appreciation of, his plans. I am sorry, perhaps the Minister cannot hear me, I will move over.

I asked whether the silence and lack of participation on the part of industry at the Great Lakes users conference yesterday is any indication of either its lack of interest in, or appreciation of, his plans for them?

Hon. Mr. Kerr: No, Mr. Speaker. This conference was called, as the hon. member knows, by people from University of Toronto working with OWRC to get people who use our waters, the lakes—I am talking about conservationists, lake carriers, recreationists, Hydro, industry—to have a very informal discussion of the problems; how to treat the problems of our lakes, lake levels and things like that.

I think that at the first part of this conference, industry was just listening; I do not think it indicates any lack of interest whatsoever. I think they are listening and I think they are probably getting some technical information which they may not have at the present time. But they are there and my information is that they are reading the background papers very thoroughly. I think probably as the conference goes on they will be taking a more active part.

Mr. Pitman: As a supplementary, Mr. Speaker, could the Minister indicate what percentage of industries who were invited actually attended the conference? The account indicated that there were very few there, as well as the fact that those who were there were not participating?

Hon. Mr. Kerr: About one third of those invited attended the opening session.

Mr. Pitman: As a further supplementary, Mr. Speaker, may I ask the Minister why it was that the other two thirds refused to come or did not come?

Hon. Mr. Kerr: I really do not know the answer to that.

Mr. Speaker: I really do not think that that is a proper question or within the Minister's competence. The hon. member for York Centre.

Mr. Deacon: Mr. Speaker, a question of the Minister of Municipal Affairs.

What is the system of co-ordination and consultation which his department uses in working with regional development councils with regard to planning and development control? Is there a regular system? For example, was this system in operation with regard to the scheme of control on Malton airport.

Hon. Mr. McKeough: No; I am sure as far as the airport is concerned the answer would be no. We circulate, as the members know, plans of subdivision, official plans, official plan amendments, to a great number of agencies. Included in those agencies quite regularly, if it is of major proportions, is The Department of Treasury and Economics and particularly the regional development branch. They in turn may send it to the development council. This was a procedure which was instigated, I think, perhaps six months ago. How often they do this, I do not know. But I think in the case of the airport, no.

Mr. Deacon: Supplementary to that, does the Minister not think there should be some system of co-ordination with regard to regional development councils and the OWRC, with regard to their planning and development control?

Hon. Mr. McKeough: We have a very high degree of liaison with the OWRC; a very high degree.

Mr. Nixon: How about the regional development council?

Mr. Speaker: The oral question period, I am sorry, has now expired. The member will have to wait until tomorrow to get his additional questions.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE ELECTION ACT, 1968-1969

Hon. Mr. Robarts moves first reading of bill intituled, The Election Act, 1968-1969.

Motion agreed to; first reading of the bill.

THE VOTERS' LIST ACT

Hon. Mr. Robarts moves first reading of bill intituled, An Act to amend The Voters' List Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Robarts: Mr. Speaker, the first of these bills embodies the recommendations that were contained in the first report of the select committee dealing with the election laws. There are about 150 sections.

The second bill is complementary to the first bill. I do not know whether or not the House would like these bills to go to the committee on privileges and elections. They could, and then the committee could go through them section by section, if that were required. I can say that it does embody the recommendations of the select committee, perhaps that is sufficient. All these amendments have been recommended by a committee of this House. So I gather it will not be necessary, in the view of the House, that this bill be sent to committee.

Mr. Lewis: They are both seriously deficient.

Mr. Speaker: I would also point out to the members that when the bill has had a second reading, the House can direct how it is to be dealt with, in accordance with the new procedures which we have.

THE DRAINAGE ACT, 1962-1963

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Drainage Act, 1962-1963.

Motion agreed to; first reading of the bill.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Local Improvement Act.

Mr. Speaker: The hon. Provincial Secretary (Mr. Welch) is seconding a motion. Would he please be in his seat or we will change the seconder.

Hon. R. S. Welch (Provincial Secretary): I am sorry.

Mr. Nixon: Get with it over there.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, the amendments to The Local Improvement Act and The Drainage Act are both necessitated by the new Assessment Act. Both of these amendments provide the authority for the courts of revision for the purposes of The Drainage Act and The Local Improvement Act, for which a court no longer will exist under The Assessment Act.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Municipality of Metropolitan Toronto Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this second amendment to the Act this session is necessitated by two requests of Metropolitan Toronto. The first is so the metropolitan council may make an annual grant of not more than $169,000 to the Toronto Transit Commission toward the cost of providing free transportation for blind persons and war amputees. Formerly the amount was $130.000.

The second amendment is to give metropolitan council authority to expend moneys and make grants to the Toronto Transit Commission to meet the cost of providing transportation free of charge or at a reduced rate to persons resident in the metropolitan area who are 65 years or over, or for any other class or classes of such persons.

Mr. Speaker: Orders of the day.

Clerk of the House: The 24th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF REVENUE

Hon. J. H. White (Minister of Revenue): Mr. Chairman, this is the first time I have had the opportunity of presenting estimates to the Legislature.

Mr. E. Sargent (Grey-Bruce): Could be the last time, too.

Hon. Mr. White: An opportune moment, it seems to me, for me to commend the staff of the department and in particular Deputy Minister Harold Walker, the Comptroller of Revenue, and the branch directors in the revenue branches, all of whom have worked very hard during the past 12 months to make changes, many of which are enumerated in a memorandum which has been put in front of you. I do want to thank these gentlemen for the untiring assistance which they have given to me.

I am glad to be able to report to members of the Legislature that my experience has been rather different from what I had anticipated. I have had a great deal of help so far as innovations are concerned and while we have had suggestions and recommendations from a variety of sources in our attempts to improve efficiency, I think it can be said that most of the improvements have come from within the department, and for this reason I do want to congratulate the senior officials who are here in the Chamber today at my invitation.

I have no introductory speech as such. I thought the memorandum might serve that purpose but the members may be amused by the very short news article which was in the Toronto *Daily Star* a week ago Saturday and which reads:

> TAX EVADERS KILLED, TORTURED
>
> Dar-Es-Salaam, Tanzania (Reuters)—Fifteen people were killed and many others tortured in Tanzania during searches for local tax defaulters, the Minister of Home Affairs, Said Maswanya, told Parliament.

In contrast, Mr. Chairman, I should like to draw your attention to one or two letters which typify the happy taxpayers that we have here in the province of Ontario:

> Dear Mr. White:
>
> We are solicitors for so and so. This letter is to convey to you our delight in receiving efficient and courteous service from Messrs. L. L. Silver and D. C. Bell, of the corporations tax branch.

I think it would be immodest of me, Mr. Chairman, to read all of these letters of commendation and perhaps that one example will suffice.

At this time, I should like to make myself available to answer questions and provide explanations for the edification of the members.

Mr. Sargent: Best speech you ever made.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, there is a famous wartime novel that is entitled, "*The Ship That Never Was*". I suppose that if fiction-writers ever discover the plots that lie hidden in the pages of Ontario's *Hansard*, we might one day read a thrilling tale that will go by the name of "The Department That Ought Never to Have Been".

This is a department that came out of Gratitude by Stealth, but there was never any real reason for the parturition. It would have been far better had its function remained in the womb of The Treasury Department, perhaps differentiated, but certainly not individual.

Today, then, we are forced to discuss a portfolio that we will abolish when we become the government, because we are convinced that the Revenue function is an integral part of the Treasury function, and that fiscal policy is indivisible. Either the Minister is the hon. Treasurer's (Mr. MacNaughton) housekeeper, in which case the job he is doing is that of a divisional executive director; or, alternatively, he has a philosophy of his own, in which case he must be operating in a continual atmosphere of frustration.

I think the latter is the case, since he has already declared himself quite forcefully on a great many issues as chairman of the select committee on the Smith committee. I can imagine that it must be very hard to live with convictions as strong as those expressed in that committee, a little over a year ago, in his present shackles. And so the Minister adopts an aura of excessive optimism, which he communicates to all who will listen. He over-compensates, in fact.

It is not good for the people of Ontario to be pulled hither and yon, yet, if they take the Minister of Revenue's frequent pronouncements too seriously, including his hot-line appearances on CKSL and news clips on CFPL-TV, then they are forced to the fringe of a neurosis when they have to equate his euphoria with the sober gloom of his colleague from Huron.

His pronouncements have not been without a certain ironical humour—witness the remarks he made earlier in view of our concern that his department should not exist at all. Thus the *Globe and Mail* of November 22, 1968, reports that after a freewheeling discussion with 50 members of the Peel South Conservative Businessmen's Association, Mr. White rode the GO train back to Toronto, because his standard Chevrolet, which was to be driven by a clerk in his department who would also double as his driver, had not by then been delivered. I hope he has his car now!

On that same occasion, and I quote the *Globe and Mail*:

> Speaking for his own department regarding efficiency and the current government programme to cut costs, Mr. White said he was prepared to fight the civil service association to eliminate those who are not pulling their weight. "We are trying to run the most efficient shop we can," he said.

It would appear from the recent announcement of the Treasurer yesterday that Master PIP indeed has "great expectations," because Master PIP now has a group of men who at least are going to look into this productivity improvement plan, something which is rather late coming from the original Budget as announced.

In fact, however, it was the federal government that led the way in the efficient use of public service manpower. Similarly, today, the Minister leans heavily on the federal government for leadership in other areas. He cannot see the implementation of so very many of the select committee reforms, because he is waiting for Mr. Benson to move first and show the necessary leadership on November 7.

The Minister's ambivalence is never more evident than when he is defending his now seriously distorted negative income tax proposal, which we all know cannot work without taxes on food and children's clothing—taxes which his own leader is not prepared to support. Nor, I would hasten to add, is this caucus prepared to take a course which the Woodstock *Sentinel-Review* has characterized as "one more device for having every citizen —rich or poor—advance money to the government interest-free, with the hope of being compensated months later."

Faced with having the rug whipped from under his feet by the Premier (Mr. Robarts), Mr. White takes two simultaneous tacks. In one part of the province he will say that the 99 per cent unanimity of the select committee at the Guild Inn was shattered by the invasion of caucus considerations. Elsewhere he will admit, as reported in the Guelph *Mercury* of November 14, 1968, that he has lost some of his early enthusiasm for the proposals because, and I quote, "some of the premises on which the committee based its thinking were faulty."

What it all adds up to is that the Minister is aware, the more so as each day passes, that his portfolio cannot be justified. He must fall back on the strangest of rationalizations to justify his existence. He does not make policy at all, and is not that what Ministers are for? His department cannot even, as yet, have produced an annual report, because it might contain inklings of policy. In fact, the only policy document The Revenue Department regards as authentic is the Budget, and this is the most telling argument that Revenue ought to be part and parcel of Treasury.

But wait a minute. Have we been stating the facts as they are, or the situation as it ought to be? When we lift the stones, we discover that, at a certain level, policy is indeed being enunciated by this department. The only thing about it is that it is illegal policy. It does not even have the force of regulation. I refer, of course, to the practice which has grown up in this department, and which has presumably been brought forward even from the time when it was part of Treasury, of government by civil servants' ruling.

The rulings I refer to are printed and circulated. I have 100 pages of them here in my hand—retail sales tax rulings. They can be bound in a loose-leaf book, to make an impressive record of government without a legislative function. For example, the remuneration payable to a vendor for his services in collecting and remitting retail sales tax under section 9 of the Act is spelled out in great detail. But from a reading of this particular ruling, from the very first paragraph of the very first page, it would appear that if the tax collected is $1 or less, which is the case with most transactions, the vendor can pocket the tax.

If that would be the case, this government would receive no tax at all on items valued up to $20. It further appears that the tax share between $20 and $40 is split between the vendor and the government. According to the ruling, the government obtains its five per cent only above the $40 amount, less a fee for collecting.

Of course, the Minister will say that there is a word missing in this ruling, and we agree with him, because all these calculations are based on a monthly average.

Now the members of the Minister's staff may not be too worried by this omission. However, I suggest that the average retailer, finding this problem in the very first ruling, has no idea as to what other errors and omissions may be contained in the rulings. The whole assembly of rulings becomes highly suspect. "What is really meant?" is the question the professional, the tradesman and the retailer must all ask.

Most law offices carry what is known as errors and omissions insurance. This is to save a lawyer from any overly serious problem that might arise from a mistake made by one of his employees or by himself. I sincerely hope that the Minister is investigating the cost of such a policy for his department.

We are not worried about the errors the Minister makes as an employer, because he has not set out any separate policy for this government, nor is it his function so to do. The errors and omissions are being made a level or two below that of his deputy Minister. The end result confirms the lack of any requirement to have a Minister at all.

Now what about these rulings? Other than the two yellow circulars, on "Vendor Information Services", these rulings appear to be the only item that all the labour in this department has brought forth. Here we truly have the situation of the mountain labouring and bringing forth a mouse.

And what force in law do these rulings have? That has yet to be answered. At least regulations result from legislative power in a statute. What in fact is the authority to impose these rulings upon the citizens of Ontario?

The towel and linen services have a really raw deal. They are ruled to be the consumers of the towels and linens they rent out, and they must also pay retail sales tax on the packaging they use.

Why must universities, colleges and so on, charge accommodation tax to transients who use the premises, for example, for weekend seminars? When is a student not a student? How does a political party stand if it rents a hall of residence for a thinkers' conference, as we have all done from time to time?

What happens when an optician buys frames free of tax for prescription spectacles and then uses them for sunglasses?

What machinery does the department have for assessing the qualifications of Christian Science practitioners, naturopaths, osteopaths, podiatrists and therapeutists? These people, while not recognized by OHSIP, may still buy a whole range of drugs, medicines and anaesthetics free of tax, because someone has decided that they can do so by a "ruling". Is not this all very odd? What

kind of drugs can these persons get hold of, I wonder? Ruling number 9 seems a *carte blanche* for pushers, almost, in this department, unless some evaluation of professional qualifications is provided for.

An undertaker pays retail sales tax on formaldehyde, while a doctor does not. A grave is exempt, but the headstone is not. However, a prefabricated concrete tomb is taxable, whereas one poured in *situ* is not. Crypts and urns are both taxable. Bronze markers are not only taxable for material, but also for the service of inscription. This must be one of the first direct services to be taxed. We get at the dead before we get at the living, presumably because they cannot squawk nor vote in the 1971 election.

If the Minister had control over an effective and viable department, he would within this past year have easily been able to eliminate the kinds of rulings that are working at cross-purposes, which the junior members of his department seem unable to rationalize or even recognize as being at variance with one another.

He would also have had a college try, or should I say a "finger-lickin' good" try, at eliminating some of the absurd anomalies that today exist as a result of his staffs' appropriating to themselves discretionary powers on a wide scale. These gentlemen, it seems, rule with a whim of iron, and the absurd results can be seen in a few examples called at random from these pages.

For example, why must advertisers pay retail sales tax on the cards used to advertise in the subway, but not on the plates for an identical advertisement in *Maclean's* magazine?

Who decided that a beauty shop operator must collect sales tax on a permanent wave solution sold over the counter, but not if that same solution is broken open and used on the premises?

Who decided that dentists need not pay tax on their X-ray films, but must pay it on their X-ray machines? That they get off with fillings, but not with drills?

How is a tailor able to give his supplier of packaging materials and non-returnable containers, a purchase exemption certificate saying that such containers will be used to package tangible personal property for sale, whereas dry cleaners must pay the tax on such packaging materials?

These are but the first few problems that appear from a cursory glance over eight or ten pages of this 100-page document. The fact that these problems have not been resolved shows a lack of co-ordination and control at the Ministerial level. The fact that the rulings are made well down the line from the Minister's office shows that this department has no need to exist.

The control and resolution of these administrative problems is properly the function of a Deputy Minister. Since the making of policy in this area is part of the Treasurer's responsibility, the Minister once again fails to justify his existence to the people of Ontario.

If there were any necessity to bring the member for London South into the Executive Council, surely a Cabinet post could have been found for him that already existed? We have seen changes at the helm of Public Works, Health, and Energy and Resources Management. We have called for changes in Agriculture and Food, Financial and Commercial Affairs, Highways, and Social and Family Services. Surely it would have been a far better use of scarce resources to have given this Minister responsibilities which would suit his own initiative, but in an existing department? His functions in The Department of Revenue are irrelevant, as is his department's separate existence. It should be part of Treasury.

How much better it would have been for the Premier to reward his colleague by giving him something useful to do rather than mocking his undoubted ability by giving to him the menial task of routinely operating the provincial cash register.

Hon. Mr. White: Maybe I could make a comment or two on the hon. member's introductory remarks. The Smith committee, you will recall, recommended that there be a separate Revenue Department, and I have no doubt that as time goes by, other revenue functions will be transferred in this department. I have been quite content in the first year to administer the ten existing statutes which were in the old combined Treasury Department, but I visualize the day, with the use of computers, when OHSC, OHSIP, perhaps workmen's compensation, vacations with pay stamps, and so on are handled through one central collection agency.

I think it is entirely appropriate that we should do as Smith recommended, and that is, start a Department of Revenue for this improved service as techniques and resources make it available. And, as a matter of fact, my hon. friend was on the select committee, and my hon. friend expressed no disagreement with either the recommendation or the

action of a government which had pre-dated our deliberations.

Mr. R. F. Nixon (Leader of the Opposition): You have worked at it for a year, we know you are not necessary.

Hon. Mr. White: As a matter of fact, while it is perilous to make estimations in this particular area, it would not surprise me a bit if the total savings to the economy of Ontario exceed the entire $12 million estimate, which the House is now being asked to accept, when one considers that we have eliminated, in the past year, 170,000 retail sales tax forms, 250,000 corporation tax forms; we will be eliminating in the immediate future 50,000 security transfer tax forms by putting a little slug on our corporate tax returns; 15,000 hospital tax returns, which adds up, I think, to 520,000 forms. The head of the Canadian Tax Foundation said it has to be worth $10 a form to the economy, and maybe $20, and I have only mentioned four or five changes out of the several dozen changes which we have drawn to your attention here today.

Mr. Nixon: You mean it took a whole new department?

Hon. Mr. White: My dear friend, will you not concede that asking the Treasurer of Ontario to perform three other very important peripheral functions, meant that those functions could not be perfectly attended to by him?

Mr. Nixon: I do not think he needs an extra Minister.

Hon. Mr. White: Would you ask the federal Minister of Finance to have the civil service department, the Treasury Board, the revenue branches and The Department of Finance itself?

In the matter of federal leadership I think my hon. friend is referring to the Treasurer's budget paper "B" of March 4, announcing this government's intentions to vacate the succession duty field, to attempt to have one level of government collect corporation tax, and so on and so forth.

My hon. friend must certainly know that these negotiations could not have been proceeded with until the federal government's own plans were known. How can they sit down and say, "yes", "no" or "maybe" to our proposition, until they know what they are going to do? Of course, they could not, and so any negotiations and discussions had to follow the publication of the white paper due next Friday. It was delayed time and time again.

I do not criticize the federal government on that account. I think they are very wise to take a little longer and do it somewhat better, but it is unreasonable to ask us, and more correctly, the federal government, to make decisions while those federal policies were under review.

My hon. friend made mention of the mountain labouring and bringing forth a mouse, referring to the 1,400 members of The Department of Revenue. Our function, Mr. Chairman, is to collect billions of dollars, equitably, efficiently—

Mr. Sargent: How did you do it before?

Hon. Mr. White: —productively, and promptly, so that the services offered by the government of Ontario and its municipalities and its subsidiary agencies, can be carried on without interruption. That is the function of the department and the changes we make are designed to improve the performance of this function. To pretend that we have this substantial amount of money and substantial numbers of people to pick up small ideas, to put down on small pieces of paper, is a complete misunderstanding—once again, on the part of the Liberal Party—of the responsibilities of government.

So far as the incongruous examples which my hon. friend presented to the House, with respect to exemptions, if a beauty preparation is sold over a counter that is an item of goods being sold. If the beauty preparation is put on some young woman's face, or used in connection with her hairdo, that is part and parcel of a non-taxable service.

It is likely that all of the members who are interested in such matters have realized the incongruous nature of exemptions at the margin, whether taxable or non-taxable, using an exemption system. That, as a matter of fact, is one of the several reasons that the select committee, after giving the matter a great deal of study, expressed a preference for a credit approach cannot be proceeded with at the present time, but I am not going to worry myself when I hear weird little stories about insignificant matters such as my hon. friend has drawn to our attention.

As a matter of fact, I am fully aware of these incongruities and the minute we move one to the other side of the line, or back to the other side of the line, then, of course, there are equally valid reasons why it should not have been done or why something else

should be moved. You cannot win on it. One has to learn to live with it and develop a sort of meditative and philosophical approach to such matters.

My hon. friend said that the rulings were made all the way down the line. In point of fact, I see all of the rulings—I am sorry the member is not listening to this response—so wherever they may emanate, I take full and complete responsibility for them.

Mr. Chairman: The hon. member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): The hon. Minister had the effrontery to produce letters of commendation, of course neglecting that other huge pile which sits on his desk and which I well know is there, because I have written many of them myself, as to the insufficiencies of the department.

As a matter of fact I have before me, a letter from a citizen of this province who says about your department as follows:

Dear Mr. Lawlor:

Because I know you are the NDP critic of The Department of Revenue, I should like to express, on behalf of my client, Mr. X, my dismay at the behaviour and inefficiency of this department. Such patterns of response are everywhere evident and I declare my exceeding displeasure.

Stephen Lewis

I have no regrets, Mr. Chairman, at spending an hour or two hours this afternoon on this Revenue Department, although one would have anticipated a greater interlocking of horns with the hon. Minister, with whom it is always a pleasure not only to dine but to lock horns.

This is the type of department which is best handled in a committee room downstairs. It is concerned with the gears and the levers and the nuts and the bolts of an administration basically. It is much easier to come to grips with a matter of this kind in the sort of *tête-à-tête* they have down there rather than in the more voluble atmosphere of this House where large policy matters, it seems to me, are best discussed. Some type of criterion of that kind, I am sure, will have to come into being in segregating the two types of debate that go on with respect to estimates.

The Minister's department thus far has a monitoring role to play. It hardly justifies its present position as has been indicated, particularly when one reads chapter 25 of the Smith report in which the first recommendation was brought into being. There are 20 other recommendations set forth in that particular chapter as to the *raison d'être* for its being brought into being. None of them, so far as I can see, has been carried out. The Minister got the job, but he is not apparently prepared to do the work.

There are a host of deficiencies in the administration of the government's financial affairs up to this time, which it was thought could be obviated through the workings of a Revenue Department – everything from the way in which liens are handled, the notification of liens, the way in which reimbursement is made, interest rates being chargeable not only against the person owing the tax, but by the department when it has an overdraft against the taxpayer.

In other words, equitability between the government on the one side and the collector, or the agency, or the individual who is paying the tax, on the other to the government has been lost. An equilibrium was sought with some kind of remote possibility of a taxpayer being able to stand up against the powers that be were envisaged in the course of things. That has not taken place.

A glaring example of it, of course, is that a review board was commended as the chief instrument for this end so that the taxpayer could talk back, but I see no review board. I see no legislation proposing to establish such a board. I see none of this legislation that he is acting under at the present time and there are, I suppose, under his department about 16 or 17 statutes under administration. Of these, only a very few give any powers of appeal from the decision of the Minister, or for somebody who has been appointed by him.

You know that is a grave defect in considering the plenitude of McRuer, backed up and independently brought forward by the accountant, Lancelot Smith, which we all agreed to as being necessary to the equitable balancing out of tax administration in the province. Nothing has been done in this regard and another hiatus has occurred. I cannot for the life of me see why legislation has not been introduced. The Minister has been in office sufficiently long to have brought forward such legislation.

The business of the various Acts that he is presently administering and what he proposes to do about those Acts in terms of where the weight is going to fall subsequently, is probably within the total definition of his department. At least the hon. Minister sees fit in public announcements to

parade around the province talking about the total reformulation of tax policy; that the New Jerusalem is about to dawn because of the forward, progressive, visionary nature of the Minister, and that a new tax mix will come into being which would be fair and equitable in its disposition. It seems he speaks this way but of recent weeks, as his estimates got closer, I have noticed a retardation occurring; the Minister has grown faint. He is no longer the bold Minister trumpeting his wares to the province.

Hon. Mr. White: Yes, I am frightened to death of all of you—quivering like an aspen leaf.

Mr. Lawlor: No, sir, he begins to draw in his horns now. He delays; he is dilatory, the federal government whom he is going to look straight in the eye you know, during the course of the committee, there was going to be a confrontation here finally. No, sir, he is abiding quietly while the white paper—not his white paper—comes out so that he can make his decisions in view of other decisions.

I thought these decisions were fairly well made. I felt that in the realm of personal income taxes it had been decided that this was the most equitable and progressive tax, and that this was going to be brought in irrespective, and in its train would be brought in a capital gains tax, and that there was no question whether the federal government moved backwards or forwards or stood on its head; it did not matter a bit.

We were going to get a capital gains tax because it was just and fair and the Minister showed great social responsibility, far more than one would give him credit for with his Tory background in this area. I anticipated he would have trouble with the more antediluvian people in the Cabinet, but he forged ahead and he produced a Budget paper indicating the direction which this might take.

Again I say, he has grown faint-hearted of late. No longer does the elephant parade around the pasture.

Mr. S. Lewis (Scarborough West): That is for the happy hunting ground.

Mr. Lawlor: It is for the happy hunting ground. I agree with the Minister and changed my mind in the past year since the committee—this is a personal, not a party position, that we should turn over the succession duty field to the federal government. The thing has been undermined by province after province; Nova Scotia and the others are promising to remit to their people the money that flows from the federal estate tax Act. I think we are being left with very little that we can do other than to consider giving up this whole field in return for the 75 per cent being asked for.

I wonder, in the course of the estimates, whether the Minister can indicate, in his no-doubt lengthy conversation with his opposite number, what advance they have made in this regard at the federal level. Does it appear to be a feasible possibility or is it just one more of those rabbit-in-a-hat conjuring tricks that the Minister is so fond of playing?

I think we will agree that in the due course of time, the 19 statutes that are being administered in Ontario, the two forms of taxation fundamental to the municipality, the 12 or 13 statutes administered federally, will all boil down to two final forms of taxation; and this is what we look forward to. On one side, there will be the personal income tax at sharply graduated scales, and that is where the bulk of revenues must and will come from in terms of beneficence, in terms of human decency. And necessarily supplemental to that will be a wealth tax. There must be a wealth tax—with a rider to the wealth tax, I suppose, in the form of some capital gain, because a wealth tax does not necessarily cover every form of capital gain.

During our deliberations in committee, as long as we sat, we did not get into the niceties or the peculiar beneficial qualities of a wealth tax. We never really got into it. Then under this head I would like to commend to the Minister a recent piece of writing as done in the *Tax Journal* which he, I would trust, knows about, by a man by the name of James Cutt, a professor of economics at York, in which he discusses some of the ramifications and possibilities of a net wealth tax for Canada. And under this head, if I may just quote one passage, he says:

> Defining income in the broad sense as encompassing not only money income but psychic income, or the expectation of capital appreciation, a net wealth tax appears on vertical equity grounds to be a useful, indeed necessary supplement to the progressive personal income tax.

Perhaps in the course of the estimates, if we have time, or the next time up, whether we have time this afternoon or not, we may go into a little dialogue as to the validity of this form of taxation. It is so badly neglected and covers, I think, the possibility of a redistribution of wealth on some scale, because present tax policy in this province, or anywhere in

the North American continent—perhaps I will leave out Mexico, I do not know—does nothing to redistribute wealth. On the contrary.

I would like to mention what Harrington has to say about this.

> Between 1960 and 1965, after-tax profits went up 52 per cent, dividends 43 per cent and take-home pay for factory workers 21 per cent. It was only in 1965-1966, when a tighter labour market put the unions in a better bargaining position, that wages went up enough to increase unit labour costs.
>
> At this point, the companies acted in a decidedly self-interested way. They had already received magnificent incentives in the form of tax cuts, new formulas for computing depreciation and investment tax credit, they succeeded in obtaining an inequitable share of the prosperity that followed. And then, the moment problems arose, they advised the nation to cut down on social spending.

May I commend to you another piece of writing, I think it is called *"The Great Treasury Raid"* by Philip Stern. True, it concerns the American system and the apples are unlike the oranges—the loopholes, the deficiencies, the great faults in the American system are, by and large, not the same ones as we face. We have had the ingenuity, as good Ontarians and Canadians, to invent our own tax inequities and loopholes so that effectively the same thing happens in both countries.

But Joseph Peckman, another writer, has documented such patterns over a 40-year period.

> In the late 1920s corporate taxes were extremely low and since then America has repeatedly made the democratic decision that big business should make a larger contribution to the common good. Yet, despite all the paper increases in corporate tax, the after-tax returns of the 1960s were as high as those of four decades ago.
>
> This is sometimes done by raising prices and passing the tax on to the public, a technique which made the companies, in Kenneth Boulding's terms, tax collectors rather than tax payers. Sometimes it was accomplished in a more sophisticated and stealthy fashion, but the council of economic advisors sadly recognized in 1967 that corporations were not sharing the decline in cost to the public, that the circumstance in keeping prices stable was really an invisible way of raising them.

And there are other passages in which this same effect takes place. At page 139, just one sentence:

> Eventually I suspect it would be well to think of an America in which there would be only a progressive income tax and no other. There is an immediate case for financing social security out of general revenues in this fashion, and doing away with the actuarial fictions which allow the system to redistribute income from the poor to the rich.

Redistribute from the poor to the rich.

> A married man with four children on $5,000 a year pays 3.9 per cent tax. A $50,000-a-year bachelor pays 0.5 percentage of his income.

Again, an American experience, but it is not hard to duplicate that here.

Let us go to other voices in other rooms. I am looking at a *Life* editorial of earlier this year, which says this about the present tax in the so-called free enterprise economy:

> Just a few days before leaving office, LBJ's treasury secretary Joseph Barr touched a highly responsive chord with the public. He disclosed that more than 150 wealthy citizens in the $200,000-plus income bracket were, quite legally, not paying a cent in income tax and predicted "a taxpayer revolt" if something is not done about the widespread tax inequities that such extreme examples represent.

Hon. Mr. White: That is in the United States.

Mr. Sargent: Here too. There are 17 millionaires in Canada not paying taxes.

Mr. Lawlor: No, this is equally so here. And when you consider what your Minister of Mines (Mr. A. F. Lawrence) does within that one area as to lightening the burden on the corporate taxpayers, then the thing is reduplicated in our own jurisdiction.

Peckman says the line is going to be hard to sell to the public. He is saying Nixon does not want to do anything, and it is going to be hard to sell to a public long aware—I am going to substitute Ontario:

> The Ontario taxation system is badly dated, overly burdened with complexities and shot through with glaring inequities.

Will the Minister himself deny that we in conference agreed that it was shot through with glaring inequities? Even the sales tax as presently constituted is not a progressive tax;

it is at best proportional. And I claim it is regressive in its intent and in its full weight.

What really have you done in bringing certain taxes under The Department of Revenue to alleviate in any way that condition which we were all so anxious and so vociferous about alleviating? I see nothing you have done of any import.

You managed to move in on the liquor a bit more, and the hotel and motel accommodation, but as far as bringing a wide range of services in, your Budget report says you have not envisaged extending it into luxury services at all, as I see it. Smith sets forth whole realms in which this might be done and yet the Minister reneges, holds back, blows hot and is really cool in the process of dealing with and bringing what we all desire, a more equitable tax.

I think I may be frank about it and say this. You know well you will not get re-elected the next time up unless you do make some fairly fundamental changes in the tax structure.

I think that is the motivation behind it. What other motivation would move politicians so vigorously? It may not be any overwhelming desire to assist the man in the street, the one who cannot escape through the expense account, or through concessions made by depletion allowances, or any other number of devices which are at work presently. That man is not going to put up with it much longer.

A tax revolt is in the making; and well it may be in the making. In 1960-1961, the corporation taxes of this province represented 25 per cent of the revenue of the province. What do they represent today, Mr. Minister? Well, since you are not going to tell me, I will tell you—13 per cent.

In other words, this thing has been going down, has been cut down and moved backwards. Even if you argue that it is to be split between the possibility of being passed on, and borne out of the current revenues of the company, if it is to be split 50-50, as Smith said—and I would like your thoughts on this, because you have certain expert help around you which may make more explorations in this field—at least 50 per cent more is available to the Treasury. This is a prime source of revenue which is forever declining.

It cannot be permitted to decline simply on the basis of some hypothesis. If you have grown weary over the years; or truckling to your friends seems the only kind of action that you can perform, and giving them advantages in paying taxes over against the man in the street who will have to bear the load seems to be the disposition of the government; it has become habituated; it is etched into the frame of your tax structure.

It is grossly unjust and, while you cannot make severe alterations in a tax medium at any one time without dislocating an economy to some extent and one must be careful of this, such an erosion must not continue to go on. You must reverse that tendency and that trend.

In the course of these estimates, Mr. Chairman, I would hope, if we have the time, to run over the many deficiencies as set forth explicitly by Smith, apart from the equal number of deficiencies which one has discovered by personal exploration into the workings of the department, to bring them to the Minister's attention. You may cast aside what the hon. member here said a few moments ago, on the basis of having to make some kind of arbitrary choice or decision.

But surely this is the kind of thing you do day after day. This is your job and surely you must come up with reasons as to why you tax a certain dentifrice or that the Pickin' Chicken cannot have gravy—such is the nature of your work. I am sure that to be elevated to Minister means a little gravy too, you know, Pickin' Chicken or not. You could hardly take exception on that account if it were not your job.

There are other matters I would like the Minister to perhaps look into over the course of the year. One of the grave deficiencies in tax collection is the business of the basis of the accounting that goes into the tax collection. With a little *legerdemain* in accounting, the whole position of a corporation can be reversed; in other words, from the red to the black or *vice-versa*. This has been well documented in any number of writings. The point I am looking at here is a *Time* article on the financial aspects of American corporations; they say there are dozens of legal ways that companies can juggle their books to inflate profits or, on the contrary:

> The Securities Exchange Commission expects within a week or two to tighten the disclosure rules.

It goes on to talk about pre-tax profits that contribute more than 10 per cent to the total of a company's revenue so that if any one area of its activities brings in more than 10 per cent they have to bring the full disclosure to bear. Tax laws give companies great latitude in deciding how to treat both assets and costs that affect profits.

Mr. Sargent: Point of order. I would just like a ruling from the Chair. I understand that the estimates of this department will be up at 6.00 o'clock, and if it is the aim of the hon. member who is speaking now to continue to 6.00 o'clock, we could not discuss the vote at all on any one of these estimates.

Mr. Lawlor: Let the hon. member be assured that I am almost finished; I only intended to take one half hour.

> Tax laws give companies great latitude in deciding how to treat both assets and costs that affect profits. Frequently, companies quite legally report results one way to the public and another to the tax collector.

So I would like a little investigation made within your department as to accounting practices and procedures to see if you cannot get a uniform accounting into operation so that all companies reporting to you give a just divulgence of their internal affairs. Thank you, Mr. Chairman.

Hon. Mr. White: Mr. Chairman, I should like to thank the hon. member for certain of his observations, but not for others. I should like to offer a very brief comment on the various points that he raised, first of all concerning the matter of liens. As a matter of practice we are now placing ourselves in the position of preferred creditor as opposed to secured creditor and, as the taxing statutes are revised, this actuality will be embedded in the statute. Lien clearance for corporation tax constitutes part of a review being carried on by the chairman of the Ontario Law Reform Commission. We have had several meetings with him, and I have another meeting with him, I think, tomorrow, in company with an accountant who has some views on the subject. It has been found that there are dozens and dozens of lien provisions, and the Ontario Law Reform Commission is attempting to make recommendations to the government which will very greatly improve this whole area.

So far as interest rates are concerned, I think our—

Mr. Lawlor: Could I stop him there, Mr. Chairman, since the Minister brought it up? Can I ask a question about liens? Does he still pursue the policy of, having released the company under The Corporations Tax Act from a lien, saying there are no taxes owing but not being bound by that and able to reverse himself subsequently to the detriment of the firm?

Hon. Mr. White: Well, I think not. I have never heard of that before.

Mr. Lawlor: Smith has it all set out.

Hon. Mr. White: I think we do not reverse ourselves in these matters. I think the clearance, once given, is given forever. Am I correct? At that point in time, yes.

Incidentally, I should like to acknowledge the very good suggestion that was given to me by the member for Dovercourt (Mr. De Monte) with respect to liens. He suggested some weeks ago that we provide a small document or sticker or some such thing that could be registered on the title in the same way that municipal tax clearances are registered. I think we might have proceeded with that, had it not been for the larger study being done by Mr. Allen Leal, but it seemed wise since their study was underway that we should put these problems of ours into that particular review. As a matter of fact, the member for Dovercourt imparted his thoughts at a meeting in my office to the chairman, and perhaps they will be adopted. In the matter of interest rates I think there is equity. I think that our present practice is quite satisfactory. We are, once again, as Acts come up for review—and there have been at least two this year already and there are a couple more coming—removing the interest section from the Act and putting it into regulations, so that the interest rate can be kept up to date easily and in keeping with prevailing business conditions.

Mr. Lawlor: Do you pay interest to people?

Hon. Mr. White: Indeed we do. If a taxpayer overpays corporation tax, perhaps deliberately or perhaps accidentally, we pay him four per cent. We want to keep that well under the market because we do not want to encourage him to use us for his banker. If he overpays in circumstances where an appeal is under way, that is to say, he has no choice in the matter, we pay seven per cent if the assessment is changed on appeal. And if he is delinquent we charge nine per cent. I think that is reasonable and I would be glad to have my hon. friend's comments on that.

We are indeed proceeding with a review board and I would like at this time to acknowledge my indebtedness to the Law Society of Upper Canada, who have been good enough to nominate three of their members, clever lawyers indeed, in the persons of Mr. William MacDonald, Mr. Peter Kingsmill and Mr. Ed Saunders. These

three lawyers met with me and senior members of our staff in September for a day-long meeting. We started at 10.00; we met for two or three hours. We had lunch together, came back to the meeting room and continued all afternoon, at which time a number of good suggestions were received from them and a number of puzzling matters were put to them by us.

One of the things we wanted help on was the nature and the status in the scheme of appeals which they thought might be preferred, so far as the tax review board was concerned. I think it was a week ago today we had a second series of meetings with this committee from the law society. We have come to certain conclusions which I am glad to describe now to the hon. members.

In our retail sales tax branch we have two men who are called assessment review officers. In our corporations tax branch we have what we call an appeals officer. Their functions are the same only the name is different. We propose to have appeals officers in the other revenue branches also. In addition to that, we propose to have, initially, a tax review committee, standing outside the revenue division, reporting directly to the Deputy Minister. When the tax review committee's operations have become refined and when we know exactly and precisely how it should be structured to make it of greater service to a taxpayer then we will embody it in a new statute, but initially, we are going to do it organizationally.

I hope my hon. friend will not fight me on this particular approach because the lawyers concerned agreed unanimously. I am not being unfair to them because I made it very, very explicit before that last meeting was over. They are unanimous in agreeing that this is the best way to proceed. They do not like the idea of having a Board of Review with a capital B and a capital R, for fear that this misleads the taxpayer into thinking he has had his day in court when he has been before that board.

The lawyers also suggested to me that I enter into discussions with the chief justice, which I propose to do, within the next week or so, asking that he name one of the jurists to be the specialist in tax matters. We only have three or four appeals a year going to the Supreme Court of Ontario, a very, very small number. Perhaps at some point, ten or 50 years from now there may be a separate tax court. Or failing that, there may be two or three tax specialists doing nothing but tax cases for the court. But in the meantime I am going to suggest, and this is in keeping with Smith's recommendation, that there be a jurist named to tax matters who will let himself gain some specialized experience.

Powers of appeal are being written into each Act as a bill comes in dealing with that Act. No new legislation infringes upon any of the citizens' rights and none of them is contrary to the recommendations of McRuer.

My hon. friend is teasing me, perhaps, about the delay in proceeding with certain tax reforms. Point number one—that has nothing to do with me as Minister of Revenue. I have no more legal responsibility for that than does the Minister of Health (Mr. Wells). Point number two, how could the—

Mr. Lawlor: You talked a good deal about it.

Mr. J. B. Trotter (Parkdale): You talked a lot about it.

Hon. Mr. White: I used the word "legal". No more legal responsibility than the Minister of Health. Of course I have something to do with it. The Treasurer and I are friends. We confer on a wide variety of matters, in a formal way and informally, early in the morning and late at night. I have enjoyed very much having an opportunity to make suggestions and comments and so on. Nonetheless the Treasurer is exclusively responsible in a legal sense for the tax reform programme. In fairness, my friend, how can the Treasurer sit down and negotiate a package with the federal government when the federal government does not know what it is going to do? It cannot know until the white paper is made available to the Cabinet Ministers and the members of that caucus and such like.

Mr. Lawlor: You are supposed to know what you are going to do.

Hon. Mr. White: We know what we are going to do. We are going to vacate the succession duty field. We are going to try to get one level of government to collect corporation taxes so that the 90,000 corporations of Ontario will not have to do everything twice. We are going to have a capital gains tax; yes, indeed we are.

Mr. Sargent: When?

Hon. Mr. White: Just as soon as we can, and if the "feds" drag their feet too long we will go ahead and have our own at a modest rate so as not to induce an outflow of capital.

Mr. Nixon: Will it be within two years?

Hon. Mr. White: Ask Mr. Benson how long it will take him to get his staff geared up and then we will tell you.

Mr. Sargent: When are you going to have it?

Hon. Mr. White: We will tell you after we know what Mr. Benson's timetable is.

Mr. Sargent: You are always passing the buck.

Hon. Mr. White: We are going to have a personal income tax, I hope on the same piece of paper the federal government uses. We are going to plug in credits for property tax, perhaps for sales tax, perhaps for the interest on the mortgages. All the elements described in Budget paper "B" are the announced policy of this government and the firm determination of this government. If the reforms have been postponed, it is because the white paper which was supposed to be out last May is not coming out until next Friday. As I said earlier, I do not blame the federal government; far better to take six months and do it well than to rush into it.

On the progressivity of taxes, you will remember, here again it is the Treasurer's function. But you will recall that we did impose the five per cent on hotel-motel services; we did increase the exemption for meals from $1.50 to $2.50; we did increase the rate from five per cent to ten per cent.

Mr. Lawlor: I am being facetious; have you ever had a meal less than $2.50?

Hon. Mr. White: Yes, my breakfast costs $2.35.

Mr. E. W. Martel (Sudbury East): You must eat very good breakfasts.

Hon. Mr. White: We did cancel the gas tax rebate on snowmobiles and motorboats to save $700,000. We did double the capital tax and make it in addition to corporation tax. All the changes made on March 4 increased the progressivity of the various areas of taxation.

In the matter of rulings, these are simply directions; these are simply clarifications to the hundreds of people who work in 12 field offices for the department. If you are a salesman working on the road—perhaps my friend from Kitchener (Mr. Breithaupt) has had the experience—perhaps you are selling Fuller brushes up in Moosonee, or whatever experience you may have had, but you have got to have some information which does not constitute a legal document. You have to be able to say "Yes, this brush is good for hair and that brush is good for the kitchen sink."

We have to provide a wide variety of informal instructions for several hundred men in the field so that they will apply the tax evenly throughout the province. They have not got the force of law; they are simply guidelines for our people. Do you want us to stop using those guidelines? I think you do not.

My hon. friend from Lakeshore concluded by describing as fraudulent both legal and illegal evasion of corporation taxes, saying that accounting practices are to blame. This simply is not true. There will be some fraud, no doubt. The taxpayer has the right to minimize his tax, no doubt. One way to minimize one's tax under the existing laws of Canada is to acquire capital assets on the last day of the fiscal year or in the last month of the fiscal year and then take depreciation capital cost allowances for the whole period.

A company may very easily decide to have the company's books for shareholders, bankers and others to show its actual experience of the life of certain assets. The small firm in which I was employed before becoming a politician did exactly this. We knew that our equipment would last 12, 13 or 14 years—this is construction equipment for rental—because it is the experience of hundreds of firms all over North America. We depreciated this equipment ten per cent per year on a straight-line flat basis. The federal government and our own provincial government—because we mirror the federal legislation—allowed us 30 per cent on a diminishing balance. Of course, we took it. It is a form of interest-free loan, nothing more and nothing less. It does not prevent them forever. There is nothing dishonest, unfair or immoral about that. Perhaps 30 per cent rate is too high; it certainly was in the case of our equipment, which I must say was very highly maintained, of necessity. You cannot send out a concrete mixer to a rental customer if it does not work, so you have to maintain it very highly. That certain circumstance does exist, quite a lot. There is nothing illegal about it at all. I think the comments which the author has applied to the American situation are not appropriate here.

Mr. Nixon: Mr. Chairman, on the first vote—

Mr. Chairman: Vote 1901, administration.

Mr. Nixon: I particularly want to mention a couple of matters of policy that the Minister and the two other members have referred to already. The Minister is quick to disclaim responsibility for policy and it is very proper that he do that, and this points out the importance of the view that we hold on this side. In fact the Minister is performing the duty that might very well be performed by a competent administrative branch under the Treasurer. I think the general importance and relevance of his position is reflected in the fact that not one of his Cabinet colleagues has been present this afternoon to hear his presentation and we on this side are here simply by virtue of the fact that an expenditure of $12 million, for the work the Minister oversees, is before us.

We have had some light banter about the trappings of office and this Minister makes much of the importance he assigned not only to modesty but efficiency. Well, I am not asking him what kind of a car he travels in as a Minister, or who drives it; I have heard that he does get around this province very well and rapidly indeed and not always by car, and that is fine. I think a Minister's place is to get about the province and to try to find the problems that reflect in the community, rather than exclusively in his office in the Treasury block.

The second thing I want to put forward is this: We do sincerely believe, not that this Minister is incompetent by any means, but that this particular Ministry is unnecessary and in fact a needless duplication. There is no policy formation that rests in his hands, and in fact we should not be discussing policy here this afternoon at all. The delay in the reform of tax collection which is this Ministry's responsibility is due not simply to the postponement of the federal white paper from last spring to this fall. The Minister mentioned that twice, both times giving credit to the wisdom in the postponement. Surely the delay is the decision taken by both levels of government, federal and provincial, back in 1961? They would have a thorough survey of the tax systems of the federal and provincial jurisdiction, and here we are in 1969, approaching the end of 1969, without any significant changes having been accomplished on the basis of those surveys.

These two Royal commissions, perhaps when viewed 50 years from now, will be seen to have performed a great service in allowing the two levels of government to interlock and make more effective their approach to the heavy responsibility of funding our programme. But from this point of view, from the short-term point of view, they have postponed reforms for almost a decade which have really put a very heavy burden on the citizens of this province in their capacities as federal and as provincial and as municipal taxpayers, so that any thought or any indication of the Minister that a postponement at federal level is postponing decisions here is acceptable in that light. We have been waiting for almost nine years for movement that goes to the federal and provincial level to bring about necessary reforms and modernization of our tax system which have not been evident.

Now the Minister has indicated what the Treasurer has said is a matter of policy in Budget paper "B"—a very far-reaching pronouncement indeed — and surely our Prime Ministers and Premiers, when they meet early in December must immediately take action. So if the white paper is conclusive enough at the end of this week, provinces can then match their decisions so that within the next year the reforms that have been pending for so long can in fact be accomplished.

There is one specific point on a matter of policy that I want to raise with the Minister. I have written about it, he was good enough to give me some additional information, but I wish to raise it again at this time. It has to do with the Minister's responsibility as tax collector from Indians living on Indian reserves. I do not raise this simply because Indians seem to be a popular topic, at least in the last few months, but because a good many of my constituents and those of my colleagues in the Legislature are deeply affected by this.

The provincial Minister of Revenue collects gasoline tax, sales tax, tobacco tax and succession duties, all of which are assessable against Indians, depending upon their particular mode of life and location of life, their own decision. My view is that we should make it aboundingly clear that those Indians living with treaty rights are under treaty rights established with the government of Canada either many years ago—sometimes more than a century—or more recently, and are in fact exempt from a responsibility to pay these taxes. This was a part of their agreement when they originally ceded lands to the government of Canada, or as it often was, the government of one of the British colonies before Confederation.

There is considerable confusion in the minds of the Indian people when they are

asked to pay gasoline tax or when they are asked to pay sales tax on items which they purchase for use in their homes on reserves. I would be the first to say that the Minister and his predecessors, that is the Treasurers before him, have bent over backwards to try to accommodate the Indian people. Still there is this confusion and perhaps I might say that sometimes the confusion lies in the administration from the department itself, in an effort to make its position clear.

The Minister is aware that these problems do occur and I think it would be worthwhile for those people directly concerned if he would have something to say about it at this time.

Hon. Mr. White: I welcome the opportunity to do that. Some weeks ago I received a flyer in the mail from the Indian-Eskimo Association of Canada, one part of which read "Indians pay provincial taxes." I asked the Controller of Revenue—no, the Deputy Minister—to provide me with rather a full description of the situation, and I think I will take two or three minutes to read it:

> Section 91 of The British North America Act extends the exclusive legislative authority of the Parliament of Canada to "Indians and lands reserved for Indians." Parliament has provided under section 86 of The Indian Act that, notwithstanding any other Act of Parliament or of a provincial Legislature, the following property is exempt from taxation:
>
> (a) The interest of an Indian or band in reserve or surrendered lands, and
>
> (b) The personal property of an Indian or band situated on a reserve.
>
> Section 86 also provides that no succession duty or life tax is payable on the death of any Indian in respect of such property, or the succession thereto if the property passes to an Indian, nor shall any such property be taken into account in determining the duty payable under The Dominion Succession Duty Act, or in respect of other property passing to an Indian.
>
> On the other hand The Indian Act also provides under Section 87 that subject to any treaties, or other Acts of Canada, all laws of general application from time to time in force in a province, are applicable to, and in respect of, Indians in the province, unless they are inconsistent with The Indian Act and regulations.
>
> In practice the general position is that Indians, while working off the reserve must pay all taxes, including income tax, on income earned off the reserve.
>
> The following is a summary of the specific rules in Ontario with respect to retail sales, gasoline and tobacco tax.

Now, Mr. Chairman, would the members like me to read this into the record, or will I simply send it over to my hon. friend?

Mr. Nixon: I would like a copy of it.

Hon. Mr. White: Will I proceed to read this?

An hon. member: Let us get on with it.

Hon. Mr. White: Quoting: Retail sales tax.

> 1. When an Indian purchases taxable goods on a reserve from a vendor on a reserve, he may purchase these goods tax exempt.
>
> 2. When an Indian purchases taxable goods from a vendor not located on a reserve, and takes possession of these goods at that time, the vendor is required to charge Ontario retail sales tax.
>
> 3. When an Indian—

Mr. Nixon: Are there any exceptions to that?

Hon. Mr. White: I think not. Let me finish this one section.

Mr. Nixon: All right.

Hon. Mr. White: Continuing the quote:

> 3. When an Indian whose residence is on a reservation purchases taxable goods from a merchant not located on a reserve, the sale may be made tax exempt if the goods are delivered to the reserve, and the Indian provides a certificate of exemption.
>
> 4. Vendors on a reserve are required to collect tax on taxable sales to non-Indians.

That is the end of that section. Does my hon. friend have a comment?

Mr. Nixon: The only comment is this: Indians do find that, when they go to some of the stores on their own reserve, that the proprietors, in buying their stock, have not been able to buy it tax-free.

They, of course, have to buy it off the reserve, bring it into the store, whatever it may be. Some of them have had difficulty in buying this tax-free, because the amounts that they purchased were not in large enough lots for the wholesaler to deliver. This is the main problem.

We feel that the Indian bands, or the band council, should be able to give their stamp of approval to these storekeepers—some of

them are very small, with a very small turnover—that would enable them to make these purchases off the reserve, tax-free, with the understanding they are bought on a wholesale basis.

Hon. Mr. White: I should like to look into that, then, and if this is possible from an administrative point of view, perhaps we will do it.

Gasoline tax:

1. Full refund of gasoline tax is paid on gas when purchased, and delivered for use on a reserve and used entirely on the reserve.

2. No refund is paid on gasoline used in a licensed motor vehicle, whether on or off a reserve.

Tobacco tax:

Sales of tobacco to retailers for sale on Indian reservations are exempt of tax if the tobacco is delivered on a reservation. Where delivery cannot be effected on the reservation, but is effected to a retailer off the reservation, for transfer to and sale on a reservation, relief from tax may be given on certain conditions and the collector can obtain a refund.

Sales of tobacco made off a reservation, which are not for the purpose of resale, are taxable.

I really do not think we can go any further than that. I do not want to get into a debate, I think, on the appropriateness of having these exemptions. As a matter of fact that is beyond our control, in that we are governed by the federal government's Indian Act, which springs from the Constitution.

But it does seem to me that, within the existing statutes at the federal level, we are doing everything we are supposed to do. I will look into this one minor variation for my hon. friend, and let him know if his recommendation is feasible.

Mr. Nixon: What kind of car do you drive?

Hon. Mr. White: A Chevrolet.

Mr. Nixon: Stripped?

Hon. Mr. White: No.

Mr. Sargent: Mr. Chairman, could the Minister tell me, under this vote, do we have a number of cases of studies, special studies? Would the Minister tell me why, in the area of taxation, that every commodity is taxed, with sales tax, except the banking industry?

There are millions and millions of transactions every day in the banking industry, and there is no reason, in my mind, that we in Ontario should not put a sales tax on banking transactions. In other words, every banking transaction could have a sales tax on it, which would create an untold new source of revenue for the province of Ontario which she so badly needs.

This is being made law in one of the United States jurisdictions. I do not recall which state it is, but it would seem to me that, as my leader said just a minute ago, when discussing it with him, many years ago we used to put a stamp on a cheque. It would seem to me now that this industry of banking has escaped paying sales tax. Every other part of our economy has to pay tribute by sales tax. Is there any good reason why the banking industry should not pay their share?

Hon. Mr. White: Well, the new application of the capital tax certainly has increased taxes on the banking industry a very great deal, and they do pay all of the taxes that everybody else does.

Mr. Sargent: But they do not pay any sales tax.

Hon. Mr. White: I think the probable objection to having a tax on a financial transaction in a bank is that if the rate is low enough to avoid inducing cash business to be done, then it is going to be so low that it is hardly worth while. I suppose that is the reason the federal government got out of the business some years ago.

For years and years they charged three cents on a cheque up to $100 and six cents over. That turned up so little money, and was so much of a nuisance, for not only bankers but their customers—and by that I suppose we are talking about almost every citizen in Canada—such a nuisance in relation to the yield of taxes that it was dropped.

If the amount is increased from three cents to 30 cents or 50 cents or $1.50, then most of the present transactions are not going to be done by way of cheque. When a citizen receives his salary cheque, let us say, he is going to cash it and he is going to use the cash from that to pay all those items that he would ordinarily put through his bank account.

You and I would do that no doubt, and it seems to me that that is the first thing in that particular—

Mr. Sargent: Mr. Minister, I will not flog this point, but if your current rate of sales

tax is five per cent, I see nothing wrong with five per cent on every transaction. It would be a fabulous source of revenue; five per cent on 1,000,000 transactions every year would be a very handsome sum.

I do not see why the banking industry should escape. And you cannot give me a good reason why it should not be.

Hon. Mr. White: There may be a constitutional problem, but are you aware of the fact that in this province, where our gross provincial product is nearly $30 billion, that the bank clearance would be billions more than that—maybe a couple of hundred billion? If you put a tax on that, that kind of transaction would be avoided; that is the economic consequence of it.

Mr. Sargent: That is the way you look at it; that is the way you rationalize all your decisions in this paper. You are getting together. We are in very sick trouble, I would say.

Interjection by an hon. member.

Hon. Mr. White: Is that Liberal policy, may I ask?

Mr. Sargent: No, no. I was telling the Minister my idea of how to raise money—

Hon. Mr. White: Are you speaking for the party?

Mr. Sargent: Mr. Chairman, it would seem to me the function of your department should be looking for new ways to raise money, to protect the taxpayers, and for my part you have not done very much about it.

Mr. Chairman: The member for Parkdale.

Mr. Trotter: Mr. Chairman, there are a couple of items on this vote that I am interested in. I would like the Minister, if he could, to make some remark on what position he thinks the provincial government should take in succession duties in regards to husband and wife.

I know that the government is waiting, according to the Minister, to see what the federal government is going to do in its white paper. But there is the situation now where, insofar as succession duties or estate taxes—I should use the federal term—are concerned between husband and wife, they have been wiped out.

Here in Ontario we have the same succession duties that have been in force for some years and these succession duties, particularly between husband and wife, are unfair. I think the Minister is well-informed on this subject and probably knows as much about it as I do. Today even an estate of $50,000 is not a very great sum, particularly when a widower is left with children to support. When one bears in mind, Mr. Chairman, that—

Hon. Mr. White: There is no tax on that.

Mr. Trotter: No, but it depends on the value of your estate. For example, if it is $50,000 or less, I agree there are no succession duties, but that is not a very large sum today. When we bear in mind—

Hon. Mr. White: Up to $75,000.

Mr. Trotter: Yes and it goes up to $75,000 with the children.

When you bear in mind that with the value of real estate today, a man could leave a house worth $40,000, he could have a couple of pension plans that could very easily put him over the amount of $75,000 and the wife or the widow does not get the cash on his death. In many cases she will get the house and an income based over a period of time and yet she is expected to pay the succession duty.

Now, it would seem reasonable to me, bearing in mind that there may be some deal made between the federal and provincial governments, but whether that deal is made or not, it would seem reasonable to me that the law in regard to estate taxes or succession duties be made the same both federally and for the province of Ontario, particularly as between husband and wife.

I notice that the hon. Minister, Mr. Chairman, was speaking on this subject last November 22, 1968, and this was at Port Credit. He was evidently speaking to the Peel South Conservative Businessmen's Association and this is what the hon. Minister said:

> Because of the radical changes by the Benson budget, Ontario will be forced to reconsider raising the exemptions on succession duties to $96,000 from $75,000.

I would like the Minister to answer this question, Mr. Chairman: Why cannot this change be done now? It is long overdue.

Hon. Mr. White: The Treasurer announced on March 4 that we were vacating the death duty field entirely. We have reason to believe that we could have vacated this field last spring and left the other elements in the tax

reform programme for later discussion after the federal white paper came out. At that time, however, the federal white paper was expected in May and then in June and then in September and then in October and now next Friday. The Treasurer was reluctant to yield up our succession duty field at a cost to the province of something more than $20 million in revenue and leave himself trying to negotiate some of the areas which are less attractive and less desirable from the federal point of view.

Mr. Trotter: May I say that the amount of money between husband and wife would not amount to nearly $20 million. That is the whole tax field, the succession duty field, $20 million. Now you are speaking at this moment to the specific situation as between a husband and wife.

Hon. Mr. White: The total yield is something like $90 million and when we vacate the field and take 75 per cent of the federal collections then we will realize something like $20 million less. There were 56 recommendations in Smith and, of course, the select committee offered a commentary on every one of them. Coincidentally, I spoke three days in succession to three different groups of people a month or two ago and put the proposition to them then, which I now wish to put to the members of the House.

The first group was called the Estate Planners Association of London, Ontario. It consisted of 12 CAs, 12 life underwriters, 12 lawyers and 12 trust officers.

Mr. Lawlor: The new apostles.

Hon. Mr. White: The next day we had a meeting of the legal advisory committee which I mentioned a minute ago—that is Mr. Bill MacDonald, Mr. Peter Kingsmill and Mr. Ed Saunders. On the Wednesday I had a meeting with an advisory group nominated at my request by the Institute of Chartered Accountants. Perhaps I could give recognition to the excellent work being done by the six chartered accountants in co-operation with me and the officials of my department. They are Messrs. Mitchell, Beech, Cronkwright, Darby, Brown and Rudson.

To each of these three groups I said, "We have a terrible Act in The Succession Duty Act; Smith said so, the select committee said so and all of you agree, no doubt. We have a terrible Act but the Treasurer has announced that we are going to vacate the field; that we are going to cancel the legislation. We hope to do that within the foreseeable future—six months, 12 months or something. Should we now rewrite the Act, having in mind that estates arising during the—say 12 months—would be administered over the next 50 years? Having in mind that the existing legislation, however poor it may be, has been well-defined by court cases, administrative practices, and so on?"

All of these gentlemen unanimously said, "No, do not change the Act for that short period of time."

I come to your final point. Perhaps, had the Treasurer known that it was not going to be possible to negotiate out of this particular field last March 4, he would have increased the exemption from the $75,000 to the $96,000 or the $90,000 plus $6,000 which the select committee recommended. But when it was thought that we were going to vacate the field, a change of that type did not seem appropriate. If it should happen that the vacating of the field is further postponed for whatever reason, I am absolutely confident that the Treasurer will consider changing the exemption.

Mr. Trotter: I would hope that he would do it because I think that is causing a great deal of hardship among a class of people of whom some, we might think, have a lot of money but actually it is not cash on hand. It does harm a small family and I do think the Minister is aware of it.

This is why I am surprised no action was taken. I was under the impression, during the scurrying of our select committee, that the Minister leaned to this view and I give him credit. I thought he did a very good job in handling that. I thought he was a kindly sort of fellow, Mr. Chairman, and I thought he would make dying easier. He might not make it any cheaper but it would make dying easier if they made some of the amendments that are long-needed. If the governments cannot get together, I do hope the changes are made.

There is one other item I would like to ask the Minister's opinion on and it is this. A great number of people in the general public, and I am one of them, are annoyed when some very wealthy person can sell his assets and pack up and leave the country and go to a tax haven. It is true it is a minority of business men that do this because many men cannot pack up and leave. They have a type of business that they simply cannot sell. In many cases, in fact probably in most cases, they do not want to sell.

The unfortunate thing is that the man who has, maybe, a family business cannot really

go unless he sells out to a foreign-controlled corporation and therefore his family or his business is at the mercy of the foreign-controlled corporation, all because of our succession duty laws.

Is there any way that this Minister, and he has had a lot of time to study it, can devise some way where either the estate tax or the succession duty, whichever you want to call it under either a new arrangement or under the old arrangement, can apply so that duty can follow the benefit? In other words, if you cannot follow the person, you can follow the asset. I know this would involve international law.

He could say this is going to involve the jurisdiction, most particularly, of the Bahama Islands. Let us face it, that is the main offender. I know one or two of them go to Turkey. We may not be able to reach any deal with Turkey but certainly with the Bahamas there are many ways, I think, that we could protect the assets of this country to a certain extent because our succession duty law is most unfair, particularly to those people who stay and work and live in this country. Why can an individual like E. P. Taylor pack up and take his money with him? The money was earned in this country. I was wondering if the Minister, in the opportunity he has had in studying this matter, can give any suggestions on how we could enforce a law, either federally or provincially, where we could follow the benefit that has left this country and gone elsewhere.

Mr. Chairman: I did not want to interrupt the hon. member but I do note that the succession duty comes under the second vote. Does the committee wish to engage in a free-wheeling discussion or will we try to keep it to the specific votes?

Interjections by hon. members.

Mr. Chairman: If the hon. Minister has no objection?

Hon. Mr. White: If the person living in the Bahamas has assets here in Ontario when he dies, whether or not he is a resident of Ontario, whether or not he is a citizen of Canada, makes no difference at all, we do levy succession duty tax on those assets. Of course, if that same man dies in the Bahamas and has no assets in Ontario, how can we tax him? We could send the estate a bill but how are you going to enforce it if all of the assets are in the Bahamas? In point of fact, there is very little that the provinces can do in this area because of the reciprocal international agreements which exist between Canada and scores of foreign nations. I think that we are virtually powerless to extend the existing provisions and, in that we are vacating the field, I think that is a matter which will have to be fought on other battlegrounds.

Mr. J. E. Bullbrook (Sarnia): If I might, in this connection, it has been my intention to make comment on this very field or this very question. I do not know whether the Minister and I have had an opportunity to discuss this privately, I recognize your problem in answering my colleague from Parkdale; as has been said, there is nothing more mobile than $1 million, but the point is that we have got two considerations now.

We have got the basis consideration, Mr. Chairman, that there is nothing more mobile than $1 million and nothing more equitable than income and estate tax. The Treasurer of this province has been bemoaning for two years, to my knowledge, the fact that he must continually involve himself in the field of regressivity and Ottawa has the progressive tax fields, in effect, available to them. But I want to record my feeling in connection with the total aspect of succession duty and inheritance taxes and death duties and that is, that I believe and I think it is generally accepted, that they are the most equitable type of taxes available to any government under the democratic process. The only reason a person acquires any material equity in life is (1) because of their individual initiative and (2) because of the economic climate in which that individual's initiative dwelt. Therefore, the creation of that climate, in effect, is the function of government and it goes without saying, therefore, that the government is entitled, to a great extent, to look for some return in the amassing of significant equity.

But the second consideration that comes to mind is the question of vacation of the field at the present time. And of course, in vacating the field and looking to a 75 per cent return concurrent with some tax agreement, you are also vacating the question of policy and I think the Minister would agree with this. You are leaving to the federal government to digest the question of what, if anything, can be done with this million-dollar mobility, and I am not sure that I am happy to do this. I am not sure, as one member of the Legislature, that I am prepared to say, that the definition of taxability —and that definition is most attractive, with our overlapping in almost every field of

endeavour that we see—gives to the federal government, the right to tax in that field. What is disturbing me now, Mr. Chairman, and I direct this to the Minister through you, is the fact that we are also giving up, to them, the question of digestion of the problem of removal of significant equity outside the jurisdiction.

In your recommendation of Smith, as I perused it, you do not deal basically with this problem. I think the problem that faces both Smith and the select committee evaluating this, is the fact that they came to the same ultimate result that you did, which is, how do we handle it?

I am sorry, Mr. Chairman, to have to sit down saying that I know of no solution, but I want to express to the Minister, so that he might express to the Treasurer of Ontario and his other colleagues in his Cabinet, that I am not entirely convinced that in vacating the field, we should also vacate the right to look into this matter. It seems to me that it is inherently wrong that a person should take advantage not only of their individual initiative that I spoke of, but also of the economic climate created by this present administration and its predecessors that leads to the amassing of extreme amounts of wealth and the transportation of that equity, those assets and that wealth, outside the jurisdiction and that, in effect, results in the taxpaying public at large being called upon to assume a burden created as a result of that vacuum. So I support the position taken by my colleague from Parkdale, although at the same time, I recognize the difficulty mentioned by the Minister. I exhort him to reconsider the question of vacating the field because one wonders—when one considers what happens at Ottawa, no matter what party is in power—whether at all times they really have adequate consideration for the return to the public purse of an adequate portion of that amassed wealth, that results from the economic climate.

Mr. Lawlor: Mr. Chairman, I wonder, on this same point of tax havens, as much as one hates to say so, whether or not certain thought might be given to retaliatory action, within the economic sphere, of those places in the world such as the Bahamas which have economic relationships with us. You may go to Montenegro I suppose, but surely by way of adroit and diplomatic manoeuvres it would be possible to indicate to these tax havens, that it is most inimical to the interests of the province to supply the basis wealth.

Under this heading, Mr. Chairman, I want to ask the Minister this: In the Budget statement you are talking about capital gains taxation, and I think we will agree that if you had an adequate capital gains taxation, it would cancel out or make negligible, the need for a succession duty or estate tax. In other words, you tax them while they are still alive on the accumulations and this is part of the wealth tax concept too, and you would not have to rely upon the supervention of death.

So that in your talk, at page 57 of the budget, you said that you are going to bring in a tax, a capital gains taxation analogous to that in the United States and you are giving the various features. The first feature you give is, "Taxation of gains when they are realized and upon death or emigration," which intrigued me. Why did you put "or emigration" in there, and how did you propose to be able to enforce it, to make it stick?

Hon. Mr. White: I am sorry, I just cannot give an answer to that. I can conjecture, but I guess that would not be very helpful. Let me discuss that with the Treasurer and I will provide you with his reasons.

Mr. Lawlor: I would be very pleased.

Hon. Mr. White: May I make a comment, then, on certain remarks made by the member for Sarnia? The reason given time and time again, to me, for having a duplicate set of definitions or a duplicate set of formulations or a duplicate set of rules and regulations for the province of Ontario, in contrast to existing federal definitions, is that ours are better. The member for Sarnia has said that perhaps we are making a mistake vacating the death duty field, because in retaining the succession duty legislation, we have an opportunity to impose our concept of equity. I do not subscribe to that. I should like to use an analogy from the house-building industry. We have a national building code, we have got a provincial code, we have got, I suppose, dozens and maybe even hundreds, of municipal codes. The municipal code in London, Ontario, will be quite different from the province's—

Mr. D. M. Deacon (York Centre): What is the provincial code?

Hon. Mr. White: —which will be different from—this is an area I know very little about, obviously—the national code on the basis that it is better. A house builder building all over the province has dozens and dozens of sets

of rules and regulations. Surely the answer, in a situation like this, is to adopt one code universally and then give citizens and others an opportunity to improve it and make it perfect.

Drawing the analogy down now to death duties. Let us get out of the field so that we do not put an estate and a widow, at this sensitive time, through all of the expense, both financially and otherwise, of going over a second set of hurdles. And by the way, there are significant legal expenses included there, as my hon. friends will know, when everything has to be done twice.

Surely the way to do it is to let the federal government collect all death duties, for us to get our appropriate share, and for the citizenry to make known its dissatisfactions to the level of government administering that particular task. That, it seems to me, is a far better solution than having two sets of administrators, two sets of appeal, two sets of everything, in the somewhat forlorn hope that the provincial one will be better than the federal one.

Mr. Deacon: What about corporation income tax?

Hon. Mr. White: The same thing. You must have been out of the room when I was saying that yes, we are going to try to do that once and not twice.

Mr. Breithaupt: Mr. Chairman, I was interested in carrying on the comments concerning the Minister's philosophy as far as any studies he has undertaken with respect to this tax haven problem. I would like to read into the record of the House a brief portion of an editorial from the Brockville *Recorder and Times* of May 13, 1969. The editorial writer writes as follows:

> Ontario is the richest province in Canada in terms of income, but the lower-income family gets a bigger whack from the tax collector than the rich man proportionately in other provinces.
>
> A recent study of a family of four at three income levels indicates the moderat-income family living in Ontario pays the highest taxes in Canada. This is the reason Revenue Minister John White, speaking in Athens last week, stressed the government's new taxation policies of taking more from the rich and less from the poor.
>
> A study made by the Ontario Tax Foundation found that Ontario's taxes were less progressive than other provinces. The Ontario government proposes to make our taxes more progressive, but makes no mention of reducing taxation. In the study, a theoretical family earning $5,200 a year paid three taxes to three levels of government totalling $1,771, or about one-third of its income. The second highest was Quebec at $1,681, with Newfoundland the lowest at $1,407. The Ontario family, in addition to federal and provincial income taxes, paid $177 for OMSIP and $79 in sales taxes. Hospital insurance cost another $132, and $73 in cigarette tax, along with $29 in liquor tax and $12 in special excise tax on such things as cosmetics and radios.
>
> Other comparisons were made with families at $10,400 and $52,000 a year. The $10,400 family paid $3,716 in total taxes or 35.7 per cent of its income. At the $52,000 level, the Ontario family dropped behind other provinces to fourth place in total tax payment of $25,686 or 49.4 per cent of income. This was exceeded in Quebec ($27,038), in Manitoba ($26,315), and in Saskatchewan ($26,206).
>
> Ontario's days of being a haven for the rich appear to be fast drawing to a close, but the province of opportunity will soon provide an opportunity for everyone to pay the highest taxes in the land, not just those who earn less than $52,000.

Perhaps the Minister can advise us as to what studies he is continuing to undertake to develop our own economy so that the portion of taxes which we are obtaining from the more affluent members of our society is in line with those of other provinces.

Hon. Mr. White: I am familiar with that particular survey. As a matter of fact, I was looking at it less than a week ago, and the most interesting thing about it is that the percentages are so nearly the same, notwithstanding the wide variation of political outlook between Social Crediters and NDPers and Conservatives and Liberals. The range is much narrower than I thought it would be in each of the income categories.

What we are doing to make the system more equitable and more progressive is outlined in the Treasurer's budget paper "B", a copy of which I will send the member for Kitchener.

Mr. Lawlor: Mr. Chairman, just a point or or two as to the money being spent within the department and the administration. Last year, this portion, this vote, appeared under two votes, I believe—that is, 2307 and 2308 —under the Treasurer's estimates.

At that time, in my computation—correct me if I am wrong—the salaries for the departmental administration were $607,000. If you glance at the page, you will see that the salaries have increased to in excess of $1 million. I made my $607,000 on the basis of $109,500 under vote 2307 and $497,500 under 2308. If this is in line—in other words, if this a prolongation of and a facsimile of the earlier estimates, then the salaries of your department increased substantially by $400,000. Would you give me reasons for this?

Hon. Mr. White: Mr. hon. friend is not to be criticized because of the difficulty in making the comparisons. The fact of the matter is it is extremely difficult, and may be impossible to do without supplementary information, because when the two departments were divided it was not just done all that simply. Now I will provide an explanation.

So far as salaries are concerned, in the year 1968-1969, the unaudited total was $858,934. The estimates this year are $1,016,000. The reason for the change is that vote 1901 this year includes items shown last year under vote 2307—revenue, general administration. I do not know if you want all these figures or not.

Mr. Lawlor: Could you send them over to me, I wonder?

Hon. Mr. White: All right, yes. And 2308—administrative division; 2309—legal services; and from 2310—revenue division. The revenue inspection branch has been transferred and is now entitled operational audit at $81,000. In addition, the office of the Minister of Revenue did not exist last year.

Now here are the reasons for the expenditure and the changes from last year's estimates. Salaries to pay a complement of 131 staff organized in nine activities. This was an increase of $204,500, due mainly to professional and clerical salary revisions and the creation of the office of the Minister. There was also a substantial adjustment between salaries and maintenance in one branch. This refers to a compensating error in preparing the estimates for 1968-1969 for systems in programming, whereby $100,000 that ought to have been provided for salaries was provided for maintenance. In some strange way it got into the wrong item. It was corrected afterwards, of course.

Do you think that answers your question?

Mr. Lawlor: Yes. I take it that those special studies—I am sorry, were you going to speak on the same thing?

Mr. Breithaupt: I just want to talk on special studies for a moment.

Mr. Lawlor: Last year, if the game is analogous, you had $25,000; it has gone to $30,000. What special studies have been made and why the expenditure of $30,000 for the future?

Hon. Mr. White: The additional $5,000 was to reflect the cost of two part-time consultants, namely, G. Cronkwright, CA, and Professor John Allan, who have been working for the department. I am using consultants more than was the case before. I have mentioned the advisory committee from the chartered accountancy profession; I have mentioned the advisory committee from the legal profession. Neither of these groups are paid. We also have had very good use from the two tax consultants, whom you will recall were consultants to the select committee. Their expertise from previous training and experience, plus that gained with the select committee, made them ideal for this particular purpose. I think Mr. Cronkwright sold us ten days a month and, starting at a somewhat later time, I think, Professor Allan sold us two days a week.

I have engaged the firm of Ward Cornell Limited to act as a communications consultant and he has designed in the last couple of months, I suppose it is, a 19-point programme to overcome the existing deficiency in communicating the requirements of the department to the taxpayers. We are putting out a corporation tax bulletin about once a year; we are putting out a sales tax bulletin two or three times a year. But, quite frankly, we are not doing it very well. This is one of the 19 ideas that we are now trying to develop, and that is to put out a more modern quarterly publication informing taxpayers—and I am thinking particularly of corporations tax and our retail sales tax vendors, of course—informing these thousands of vendors and taxpayers what is expected of them.

Now then, we paid approximately $20,000, if I am not mistaken, to the firm of Woods, Gordon to carry out an efficiency study in our gasoline branch. This idea sprang from the use of MTM studies by Mr. McNamara in the Pentagon. I learned that story from one of the branch directors and I said, "Well, let us do that; let us commission some firm to put an MTM study into the gasoline tax

branch, which is ideally suited to this kind of experimental study, and if we prove to ourselves we can save some money then we will do it with other branches within the department."

The summary which I provided to you makes mention of this report. The recommendations of the consultants were adopted, the methods are being changed very radically and we are expecting a very great saving and a very great increase in efficiency as a result of that particular survey.

And then the last one: At the present time we are having the same company, Woods, Gordon, do a $5,000 survey of the customers of our provincial savings offices to determine why they do business with us and how we can get some more of it.

So, to sum up, if I may, I want to use consultants more as an alternative to building up a peak staff and then trying to find work for them later.

Mr. Chairman: The hon. member for Port Arthur was on his feet, I believe, first.

Mr. R. H. Knight (Port Arthur): Thank you, Mr. Chairman.

I would like to ask the Minister whether his department could conduct some special study into some way or means of equalizing the cost of gasoline in northern Ontario and southern Ontario.

I have just made a double check to find out the difference between the cost down here at the pumps here in Toronto and the pumps up in Port Arthur. The difference is three cents at this moment. It is 49.9 cents for regular, 54.9 cents for the high-test gasoline here in Toronto; at the Lakehead it is 52.9 cents for regular and 57.9 for the high-test. It seems to me, that this is just one more example of how people are penalized not only for living in northern Ontario, but for travelling through northern Ontario.

I know there have been several approaches made to this government to reduce the freight rate costs in order to help industry generally to come and settle in northern Ontario, and I realize this has always been referred to as a federal matter primarily. However, in the area of provincial tax on gasoline, it does become a provincial matter and we know that today more and more goods are shipped via the highway, using either gasoline fuel or diesel fuel.

I am just wondering how expensive it would be to the people of Ontario and to this government to equalize the cost of gasoline down here and up there by reducing the provincial gasoline tax up there by the amount that the company gas is extra. I mean to say, if it is three cents more, it is not because the provincial tax up there is more, it is what the oil companies charge for gasoline up there because they claim for their transportation costs in getting the fuel up there.

It seems to me that if this government is sincerely interested in giving people incentives not only to go up there and live but to stay up there, and for tourists and so forth to travel through our part of the province, it should find some way of equalizing it. I am not asking to make the cost of gasoline cheaper for the people of northern Ontario, I am asking that you do not penalize them as they presently are, because the cost of goods up there is one of the greatest deterrents for people to go into northern Ontario. And this is one more example of how people are penalized for having the courage, the guts, the pioneer spirit and so on, to go and live up there and develop that area.

We find our population is not growing quickly enough; in effect it seems to be losing in many areas, and this could be one area where government as the controlling agent could help to equalize this factor. We also have to consider that one of our biggest problems up there is isolation—small communities so far away from one another. The biggest city next to the Lakehead in Canada, I suppose, would be Sault Ste. Marie, 425 miles to the south, and at the other end Winnipeg, which is some 450 miles to the west. And small communities are all major communities if you go on to the east. You find Nipigon 67 miles away from Thunder Bay, Schrieber another 50 miles away from Nipigon, Marathon another 50 miles away from Schreiber and so on, down the line. So that a vehicle becomes a thing very much of necessity up there, probably more so than down here where you have all the commuter services and other ways to get to work. But up there a car is essential. So this is a very vital aspect and, I would say, a deterrent for people to live in the north.

It seems to me that for points north of Sault Ste. Marie, the government could charge 15 cents on a gallon instead of 18 in order to give the people up there a break. I do not say that when you go into the north gas should cost you less, but that when you go into the north it should not cost you more. And this would be part of the way in giving people an incentive to come up there. I think this is something that is within the control of this department.

I also think the people of southern Ontario, the big voting populations, would buy an explanation along these lines, because many of them now have travelled through northern Ontario and the first thing that hits them when they get to the pumps up there is the greatly increased cost. Also it would make them come up with their trailers and explore that part of the province.

You know, there are people who have been to B.C., they have been down to the West Indies, over to England, all over the place, but they will not come into northern Ontario. This is one of the deterrents. All of a sudden you go over sort of a border line and then it goes up in price.

I think if we truly want to develop that part of the province you could explore this aspect. I wonder if the Minister could comment?

Hon. Mr. White: I will be glad to relay the hon. member's suggestion to the Treasurer. I myself would seek another solution first, namely, going after the international oil industry which has cartelized prices in various zones and which is responsible for that differential.

Mr. Knight: Mr. Chairman, excuse me, I would hope that I take this as a commitment from government that they will go after the international oil industry, but at the same time perhaps if they barter a bit with the international oil industry and say, "We will go so far if you will go so far", maybe we can get that price equalized. But I think the initiative has got to come from the government. It is not enough to say, "It is your tough luck, you are up there".

The people of northern Ontario are doing a job for everybody in this province by going there and living there and developing that area, instead of sticking around the security of the megalopolis here. There is something to be said for their pioneering spirit and their courage in staying up there and trying to develop that area, and they have got to be assisted and not penalized.

Mr. T. P. Reid (Rainy River): Mr. Chairman, I would just like to bring to the Minister's attention a small matter that deals particularly with my riding in northwestern Ontario, but in some other parts of the province as well. It is a complicated subject, and perhaps the Minister can inform me more than I can inform him. It has to do with double, almost quadruple taxation with people who live, for instance, in Fort Frances, Ontario, and work at International Falls. Their pay cheques are taxed at the United States federal level and the Minnesota state level. Then they come over to Canada and there are tax credits allowed, but then the Canadian federal government, I understand, gets a bite; so does the Ontario provincial government.

I have a letter here, which quite frankly I cannot make head or tail of, in respect to this problem of quadruple taxation. I would ask if the Minister, in his grand erudition that we all know, can explain to me what the situation is and if there is any way that we can avoid the situation, particularly in the Fort Frances-Rainy River area, which experiences this sort of thing.

Hon. Mr. White: Well, the situation exists in other parts of the province, too. I remember when I was living in Windsor, some of my friends lived on one side of the border and worked on the other. At no time, I think, does a taxpayer pay any more than the higher of the two tax rates because of the international agreement between Canada and the U.S. If something more should be done, I would suggest to my hon. friend that he put the matter in the hands of Mr. John Reid, MP, because it is a federal responsibility.

Mr. T. P. Reid: Well, that is one of the more intelligent things I have heard the Minister say and one of the best suggestions I have heard him make but, unfortunately, that is where this comes from. This comes from there, and the problem seems to be that while this taxation is at the federal level, they do not pay either of the higher rates. It is at the provincial and the state level where the problem comes in, in that there are no tax credits for the Minnesota state tax, and there is no corresponding credit that reduces the Ontario provincial income tax.

Hon. Mr. White: We do give a credit for the federal taxes—

Mr. T. P. Reid: What about the state tax?

Hon. Mr. White: —if not for the state tax. But this would be part of an international agreement, I expect. I would be glad to look into it; I think we cannot properly solve it here and now.

Mr. T. P. Reid: Yes, well, perhaps I will send you a copy of this letter.

May I just bring one other thing to the Minister's attention while I am on my feet. I would like to know if this situation still

exists within his department where the retail sales tax people—a great many of them, I understand—spend a great many hours of their time sending out tax notices to people who have bought cars second-hand from other private people. In other words, if I buy a car and you buy the car from me, then you have to pay the retail sales tax. And your department, I understand, has a great many clerks and people involved in tracing these cars down and sending out the retail sales tax notices. Does this still obtain?

Hon. Mr. White: I do not think we have many people doing it. The Department of Transport, in effect, collects most of it.

Mr. T. P. Reid: At the point of transfer of the licence?

Hon. Mr. White: The transfer of the licence. It may have been different some years ago, I do not know. But certainly we do not have a lot of people on this job right now. We follow up occasionally on special cases only.

Mr. Chairman: The hon. member for Sarnia was on his feet before the hon. member for Peterborough.

Mr. Bullbrook: Thank you, Mr. Chairman. In connection with your comment as to your desire to hire outside experts, you mentioned the firm of Ward Cornell Limited. Could you advise me (1) What the contract is with that company? (2) Could you advise me what expertise they bring to your department in the field of revenue collection? and (3) Are you dealing with Mr. Ward or Mr. Cornell?

Hon. Mr. White: Ward Cornell, the president of Ward Cornell Limited, is a graduate of the University of Western Ontario, as is my hon. friend, so that would have to be said as the first of the several qualifications. He has been in various forms of communication since his university days. He was one of the founding editors of the literary magazine, *Folio*, for instance, and I think worked on other publications, including the *Occidentalia* if my memory serves me correctly. He went with CFPL radio in about 1950, having been a radio broadcaster previous to that time, and about 1962 became manager of that station. In August 1967, he left CFPL radio to form his own firm, Ward Cornell Limited. Ward Cornell was campaign manager to the Progressive Conservative candidate in the riding of London South, who, against all odds, won the election with an enormous majority, thereby proving the unique qualifications of Ward Cornell in the area of communications.

Mr. Bullbrook: That is the kind of reply you cannot resist. I am not going to say anything further.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I would like to turn for a moment to one particular tax that I am sure is a problem to the Minister, and that is the sales tax on production machinery. I realize we only have a few minutes, so I am going to compress my remarks to one or two—

Mr. E. R. Good (Waterloo North): Are we on the second vote now?

Mr. Chairman: We are not attempting to restrict the debate to the votes today.

Mr. Pitman: I am thinking that we only have a few minutes left. I would just like to compress my remarks to—

Mr. Chairman: I did not hear the remarks of the hon. member for Waterloo North, and I was interested in hearing what he said.

Mr. Good: I said, "Now you tell us we are not doing it by vote."

Mr. Chairman: I am afraid the hon. member was not in his seat when it was clarified. The hon. member for Peterborough.

Mr. Pitman: Thank you very much, Mr. Chairman. I am not going to read the article by Mr. John Due or any parts of it; I am sure the Minister has read this article. And I am sure he has read the conclusion of Mr. Due on the fact that this tax on production machinery is quite regrettable—I think that is the word he uses—indicating that the federal government had taken this tax off and that now, with the Ontario government coming into this field, he feels it is a regrettable action. And I am not going to deal with any of the arguments he makes for or against it.

I do want to say this to the Minister, though. The remarks I have heard from those who are concerned about this tax are not that they do not wish to pay a tax; they are quite anxious to play their role and to participate in the provision of the revenue which the Treasurer and the Minister realize must be paid. Almost completely their comment and their concern was over the impossibility of determining what this tax should be—and perhaps I am dealing with rather sophisticated industrial processes—but they

are concerned particularly about the provision of a tax on tooling, because tooling has such a broad aspect where it is done by one manufacturer. The making of tools cannot be clearly separated from other manufacturing functions, and if this tax on tooling is allowed to continue, we are faced with an endless list of rulings and counter-rulings. I understand that this is what happened previously when a tax of this nature brought on 1,100 rulings at the Deputy Minister level to determine just exactly where this tax should be.

The manufacturer states:

> We are in general agreement with the concept of a retail sales tax on a broad base—

And I think that is an important point—

> —but if the tax is to be applied on the components of costs, such as labour in the case of tools, it is a double taxation and grossly unfair. It is particularly annoying when we must add sales tax onto the cost of exports.

And the gentlemen who were kind enough to talk to me about this indicated the feeling that they had that they were trying to build up an Ontario industry. This placed them at a disadvantage, because apparently the tax is not put on tools or machinery for export. It seemed to them rather strange that when they were trying to produce tools for productive purposes in Canada—hoping, of course, that this would increase employment in Canada—that they were put at a disadvantage, *vis-à-vis* when they were selling tools to the United States where the tax was not put on.

And so, as I say, I am compressing all I have to say in just one or two lines. The reply of the Minister—not this Minister, the Provincial Treasurer—is a very simple one: "You know we must have revenue." But I think it is one that is dealt with very effectively by Mr. Due in that article. And I think that the Minister must recognize the fact that these requests are important, that taxes be recognizable and identified, but that they should not harass people who are running an industry in the province of Ontario. But the remark that the Treasurer makes in reply to the Canadian Manufacturers Association is that "we are reluctant to impose further direct burdens on low and fixed income people." Certainly the government is—the Opposition would not suggest this. But I think the point is that they are willing to accept the taxation, but they find that this means of taxation is very difficult to understand and most difficult to assess. And they find that the cost of trying to discover exactly what the tax is on production machinery a most difficult task indeed for them.

Hon. Mr. White: I do not know, I think that the existing situation is much simpler administratively than it was before they changed it at April 1, because until April 1, last spring, production equipment was exempt, provided it came directly into the production chain of events. So if a forklift truck were used to take a part from here to there in direct production, it would be exempted. If it were used to take the part over here and put it into an inventory from which it was taken out, it would be taxable.

There were thousands of difficulties about those marginal uses. When the Treasurer made the change and made all of this production equipment taxable, those particular difficulties disappeared.

Mr. Pitman: What about tooling?

Hon. Mr. White: The tooling is all taxable, now if you are talking about the problem known as, "production for own use," I should like to explain that.

At the present time, if a company buys a shelf, let us say, for storage, that company pays the tax on a shelf when it is acquired. If the same company buys some slotted angle, and builds the shelf, we want the tax on the raw material, and we want the tax on the labour increment, otherwise nobody would buy a shelf from anybody else, that would have the tax levied in an uneven fashion. It would have a very distorting effect. In other words the shelving manufacturers would not sell any shelving.

The raw material components would be purchased and labour hired and the equipment built in the plant of the user. So, in order to eliminate the distortion, both the federal government and our provincial government, I suppose all provincial governments, have a formula for "production for own use", whether it is the Stratford Festival Theatre, which makes elaborate costumes for the cast, or General Motors of Canada, a tax is applied according to formula when a raw material is converted into some other form, for use in that operation.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Chairman, I would like to

continue on this same topic and that is the tax on production machinery, and the adverse effects that it seems to have at the present time. The amount of business that the machine tool manufacturers, or the amount of orders that the machine tool manufacturers have at the present time, is one of the lowest that they have had in years. Even though the machine tool industry is only in its building stages, I think, that we, at this time, should encourage it to the maximum so that we have an industry that will be viable on the American market. Our manfacturers of machine tools now are doing business in the States, and if they do not have this advantage they are going to find themselves completely out of business.

To show you the extent to which the machine tool industry is concerned, Mr. Minister, just let me read to you the names of some of the corporations in there that are adversely affected, and these are not necessarily all big corporations: Bendix-Eclipse of Canada, naturally is a nationwide organization, and probably would not come under the category of the firms that I would like to make mention of. There is Holt Thompson Limited of the city of Windsor, just a small manufacturer to whom a five per cent additional surcharge in the sales tax puts it as at a real competitive disadvantage; the Tamco Company, Fabricated Steel Products, Sommerville Industries; Auto Specialties being a larger corporation and a branch of an American corporation; Fabco Limited, a small manufacturer in the city of Windsor; Duplate of Canada Limited; Kendan Manufacturing; ITL Industries, solely a Canadian industry, and an industry that has developed to the point where it is now one of the major tool manufacturers in the province of Ontario. It is a company that was started by Pete Hedgewick who started from scratch, and he has had it tough going all the time to develop the corporation that he presently owns. He is vehemently opposed to this type of a discriminatory Act at this time, especially after the federal authorities removed the tax, they had removed a 12 per cent tax that was on this article and you, Mr. Minister, your department, have absorbed this, so it puts these fellows at a real financial disadvantage competing in the U.S. market. In Canada-wide competition, they can, with their skills, I would assume, be at a par or at least in a position where they could compete fairly favourably, but the manufacturers of these machine tools, remember, compete for business in the United States to a great extent. Why should the American manufacturer come over and buy in Canada, when he can buy that same tool made in the United States.

I certainly think, Mr. Minister, that you should seriously consider the removal of this five per cent sales tax on production machinery because of the adverse effects that it is going to have if it remains.

Hon. Mr. White: Point number one, two-thirds of the American States levy their own sales tax on production equipment.

Point number two, Professor Musgrave, who is the leading authority in public finance, holds a view opposite to that of John Due.

Point number three, the automotive parts industry, and others who told us last spring that they would be put out of business, are having another record year. Ford of Canada's earnings for the last quarter, reported a week ago in the paper, I think were up 38 per cent. There was a machine tool company from the London area which reported in the paper a couple of days ago, that their earnings were up something like ten times.

The final point is that there is no tax difference at all to the user.

Mr. B. Newman: That is on previous orders.

Hon. Mr. White: If the producer of machine tools in the Windsor area, ships tools and dies over to Detroit, there is no tax applied to it.

Mr. Chairman: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, I would like to ask the Minister about sales tax on equipment used for our production of agricultural products, and also about repairs. Of course, agriculture is changing considerably, and has changed and is so equipped now, that we find that equipment used for agriculture is being taxed—a five per cent sales tax. There are tanks used for storage of anhydrous ammonia, which farmers are changing to the storing of anhydrous ammonia on the farm for the production of crops.

I wonder if the Minister would give consideration to this, if the tax could be exempted, or would he look into it, and give us an answer in the very near future?

Hon. Mr. White: Since the tax began, it applied to all kinds of building materials, and if you buy sidings for a barn or something, the tax is applied. Is the hon. member suggesting that all these taxes be ended?

Mr. Spence: Mr. Minister, I do not think you understand what I am driving at: those

tanks which hold anhydrous ammonia fertilizer, are needed in order to store this liquid or gas, in order to use it on the crops at a certain time, and the farmers are changing their ideas about where they can buy cheaper by having a storage which would be of benefit to the agriculture industry. I might say that these tanks are not low-cost; it is expensive equipment and it means quite an amount of money in order to purchase these, and this is used actually for the production of agricultural products.

I would be only too glad to discuss this with the Minister, privately, to see if he would give consideration to this.

Hon. Mr. White: I cannot hold out a lot of hope. The large tanks are in the same category as the barn, both are taxable. The small tanks, which are used to take the fertilizer to the fields are exempt as agriculture equipment. I did have occasion, a few weeks ago, to review the matter with my officials at the request of the Minister of Agriculture and Food (Mr. Stewart), because of a particular appeal which he had from a farmer near Strathroy, I think it was, but the lines are well drawn right now and I really do not think it would be wise to alter them.

Mr. Chairman: The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, there are a couple of matters I would like to enquire about. The first has to do with ruling 21 regarding the exemption of sales tax on sewage treatment equipment which is purchased by a municipality. I am full-heartedly in agreement with the exemption of tax on equipment which is going to keep our pollution problems to a minimum, but there are a great many industries who voluntarily, and some with a bit of pressure applied to them by municipalities, have gone ahead on their own and spent large sums of money to install sewage treatment equipment, sewage separation equipment, and they are not exempt under that section because there is the word, "municipal," included in that one sentence.

Personally, I think the incentive to industry to curb pollution should not be necessary. I think they should be mandatory in the long run, but I think these industries that have of their own volition gone ahead and cooperated with the municipalities by installing equipment should receive the same benefits as the municipalities do.

As an example, I would like to cite an industry in our locality that spent half a million dollars on sewage treatment equipment and the city has since stated that this has reduced the fat content of the sewage fluid coming into their plant by 25 per cent. This then is a great saving for the municipality and I think it would be very little to ask that this department seriously consider extending the exemption in that particular ruling to industries who are spending huge sums of money for sewage treatment equipment. I would like a reply to that and then I will get on with my second question.

Hon. Mr. White: Of course, these capital acquisitions are established and written off over a period of time, so while there may be a modest cash outlay at the time of the acquisition, in the long run it becomes an expense which is deducted from profit for tax purposes.

However, the essence of the question is rather intriguing. As you know, the Minister of Energy and Resources Management (Mr. Kerr) did say that he wants the government to look at certain forms of tax exemptions to encourage the crusade against pollution. My own preference would be to handle that kind of subsidy openly on the expediture side.

My hon. friend from Sudbury (Mr. Sopha) may know of a very large and wealthy company, with a pollution problem which is well able to provide its own antipollution equipment. There may a sawmill out in the bush having a tough time getting along. This mill needs a subsidy beyond the amount of the tax on the pollution equipment. It needs the state as a whole, and the people who are using the streams in the area of their logging operation, to pay some substantial portion of the installation. So by using the expenditure side, rather than the revenue side, all of these variations can be accommodated.

Mr. Nixon: Is that a statement of policy or are you speaking generally?

Hon. Mr. White: No, I am saying, as a general rule, I myself would much prefer to see subsidies of every kind provided on the expenditure side.

Mr. Nixon: But you are not stating policy with regard—

Hon. Mr. White: The Minister responsible is going to ask the government, I think, at some point, to consider certain tax exemptions and I for one will be interested in giving it consideration.

Generally speaking, I prefer the expenditure route to exemptions.

Mr. Good: Thank you. Personally, Mr. Chairman, I think the exemption of sales tax on that particular item would be a very simple and direct method of enticing industry to get into this antipollution business.

One of the other things I would like to speak about shortly is the confusion which the Minister has created across the province by the exemption of cetrain take-out foods from sales tax while other foods have to bear the sales tax. Disservice has been done to all those outside the chicken industry by the exemption of chicken from sales tax in bulk orders.

I have nothing against the chicken industry, but I think that a standard exemption on all foods which are not eaten on premises would be a very simple way of doing it. You know, Mr. Chairman, as well as I do, that if you go to buy a pizza in a pizza palace, or go to buy Chinese food in a Chinese restaurant or a Chinese delicatessen and take it home, if it costs over $2.50 they want to collect the ten per cent sales tax.

This is simply due to the classification of these establishments, and the fact that, for some reason or other, because of the Clerk or the Minister's liking for chicken so that chicken when ordered by itself is exempt from sales tax.

I have here correspondence from the China Kitchen, which has a restaurant in London as well as in Waterloo. They have almost 2,000 signatures of people who believe that they are being dealt with unfairly by having to resort to all kinds of gimmickry and trickery to get their food without paying sales tax. Surely you must know, Mr. Chairman, that take-out food is part of our way of life. It is not a luxury, such as a meal when the members of the Conservative caucus go out for dinner tonight and have paid their $8 or $10 for their dinner; they deserve to pay ten per cent sales tax on it.

Mr. Nixon: That is a conservative estimate.

Mr. Good: But when the average working man, by way of having a treat for his family, on Sunday night goes out and gets an order of Chinese food or a pizza, he has to pay sales tax. This is a way of life. This is not a luxury any more.

Take-out foods I think could be very fairly dealt with—if it is not eaten on the premises, it should be exempt from the ten per cent sales tax. Let me just quote a little bit. It has been disclosed here as probably bordering on racial discrimination.

A place that is classified as a delicatessen or a grocery store can sell a pizza, or they can sell their wares, and if there is no classification, other than a delicatessen it is exempt from sales tax. If one section of the building is classified as a restaurant, then the same food sold there is subject to sales tax.

I think the Minister knows what I am talking about. He must surely realize the inequities of this system he is trying to enforce. For example, just let me read a few paragraphs from the Kitchener-Waterloo *Record,* Thursday, July 31:

> TAX PUZZLERS IN ONTARIO—WHEN IS A MEAL A MEAL?
>
> If take-out restaurant foods or meals over $2.50 are taxable when they are take-out, TV dinners from supermarkets over $2.50 are not taxable. So it is the same thing. It all depends where you get it. Present legislation considers TV dinners sold by supermarkets as nontaxable food items. They do not give any reason.

It says a busload of school children arrive at a restaurant to eat while on a field trip. The teacher or principal collects the money from each child so that they have paid for what they have eaten to avoid confusion as a system of collection and payment for each child. Should we collect tax on the total amount? We do not feel this would be taxable as the vendor sees that each child is paying separately to the teacher for his food but this, of course, would only apply if each order is over $2.50. On the other hand, if ten firemen come down to get the midnight snack and each order is under $2.50 and one fireman picks up the ten individual orders, he has to pay sales tax on them. Now this is utterly ridiculous—the inequities involved in this sort of thing.

The other questions that are involved here deal with ways of getting around some of these things. Someone will phone up and order one order; his wife will phone two minutes later and order something else; each of his two children will phone a few minutes later and they will order. Those are four separate orders. When they get down to the restaurant, the man has to go in and get his order; the wife has to go in to get her order and the children have to go in and get their order. That is sales tax exempt; it is legally minimizing your tax.

An hon. member: It is known as a family order.

Mr. Good: In my mind, it is a stupid way of running the sales tax business on food. We should exempt everything that is take-out and that is the only, the simplest and easiest, way of looking after the situation. We have never yet had a satisfactory reason why chicken was exempt when no other types of food were exempt.

Mr. Breithaupt: Better organized.

Interjections by hon. members.

Mr. Good: I would like to just read the one paragraph in this letter, which says:

> I have been carrying on discussions and correspondence with sales tax department personnel and have found that a meaningful dialogue has been most difficult to obtain. I enclose all relevant correspondence regarding this particular case. Since we operate two stores in London and in Waterloo, we have already written to another MPP and it was acknowledged. We have also taken the matter up with the Minister of Revenue.
>
> Please note that in this letter there are more specific cases regarding our specific operation and we have 2,000 names, addresses, and phone numbers of mainly customers who agree that we are not a restaurant but a Chinese delicatessen.

If you would recognize the Chinese take-out order people as a Chinese delicatessen according to your Act, they are not taxable; but because you say they are restaurants although they have no sit-down facilities for eating, they are subject to tax. That is all I have to say but I would like a reply.

Hon. Mr. White: I do not disagree with what the hon. member said. The members of the select committee will recall that Smith said he could see no philosophical difference for the tax status being different for a meal eaten in a restaurant and the same meal eaten outside the restaurant. The select committee concurred and as a result of those recommendations the Treasurer changed the practice so that take-out food was on the same basis as meals eaten on the premises. We have found out the hard way that in an administrative way this is cumbersome and inequitable. It does not satisfy the Treasurer's objective which was to exempt low cost meals. It can only be accommodated by filling out a lot of extra pieces of paper. I am going to suggest, when the Treasurer reaches this point in his Budget deliberations that we go back to the system which prevailed before the last Budget.

Mr. Breithaupt: Mr. Chairman, I was going to ask a brief question following the point that the member for Waterloo North raised, also dealing with the question that the Minister answered earlier, that is in the House several days ago.

I noticed in the summary of improvements that was given to us as the estimates commenced today for this department, that under study is number 2(b), a new approach in charging retail sales tax on meals exceeding $2.50, to eliminate tax being levied on single bills over $2.50 for more than one person. This is a study which is announced as being in progress.

From the question asked in the House and the comments the Minister had to make, it would appear that the Minister was satisfied that the loss of this some $200,000 was not too important. The simple ability of having a waitress or restaurateur add several bills to one account, so long as each was less than $2.50, would be satisfactory to avoid paying this kind of tax. I am sure the Minister would have heard from certain of the restaurant organizations; in our own area, the Grand Valley Restaurant Association was most clear in its opposition to the continuation of the tax at the rate of 10 per cent on the basis that it is discriminatory. However, they were satisfied to some extent with the savings which would ultimately accrue in time and effort and in paperwork from the changes which the Minister had suggested.

I am wondering, in the light of the question and answer given in the House, whether the Minister is now able to tell us that this study has been completed or whether this is continuing in progress with certain other announcements to be expected ere long.

Hon. Mr. White: The study is nearing completion and the Canadian Restaurant Association, Ontario region, has been working with Mr. Garland and our retail sales tax branch. They met with me on Monday at 2.00 o'clock. We are in full accord on the principle and we are now concluding the mechanical details. We were rather hoping to have an announcement this week. Whether that will be possible or not I am not sure, but we will certainly have one within the next week or so. I guess there is no point in reading this letter from the chairman of the committee of the Canadian Restaurant Association, except to say they are glad to be working with us on this. As I say, we are coming to the end of the studies and discussions.

Mr. Chairman: The hon. member for Lakeshore.

Mr. Lawlor: A few wind-up questions as far as I am concerned. Is it departmental policy to give tax rulings in advance on request?

Hon. Mr. White: That is certainly my general impression, yes. I have done this on occasion and, as a matter of fact on occasion, I have put it in writing.

A case comes to mind in which a firm had acquired some very expensive and unique equipment. That equipment had been left at the site of a manufacturer out of the country because of the intricacies of running it and employees had to be sent from the Ontario purchaser of the equipment to learn how to use this elaborate equipment made outside of Canada. Some question was in the mind of the buyer as to whether or not he was swept in by the Treasurer's sales tax changes. With the assistance of my officials and our legal branch we determined that he was exempt of tax, the title having passed to the purchaser prior to the deadline. Because the goods were not to be shipped for some months, the firm said "Would you put that in writing, Mr. Minister?" and I said "With the greatest of pleasure."

We have not, to this point, formalized advance rulings. I have quite an interesting document here; a paper presented to the federal government following the Carter commission report—the Canadian Bar Association further submission dated December 22, 1966, in which they made a very strong plea for advance rulings.

We thought that when we got the tax review committee going that we would publish any of their decisions which had some general application.

Mr. Lawlor: That was my next question. Precisely how are you carrying out the clause?

Hon. Mr. White: That is what we are going to do.

Mr. Lawlor: You are going to be publishing an administrative interpretation and your internal procedures?

Hon. Mr. White: All of those are in the communications package that I mentioned a minute ago.

Mr. Lawlor: And, of course, this will be available to the members. Would you ask your Deputy to make a note and send them out to us, because I am most anxious to receive anything that is available from the department?

One final question. You indicated that your department in some ways was rather anaemic, at the inception of these estimates today and there was a wide field which you would possibly over the years bring into your maw. What are the immediate plans, if any? There are a great many fields of revenue in taxation which, for one reason or another, fall outside your domain at the present time.

I am thinking of the liquor control board, of the liquor licensing board and many licensing agencies in the province where revenues and dues come into the province. I am thinking of forestry—we only got one small segment of the forestry taxation. The Crown dues situation falls outside your area; you only get the logging tax element. There is the business of the mining tax which you have no control or sovereignty over at the present time at all. In other words, you can go on quite a bit in the taxation statutes of the moment which you have no role in at all.

Hon. Mr. White: I think the member will have to ask the Minister of Mines why he has the mining tax. I mean, I am quite willing to do it.

Mr. Lawlor: Would the Minister ask him?

Hon. Mr. White: We will take anything that people want to give us.

Mr. Chairman: The hon. member for Welland South.

Mr. R. Haggerty (Welland South): Thank you, Mr. Chairman. I would like to continue with what the member for Kitchener discussed and then what the member for Waterloo North discussed previously. This deals with the tax on restaurant meals. I have a brochure from Green Acres drive-in restaurant here on the road to Fort Erie, Ontario. I am sure the Prime Minister has a letter along with this as I have received one. I would like to read from the vendor's information services, and this is supplied by The Department of Revenue, to show how confusing it is and how ridiculous are some of the guidelines that are set out. This is what it says about restaurant checks:

> The question has once again been raised concerning method of billing used by restaurants when meals are served to groups of two or more persons. If the meals are billed on one check and the total exceeds $2.50, ten per cent must be charged on the total billings, even if any of the meals are any

> less than $2.50. By the same token, if separate bills are made out for each person, only those in excess of $2.50 are taaxble, even if paid by one person.
>
> It should also be noted here that if one person picks up and orders meals at a price in excess of $2.50, a sale of this nature is to be considered as one transaction. The charge for such meals must be billed on one check, the tax must be charged and collected thereon.

It seems, apparently, that if a family comes in, the head of the family orders a meal for five in the family; he is penalized and he has to pay the ten per cent tax. I do not think this is fair taxation at all.

Hon. Mr. White: No, I do not either; we are going to change it.

Mr. Haggerty: Thank you, Mr. Chairman, but when?

Hon. Mr. White: I am hoping to make an announcement within a week on the subject and in the announcement will be the effective date of the change itself.

Mr. Haggerty: I am sure, Mr. Chairman, it will be well accepted throughout the province.

Mr. Chairman: The hon. member for Kitchener.

Mr. Breithaupt: Mr. Chairman, I wonder if the Minister might just review with me one problem which I have concerning purchase exemption certificates which appeared in the Minister's vendor's information service 69-2, under regulation 4 on page 6.

The information which I obtained from C. N. Weber Limited in Kitchener concerned the problem which they had with respect to the blanket purchase exemption certificates not being valid if they are more than three years old. And this is the letter which Mr. John J. Weber sent to me.

> We have always attempted to be conscientious citizens but do not appreciate carrying out hours of work when it is most difficult to really see what benefit is being derived, both from our part and also from the sales tax branch's part. We deal with thousands of accounts and it would be necessary for us to go through our records and request new certificates. I fully accept the fact that it is the purchaser's responsibility to supply the vendor with the certificate but I am sure you can appreciate the position in which the purchaser can put the vendor and if the tax were charged that credit would have to be issued at a later date to offset this charge.

I might tell you that this company is in the wholesale supply business of plumbing fixtures and all sorts of electrical appliances. They are representatives of many dealers and many manufacturers and they purvey their wares in very large quantities to the building trades and various other trades within the Kitchener-Waterloo area.

It would seem to me that the regulation here has required that a company such as this, which is wholesaling, must really make sure that each of its suppliers is having his certificate in order. If they do not have this situation, they may be liable for some tax problems which might result if the purchaser exemption certificate was not in order.

I wonder if the Minister can briefly tell us whether this problem has in fact been resolved, or whether the authorities in his department are giving any leeway to the kind of manufacturer's representative that this company is. It really has no way of checking on all of its individual suppliers of the many bits and pieces of items that it has to sell.

Hon. Mr. White: This was one of the suggestions that came to us from our chartered accountant's advisory group. At the present time apparently you can use a stamp on the purchase order testifying to the fact that it is for tax exempt use, but you must refer also to a blanket certificate which has been completed and placed on file with that supplier. The chartered accountants drew this to our attention and during the conversation with my officials, suggested that really the two requirements should not be necessary. There should be either a stamp or, in those instances where there was no written purchase order, but where there is a verbal order only, it should be backed up with a certificate. We are looking into this and we expect to eliminate that duplication.

Mr. Breithaupt: It seems to me, Mr. Minister, that the point is simply much the same as the situation involving the commissioner for oaths. If a person takes an affidavit, why should he have to write on the bottom that he is a commissioner for oaths? Either he can take the affidavit or he cannot and the other is rather redundant.

In this situation as well, if there is some better way of protecting the wholesale dealer from having to check on each of his suppliers, no doubt in this fashion. In what you

are working upon, we should be able to resolve this kind of a problem so much more easily.

Mr. Chairman: Vote 1901 carried?

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, what is the—

I must point out that if there are further discussions on the estimates before we put the votes, the hon. member for York Centre was next.

Mr. Deacon: I have got a minute. I just want to ask the Minister if the government pays sales tax on printing that it has done outside the Public Works facilities. Does it pay federal sales tax and not pay the sales tax on printing done within the Public Works? Is there a distinction between whether they pay sales tax outside or inside?

Hon. Mr. White: No, it has the same tax status, and we would pay it whether it was made in our own plant or purchased from outside. Am I correct? I will get you the details on the practice.

Vote 1901 agreed to.

Vote 1902 agreed to.

Mr. Chairman: This completes the estimates of The Department of Revenue.

It being 6.00 o'clock, p.m., the House took recess.

No. 205

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, November 4, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 4, 1969

The House resumed at 8.00 o'clock, p.m.

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS
(continued)

On vote 2403.

Hon. C. S. MacNaughton (Treasurer): When we left off these estimates some months ago, we were dealing with the finance division, and we had undertaken some discussion on the finance division. It was proposed that we proceed in the order that was established when we were discussing these estimates last spring. It was proposed at that time, I think, that regional development be laid over. Concurrence was given to do that and we then proceeded with the order.

Mr. Chairman: I might say to the hon. Treasurer that my records do show that vote 2401 had been carried, 2402 had been carried, except the grants and special studies for regional development. There was a suggestion at the time that we would defer that until the rest of the estimates were completed.

Mr. R. F. Nixon (Leader of the Opposition): The rest of the estimates of that department.

Mr. Chairman: Of the department! Is this correct, sir?

Hon. Mr. MacNaughton: Yes, this is correct.

Mr. Chairman: We would now then, under normal circumstance, move to vote 2403, which is finance. When those votes have been completed, we would revert to matters of regional development.

Mr. Nixon: Mr. Chairman, we have no particular objection to that, other than that our time is limited. It would be up to us to see that the discussion on the other parts of the department do not continue to the point where we do not have an opportunity to deal with this. This is certainly a very important area of the Minister's responsibility. For our part, we are prepared to leave that to the end of the Treasury.

Hon. Mr. MacNaughton: Is the hon. leader of the Opposition referring to regional development?

Mr. Nixon: Yes.

Hon. Mr. MacNaughton: It occurs to me that we might finish, the finance division, and before taking the other estimates here. Then we could back up to make a full start at regional development.

Mr. Chairman: Yes, we had not actually passed any part of vote 2403, but discussions had taken place. I find that the estimates book is ticked off on the finance executive and the finance management; we were into securities control. So, if this is agreeable to the committee, we will commence the debate at that point.

Mr. W. G. Pitman (Peterborough): Might I just say a word on this order of business. Am I assuming then that we will finish this item and then go back to regional development? I ask this because I am also going to be concerned with education in committee, and I would like very much to participate in regional development.

Mr. Chairman: The votes go up to 2409, and my understanding is we will pass the votes up to 2409 and then revert to regional development. Is this so?

Mr. Nixon: That is all right. Although I understood that we were going to do 2403, and then go back to—

Mr. Chairman: After 2403, all right, this is fine.

Mr. Nixon: Mr. Chairman, on 2403, you have indicated that we have dealt with finance executive, finance management and we are dealing with securities control. I do not know whether this is precisely an appropriate point to ask the Treasurer if he is now prepared to give the House a statement on the effect the revaluation of the German mark would have on the securities that he is controlling.

Hon. Mr. MacNaughton: Yes, Mr. Chairman, I can provide some information on that. Let me just deal, if I may, with the three loans. The first, August 1, 1968 was a five-year private placement, the coupon rate was 6¾ per cent, the effective rate to the public was 6¾ per cent, the competitive rate in Canada at that time was 7.10 per cent. In this particular instance, on the short-term five-year private placement, there is an advantage of .35 per cent in interest.

With respect to the six-year loan, dated February 1, 1969, the coupon rate was 6¼ per cent, the effective rate to the public was 6½ per cent, and by this time the competitive rate for a similar placement in Canada was 7.65 per cent and in the United States, 7.45 per cent.

The 15-year public issue, dated February 1, 1969, at the time, the coupon rate on the German loan was 6½ per cent, the effective rate to the public was 6.635 per cent, the competitive rate to the public if the loan had been placed in Canada of similar term and maturity would have been 7.65 per cent and if placed in the United States, 7.45 per cent.

On the Ontario Hydro loan, dated August 1, 1969, the coupon rate was 7 per cent, effective rate to the public 7.41 per cent, competitive rate in Canada 8.20 per cent, competitive rate in the United States 8.35 per cent. The advantages that will be rather readily perceived here, I think, Mr. Chairman, would indicate that on the first five year private placement there was a yield gain of 1.75 per cent and the next loan, there was a yield gain of 6.90 per cent in terms of placing it in Canada and 5—

Mr. Nixon: That was not the difference in the interest payable on that loan?

Hon. Mr. MacNaughton: No, that would be the gain over the term of the loan on the difference between the rates. The gain over the term of the loan then would have been 6.9 per cent. If placed in the United States at that time, it would have been 5.7 per cent. On the 15-year public issue dated February 1, 1969, the gain over the term of the loan would have been 10.66 per cent. That is the value of the difference in the interest rates over the term of the loan if placed in Canada and, if it had been placed in the United States, 8.56 per cent. I think it indicates that, with the exception of the first loan, the advantage on the other loans pretty well offsets the 8½ per cent revaluation.

Mr. Nixon: This advantage that the Treasurer has read to us in his table is calculated based on the value following revaluation. Is it?

Hon. Mr. MacNaughton: No, what I am pointing out to the committee, Mr. Chairman, is simply the value of the advantage of the low interest rates over the term of the loan in percentage terms.

Mr. Nixon: I see, well the value of the mark has changed.

Hon. Mr. MacNaughton: The value of the mark has been increased by 8½ per cent.

Mr. Nixon: So is that built into your calculation or the amount given—

Hon. Mr. MacNaughton: No. I am saying that the 8½ per cent occasioned by the revaluation is offset by the percentages that I have shown here in the interest advantage. With the exception of the first private placement and indeed, I think, averaging the total, we come very close to an even break across the board. The interest advantage offset the cost of revaluation for all practical purposes.

Mr. Nixon: I wonder if the Minister's experts are prepared to predict, over the period of the loan, if there will be further revaluations? Or is this just something that lies in the future and we have got to deal with it as it comes about?

Hon. Mr. MacNaughton: I would have to say, Mr. Chairman, and I think it will be obvious to the hon. leader of the Opposition, that wherever and whenever you borrow in a foreign market, you run the risk of either devaluation of your own currency, revaluation of the currency in which you borrow, or the reverse.

Mr. Nixon: We have certainly found that with our loans in the United States in the past.

Hon. Mr. MacNaughton: It has happened in the past and it can happen again. It does not mean that we should not employ these markets. I think it is fair to say that the best deal at the time is really all anyone can hope for. If you are trying to forecast the currency trend fluctuations in a foreign market and gauge your borrowing requirements against it, I suggest to the hon. leader of the Opposition it would be a very difficult thing to do. It is usually prudent to borrow money when you need it at the best possible advantage at the

time. These risks are inherent in any loan that is made outside the borders of Canada.

Mr. Nixon: I would just like to say a bit more about that, because our experience now with the German loan indicates that, although it was an interesting experiment, as of now, there is no advantage in borrowing in West Germany over borrowing the money right here in Canada. As a matter of fact, there is some disadvantage compared with, at present interest rates, borrowing the same funds on the New York market.

Hon. Mr. MacNaughton: I do not think that is altogether correct. Now that revaluation has taken place, I would hope that for practical reasons that rate was going to be maintained. It is still advantageous to borrow in German markets *vis-à-vis* the cost of money in Canada and the United States today.

Mr. Nixon: But did you not indicate just at the end of your remarks that on the average you felt we were just about on an even basis with the loan placed? That is, comparing the three loans that you have already undertaken?

Hon. Mr. MacNaughton: Yes.

Mr. Nixon: I think our experience, particularly with Hydro in the past, has been that we have borrowed significantly on the American market and in years gone by changes in the value of the Canadian dollar *vis-à-vis* the American dollar have cost us real money.

Hon. Mr. MacNaughton: Yes.

Mr. Nixon: There are lessons to be learned in borrowing in foreign markets which may appear to be attractive under certain circumstances. Surely there is an intrinsic advantage to borrowing on your local, national market. In fact, the citizens who are being served by the programmes paid for by the moneys borrowed, are the creditors associated in the deal.

There is something a lot more acceptable to people who are innocent of high finance if, in fact, we are borrowing from the broad base of our own people and from their own savings. And when the interest rates, perhaps, are relatively high compared with other periods of time, there is something very satisfying that our own people are reaping the advantage of relatively high interest rates and someone outside of our borders is not.

I am not prepared to condemn the Treasurer by any means for his flurry in international finance, but it seems to me that there is a lesson there. We have not been severely burned.

Hon. Mr. MacNaughton: It was not a flurry.

Mr. Nixon: All right; but in the broad base of a $3 billion debt, a $100 million dollar debt is probably, in the words C. D. Howe might use, a flurry. It was an experiment; it was not a major commitment, compared with moneys that are borrowed normally, but I think there is a lesson there.

I do not want to appear innocent and naive, even though I am in this area as in many others, but still, there must be a real attraction for a good, down to earth politician who ends up as Treasurer of the province to borrow the funds on a market that he understands, a market that is going to fluctuate with the costs of the money that he is spending. Surely there must be a basic attraction that the Treasurer would agree with under those circumstances.

Hon. Mr. MacNaughton: Yes, there is an element of truth in what the hon. leader of the Opposition says. However, we have made our case before in this instance, and I have said, and I will continue to say, that there were a number of attractive features altogether apart from the attractive interest rates at the time. One was availability.

The other was the fact that we kept our borrowing off the domestic market which has been under very, very heavy pressure.

Now, the municipalities are strapped for room. We felt it was a prudent thing to get out of the market. Possibly the amounts are not that much, as you say, but it could be helpful to other borrowers.

I am not just concerned about corporate borrowers, I am concerned about municipal borrowers. I am concerned about the very great pressure that was on the market at the time, and continues to be on this market. It seemed prudent to use the availability of another market where I can assure this House our credit is now well established.

The credit of Ontario, through this series of loans, is established, and we are well identified in this European capital market. I think we are big enough to do that. It broadens the source of our capital funds. All good business.

I might say that we did not make these decisions on our own We consulted with the Bank of Canada. We followed the lead of the

federal government. This has not been mentioned. The federal government were the first borrowers in this market.

Mr. Nixon: You must require some mental and moral backing if you are going to call on the federal government for support.

Hon. Mr. MacNaughton: Well, all right. If this jurisdiction whose budget you make reference to is the second biggest in Canada by a substantial margin, I think, I see nothing wrong with establishing our credit in other capital markets. It has served us well. We never excluded the possibility of revaluation.

I have recited the extent to which the advantage of interest rates for all practical purposes, saws off the cost of revaluation, and I simply say that it has been traditional for us to borrow in the United States for decades. It has been a useful capital market for us and will continue to be, and the minute we cross the United States border we are affected by the same situations as if we borrow in any other country in the world.

The same thing can happen if we devalue our currency *vis-à-vis* the currency for repayment purposes, as you yourself mentioned. So I make no particular apologies for what we did.

If devaluation had not taken place it would have been a very substantially advantageous deal. As it turns out, it is about what it would have been had we been able to borrow in this market, and I can assure you there have been times in the last two years when it would have been very difficult to sell an issue.

I might say one more thing on this vote—I think it is important. The capital requirements of the Hydro Commission of Ontario are massive. We are working very closely with the Hydro Electric Power Commission on all their financing and our capital financing to keep close liaison with them, closer than ever before. I think, hopefully, that between us we can provide the capital that is going to be needed.

For the foreseeable future, the capital requirements of Hydro are going to be all this market can absorb, I would think, without any borrowing for our account, the provincial account.

Mr. Nixon: I have three questions that come to mind:

Did you retain any significant part of those three loans in marks so that part of the advantage that you have described to us in the statistics is associated with the fact that actually some of the money that we borrowed is still in the form of deutschmarks and, therefore, accrued to our benefit when it was revalued?

Is it your intention to do further borrowings in the next fiscal year on the German market?

Hon. Mr. MacNaughton: To answer your first question, the proceeds of the Hydro loan —and I think I mentioned this the other day— were retained in deutschmarks.

Mr. Nixon: Is that $60 million?

Hon. Mr. MacNaughton: No, it is 150 million deutschmarks, call it $40 million. So, of the total $40 million, revaluation did not cost anything. The full effect of revaluation was offset because of the retention of the proceeds in deutschmarks.

Mr. Nixon: But that would certainly significantly improve the figures you gave us?

Hon. Mr. MacNaughton: Oh yes. I was only making reference to the first three loans. I did not make mention of the Hydro one at all because it did not cost us anything. But you asked me; now I am telling you. The hon. member wanted the information, here it is.

Mr. Nixon: Okay. Let us have it.

Hon. Mr. MacNaughton: On balance, I am content. We have worked these figures through the decimal points that I have indicated to you and I am content, certainly. Associated with the fact that the Hydro loan was retained and the advantages that characterized the other three, I still think the advantages of availability, establishment in another capital market, and so on, warranted it.

Now, to answer the question as to whether we will go back there, I suggest that we will examine that market, the United States market and the Canadian market the next time we are required to borrow. I think then again we will do it on the most advantageous basis possible, keeping in mind all of the considerations that I have discussed with the hon. leader of the Opposition.

Mr. Nixon: One more question. What would you estimate the capital requirement of Hydro to be over the next five years? Will it be in excess of $1 billion?

Hon. Mr. MacNaughton: Yes, substantially in excess. I may be wrong, I will get the actual figures. I would say I would be not too far off if I said it will range somewhere in

the order of $400 million to $500 million a year. It is very substantial.

Mr. Nixon: How many years?

Hon. Mr. MacNaughton: This is from their most recent prospectus: for the capital construction programme, during the period 1959 to 1968 inclusive, the commission expended $1,685,000,000 on its authorized capital construction programme, of which $994 million was spent on generation facilities and $198 million, $217 million, $196 million and $80 million in four different circumstances, on transformation.

Mr. Nixon: Transformation?

Hon. Mr. MacNaughton: Transformation, transmission, retail distribution and other facilities.

Mr. Nixon: Those are not considered capital facilities?

Hon. Mr. MacNaughton: Oh yes. Transmission facilities? What else?

Mr. Nixon: But your first category was—I thought that was capital facilities—that your first category was—

Hon. Mr. MacNaughton: The first category was generation.

Mr. Nixon: All right.

Hon. Mr. MacNaughton: Generation, O.K.

Mr. Nixon: Yes, all right. What are you going to do in the next ten years?

Hon. Mr. MacNaughton: I want to pursue that. It is estimated that this programme will cost a further sum of approximately $2,472,000,000 through 1979, that is in the next ten years.

Mr. Nixon: $2.4 billion?

Hon. Mr. MacNaughton: $2.472 billion.

Mr. Nixon: $2.5 billion, we will call it.

Hon. Mr. MacNaughton: Now the amount to be spent in 1969 is estimated at $413 million—that is the current year—as compared with $329 million in 1968. This gives you some idea of the massive capital requirements of Hydro.

Mr. Nixon: It is frightening. It really is appalling.

Hon. Mr. MacNaughton: It is associated—

Mr. Nixon: What rate are we paying it off at the other end? Surely a very small rate?

Hon. Mr. MacNaughton: Paying it off?

Mr. Nixon: Yes.

Hon. Mr. MacNaughton: It is paid off on a refunding schedule, I presume, the same as ours.

Mr. Nixon: But the curve of borrowing is rising X financially. I mean you should consider what you are paying off, let us say, to my sainted father's estate at ¾ per cent as those come due in say 1980. You are going to reduce the debt by an infinitesimal amount compared with the $2.5 billion, you are considering borrowing in the next ten years. Could you estimate what the total debt associated with Hydro alone would be by the end of the next ten year period?

Hon. Mr. MacNaughton: No, I cannot do that tonight. It will rise as I have indicated; it will be refunded on a schedule basis. I would think the refunding programme against these larger loans will bear the same relationship to the refunding schedule of the past several years. I hardly need to observe, Mr. Chairman, to the hon. leader of the Opposition, or anyone else, that it is the result of tremendous growth and the demand for power. Hydro power, I guess it is fair to say, is not readily available except at very high transmission costs. As I understand the policy of the day, and the hon. member for Muskoka might help me out if I am wrong, that our eggs are not all in one basket. They are not all nuclear—I think they are about 50-50 thermal and nuclear. They are going ahead with the development of the nuclear programme. So side by side there is a similar development of thermal power, coal-fired, or fossil-fired, or whatever they call it.

Mr. Nixon: I do not think we want to get involved in that issue.

Hon. Mr. MacNaughton: No, but I simply say it is not too difficult to see where the massive capital requirements will come from. As the jurisdiction goes, there will be more demands for power. So there you are; this Canadian capital base of ours is going to be hard-pressed to provide this capital. I do not think we can exclude the possibility of going into other capital markets.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, it would be interesting for the average person to know just how you operate over

there, insofar as tossing figures around—like $2.5 billion projected spending in Hydro.

I would like to find out from the Minister, as the Hydro representative does not have enough pull to get a Cabinet position although he represents the most important spending body outside education in our society here. He said, all our eggs are not in one nuclear basket, or something to that effect, in his speech last year.

Hon. Mr. MacNaughton: That is what I just said.

Mr. Sargent: You probably got it from him.

The thing I want to find out is that he said in his speech last year, insofar as the embarkation on a nuclear programme is concerned, Hydro could have stood by and waited for other things to develop an acceptable system and then adopt it, but it chose to go ahead in partnership with the other; to go ahead with a system that is entirely uniquely Canadian, using as a fuel the relatively inexpensive natural uranium with which our province is richly endowed, and he goes on to say that—

Mr. Nixon: You raised this.

Mr. Sargent: I will just bring this to a head. I am glad you fellows are concerned about time, because the biggest time wasters I know are down that section of the House here.

An hon. member: Right, you said it, Ed.

Mr. Sargent: But he says, "I suspect if we had not have gone ahead with the nuclear programme, we would be accused by the Opposition of timidity and lack of enterprise."

He says that because of a fear of accusation you launched on a suicidal, disastrous campaign to spend billions of dollars but you do not know where you are going or how you are going to get there. We have hundreds of millions of dollars on the east coast that they cannot make work. You people seem to have some knowledge that they do not have down there.

Mr. W. Newman (Ontario South): We sure do.

Mr. Sargent: You probably do. All right, I will wait to find out from the hon. Treasurer. I think he has got a couple of old ships to bail out here because a year ago he told us that things were never better in Ontario than they were. He scoffed when we criticized the course you were on and then all of a sudden a few months ago, the roof caved in. He got humble and he went to the people; he took the oath and said now we have to start cutting down. After saying he did not have enough modesty or know-how to know that the ship was sinking a long time ago.

Mr. Nixon: An economic nightmare is what he called it—

Mr. Sargent: And so in consortium with the Hydro, for lack of a liasion, he let these characters up on University Avenue embark on a $1 billion programme. They do not know where they are going.

Mr. Chairman: Order!

Mr. G. Ben (Humber): A $1 million boo boo.

Mr. Sargent: A billion dollars! It is not a $1 million boo boo; it is a $1 billion boo boo.

So I would like to ask the Treasurer on behalf of a lot of people in Ontario just who runs that seat you are sitting in? Do you tell the Hydro they can spend so much money, or do they tell you what they are going to spend and you go along with it? What happens? I would like to know that first.

Hon. Mr. MacNaughton: I think the hon. member realizes that the Hydro Electric Power Commission formulates their own policy and operates within it. As I have pointed out in terms of capital financing policy, I do not think we have ever worked more closely together.

I do not share the hon. member's sentiments. I still think this province is pretty good. I think we will produce—

Interjections by hon. members.

Hon. Mr. McNaughton: Do you want to hear what I have to say? You ask me some questions. If you want to hear the answers listen.

Mr. Sargent: Go right ahead, you have lots of time.

Hon. Mr. MacNaughton: All right. It is always the matter of penetrating the muscle that bothers me. It makes it very difficult. Now let me say this—

Mr. Sargent: There are lots of common people who would like to know some answers.

Mr. Chairman: Order! The hon. Treasurer was giving some answers.

Hon. Mr. MacNaughton: As a matter of fact, Mr. Chairman, I could have proposed to you a little earlier that I think that this is a wee bit out of order in talking about capital financing.

Mr. Sargent: Twenty-five million dollars! That is out of order?

Hon. Mr. MacNaughton: You are talking about capital financing. I have given you the figures, from the prospectus, the most recent prospectus of Hydro. It is for the purpose of developing power for the people of this province now and for the future, and I do not frankly know how you can quarrel with that.

Mr. Nixon: With great respect, you raised this topic.

Hon. Mr. MacNaughton: I do not know how you can suggest that we should not be innovators to the extent that Ontario cannot attempt to produce nuclear power.

Mr. Nixon: We like successful innovators.

Hon. Mr. MacNaughton: It will be a success. Oh yes. I have listened to that little faith business from you people for 12 years.

Mr. Nixon: Let us hope for everybody's sake you are right.

Mr. Chairman: Order!

It seems to me that the hon. Treasurer made some reference by way of example and illustration to the matter now before the committee. The hon. leader of the Opposition himself, I believe, suggested that they did not want to get into that and we permitted some discussion on it. I do not believe there should be any lengthy discussion on anything other than what we have before us in the estimates.

Mr. Sargent: Mr. Chairman, I want to get this point across. It is most important on behalf of the people—7½ million people—that we know whether or not the operation of the Provincial Treasurer's portfolio is that we operate within our ability to pay. We have proven that you have not been operating that kind of an operation.

So, I would like to point out to you sir, Hydro has launched we do not know how much money in nuclear power search for heavy water, but somewhere along the line there has to be an end to how much we can spend. At this point you have a blank cheque, as it were, to go ahead on this.

Last Thursday I questioned the Prime Minister (Mr. Robarts), Mr. Chairman, about the change of location. We do not know how much money it is going to cost.

The Prime Minister did not know anything about it, and unfortunately in this House we cannot get to the Hydro estimates any way. We cannot even get to talk to the member up there in the back row. We can never get a full debate on Hydro and I think it is very unfortunate. We know that the government is telling Hydro how much money they can spend and where they are going. What is the breakdown between thermal and nuclear research. Can we find out definitely if they are going to write out a blank cheque on nuclear power.

How much money, Mr. Chairman, are we committed for at this point in nuclear power not insofar as the AECL is concerned but insofar as the Ontario Hydro and the government of Ontario are concerned.

Hon. Mr. MacNaughton: I would not know that, Mr. Chairman. I think that is a question of the hon. Minister of Energy and Resources Management (Mr. Kerr). He would know. I could find out. I did not come prepared to deal with that because it has nothing to do with these estimates. We are not voting a nickel here for Hydro, not a five-cent piece.

Mr. Sargent: I see a vote here—179. You have about $35 million there for the Hydro-Electric Power Commission of Ontario, on this vote—$36 million.

Hon. Mr. MacNaughton: Mr. Chairman, this is interest on bonds—

Interjections by hon. members.

Mr. Sargent: Can the Minister tell me if he tells them what they can spend, or do they write the amount and say "get the money for us"?

Hon. Mr. MacNaughton: Hydro can only borrow in one market without the guarantee of the Treasurer, and that is the domestic market. Whenever they borrow offshore, whenever they borrow outside of Canada, it requires to be supported by the guarantee of the province of Ontario.

Mr. Sargent: That is all the control you have?

Mr. Ben: By offshore you mean when they get in deep water?

Hon. Mr. MacNaughton: No, I do not mean that actually. I do not mean that at all. I will just say one thing on this and then I think we have gone far enough. I would suggest—

Mr. Sargent: Who is the Minister to say we have gone far enough?

Hon. Mr. MacNaughton: Well, I can suggest it, Mr. Chairman.

Mr. Sargent: When things get touchy, the Minister wants to sit down and quit.

Hon. Mr. MacNaughton: No, I will stay here all night. But I would suggest to you, Mr. Chairman, and I say this to the hon. member for Grey-Bruce; he is concerned about the problem of spending money for power development. I suggest to him that the concern at the level he has expressed himself will pale into complete insignificance if we do not spend the money to develop that power. Absolutely.

I cannot conceive of an attitude that says we cannot, by every reasonable means, continue to produce power for this jurisdiction. I cannot understand the attitude of any Opposition members who would say that that is a wrong thing to do.

Interjections by hon. members.

Hon. Mr. MacNaughton: Well, that is what the hon. member says.

Mr. Nixon: Mr. Chairman, before the hon. Treasurer proceeds any further to mislead the House—

Hon. Mr. MacNaughton: I am not misleading.

Mr. Nixon: —or anyone who might be concerned about the records in the House, we are insisting that money do be spent to provide adequate electrical energy to power the industry and the homes of this province. No doubt about that. But we are very concerned with the decisions made by the Treasurer's colleagues, the Minister of Energy and Resources Management and others associated with Hydro, that this money is not being spent effectively for the provision of this power. That is surely the point my friend makes.

Hon. Mr. MacNaughton: I include the federal government, too, because—

Mr. Nixon: We do not have to buy their methods of producing.

Mr. Sargent: To show we are embarked on a needless spending programme, the Minister the other day said he could go down to Georgia and buy heavy water. But here we are in Ontario almost broke, financially broke.

Mr. L. C. Henderson (Lambton): Is this the Liberal Party you are speaking about?

Mr. Sargent: All right, listen to what I am trying—

Interjections by hon. members.

Mr. Sargent: Here we are pioneering for the world the most ambitious nuclear programme in the history of the world and Ontario is doing it. We are the trail breaker here, and we cannot even afford to pay 100 per cent of the OHSIP programme.

The very day they announced they had to change the generating station at Douglas Point, the very next day they announced a backup plant at $65 million.

To put a bluff through they say, well, in case this nuclear stuff does not work, and we cannot produce heavy water, we will back it up with thermal plants.

The Minister is pretty close to Douglas Point, what is he going to do there? Is he going to build a big new dock system for coal fuel? How are you going to get that stuff there? Are you going to put in a whole new navy of ships to bring that stuff there? You are just going from pillar to post.

Mr. R. J. Boyer (Muskoka): Mr. Chairman, on a point of order, the steam plant to which the hon. member refers has nothing to do with the production of electricity.

Mr. Sargent: You have to have coal to operate it.

Mr. Boyer: Yes, it has to have coal to operate it or oil. And this is a plant which is being built by the federal authorities to back up the supply of steam for the development of heavy water in their heavy water plant.

There are three units there, the Douglas Point generating station, electric, the Bruce heavy water plant and the coal-fired steam plant which will be used to provide the steam for the production of heavy water, and those three units are under the federal authority.

Mr. Chairman: That is a long point of order.

Mr. Boyer: The hon. member was incorrect in referring to the steam plant as if it were an electric plant which was being developed by Ontario Hydro.

Mr. E. W. Sopha (Sudbury): Well, you guys own all the money in the province, what are you going—

Mr. Chairman: If I may just say a few words to the committee at this point. Under normal circumstances, without the new procedures, certainly much of this discussion would have been ruled out of order some considerable time ago. However, I must point out to the committee that we are operating under the new procedures.

There are a certain number of hours alloted to the committee for deliberation on all of these remaining estimates. I am going to attempt to keep order in the committee, but I can assure you if you wish to speak out of order on these estimates I am not going to try real hard to keep you in order.

Mr. Ben: Mr. Chairman, this discussion is in order to this degree, we are discussing interest payment on public debt. One of the largest debts incurred recently is that with reference to Ontario Hydro.

It is fine for the hon. member for Muskoka to rise and make a point of order, as he called it. In the previous session he sat in the middle row; now he sits in the back row and he thinks he is getting up in the world. But he gets up and talks about providing steam.

Regardless of what that plant is put up there for, it is put up there for a foolish purpose, namely, making heavy water, or supplying the steam to manufacture heavy water, because all over the world it has been recognized this system, using heavy water for reactors, is antiquated.

Hon. Mr. MacNaughton: That is a great contribution to make.

Interjections by hon. members.

Mr. Ben: They sound so bad they will not even go to your luncheons any more because they do not want to listen to that guff.

Hon. S. J. Randall (Minister of Trade and Development): It is a great assistance to the world.

Mr. Ben: Will the Minister tell this House the cost of the Pickering nuclear plant as it was indicated to this House when it was announced that construction would start; what the cost has been to date; and what it is anticipated it will cost before it is completed, that is under the Hydro-Electric Power Commission? How much of that is going to be public debt, and what is the interest we are going to pay on that money?

Mr. Chairman: I must point out to the hon. member that that is statutory anyway, not debatable.

Mr. Ben: What do you mean, it is not debatable? Surely we have to pay it.

Mr. Sopha: You are not sliding that one through.

Mr. Nixon: Just in case it sticks on the record, maybe it will be clearly understood on a point of order, Mr. Chairman, that there has never been any indication from either Mr. Chairman or any of his predecessors that an estimate with an "S" beside it for statutory was considered non-debatable.

We could not vote on it because it is already payable under a statute, but surely it is debatable or it would not be here.

Mr. Ben: Well, that is a matter of translation anyway.

Mr. Chairman: Debates have not been ruled out of order.

Mr. Ben: We say the "S" stands for a real smelly estimate, so it is all a matter of interpretation.

At any rate, Mr. Chairman, will the Treasurer answer the question? By how much is the public debt of this province going to be increased by an overrun in the cost of the Pickering nuclear plant, and how much is it going to cost us? The Minister does not know?

Hon. Mr. MacNaughton: I do not have that information. There is no reason I should have it here.

Mr. Sargent: Why not?

Mr. Ben: Why not? It is going to increase the public debt.

Mr. Sopha: Are you the guardian of the public debt? That is what I thought you were paid for.

Hon. Mr. MacNaughton: Hydro debt is not the debt of the province of Ontario.

Mr. Sopha: You guarantee it.

Hon. Mr. MacNaughton: Yes, we guarantee it. This is true—it is a contingent liability.

Mr. Sopha: That is the trouble.

Hon. Mr. MacNaughton: There is no need for the member for Sudbury to get indignant.

Mr. Sopha: Well, why do you not just say you have got—

Hon. Mr. MacNaughton: I do not have them. We will produce them. I do not have them at the moment. But I want to make reference to the inferences of the hon. member.

Mr. Sopha: We are not satisfied with that guy.

Mr. Sargent: How can he not know figures amounting to several million dollars?

Hon. Mr. MacNaughton: They are not in these estimates.

Mr. Sargent: That does not matter.

Interjections by many hon. members.

Mr. Ben: Mr. Chairman, will the Minister answer a very simple academic question? How much does it cost in U.S. dollars to supply coal for the Hydro plants in the province of Ontario?

Hon. Mr. MacNaughton: I have not a clue.

Mr. Sargent: Well, why does not the Minister know?

Mr. Ben: Does the Minister say he has no clue?

Mr. Chairman: Order!

Hon. Mr. MacNaughton: It has nothing to do with this department.

Mr. Sargent: How can we consider estimates when you cannot answer a question?

Mr. Chairman: Order!

Hon. Mr. MacNaughton: Do you mind if I finish the estimates?

Mr. Chairman: The hon. member for Riverdale was trying to get the floor previously.

Mr. J. Renwick (Riverdale): Well, Mr. Chairman, I think I have forgotten what I was going to say.

Mr. Chairman: Vote 2403.

Mr. H. Peacock (Windsor West): It was probably relevant.

Mr. J. Renwick: Not particularly.

I would like the Treasurer to explain again why it is that Hydro can only borrow abroad with the credit of the province. It would seem to me that it would be a substantial rationalization in the affairs of his department if, in fact, Hydro was left to float upon its own, with whatever public regulations through the Ontario Energy Board or some comparable body was required in terms of its rates, in terms of its capital requirements, and return on its base.

It does seem to be that in the long run it is likely that this burden of Hydro financing is not one that should be carried directly by this government by way of guarantee, or by direct borrowing by the government and relending to Hydro.

I would appreciate the Treasurer's comments as to whether these things can be separated within the foreseeable future.

Hon. Mr. MacNaughton: There is no basic reason why they cannot be. It is possible to do this. If I am not mistaken, there have been times when I think Hydro would welcome it. I believe the only material reason it is done this way is that I am confident it produces a better rate. I think they get a better rate on their borrowing with our guarantee than they would otherwise.

Mr. Nixon: It saves the Hydro users money.

Hon. Mr. MacNaughton: If it is a better rate, yes. But there is no particular reason why they cannot go—

Mr. Ben: Is the United States offshore?

Hon. Mr. MacNaughton: One of the times.

Mr. J. Renwick: I am suggesting, Mr. Chairman, that over the long run, the marginal saving of an enterprise such as Hydro relying on this crutch—which was a very necessary one in the inception of Hydro—does not, in fact, produce a saving to the consumer in the province of Ontario as the leader of the Opposition would indicate that it does. That is a very complicated transaction, but my guess is it probably does not alter rates, in any way, or amount to a subsidy of the consumer of Hydro in the province. I leave it at that, I realize it is a difficult topic. I am suggesting that it is probably one that should be looked into in the next short time to float Hydro off so that it will not be confused with the public accounting of the province of Ontario.

Mr. Nixon: That is what Mr. Bennett did when he said that B.C. had no gas.

Mr. Sopha: Why would he do that? I wish before you left it, you would tell us what advantage there is to that.

Mr. J. Renwick: Perhaps there will be another occasion. I do not think it is apropos of this Minister's estimates, I leave it at that. There may well be another occasion at which I could explain why Hydro should be a more accountable body responsible and standing on its own rather than relying as it does on the Ontario Treasury. Let me just very briefly again comment about what the leader of the Opposition said originally.

I happen to believe that so long as, and I make the qualification, so long as there is an international money market of the kind that we presently have, then a borrower in the money market does not in fact take a view of the market. He goes in and gets the best deal he can so that over the long run, being a consistent borrower, he will get the best average rate. Therefore, I dissociate certainly myself, I believe our party, from the proposition that the leader of the Opposition put forward, namely, why do we not all stay at home and borrow the money here.

Canada is not isolated from the international money markets in the first place, and, secondly, as the Treasurer has indicated, there is not the capital for all the demands that are going to be made upon it.

Mr. Nixon: I said no such thing, and only a person just back from Winnipeg would put such a bad representation on it.

Mr. J. Renwick: I realize that the leader of the Opposition tried to indicate that he was naive in a very disarming way. Let us forget the disarming part of it, he is totally naive on this particular issue. What we have got to recognize—

Mr. Nixon: Except that I know why the province has to underwrite Hydro loans and you do not.

Mr. J. Renwick: Mr. Chairman, all I am saying is that I would hope that the Treasurer of this province—so long as there is this kind of an international money market—will seek for the province of Ontario the best deal he can get in the markets of the world. If he does not seek it, then in fact, others will not seek it. If others do not seek it you will see an international monetary collapse, because that is the way in which the system happens to operate.

Could I turn to a rather more mundane topic?

Mr. Sopha: Yes, one with which you are more familiar.

Mr. J. Renwick: Could the Minister indicate the ways in which his department assists municipalities which are still required to borrow in public markets, be they Ontario markets or elsewhere. Is there any advisory system, is there any consultative system? The Minister has said that before he borrowed money in Germany he consulted with the Bank of Canada. For example, before Metropolitan Toronto borrows in the New York market or in any other market, do they consult with the provincial government or does the provincial government consult with them on their overall fiscal needs?

Hon. Mr. MacNaughton: Mr. Chairman, certainly Metropolitan Toronto does not. I think they are sophisticated enough to borrow on their own. I am not too sure on this. It might be more appropriate to discuss this in terms of the municipal finance branch of The Department of Municipal Affairs. I would think that is the advisory branch for this purpose. We do not consult with the municipalities other than to say that we did have discussions with Chairman Allen prior to his retirement on a number of related capital financial matters. There is no onus of responsibility for us to do so. There is the branch in municipal affairs that would advise the municipalities.

Mr. J. Renwick: One further question I would like to ask the Chairman. In the Smith committee report, and elsewhere from time to time, there has been reference to this nine per cent debt limitation. Certainly it has been our feeling here that that was, at very best, a very poor guide post. At the very worst, it lends itself to becoming a rigid rule by which the department would guide itself in its financing requirements. I wonder if the Treasurer would comment on the factors which he considers enter into an adequate debt limitation in terms of the gross product of the province and in terms of other financing requirements.

Hon. Mr. MacNaughton: Certainly I am aware of the recommendations of the Smith committee that nine per cent of gross provincial product could well be our debt limit, but we are not nearly there. I must say to you, Mr. Chairman, I see no reason to get that high. I may be able to get the precise figures as a percentage of gross provincial product associated with our present debt but it is much lower than that.

Mr. J. Renwick: How much is it?

Hon. Mr. MacNaughton: I think it is less than seven. Marginally less than seven—6.8 or something like that.

Mr. Nixon: There is one matter I wanted to pursue in connection with the estimate just before us. I notice that out of the Treasury we pay about $6 million interest on the funds on deposit in the Provincial Savings Office. As I recall, there is about $200 million on deposit.

Hon. Mr. MacNaughton: About $100 million, probably a little less.

Mr. Nixon: Could your advisor tell you a little more specifically?

Hon. Mr. MacNaughton: It is about $100 million. It has ranged over the years between $80 million and $100 million. I think it levels off at about $100 million now so that the six per cent figure is just about right.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Following up my leader's request there, why would you not tap this pension fund across the province as a source of loans, or approach the numerous other pension funds with hundreds of millions of dollars in force, or approach the labour unions' large pension funds instead of going abroad for money?

Hon. Mr. MacNaughton: I would be surprised, Mr. Chairman, if the labour unions and like organizations are not from time to time very large purchasers of the province of Ontario and Hydro bonds. I would be very surprised if they are not.

Mr. R. Gisborn (Hamilton East): Medical doctors have got a big fund too.

Hon. Mr. MacNaughton: They buy bonds.

Mr. Sargent: Not knowing what the revaluation has cost you to date in German marks, I can tell you from the New York *Times* last week that the German government cannot pay off their farm loans and they are going to France to borrow money to pay off the farm loans in Germany. You are in for a bad time, when I think that this is the end of revaluation.

Of course the New York *Times* is probably wrong too. You think they are wrong too. The thing I am concerned with—we see in this vote here that in public debt we have about $1 million a week we are paying on Hydro debt—$1 million a week on Hydro debt—and the Minister gets up and he does not know how much money we owe. We know how much debt we have to pay.

Hon. Mr. MacNaughton: This is true. It is paid out because it is borrowed for our account but it is paid right back. It is an immediate cross entry. It shows here because it does get paid out. It is a book entry only. We pay it to the bond holders and Hydro pays us the same day.

Mr. Sargent: The thing is that in the capital programme you are not getting that back. That is completely out the window and when you spend $1 billion on nuclear—if you are spending that much money, we do not know what you are paying yet—that is not recoverable, unless they are going to sell heavy water at $20 a pound. But that is a long way off. Mr. Boyer says that in the year 2030 we will be enjoying the benefits of this programme. We will all be dead and gone, but you are still looking after the future for them—2030.

I would like to ask the Minister if we are talking about debt and ways of putting things back ship-shape again. In this field you had a plan to set up a central purchasing set-up in government. How much money do you plan to save this year by central purchasing?

Hon. Mr. MacNaughton: May I draw your attention, Mr. Chairman, to the fact that that is a Treasury Board matter. All this debate has taken place on an item called securities control. We have allowed it to range rather widely but—

Mr. Chairman: This is not the—

Hon. Mr. MacNaughton: The next item is public debt.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, this $36 million or $37 million interest that is in this estimate for Hydro leads me to say that many years ago, when Hydro was set up, as I understand the history of it, it was meant to be a branch of this government such as many other departments were when you look their estimates over and discuss them intelligently.

Can you imagine $37 million in interest only in the one department of the branch of government actually operating under its own

Act without any responsibility to this House at all?

We have a vice-chairman of Hydro. I have said this before in this House, and I say it to you again: We are going to have a vice-chairman of Hydro—I think now he is first vice, he was second vice for quite some time —getting a substantial amount of money, plus a chauffeur-driven car, to come to his house and on occasion—only on occasion—to get to his feet and say some little thing about Hydro.

We have no way, in these government accounts, to find out what is being done with the taxpayers' money or the people who buy Hydro and pay for it in their bills. We have no way to look the thing over except in an annual report presented here by the Provincial Treasurer—not the Treasurer, no; the Provincial Secretary (Mr. Welch). We get that large document and there is no possible chance to look into any of those accounts at all. I can see the Minister of Highways (Mr. Gomme) looking in my direction. At least we get our day in court with him. We can discuss every part of his expenditure in this House and get some intelligent answers at times, but with Hydro we cannot get that at all. We cannot get at them at all, and I make reference to the interest that this estimate makes reference to. We have no way of knowing what this monster, that is backed up by this province, is doing with the money of the taxpayers of this province.

I would like to see the way it was meant to be, in the first instance, and I hope it comes back to that—that some department of government will bring those estimates into this House and we will be able to take them item by item and discuss them on behalf of the people that we represent.

I come from Niagara Falls where power originates. I know of Sir Adam Beck and how he brought this thing about. I know he was a member of this Legislature. I know that the way it came through the press and the media they had at their disposal. Yes, even in those days they marched on Queen's Park—"We want Toronto power from the Toronto power house in Niagara Falls"—and they brought this about.

One day an Act was passed, and they are completely divorced from this Legislature, and we have no way of looking their accounts over. We have no way of getting to the bottom of the millions of dollars they are going to spend. We have nothing to say about it—nothing to say about a $25 million complex going on the corner of Carlton down here and University Avenue. This House cannot even say: "Amen, we agree." We have no way of getting at these people and I say to you, Mr. Chairman—and I know that I am a little bit off base, but I have sat in this House for many years watching many members of this Legislature off base—here is an opportunity to discuss something intelligently. If we are going to spend $37 million in interest only on that account surely we ought to know—

Mr. Chairman: May I point out that Hydro matters come under The Department of Energy and Resources Management.

Mr. Sopha: Borrowing does not.

Mr. Bukator: Let me, Mr. Chairman, make that—all right.

Hon. Mr. MacNaughton: May I interrupt for a moment? It shows here because it is paid out, but the day it is paid out, it is paid back.

Mr. Chairman: This is the only item in this vote—

Hon. Mr. MacNaughton: I am just pointing out that it is not a cost.

Mr. Sopha: So what? Is it inconsequential?

Hon. Mr. MacNaughton: If we did not put it in, you would say we should.

Mr. Sopha: We are not certain about what you are doing.

Hon. Mr. MacNaughton: Let me explain it this way: We pay this interest to the bond holders and Hydro pays us the same day.

Mr. Bukator: I would like to go a little further. If it was not for the fact that this account was in this paper we could not even discuss Hydro to this point, except to take up matters with the new Minister of Energy and Resources Management who knows no more about Hydro than you do. And that is not your department, I realize that. Yet, how can we get at these accounts, and at this monster down here at University Avenue and discuss intelligently the expenditures that they make, the money they spend without any holds barred, except that one day they come to this Legislature and they say: "We would like you to secure our indebtedness," and you do that for them.

Interjections by hon. members.

Mr. Bukator: Mr. Chairman, may I get back to the point at hand?

Mr. Chairman: Please do.

Mr. Bukator: Thank you very much. I say to you that there is no way to get at this Hydro, this large expenditure that we have in this province, because they operate under their own Act. I thought it was about time that someone in this House—and maybe members of the back benches in your government will come to the people's rescue—should say that this must come under a department of government in this House where we can look their accounts over, as we have to do with many of your departments.

I might say again that the vice-chairman of Hydro, on occasion, for a few minutes, spends a few minutes reading some speech that is well prepared for him by his experts. We accept that to be authentic, because we have no research people to look into the facts of life, the facts of those accounts, so we accept this. This is no way to run the affairs of the province of Ontario. I tell you that this is a rough-shod peculiar method of operation. We are living in a very modern age without any possible chance of looking the accounts over and saying to you: "Yes, you are doing a good job" or "We would like you to save a few dollars here and spend a few million in another area." We have no way of getting at them because—I know it, when some of the members will say to us: "Will you have them come before committee for a day or so and the chairman and all his experts will answer your questions there?"

I am going to tell you something, Mr. Chairman, that in those few minutes we have with them we cannot touch all the bases. I thought maybe I would take advantage of your good nature and say to you what I have felt for a long time. Until this government decides to bring that into this House, and let us look their accounts over properly, I say that you are not managing the business of this province, and the people in it, properly.

Mr. Sopha: Mr. Chairman: The Treasurer of the province puts his signature on this article of indebtedness, under power given to him by this Legislature, and as such, he is accountable to us. I am in complete agreement with the observations made by my friend from Niagara Falls and I want to add a specific suggestion.

I want to suggest to the House, Mr. Chairman, that that sophisticated, prestigeous task force that the Treasurer named here in the House yesterday might well exercise its initiative in a very early stage in looking into the matter of the accountability of Ontario Hydro to the government of Ontario. It has been a matter of very anxious concern to me for a long while and in that regard, Mr. Chairman, I want to make two comments: The power needs of Ontario have meant that Hydro has historically engaged in enormous borrowing. I think, as I stand here tonight, I am correct in saying that by the time the New Year's eve chimes start, Hydro will owe $3 billion against the credit of the province. I think I am correct in saying—at least I was a year or two ago—that that is more money than the province itself owes. The Hydro debt has always outstripped the debt of the province by between $4 hundred million and $6 hundred million.

Mr. Sargent: And nobody is running the store!

Mr. Sopha: Now, I have wondered and I have wondered with great anxiety, about the channels of communication of Hydro decisions made on the top floor of the edifice on University Avenue and the Executive Council which is responsible to this House. Knowing how busy the Executive Council must be, I have wondered what degree of supervision, reflection, study, analysis, or any of the other human faculties, have been applied to the costly decisions made by Ontario Hydro.

Mr. Sargent: He does not know the debt.

Mr. Sopha: He states that the tragic venture into the heavy water field is likely to cost the people of Ontario, my reading tells me, something in excess of $700 or $800 millions of dollars with very uncertain benefits. I ask myself as a legislator, what was the supervision? What part did the Executive Council of Ontario play in that decision and in that venture?

I know one part they played and I do not want it to escape the memory of those who were here. That was the part played by rapid Robert when he sat in the House and in his inimicable launching of new ventures he spread the word not onshore, but offshore, to all parts of the world that Ontario was to become the leader in the production of heavy water and would be available as a vendor to anyone who wanted to purchase.

Of course, times have changed. Now my friend from Niagara Falls makes a point: in the democracy of the 70's, what political control is exercised over this monolith? Certainly, the political control is not exercised through the member from Muskoka; by coincidence he is a member of this Legislature, but he is much more emphatically a part of the management team.

He is part of the management of Hydro and he is in no sense, by any utterance or any syllable that he ever offered in this House, a "watchdog" of our interest. As a political reward he is appointed to that body and he becomes part and parcel of the management team and that is how he operates. He is an electrical unit.

Now my friend from Niagara Falls—yes, I will adopt that phrase, my electrical unit—adverts to the annual. I am talking about supervision of this indebtedness which is a prime responsibility of the Treasurer of the province. My friend adverts to the annual sortie of Hydro to the government standing committee on commissions. For years, very skillfully, they have come but one day a year; they will attend a meeting of legislators from this House and, invariably, they have skillfully invited the committee to come down and look at the lakeshore plans and have offered them the usual annual affair of beer and sausages. Every year; it never fails. They say "come down" but I would not go. I have never gone.

Mr. G. Demers (Nickel Belt): He does not like sausages.

Mr. Sopha: Because I saw their trip to the legislature halls as being one of readiness to make answer about their policies. It was not to set up as a forum for a little goodwill and public relations, but they are very skillful in the art of public relations. All right. Now that they blundered, I remind you that it has always been the policy of this party, enunciated since the first of the ten years that I have been in this House, that Ontario Hydro ought to be under effective political control and especially so—

Mr. J. Renwick: Mr. Chairman, on a point of order—

Mr. Sopha: All right; I am almost finished—

Mr. J. Renwick: Is the Ontario Hydro Power Commission under this vote?

Mr. Chairman: No.

Mr. Peacock: Could we hear the Chairman's reply to the point of order! Every time the member for Sudbury is called to order he persists in drowning out the Chair.

Mr. J. Renwick: I did not have the privilege of being here when the Liberal Party began to corrupt the new rules under which we are operating.

Interjections by hon. members.

Mr. Chairman: The discussion on Hydro is out of order The member from Sudbury East has the floor.

Mr. Sopha: Could I speak to the point of order? Could I speak to it?

Mr. J. Renwick: Mr. Chairman, is he challenging your ruling?

Mr. Sopha: I am speaking to the point of order.

Mr. Chairman: All right.

Mr. J. Renwick: Mr. Chairman—you made a ruling. Is he appealing the ruling or is he going to resume his speech?

Mr. Nixon: He is speaking to the point of order.

Mr. J. Renwick: The point of order is over.

Interjections by hon. members.

Mr. Sopha: There is an important matter at issue and I want to rise on the point of order. This is an important matter. You say they have been upstaged again and they always get livid and uncontrolled.

Interjections by hon. members.

Mr. Sopha: The point of order is that the responsibility of the Treasurer, simply put so that even the obtuse member for Riverdale can understand, the responsibility of the Treasurer to guarantee the indebtedness of Hydro is within these estimates. You get it?

Mr. J. Renwick: No, I did not get it.

Mr. Chairman: The operation of Hydro alone has nothing to do with this department. The member for Sudbury East has the floor.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, through you to the Minister, I see that the payment to the teachers' superannuation fund is some $25 million and—

Mr. R. Haggerty (Welland South): That comes under Education.

Mr. Martel: I do not think he can read over there, Mr. Chairman, if that is all right. I would like to know if the Treasurer could tell the House to what departments the funds, $496 million roughly, were allocated. Because you get it at such a low interest rate, I wonder if any of this money that is being borrowed is going for social services, such as housing and so on? The interest rate is 4½

per cent and to me, this is where this money should be going rather than lending it to some other place where we could get a better return.

Hon. Mr. MacNaughton: The item that the hon. member made reference to, $25 million, is interest that we pay to the fund. None of the funds of any description is earmarked. The money is used by the consolidated revenue fund. In other words, they do not take money from one source and spend it in any one direction. It is all channelled through the consolidated revenue fund, and then appears before the Legislature in the form that is before them tonight.

Mr. Martel: Would it not be wise, Mr. Minister, if for example, you are borrowing this money at 4⅛ or 4½ per cent, at such a low interest rate—

Hon. Mr. MacNaughton: Five per cent.

Mr. Martel: Five per cent now? Well, it is still a long way off from the 9½ per cent that people are paying for housing. Would it not be advisable to lend, or to allocate, a certain amount of this money at such a low interest rate to social services, such as housing, so that people could borrow for housing at a decent interest rather than 10 per cent that they are forced to do today? Would this not be good manoeuvering to provide social services which we cannot do at the present time?

Hon. Mr. MacNaughton: Really, Mr. Chairman, the fund is all totally employed. It is totally employed all the time. On your reference to the interest rate of 5 per cent being now, I should also say to you, Mr. Chairman, and through you to the member, that we annually make payments against the actuarial deficit in this fund, so that our contributions are not as minimal as you think.

Mr. Martel $14 million is not significant?

Hon. Mr. MacNaughton: No, the rate of interest is 5 per cent, and then, as I say, on an annual basis we make contributions against the actuarial deficit in the fund itself.

But the funds are employed through the consolidated revenue fund, as are all funds. There are no founds earmarked for any special purposes.

In other words we do not say there is $100,000,000 of revenue from a source that will be spent on a programme. It all goes through the consolidated revenue fund.

Mr. Martel: Would it not be a wise move then, Mr. Minister, to ensure that we would have money at decent interest rates for some of the social services which you cannot provide now, and certainly housing has to be the critical one.

Hon. Mr. MacNaughton: To pursue that point, if we were to take those funds and to allocate them for a special purpose then the general fund, the consolidated revenue funds, would be less. There is no magic in it.

Mr. Ben: I was on my feet first.

Mr. Sargent: Is 2304 the vote we are on?

Mr. Chairman: Yes, public debt.

Mr. Sargent: On public debt sir, under this you had $147 million. Is it on debenture debts?

Is it on the first line for provincial accounts, interest on provincial accounts, $147 million. Is that $147 million interest on debenture debt?

Hon. Mr. MacNaughton: It is interest on bonded indebtedness. That is the cost of our interest payments to our bond holders estimated for the current year.

Mr. Sargent: So in effect, in this particular section, we are paying $3 million per week in debts interest on debenture debts?

We add to this then possibly another almost $1 million for Hydro debt per week, so we are talking in excess of $3 million per week on debenture debt interest? Is this correct?

Hon. Mr. MacNaughton: What do you say?

Mr. Sargent: I do not know. You should know, you are the Treasurer.

Hon. Mr. MacNaughton: Well, exactly. Are you asking me or are you telling me?

Mr. Sargent: I would like to find out if you know.

Hon. Mr. MacNaughton: I just wondered if you were telling me or asking me.

Mr. Sargent: No.

Hon. Mr. MacNaughton: I suppose it is fair to say that is the total figure. But I have explained to the hon. member before.

Mr. Sargent: Do not talk down to me. I have a right to ask questions here.

Hon. Mr. MacNaughton: I am not talking down to anybody, I am trying to explain it. You made a statement of $3 million a day.

Mr. Sargent: You did not tell me before.

Hon. Mr. MacNaughton: I did explain before that there are other matters involved here too. There is the use of the Canada Pension Fund money which we lend to school boards, but we also take their debentures and it is offset, and we do this through a number of funds.

We do it through the Ontario education capital aid fund. We do it through the university capital aid fund. We do it through a variety of funds. So as well as a gross amount on the one hand, it is offset by interest payments to us on the hand.

The figure that the hon. member made reference to, $147 million, is all inclusive. It includes the outgoing payments. But then that figure is offset, as I say, by interest that accrues on debentures and bonds and securities of one kind or another that we in turn buy.

Mr. Sargent: So this, in effect, is $3 million dollars per week exclusive of superannuation pension funds—the Hydro. We have a debenture debt picture that is costing us $3 million per week in interest.

Hon. Mr. MacNaughton: No, that is the gross figure. The cost is the net figure.

Mr. Sargent: You have shown it as a gross figure.

Hon. Mr. MacNaughton: Just a moment, I think I can get it for you.

Mr. Sargent: Well, under this vote—

Hon. Mr. MacNaughton: The hon. member mentioned that this is what it costs. This is what is paid out, but it is not what it costs. The public debt interest—net debt interest—forecast for 1970 is $89,871,000.

Mr. Sargent: I am not too clear on this. Under this section, I think, Mr. Chairman, we can discuss finance management on page 179—that is under this vote.

Mr. Chairman: We have finished that.

Mr. Sargent: We have not even discussed it yet.

Mr. Chairman: Yes, if that—

Mr. Sargent: Finance management?

Mr. Chairman: Yes—last spring.

Mr. Sargent: Well, maybe you could tell me quickly then the percentage the Treasury Board Orders have been increasing as to the total gross every year. Last year, in 1968, seven per cent of the gross operation of our province was done by Treasury Board orders. Now what is the picture of Treasury, percentage wise, in 1968-1969?

Hon. Mr. MacNaughton: In the current year?

Mr. Sargent: Yes, the current year, 1969 1970.

Hon. Mr. MacNaughton: I guess it is fair to say, Mr. Chairman, that we will not really know until the current year is concluded. It goes up and down.

At the end of the year we have an average percentage. I could not give you that now. There would be periods of the year when Treasury Board might exceed that. It would be less than that. So the average will not be known—

Mr. Sargent: Would the Minister tell me this then. In view of the fact that my colleague from Sudbury says that because the House is sitting all the time, why is it necessary to have any Treasury Board orders without the consent of the House?

Mr. Sopha: That is a good question. House is sitting a calendar year now.

Hon. Mr. MacNaughton: Yes.

Mr. Sargent: We are talking about $200 million spending without authority.

Hon. Mr. MacNaughton: The point, Mr. Chairman, and the hon. member for Sudbury knows this—is that we are voting estimates of what the expenditure will be. I do not think that any one of us is capable of determining the exact expenditure. That is bound—

Mr. Sopha: As long as you can get them to put ink to paper—

Mr. Sargent: Right. So $200 million at least goes out the door without the consent of this House.

Hon. Mr. MacNaughton: It does not go out the door.

Mr. Sargent: Well, it goes some place.

Mr. Chairman: The hon. member for Humber, please.

Mr. Ben: I will put my questions to the Chairman. I just want to point this out to you. The rules of the House say, "that he who catches your eye, is supposed to be recognized, not he who catches your ear".

I am getting sick and tired of popping up trying to get your attention without saying, "Mr. Chairman", and everytime somebody down there just has to speak and you recognize them. Now if you want to play the rule according to who gets heard, we will.

Interjections by hon. members.

Mr. Ben: Now, Mr. Chairman, we were discussing before, the teacher superannuation funds and a good question was asked. Why do you have to make grants to superannuation funds?

The answer is obvious. You do not pay the superannuation fund enough interest on the money you borrow from it, and this has two effects.

One, you have to make grants to it, and secondly, you cannot pay those teachers who have been retired for some time a livable pension.

Now, if you took the superannuation fund and acted with it as an arm's length trustee would, and invested it at the highest return that money could bring, you could put it out in mortgages today at 9½ per cent and there would be enough returned so that you would not have to give a grant to that superannuation fund.

You could pay those teachers who have been living on a pittance now for years because they have been retired a number of years a decent livable pension. Some day you will wake up to that.

Mr. Chairman: The member for Windsor West.

Mr. Peacock: Mr. Chairman, on that same item, may I ask the Minister if the negotiations, as I believe they were referred to, between the Ontario teachers' superannuation commission and the Minister, have been concluded in respect to the interest rate?

They were referred to in a letter of January 24, written by Mr. J. R. Causley, director, to Mr. J. Ross Robinson of Windsor, in which he said:

> It is true that the surplus funds of the teachers' superannuation commission are by law invested in Ontario government bonds at a fixed rate of five per cent compounded semi-annually. However, this rate is subject to negotiation with the government, and the commission has started proceedings with the provincial government for an increase in this rate.

May I ask the Treasurer if the increase in that rate is reflected in this item, and if so, what increase in the interest payable on the teachers' contributions will be effected?

Hon. Mr. MacNaughton: It is not reflected in the figures shown here. The figures shown here are still at the rate of five per cent. This matter is under consideration. I might say for the information of the hon. member, Mr. Chairman, that on all funds, some rates have been adjusted, others are in the process of consideration. We are looking into this matter.

Mr. Martel: You are really hosing the teachers right now.

Hon. Mr. MacNaughton: Not really when we make up the actuarial deficit, I think. If we abandoned that and raised the interest rate, I do not think it would be any less effective or more effective. I think it is probably a little more generous now than it would be if we raised it to competitive interest rates. But as we pay more for our money in any market today, we are also looking at these funds from which we borrow. That is under review at the moment.

Mr. Peacock: Is the Treasurer under more pressure to keep the rates down on the savings of the province's employees?

Hon. Mr. MacNaughton: No.

Mr. Peacock: Or is he intending to adjust the rate paid on the savings of the employees of this province to something closer to the market rate? Which is he intending to do?

Hon. Mr. MacNaughton: As I say, the matter is under review. I point out to the hon. member this is a guaranteed rate and it was guaranteed at five per cent when the rate was lower than the rate is presently paid.

Mr. Peacock: You have only been paying five per cent in the last year or two?

Hon. Mr. MacNaughton: No. It goes back several years.

Mr. Peacock: And they are 40-year bonds?

Hon. Mr. MacNaughton: Yes. Since 1963, the rate has been at five per cent and it is guaranteed. Now, I agree with the hon. member that the rates should be looked at and we are looking at them all.

Mr. Peacock: Just one final question. I think perhaps a fuller consideration of the matter can be taken under another vote. But does the Treasurer regard the interest rate as the key to the funding of both the unfunded liability in the plans and the minimum pension benefit that ought to be set for those now in retirement? Or does he feel that bookkeeping transactions by themselves can be used, should the government decide to raise the minimum pension level above the present $600 or $1,200? And similarly make periodic adjustments as the salaries of those employees who continue at work rise also, so that the position of the retired civil servant and the teacher does not worsen in relation to those employees who continue at work?

Hon. Mr. MacNaughton: If we were to do what we did a few years ago when we came up to the $600 and $1,200, the net effect of it, of course, was that the contribution against the actuarial deficit became that much more. As long as we followed the same procedure, the same method, that would happen the next time.

Mr. Peacock: But any improvement in the benefit paid out will not have to wait upon the increase in the interest rates?

Hon. Mr. MacNaughton: No. If it is decided to do that, we will do it. As I say, it affects the actuarial deficit to the extent that it is more than is currently paid out of the fund, so that has to be made up. But it is not contingent upon a change in the interest rates.

Mr. D. M. Deacon (York Centre): Mr. Chairman—

Mr. Chairman: Is this on the same point?

Mr. Deacon: No, it is a different point.

Mr. Chairman: Does the member for Dovercourt wish to speak on this point?

Mr. D. M. De Monte (Dovercourt): I wonder about the guaranteed interest rate that you have been giving the teachers; I take it it has been over a long period of time?

Hon. Mr. MacNaughton: Since 1963.

Mr. De Monte: How about prior to 1963?

Mr. Peacock: Four per cent.

Hon Mr. MacNaughton: It was guaranteed.

Mr. De Monte: Is that interest always below the going rate, or does this actuarial deficit make it up to the rate that they could have obtained on the open market?

Hon. Mr. MacNaughton: No, there was a period of time at both the previous rates when it was much above the going rates. This goes back to 1946, 1967, when the competitive rate was 2¾ per cent.

Mr. Deacon: Mr. Chairman, on that point I think one of the compensating factors that the Treasurer has indicated, in saying it has been a fair rate, is that they have had some sort of a charge of maybe a quarter or half of one per cent for administering it, is it not? As I remember the paper that was prepared by the Treasury—

Hon. Mr. MacNaughton: We make no charge for the administration of the fund.

Mr. Deacon: As I remember, in the paper that the Treasury put out explaining this five per cent rate and in justifying it, there was some sort of a differential between what the actual market—

Hon. Mr. MacNaughton: The hon. member is right to this extent, that the value of the cost of the administration is also worth something. We make no charge but it is a contribution. I suppose if you took the value of the cost of administration and added it to the interest rate it would, for practical purposes, be a higher rate.

Mr. Deacon: On a different point here, coming back to that first point the Treasurer gave with regard to the interest on provincial accounts. I understand that $89 million of this is straight government borrowing, whereas $58 million would be money you would recover from other agencies of government. How is that $58 million divided, for example, the Ontario Water Resources Commission and that type of thing? What is the breakdown of that $58 million?

Hon. Mr. MacNaughton: I will have to get that information for the hon. member. I do not think we have it here. I can get it. I can tell you some of the areas but I cannot tell you the amounts.

Mr. Deacon: What areas?

Hon. Mr. MacNaughton: Well, the water resources commission would be one.

Mr. E. R Good (Waterloo North): Capital aid?

Hon. Mr. MacNaughton: Yes, capital aid corporations would be another. The Ontario municipal improvement commission, OMIC as it is known, would be another. The Tile Drainage Act loans; junior farmers; the Ontario Housing Corporation. These are the areas where funds are provided.

Mr Deacon: Under what sort of basis would capital aid be? Is that a debt that the schools are repaying directly out of their grants?

Hon. Mr. MacNaughton: Yes.

Mr. Deacon: In connection with the Ontario Water Resources Commission and its debt, is it the requirement of the government in any project they undertake that they have to make money on every project? Is this a requirement? If it is not a requirement, why is it that the government insists upon the municipalities signing agreements for all these undertakings; agreements that in the case of the 45-mile pipe line, or whatever the distance is, between London and Lake Huron, it took some 12 years to complete negotiations? In the case of Brampton it took about five years to complete negotiations? Why would the government require such agreements?

Hon. Mr. MacNaughton: The agreements cover the rate, the rates for the water for the most part—that is what the agreements cover. In the city of London, for instance, there is a rate for the water. In other words, that one will be self-liquidating out of the revenues from the water.

Mr. Deacon: But it is not just the rate for the water. I know the agreements involve commitments to take a certain amount of water each year.

Hon. Mr. MacNaughton: Yes.

Mr. Deacon: Why is it necessary for the government to require Ontario Water Resources Commission to enter into such agreements with municipalities when it does not require Ontario Hydro to go to municipalities and say, "You cannot buy any Hydro unless you will commit yourself to take a certain minimum amount of Hydro at a certain rate from us every year"? You do not require it of Hydro; why do you require it of Ontario Water Resources Commission when it goes out to municipalities?

Mr. Sargent: A good question.

Hon. Mr. MacNaughton: The agreements or the references the member makes are not to Hydro. They are from the local consumer to the local public utilities commission. Hydro sell their power through a public utilities commission.

Mr. Deacon: I am sorry, you do not quite get my point. It is regardless of whether it is a public utilities commission that is operating the local hydro, or a municipal council which is responsible for the operation of the local water system, or in some cases the public utilities commission that is responsible for the local water system.

Why is it necessary for Ontario Water Resources Commission to enter into these agreements which require a municipality, through its public utilities commission or whatever it might be, to guarantee to buy a certain minimum quantity of water each year and enter into such an agreement that it requires the approval of the Ontario municipal board? All we are doing is having a municipal board approval for something the province is forcing the municipality to enter into.

Hon. Mr. MacNaughton: The province is not forcing anybody into these facilities. They are always negotiated. They are by mutual consent. The agreement is to secure the advances made in the first place and the Ontario municipal board has to determine the credit of the municipality, just the same as it does in any other borrowing area. The municipality is advanced the money by the commission, but they owe that money. They recover the money to pay it back out of the rates they charge for the water.

Surely there is an agreement needed? First of all for the capital repayment. The rate for the water is also reviewed by the municipal board to see whether it is sufficient to recover the money required to repay the capital. The municipal board's intervention is in that field. They determine the rate structure. They approve the rate structure for that reason, the same as they do for any other municipal borrowing purpose, to determine whether the credit of the municipality can support the debt.

Mr. Deacon: Mr. Chairman, I have not explained myself very well. It is not necessary for the province to have an agreement for the supply or the sale of water when it goes to the market to borrow the money which it uses to construct these plants.

The pipelines and plants to which I have referred are owned by the Ontario Water Resources Commission, not by the municipalities. All the municipalities are doing is

buying the water wholesale or getting their sewage treatment facilities wholesale.

This is exactly the same position as the utilities commission is in when it is dealing with Hydro. It is buying the services on a wholesale basis.

In one case, there is no requirement for any agreement that necessitates the municipality or any utilities board to get an approval from the Ontario Municipal Board. It does nothing to hurt the credit of the municipality at all.

In the other case, for some reason or other, the province insists upon these agreements which take years to negotiate. Yes, they do take years to negotiate. You just have to look at the situation in Brampton. The problems we have had up in York Centre, and the delays in getting a system in there are because the municipalities fear the economic burden that they would be undertaking on a commitment basis for the future for their municipalities.

There is no help given the province in its borrowing ability by these agreements, none whatsoever. Yet, all we are doing is holding up the municipalities in getting agreements signed because they naturally have to take care to think about their future.

We are also inhibiting their ability to carry out other undertakings which they might otherwise be able to carry out that are very necessary in the community.

So I suggest to the Treasurer that he look into this problem and see if we cannot stop having these silly agreements made out—

Hon. Mr. MacNaughton: Mr. Chairman, the hon. member is quite wrong. I will take the London water pipeline for example. That water pipeline is, as you correctly stated, owned by the province. The agreements with the city of London and other users are for rates. That is, a rate plus an undertaking to take so much water, the combination of which is sufficient to retire the debt.

The city of London is not burdened with any portion of the debt of the London water pipeline. There was, of course, the great advantage in the province building it. It will liquidate itself out of the rates that are charged for the water. This is what the agreement involves in the city of London, and I presume in every like circumstance.

Mr. Deacon: I disagree with the Provincial Treasurer in that the agreement that London has signed which involves a minimum amount of money that it has to pay regardless of whether it uses a drop of water or not, does involve the approval of the municipal board.

In effect, it is an obligation on the taxpayers of that municipality which the municipal board has to take into account. Certainly the investors, the institutional lenders, take that obligation in that agreement into account when they are lending money to the municipality. There is a minimum commitment, a guarantee of so much money they have to pay every year.

Hon. Mr. MacNaughton: Once more in the case of the London water pipeline, Mr. Root, I think, can explain better than I can, thank you.

Mr. J. Root (Wellington-Dufferin): Mr. Chairman, the Lake Huron water supply system was one of the first agreements that we negotiated. The province owns the system, so much money was invested that we have to recover over a 40-year period.

Mr. Deacon: Why do we have to?

Hon. Mr. MacNaughton: Why not?

Mr. Root: Well all right; do you want me to explain it? We have to recover it over a 40-year period.

Now, the agreement that they entered into, they agreed to take a minimum amount of water to get a rate, and by agreeing to take that much we gave them a better rate than if they had had an open-ended agreement.

Some of the agreements that we have signed have an open-ended agreement. There is a rate adjustment in two years to see whether we are charging enough or too much. It is adjusted. There is another adjustment in three years. This is a standard form of agreement. Then every five years, because we are not sure what the wage scales will be five years from now, or ten years. They may be up or they may be down, and there is the cost of repairs.

But we sell the water at cost. We have to recover the money which is advanced by the province. It is not a debt against the city of London. This is the Lake Huron water supply system.

The city of London buys water from a reservoir at Arva, puts it into their own pumping-station and into their system and distributes it to their people. They contracted to buy water at a price, and that price will be renegotiated, as I say, at two, three and five year periods.

At the end of 40 years agreement—and they have agreed to this and you do not have an

agreement unless two people sign it—they have agreed to pay their share of the costs of that line.

That line will be supplying water to Grand Bend, and we expect to Ailsa Craig and many other municipalities in the area, and every municipality will enter into an agreement that they are going to buy water from that provincially owned system.

Over the period of 40 years they will pay their share of the cost of financing it. The same is true in any of these agreements where the system is provincially owned.

Mr. Deacon: Well, Mr. Chairman, I think the hon. member has explained quite correctly, but the real problem is that, we are trying to make each of these projects stand on their own feet.

We get a situation where we are selling water wholesale to London at, say 18 cents a thousand gallons; and we try to sell it to St. Thomas, ten miles away, at 48 cents or 54 cents. I do not know where the price ended up, but it took a year and a half or more to sell. I know the St. Thomas people are still paying more wholesale for their water than the London people are, and they are upset about it.

Hon. Mr. MacNaughton: It costs more.

Mr. Deacon: It may cost more, but we recognize the fact that we are trying to help municipalities, not hinder them. We have a tremendous ability to borrow money and develop a great revenue-producing asset here, but we have to take the same approach in this item of OWRC as we do in Hydro, and that is not worry whether each aspect of Hydro or OWRC pays its way initially.

In the end it will, and I suggest to the Treasurer that he consider changing his agreements with OWRC so that they do not have to make every borrowing stand on its own feet by agreement with municipalities to be sure the thing is amortized out over the life of the project.

He should direct OWRC to come to him with its requirements for plants and facilities, it seems to me, according to engineering studies of the market and the housing demand and other demands necessary in the province. But it is not going to help the province one iota in its ability to borrow money to have these agreements signed which hold up projects for such interminable periods.

Mr. Root: Mr. Chairman, if I could clarify a point which the member has raised. There is a difference. I know there were rates bandied around in the press between the Lake Huron and the Lake Erie systems. There are two different systems. The Lake Huron system delivers water to Arva—

Mr. Deacon: I know they are different, but they are two towns ten miles apart.

Mr. Root: Just a minute. The Lake Huron system delivers water to Arva several miles out of London. London bought the water at the reservoir, puts it into their own pumping station, their own line into the city, and their own distribution system.

The Lake Erie system brought water right into the water system right in the city of St. Thomas, the original programme.

So on the one system you have 200,000 people on a 30-mile line, and on the other you have 25,000 plus Ford on about a 10 or 11 mile line, and so you cannot come up with the same rate. If you are going to do that in some of these areas where water rates were very high—$3 a thousand—you would have to throw them in.

Mr. Deacon: You certainly should.

Mr. Root: All right. That would be a matter of major policy and the recent announcement—

Mr. Deacon: I agree, I am suggesting it should be.

Mr. Root: —by the Minister of Energy and Resources is a move in that direction where when water gets to a certain figure that people can live with, then the government does give some assistance. But every agreement, or every project, stands on its own feet amortized over a 40-year period.

Vote 2403; agreed to.

Mr. Chairman: It is my understanding that when we finished 2403 we would revert to Regional Development.

On vote 2402.

Hon. Mr. MacNaughton: I wonder, Mr. Chairman, if the leader of the Opposition would permit me to make a short introductory statement on this particular vote?

Mr. S. Lewis (Scarborough West): On what is this?

Hon. Mr. MacNaughton: Regional development.

Mr. Chairman, on the White Paper, "Design for Development," phases 1 and 2, the Ontario government has outlined certain fundamental regional development policies. I would like to review them with the committee if I may.

Firstly, that the vital role of the private sector be recognized, that its contribution to the provincial economy be continually assessed in view of provincial needs and resources, and that provincial policies be formed to encourage a rational expansion of the private sector.

2. That individuals be encouraged to develop their full capabilities in the provision of a climate of expanding social and economic opportunities for each region.

3. That regional and resource policies encourage adequate development of the natural environment, while conserving the aesthetic qualities of that environment.

4. That the timing and impact of Ontario's large and expanding public expenditure be effectively planned and co-ordinated to fulfil in an orderly way the needs of regions in the province as well as the province itself.

5. That this is a programme for regional development which must necessarily involve a working partnership between all of the people of Ontario and the government.

I want to stress that this is a provincial programme for regional development. Its main purpose it to use the provincial budget more efficiently and more effectively for all of the people of Ontario, wherever they may live. To fulfil this purpose, the government created the necessary machinery in its white paper, "Design for Development", phase 1. That machinery includes the regional development branch, with responsibilities to prepare comprehensive plans for each of Ontario's 10 regions. Appropriate machinery also has been established at all levels to judge and implement these plans.

You may recall, Mr. Chairman, that on March 25, 1968, I invited each regional development council to submit a formal statement of its major problems and recommended solutions and priorities. These recommendations were tabled in this House on March 6 last. Now I would like to review with you just how these recommendations fit into our planning and especially to invite from each of you your own specific recommendations concerning regional development plans.

In the diagram which has been distributed, you will see the 12 major steps to be taken in formulating a plan for each of the 10 regions. Step one is the adoption of provincial goals which I have already explained.

In step two we reviewed growth trends using 63 regional indicators of population and economic change. During 1968 we collected and analyzed data at the finest possible geographical level. The growth of each area—either township or county, depending upon the availability of date—was compared with trends in the province as a whole. We now know how the various parts of the province have been functioning over the past 15 years in terms of changes in population, agriculture, manufacturing, services, city growth and other aspects of growth and development. The results of this analysis will be published next year as a regional development atlas which is now in the course of preparation.

While the regional development branch was doing this work, others were also busy. I had mentioned that recommendations from the regional councils were tabled last spring. Proposals also were received from regional advisory boards which are committees of civil servants in field offices of the 10 regions. There are also important contributions from the university research sponsored by this department, and from other departments.

In step three, the branch is carrying out social and economic studies. In an economic sense we are interested in the most important industries, their rates of growth, particularly as measured by employment, and the degree to which they sell their goods outside each region. As our studies advance, we find we need to have a better understanding of such social conditions as levels of education, medical services, housing and cultural facilities.

In step four, we are preparing a gross land use plan in conjunction with the Canada Land Inventory, for each region and for the province. We want to know not only how the land is now being used, but how it can best be used by certain target dates.

To be realistic, planning must make allowance for change, especially change in technology. In step five, we look at this idea. For example: How will new modes of transport affect movement of both passenger and freight in the province? This is only one in a long list of such questions.

Before I proceed to the next step, I would like to emphasize two of the most important problems we have discovered. One is the excessive movement of people away from rural areas and small towns into metropolitan

centres, in other words, unequal regional growth.

The second is the heavy pollution in many parts of the province, but especially within and near these same metropolitan centres. We believe that at least a partial solution to each of these problems lies in an orderly regional approach through careful budgetary planning.

But what is orderly budgetary planning as applied to regional development? In our view it means the selection of certain places where the province can most profitably invest its financial resources in order to encourage the most numerous and beneficial employment in living opportunities for the people in all of its regions. We believe that all other places will benefit from this planning. In this way we can stem the tide of excess in both of our main problems. In step six, we are examining such investment opportunities.

In step seven, we are re-examining all of the preceding steps and giving particular attention to the unique nature, needs and resources of each of the 10 regions. It is especially here that the recommendations of the regional development councils and the regional advisory boards are being given very careful consideration.

Interjections by hon. members.

Mr. Lewis: Does this happen in every civil service?

Hon. Mr. MacNaughton: I do not know—

Mr. Lewis: This chart-type labyrinth?

Hon. Mr. MacNaughton: What labyrinth? You mean you cannot understand it?

Mr. Lewis: No, I comprehend it all too well.

Hon. Mr. MacNaughton: In step eight, we are making the final selection of centres of investment opportunity which were examined for the first time in step six. I might add that we realized the consequences of excessive rigidity in our selection.

Mr. Lewis: When are you going to get beyond step one?

Hon. Mr. MacNaughton: Would you like me to finish or would you rather that I did not?

Mr. Lewis: Well, I can read what is in these little boxes as well as the next adolescent.

Mr. Nixon: Go ahead!

Hon. Mr. MacNaughton: All right.

While recognizing the importance of urban places and trends towards urbanization in Ontario, we also know that many problems and their solutions require rural and resource oriented policies and these are being taken into account in step nine.

A meaningful regional development programme cannot be carried out in isolation from other provincial departments. Indeed, as I mentioned at the beginning of these remarks, effective co-ordination of efforts by provincial departments and agencies is one of the overall objectives of the regional development programme. Co-operation with the federal government and, by way of appropriate provincial departments, with regional and local government, is also necessary. All of this is being done specifically in step 10, but also through the planning process.

In the final two steps, 11 and 12, we consider a wide range of alternative courses of action for each region. We refine these to the most effective choices, and recommend a specific regional plan in harmony with overall provincial objectives.

We have here an oversimplification of what we all know is a very complex process. When "Design for Development" was first written, the enormity of our undertaking was foreseen but not, I am certain, fully understood and I say that for any of us. This job is tough and complex. Indeed, it may well be as difficult as putting a man on the moon and also be of substantial benefit to more people, at least in the immediate future.

This, Mr. Chairman, is an outline of where we have progressed to date. If the hon. member for Scarborough West does not understand it, we will sit down with him some time.

Mr. Nixon: Mr. Chairman, I would like to suggest to the Treasurer that there is about as much chance of him accomplishing the goals set out in box 12 as there is a chance of him putting a man on the moon.

I would say to the Treasurer that the whole concept of the "Design for Development", both phase one and phase two and whatever phases he has up his sleeve for the next couple of years, is suffering from serious lack of acceptance and lack of confidence by the people who are supposed to be affected by the plan.

Now from looking at the complex programme, the series of steps put before us, I would say that you have not achieved step one although somewhere, even before provincial goals have been identified—except

other than the greatest good for the greatest number of people—you have asked those people who have stuck with the regional development councils to send in their recommendations. These recommendations were delivered to the Minister, and to the people in this particular branch of the Treasurer's department and to the members of the Legislature in the form of what—15 elaborate documents—

Mr. Pitman: Ten.

Mr. Nixon: Ten, sorry, yes of course, ten documents. I believe there was one missing for a while—nine—and that this really culminated in the efforts of a good many dedicated people at the regional level.

Hon. Mr. MacNaughton: They are part of the input.

Mr. Nixon: Right, okay. Part of the input—a phrase that you yourself have used—and it appears that this information, this input as you choose to call it, is going to go through this mill and come out as a recommended regional plan.

Now it appears to me that you are bypassing those people who have committed themselves—and believe me, many of them are embarrassed at their commitment at this stage—who have committed themselves to the whole process as they originally understood it in design for development; which was a process to involve the people at the community level with the assessment of their needs and the establishment of an overall plan.

It appears that you have shifted the goal, as the responsible Minister, and you have accepted the responsibility yourself in what you choose—in one of your press releases—to call your ivory tower. The aims and goals and aspirations of these various regions are going to be set by you, admittedly with advice, but by you and perhaps your successors in the dim and distant future when you may have gone through this elaborate process.

Now I want to speak about this more specifically. When I say that you, in this programme, are suffering from a lack of confidence, I would first refer to those people at the local level who have been actively engaged in the regional development programme since its inception. They have been treated to a number of changes in attitude and policy by this Treasurer, this Minister, the Treasurer, and the Ministers who preceded him, in having direct responsibility for regional development.

The Treasurer knows it has been passed around among a number of his colleagues. Let us see how these particular regions are working. Now, I undertook to ask the Treasurer, when the session was in progress last spring, whether or not he was undertaking special measures to save some of the development councils, or development associations, from bankruptcy. He objected to the word, even though the information I had, and he confirmed, was that at least one of them, that is the Midwestern Ontario Development Association, or the council as it might better be called, was in such a serious deficit position that only the Treasurer, with the access he has to funds for this purpose, would be able to bail them out and this he is still doing. I understand the Treasurer has made available—

Hon. Mr. MacNaughton: It is moving along very well.

Mr. Nixon: —with regular monthly payments. But the problem was that a number of the important municipalities in the region were not prepared to assume responsibility either for the debt, or for the continuing payment. Some of those, for example Guelph as a typical example, was persuaded, or perhaps, coerced, to assume at least partial responsibility for the debt. But I am given to understand that many of the municipalities in the region have still not got back on the bandwagon, even though the treasury is providing monthly payments to allow MODA to continue. But this is an example only of the lack of confidence, the undermining of the confidence in some of the development councils which the Minister has had to cope with through infusions of funds where it was necessary, even to keep them moving.

Now we come to something much more serious. We come to a lack of confidence among those people in the community who perhaps have not been closely associated with the organization that has been functioning at some level, perhaps an ineffectual level, now for some years. I think of the area that is represented by myself and the Treasurer's predecessor, the member for Haldimand-Norfolk, who I think is sitting behind his desk with the top raised there—there he is—and who perhaps is as interested as anyone in what the future of regional development might be, because while the area I am talking about comes directly in the Haldimand-Norfolk constituency, still, my constituency comes quite close to it and I am quite familiar with the problems that are faced by

Haldimand-Norfolk and Brant county and the whole region which is going to be subjected to the most rapid rate of growth of any community in this province within the next 10 years.

Now the Minister knows well that the boundaries that are administered by the regional development councils that are under his department were set, I believe, originally, by some research done by the Wartime Prices and Trade Board, ending about 1945. The 10 economic regions have been established on the basis of information constituted and assembled at that time, and it has never been significantly changed. There has been no significant departure from those boundaries. And we in the Opposition, and many people in government have criticized the inelasticity of the minds that established those boundaries for all time and are not prepared to make any significant change to accommodate change in the community.

Now I think particularly of the Niagara Region Development Council, which is a tremendously large area, far too big, I think, to have any administrative significance at all; a development council which, once again, has involved the conscientious work of many citizens, a few of them employed, but most working late into the night in futile attempts to bring some meaning out of design for development phase two, as it is supposed to be interpreted at the local level. And this they have been unable to do in any significant way.

The next regional council abutting them is the Lake Erie one, which I think is probably the most successful, if any of them have achieved any success at all that can be effectively measured. I think the success in the Lake Erie region has been largely associated with the people at Western University who have taken a real interest in backing this up with the sort of professional depth that is necessary, by virtue of the fact that the Lake Erie council has been fortunate in the people, not only who they have been able to interest in their project, but who they have been able to employ to foster it. The point is this: The boundary between the Niagara Development Council and the Lake Erie Development Council is that old line separating Norfolk county from Haldimand county. There is the great iron curtain which is separating the province into two areas of development—two out of the ten. It is right on that boundary that Ontario Hydro decided, now three years ago, to establish a major electrical production facility, coal-fired, which has sparked, let us say—maybe that is the best word to use—economic and industrial development in that area that was entirely unforeseen. Stelco has established itself as a major steel industry, which is going to be one of the largest in Canada, perhaps one of the largest on the continent.

This is closely associated with the location of Ontario Hydro's plant, and actually straddles the boundaries between the two regional development councils. Fifteen miles away on the other side of that boundary, Dofasco has made a similar decision and in the next few months and years, a major steel complex is going to be built farther along the shore of Lake Erie. Now for anyone, particularly the hard-headed Treasurer of Ontario, to suggest that that particular growth area, which is coming about without benefit of any particular provincial plan—and in the first instance, without any knowledge of the Treasurer or his colleagues on the Treasury benches—that it should be divided into the Niagara regions for development purposes and the Lake Erie regions for development purposes is certainly incongruous with modern needs.

So there is this lack of confidence. People down there know that what you are attempting to do cannot work, and they wonder why you persist in establishing these boundaries—keeping these boundaries established—and persist in spending money to the extent of $1 million this year on a framework of purpose that simply has no modern meaning as far as those people are concerned. I would submit that that is the most tangible example of where the Treasurer's "Design for Development"—the Treasurer's and the Premier's (Mr. Robarts) "Design for Development"—is falling down in practical application.

There are other areas where the Minister has lost the confidence of those people whose confidence he must have.

The next one I want to mention is an individual, and I would suggest that the Minister of Trade and Development (Mr. Randall) who does not happen to be here tonight, feels that he has some responsibility for development in this province as well. He has a programme that has been discussed at length in this House. The industrial opportunity programme is costing us more than $30 million this year, and is designed to bring industry into those communities where there is nothing, where the rate of growth indicates that government programmes must be brought to bear. The Treasurer can tell me as much as he wishes that the Minister of Trade and Development is basing his

decision on information that comes from the regional development branch of the Treasury, but I just do not believe it.

As a matter of fact, the regional development office is in the very building that The Department of Trade and Development occupies. In this House, recorded in *Hansard*, is the statement made by Minister of Trade and Development that if he could get Dr. Thoman and his staff out of his office, he would pay the removal expenses himself. Now, if that does not indicate a lack of confidence I do not know what does.

Hon. Mr. MacNaughton: All right, all right. He needs the room, but surely—

Mr. Nixon: Surely if the advice coming from this particular branch of the Treasury is going to be used effectively by the Minister of Trade and Development he would want this group of people and their experts —there is no doubt about it—right on his doorstep so that he could consult with them even more regularly and conveniently than he does now. I submit that the amount of consultation is nil—

Hon. Mr. MacNaughton: I want him on my doorstep.

Mr. Nixon: —and that he believes that this programme is as useless as I believe it is useless.

Now, we get to the third individual who has no confidence in this particular programme, and I refer to the Minister of Municipal Affairs (Mr. McKeough) who unfortunately is also absent tonight.

Hon. Mr. MacNaughton: Not at all.

Mr. Nixon: Here he is, good. This is the area of conflict where surely some resolution must soon take place. Whether it comes about publicly or privately I do not care as long as we do not have too many people with primary concern for the development aspects of the regions of this province.

Many times the Premier, upheld by the responsible Ministers, has said that regional development and regional government have no association, we have got to talk about them separately. Yet I submit that these two Ministers, both of whom are now present, cannot talk about them separately. They do not talk about them separately and, in fact, their responsibilities are in conflict.

It appears to me that the responsibility administered by the Treasurer tends to divide the region which is presently under discussion by Mr. Richardson under, let us say, the direction of the Minister of Municipal Affairs.

It is the Minister of Municipal Affairs' contention in the study that is under way involving Norfolk and Haldimand counties, that those areas may very well go together as a region. I would submit to you, Mr. Chairman, and through you to the Treasurer that there is a lot of sense in putting those areas together for economic development if for no other reason because of the way the development is taking place in view of the lack of a provincial plan that might direct it otherwise.

It appears to those of us on the outside that the administrative structure that is asking for $1 million through the Treasury tonight, is working at cross-purposes with what is required by the Minister of Trade and Development, and is actually in conflict with the responsibility that is seen by the Minister of Municipal Affairs.

If they are not in conflict, then there is serious overlapping of responsibility with consequent wastage of public funds.

It is on this point that I must surely bring the Treasurer to task, because I do not believe he has confidence in his programme himself. Surely if he was to look at what has been laid out for him by this branch he could examine it carefully and say, "Yes, if we had reached the millennium; if we had everybody in the province prepared to back up this sort of a programme; if we were to put all of our resources into this sort of regional development, perhaps it would work."

But that unfortunately is not the case. The government has essentially taken another decision, perhaps in consultation with the Treasurer, perhaps without it. But Ontario is moving in another way. I believe that we are abandoning and certainly should abandon the archaic divisions for economic development based on information that perhaps had more validity in the forties than they would have in the seventies.

I believe that there is an overlapping of these three Ministries which I already brought to the Minister's attention, and for these reasons we on this side have no confidence that this programme is effectively going to move forward and support the economic development of the regions of the province. Confidence is lacking at the local level.

They feel that the Treasurer has usurped their responsibility to have something to say about their own destiny and their own future.

They feel that they have been relegated by the Treasurer—not by all of his colleagues, but by the Treasurer—to a position where they simply do the talking and feed any information to the Treasurer's experts. And the experts in time—and I think it will take more time than we have—will then give their decisions to those regions and they will fall in line.

I do not believe that people are going to stand for that. I do not believe that the Legislature is going to provide the money to pay for it. I think that we are much more concerned with a more flexible approach to the development of this province.

We believe that if you want to come up with something effective you should be co-operating with your colleagues and bringing forward a plan for the province of Ontario that is not based on building blocks of the ten regions and not based on the archaic needs of this province.

They have modern needs. The Treasurer is superfluous in his responsibility as brought forward in this particular development or vote.

I am anxious to hear what further can be said in defence of it, hopefully by the Minister of Municipal Affairs who is surely deeply involved in this problem himself. We have got to put our tax dollar to good use and here is a case—

Hon. Mr. MacNaughton: That is exactly what we mean.

Mr. Nixon: Surely the duplication would prove to any objective observer that they are not being to put to good use. Goodness knows that people working for the Treasurer work hard at this programme.

You need only look at what we might call this "Design for Development" stage 4 that the Treasurer has put before us to know that somebody burnt a lot of midnight oil. For the people back in the regions it actually has no significance at all.

People moving into the province, who find themselves living in one of the ten artificial regions, have no confidence in this. You can see the municipalities falling away whenever they get the chance, only to be boosted by more infusions of funds from the Treasury.

This will not do. It is inadequate. I believe the Treasurer has failed in his "Design for Development" phase 2 or any other phase, and that he is going to have to abdicate this responsibility to others more capable.

Mr. Pitman. Mr. Chairman, I thought that this was going to be one of these quiet highly intellectual discussions. Regional development is, after all, a topic which lends itself to this kind of approach, but when the Minister brings down a bizarre set of charts like this, I really cannot imagine how he could misunderstand the House more and the people who are going to try to understand what is going on, than to present this kind of so-called design for confusion. That is all it is. I suggest to the Minister that this is absolutely unbelievable. How in heaven's name can this Minister expect to sell this to the people of Ontario? These are the people who are going to, supposedly, participate in the planning of what is going on in this province. I know that planning is very complex and very difficult and interdisciplinary; it has a great many facets to it, but it is capable of simplification. Certainly, it is far more capable than this. I do not— Pardon?

Hon. Mr. MacNaughton: Are you going to tell us how you would do it?

Mr. Pitman: Yes. The first thing I would do is start with block No. 1—identify provincial goals. The Minister said it may be as difficult as putting a man on the moon. The difference, I would say to the Minister, is that at least they knew where they were going. The Minister does not know where he is going and so the position the Minister takes is this—I do not know where I am going, so I will fill the car full of gas and drive as hard as I can and see if I can fool enough people of this province so that they really will think, especially if I can put in enough technical verbiage—

Mr. Nixon: I think he can fool himself, too.

Mr. Pitman: —that really they will believe that somewhere there is some kind of provincial goal.

There is no provincial plan. You do not know what you are going to do about land-use planning. Just remember the remarks of the Minister of Agriculture and Food (Mr. Stewart) to the member for Wentworth (Mr. Deans). There is no idea of what is going to go on into transportation. Listen to the remarks of the Minister of Highways and the Minister of Transport (Mr. Haskett). You do not know what you are going to do about urban growth or urban sprawl; this is a premier. Are you going to satellite cities or are you going to let Metropolitan Toronto extend the Golden Horseshoe? You just do not know—and it is extremely—

Hon. Mr. MacNaughton: Wait a minute, you—

Mr. Pitman: Would the Minister like to stand up and talk? What are you going to do about urban development? I yield the floor.

Mr. N. Whitney (Prince Edward-Lennox): What do you know?

Mr. Pitman: I would be delighted to hear what this government is planning to do about urbanization. We live in an urban society in Ontario, and so far you act as though the ten economic regions were a continuation of essentially the rural phasings. So you talk of growth points, I know, but essentially you have not come to grips with the fact that you are dealing with an urban society. The Minister of Municipal Affairs has!

Hon. Mr. MacNaughton: Yes.

Mr. Pitman: Because he yells, he is the ambulance service—

Hon. Mr. MacNaughton: Yes.

Mr. Pitman: —he is the fire department, he rushes around and tries to solve problems that you have not even comprehended yet.

Mr. Sopha: It is called "boondocking".

Hon. Mr. MacNaughton: It is not about—

Mr. Pitman: —and I suggest to the Minister that there is nothing which is going to turn off the people more than a plan like this. I just do not comprehend how you can involve people in a democratic process and present to them this kind of a situation. The member for Thunder Bay (Mr. Stokes) was good enough to pass on to me the speech which the director of this programme gave to northern Ontario, I think this chart was involved in that as well. As I read that speech, I can just think of those of our people who are on that development council looking at a chart like that and wondering, "Where the devil do I fit into this?" What happens to my home and the value of my home in this? What happens to the break-up of my municipality in this? You have absolutely no way of—

Interjection by an hon. member.

Mr. Pitman: —bringing the people of this province into regional planning and regional development until you give them some kind of a goal.

Your box No. 1 is where you begin and end. Until you end there, the regions have no way of knowing where they are going and that is what the whole thing is all about. I do not think we could take it so lightly if it was not so very serious, because this is one of the most important estimates this government is going to bring before the House. The Minister is going to decide on the kind of society there is in this province by the time the plan is done here.

Hon. Mr. MacNaughton: That is right!

Mr. Pitman: Whether there are going to be decent cities, or whether there are not going to be decent cities; whether they are reserving land for agriculture or not.

Hon. Mr. MacNaughton: What else is it all about?

Mr. Pitman: Do you get any impression out of this that you know what it is all about? I do not get any impression at all. You have not made any of the significant decision that has to be a part of a provincial plan. What you are trying to do, is build from the bottom up, by trotting out statistics.

Hon. Mr. MacNaughton: No.

Mr. Pitman: You are going to achieve some kind of a plan that will not come that way. A plan is a process, you have to know where you are going and you have to be able to move in process throughout that movement. Do you ever get control of all the crises points? That is what the Minister of Municipal Affairs does every once in a while, unfortunately he fails to recognize the crises points.

Hon. Mr. MacNaughton: Do you not think you need an inventory? Do you not think you need a stocktaking?

Mr. Pitman: But yes, these stocktakings are very important, but the point is, you have to know what you are trying to get at. What kind of a society are you trying to get? You do not know. If you look at your transportation policies they are utter chaos. The GO trains and highways; you have not got any kind of co-ordinate transportation policy at all; you have not got any kind of co-ordinate land policy, nor any kind of urban policy and yet—

Mr. I. Deans (Wentworth): Farm policy—hopeless.

Mr. Pitman: —you think that by piling up statistics you are going to get a policy, but it will not come. I just ask the Minister: do you think you can find a plan in those ten economic region reports? Is that the

level at which you think those plans are going to emerge? In effect, then, citizen participation becomes a façade, unless citizen participation is directed.

Hon. Mr. MacNaughton: Mr. Chairman, nobody has ever said that we thought there would be a plan in those ten economic region reports. They are only one element of the input in the total situation. The hon. member knows that, he does not have to make that kind of an observation. Nobody ever expected those plans were going to be the ultimate and the end-all.

Mr. Pitman: First of all, I am not suggesting that. They are supposed to be the building blocks.

Hon. Mr. MacNaughton: Of course, they constitute a building block—

Mr. Pitman: —and certainly those plans do not give much of that—we will come back to those plans in a few minutes. I would like to make a point first, though, that this game has been going on for 20 years. After all, it is in 1954 that these economic regions were identified.

I can agree with the leader of the Opposition in his suggestion that these ten economic regions are most ungeographic. Most geographers are absolutely floored when you suggest that you are going to try to build upon these regions. But nevertheless, I would be the first to admit now, that the superstructure is there, so you cannot move the superstructure though I guess we have to stick with the ten economic regions.

The point is that even the selection of these economic regions has not really done very much since 1954, it is now 1969—fifteen years since these economic regions were selected. How much have we got? All we have realized, really, are—very vaguely—some of the problems, that haphazard urban goal and the loss of valuable agriculture land, the Metropolitan conglomeration and the fact that local authorities cannot cope with all of this. This is really all we have done in fifteen years, recognize, in a vague sort of way, what some of the problems are.

Mr. Whitney: Two weeks ago you wanted more industry.

Mr. Pitman: Mr. Chairman, I will restrain myself from getting onto the topic of ODC and EIO at this point of my remarks—

Mr. Whitney: They are incompatible.

Mr. Pitman: —and besides that, in the Minister's books, you are way behind. We are not up to there until number eight comes. If you will let me move along in a more orderly way.

Mr. Lewis: Norris, you are in box three.

Mr. Whitney: I would hate to say which box you are in.

Mr. Pitman: Of course, there has been no real co-ordination, even in the government department, in any kind of a regional thrust. It is safe to say that as of 1950 a planning development division grant was put into this government—1950—20 years ago. Strangely enough at that point in time, it was better organized than it is now. Because, at that point, planning, economic development and eventually community planning, was in that branch for a short while until the latter was moved over to Municipal Affairs. At least they had all the controls in one hand. Now you have it all over the place.

We have already said the Ontario development corporation and the Minister of Trade and Development are going their own sweet way. You have got the Treasurer who is piling up statistics and piles of information and reports and so on—nothing very clear to make forth, but of course the Minister of Municipal Affairs is doing the day-to-day job of trying to stop hell from breaking loose in many parts of this province.

For eleven years, of course, it was all under one head, then you changed the power of planning and development to the Trade and Commerce department. At the same time The Department of Economics became part of the economic and federal-provincial relations, then both became part of Economics and Development, and then, of course, the regional development staff became a division of the trade and industry branch of The Department of Economics and Development. This is the kind of musical chairs that has been going on which relates to regional development ever since this government took office.

One really cannot believe you have the slightest bit of interest in planning development.

Hon. Mr. Randall: Very successfully!

Mr. Pitman: I must say a day or so ago I got a very nice letter from Carleton University, inviting me to come to a dinner to be held in honour of Frank Underhill, perhaps one of the greatest of Canadian historians,

and I am really drawn to tell a story about Frank Underhill, I am sure the Chairman will allow me.

Hon. Mr. Randall: Keep it clean!

Mr. Pitman: I am.

Mr. Sopha: The Regina manifesto, which is no longer popular with them.

Mr. Pitman: He was in convocation hall and he was introducing Sir Stafford Cripps, who had come across the ocean from the old land, and he turned to the audience and he said: "You know—"

Hon. A. Grossman (Minister of Correctional Services): That was the halt leading the blind.

Mr. Pitman: "—over in England you have witnessed the hunting Tory, the industrial Tory, the agricultural Tory, and you have seen the political Tory; and here in Ontario you have an opportunity to see the Tory as conceived in the mind of God."

There is a Tory over there conceived in the mind of God. They have no interest in planning and development whatsoever. For 20 years they have been playing with it, and this is another part of the game, just another phase of the game.

Mr. Nixon: I do not think you would call that an immaculate conception.

Mr. Pitman: What has gone on? There has been no co-ordination, only a continuous competition between the Minister of Municipal Affairs, the Minister of Trade and Development and the Treasurer—it has gone on and on. And what is the local response? It is completely baffled. The regional associations of citizens have little enough money, heaven only knows. They have little support, and virtually no research assistance at all. That really is the name of the game. Not only do you not give them any goals to let them know where you are going, what you are up to, but also you do not give them any way of really, in their own regional areas, developing the kind of research which makes their participation realistic. Without that, it is a game and nothing more. Nothing more than a game. In fact, one can look at these reports and see the degree to which this government is playing games with the people of Ontario. You gave them $5,000 to prepare a report—$5,000. How much research can you get for $5,000? Especially on the basis of the guidelines presented to those regional councils when they were asked to present these reports. And what you got was exactly what you expected to get. You did not really get very much that you did not already know. I do not think the Treasurer could possibly stand in his place and say that these reports here have provided any real direction to regional development in the province of Ontario. In fact, I defy him to find any pattern in those ten reports. The last time we talked about this, the Minister had not read them; I hope by now he has read them. He has read them, I would hope. Can he really tell me he can find any pattern? Can he find that they have even followed the guidelines that were given to them in some cases? I cannot find them. I tried to read them.

Mr. Sopha: They are, in one word, junk.

Hon. Mr. MacNaughton: Has the member for Sudbury read them?

Mr. Sopha: Yes. They are junk.

Interjections by hon. members.

Mr. Pitman: Let us take a look at one or two of them. One of the things they were asked to find were growth points. Now, of course, the Minister of Trade and Development does not believe in growth points. In fact he is doing everything he can to reverse the policy on growth points in spite of the Premier and everybody else. Oh, the Minister shakes his head. He just simply cannot say that is not the case.

Hon. Mr. MacNaughton: But I can say it.

Hon. Mr. Grossman: He does say it.

Mr. Pitman: Well, the Minister is in his own world. We will leave him there.

Hon. Mr. MacNaughton: I am happy in my world.

Mr. Sopha: That is the problem.

Hon. Mr. MacNaughton: You do not like anything about the world you live in, do you?

Mr. Pitman: I suppose a happy moron is perhaps the best way to be in this world, but nevertheless I suggest that is not a particularly admirable stand for a Minister of the Crown.

Interjections by hon. members.

Mr. Pitman: This is the five-year programme for the Niagara Regional Development Council. These are industrial growth

points, and this is the first level of importance: Welland, Brantford, Burlington, St. Catharines, and Nanticoke. Nanticoke? I could not even find it on the map. Where is Nanticoke?

Interjections by hon. members.

Mr. Pitman: The second growth points are Thorold, Paris, Hamilton—but they are only second to Nanticoke.

Mr. Sopha: Nanticoke is going to have a steel mill.

Mr. Pitman: I am very glad to hear that, but it would seem to me, Mr. Chairman, that that does not give me very much confidence in some of the reports that were done.

Mr. Sophia: A steel mill that should have been located at the Lakehead.

Mr. Pitman: Let us take a look at the northeastern development council. This, I think, was a very real effort. I must say that in this particular case the gentleman who prepared this did try, but essentially on $5,000 how can you provide a pattern for what is 75 percent of the land of Ontario? How does it have to be done?

Mr. Nixon: Did you find any growth points?

Mr. Pitman: I have not looked—at least I do not remember all of these points.

Mr. J. E. Stokes (Thunder Bay): They thought the Lakehead might be one.

Hon. Mr. Welch moves that the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, as announced last week, tomorrow we are to consider some legislation. It is likely that we will not be able to use up the entire time with legislation tomorrow, and will revert to estimates following the discussion of the legislation which we will introduce for consideration.

Mr. J. Renwick (Riverdale): What legislation?

Hon. Mr. Welch: We have five Acts for second reading. If I can just give you the order numbers for tomorrow—12, 13, 15, 20 and 21, not necessarily in that order, but let us hope that we will deal with those five second readings tomorrow, following which we will return to the estimates of the Treasurer.

Hon. Mr. Welch moves the adjourment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

No. 206

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Wednesday, November 5, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 5, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon our guests in the east gallery are students from Owen Boulevard Public School, in Willowdale, and in the west gallery from Oak Park Junior High School, in Toronto, and Georges Vanier Secondary School in Willowdale.

Mr. D. C. MacDonald (York South): Mr. Speaker, I wonder if I might introduce another distinguished guest who is visiting us today. He is George Fernandez, a member of the national parliament of India and general secretary of the United Socialist Party. He has been visiting Europe and is now visiting Canada. His brother, Paul Fernandez, is a resident of the city of Toronto. They are in the Speaker's gallery and I know all members of the House would like to extend them a welcome to the Ontario Legislature.

Mr. Speaker: Statements by the Ministry.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, on a point of order, I think our question period has been settling in very well during the seven days that we have been using the new rules, but obviously it cannot work if the Ministry is not here prepared to answer questions. I see some of the Ministers are arriving now.

Mr. J. E. Stokes (Thunder Bay): Just keep talking.

Mr. Nixon: But this is the day that the time available for oral questions is restricted to a half hour, and so perhaps, by way of questions to the Ministry, I wonder if I might ask the Minister of Municipal Affairs, who is now present, if he is prepared to tell the House that the report of his special committee on farm assessment will be available before we deal with the bill on assessment reform.

Hon. W. D. McKeough (Minister of Municipal Affairs): Yes, I hope to be able to table it on Monday.

Mr. Nixon: And then deal with the bill Wednesday?

Hon. Mr. McKeough: Well, that is subject to the House leader, but I think that is what we have in mind, to call The Assessment Act on Wednesday, yes.

Mr. Nixon: A supplementary question. I do not know whether he can give us this information, but is it possible the bill, as presently printed in the book, might be amended due to some aspects of the report of this committee, and does the Minister know the gist of the report now?

Hon. Mr. McKeough: I received the report at 9.00 o'clock this morning from the committee, and I have not read it. I think I have the gist of it. No, there will not be amendments in this particular version of the Act arising out of that report. There are, however, a number of changes in the Act, I think some 50-odd changes. Those changes have been finalized, and we have arranged to have the bill reprinted prior to it being called. The bill, as I understand it, cannot go in the books but it will go on the desks on, I think, Friday, so that those changes will be in front of the members prior to second reading.

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Mines arising from a discussion in the estimates of the Minister of Lands and Forests (Mr. Brunelle) and some questions that I put to the Premier yesterday. Has the Minister of Mines undertaken any special research other than the information that is generally available on the position of the Algoma Central Railway in being in default of the payment of mining taxes over the years?

Hon. A. F. Lawrence (Minister of Mines): I know, Mr. Speaker, that the negotiations of settlement of several outstanding differences between The Department of Mines and the Algoma Central Railway were completed back in 1956 and 1960. The situation at that time was that the department made searches of title only in 1952 and then realized that the Algoma Central Railway had severed mining rights from surface rights by eliminating the surface rights. In the period between 1952

and 1960 various agreements were made with the Algoma Central Railway under which certain mining rights were revested in the Crown, and the government received the benefit of certain mining exploration work that had been done by the company.

That in general is the situation. If the member has any particular enquiries about any specific parcel or any more details of it, I will be glad to get them for him, or if he has any right now I may be able to answer his questions.

Mr. Nixon: The question is: How much is the Algoma Central in default in paying mining taxes; or must we gather that the Minister is satisfied that the recent negotiations have in fact expunged any default position from the books?

Hon. A. F. Lawrence: At the moment I have no knowledge at all that Algoma Central Railway is in default of any mining taxes but I am speaking right off the top of my head. I will be glad to take that as notice and give the member an answer tomorrow.

Mr. Nixon: As to the further supplementary: The Minister is aware, I am sure, of the discussions that have gone on in the House, not only this year but in previous years, and the Prime Minister's (Mr. Robarts) position that all the information is well known. I think the Minister's answer—and would he agree with me in this—would indicate that perhaps all the information is not well known even by those particularly responsible for the government's dealings with the Algoma Central Railway.

Hon. A. F. Lawrence: But the situation as far as the Minister of Mines and The Department of Mines is concerned was fairly well known, at least to the Ministers of Mines. As far as in The Department of Mines is concerned, we have no claim, argument or quarrel with the Algoma Central Railway respecting mining rights at this moment, or as far as I know, in respect of arrears of mining taxes at this moment.

Mr. MacDonald: As a supplementary question: At the time in 1952 when it was discovered that Algoma Central Railway had not been paying mining taxes for which they were obligated, it was stated that the unpaid tax bill was $3.5 million. Do I understand the Minister to say now that there has been no payment on that, and that it was, in effect, negotiated out of existence in 1956 and 1960? If so, how does he explain the fact that his predecessor George Wardrope—and my recollection is that was in about 1965 or 1966—reported on the 10-year investigation to the effect that certain townships had been re-explored and handed back to the Crown because ACR came to the conclusion that there were no mineral possibilities there?

Hon. A. F. Lawrence: Mr. Speaker, maybe I could make a fuller explanation to the House. There were a number of townships in 1952 which contained land on which the Algoma Central Railway Company had created a severance by retaining the mineral rights to certain of these lands. They totalled almost 400,000 acres at that time. The mineral rights were included in The Department of Mines' normal forfeiture list and advertised in 1953 in the *Ontario Gazette.*

The Algoma Central Railway Company then became involved in lengthy discussions with the government which ended with an agreement concurred in by the government in 1956, and amended in 1960. The agreement contained many conditions. One of them was that the company was to pay taxes on the mineral rights of the parcels the company wished to be retained commencing with the year 1954.

Mr. MacDonald: In other words, they washed out all previous taxes.

Hon. A. F. Lawrence: Secondly, the province was to proceed with the forfeiture of the mineral rights of those parcels not redeemed by the company. Finally, to furnish The Department of Mines with all the maps and information covering geological and geophysical work as well as information obtained from diamond drilling assays, plans, and so on.

At the conclusion of the agreement the company decided not to retain the mineral rights to these almost 400,000 acres and they were surrendered to the Crown. If the forfeiture had been completed in 1954, as originally anticipated, the Crown would have obtained the mineral rights, but as a result of the agreement the Crown has the mineral rights, together with the geological and the geophysical data which cost the company approximately $1,278,000.

It was the government's view in 1960 that they had entered into a *bona fide* agreement with the company, both sides receiving consideration. My understanding is that the taxes then outstanding up to 1954 were forgiven as part of the consideration of this agreement.

Mr. Nixon: Mr. Speaker, a supplementary question.

1. If those taxes were forgiven, can the Minister assure us that Algoma Central is paying the proper rates on the mineral interests and mineral rights that it has retained?

2. Since the Premier has indicated that he is not going to permit an objective review of this government's negotiations with the Algoma Central, will the Minister of Mines table the documents relating to the agreement that he has just referred to?

Hon. A. F. Lawrence: In relation to the first part of that question nothing has crossed my desk yet to indicate that the Algoma Central is in arrears for the payment of any mining taxes other than perhaps this year's or perhaps last year's. But I will find out and if there are arrears I will certainly inform the House.

In respect to the tabling of the actual agreement, may I look into this matter and find out if they are in a form to be tabled or if there is any particular government policy which would prevent this from being tabled. I simply do not know.

Mr. Nixon: Then I submit to the Minister that we do have a right to know.

Hon. A. F. Lawrence: The members have a right to know some things, yes, but there are some matters—

Mr. MacDonald: This is one of them?

Hon. A. F. Lawrence: This may be. Let me check into it. I would see no objection to tabling it. If I can table it, I will.

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Labour. We are glad to hear this morning that the strike at Sault Ste. Marie has been settled. Can he give us any further report as to the negotiations with the workers at International Nickel; the steelworkers who are still on strike and have been on strike for so many weeks?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, I share with the hon. leader of the Opposition the pleasure that the Algoma situation has been settled.

The INCO negotiations have been continuing all week and are continuing at the present time. I just left a meeting with my chief conciliation officer in reference to this matter.

Mr. Nixon: A supplementary question. The Minister and the Premier have as yet not felt the time opportune to intervene?

Hon. Mr. Bales: Mr. Speaker, that is not the case. I have intervened a number of times in reference to this matter, through certain meetings that have been held.

Mr. Nixon: A further supplementary. Is the Minister aware of the Premier's statement that he would be prepared to intervene when the time was appropriate in his view? Can the Minister of Labour indicate whether he has advised the Prime Minister on whether or not the time should be getting around to an appropriate one for intervention so that we can look forward to a settlement?

Hon. Mr. Bales: Mr. Speaker, the hon. leader of the Opposition is as concerned as I am, and as are all members of this government, to reach a satisfactory settlement in the negotiations now in progress. They are at a very crucial stage and I think that it is best to leave them in the hands that they are in at the present time.

Mr. MacDonald: Mr. Speaker, I have a question for the Minister of Lands and Forests.

In a statement to the press yesterday he is credited with saying that he would prefer not to give additional information to what he said in the House the day before. That was in reference to the whole ACR deal. May I ask the Minister, what other information is there? Why was it not given in the House when we were debating this issue, and when we were vigorously questioning the Minister as to the details of the whole contract?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member. A lot of the negotiations were done as far as our department was concerned. We did the inventory to assess the value of the timber rights, but when it comes to taxation matters and receipts for a gift, this comes under The Department of Treasury and Economics. Therefore I feel, Mr. Speaker, some of that information is in that department and since some of that information concerning taxation matters would be confidential, I would prefer if the hon. member would refer the question to the appropriate department.

Mr. MacDonald: I would be very glad to do that forthwith.

Would the Provincial Treasurer explain exactly what is the situation on this so-called

$5.7 million, which was the price tag put on by the government, apparently for the five species, other than pine and for wildlife, and which the company can now write off against provincial and federal corporation taxes over the next two years?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, the hon. member has outlined the basic elements of the situation himself as clearly and succinctly as I could. As far as tax relationships with taxpayers, I am sure he would be the first to recognize there are elements of this that cannot be disclosed. We do our best to preserve relationships with taxpayers across the board in The Department of Treasury and The Department of Revenue, and on that score, that is where the matter stands. But the member has, in his own words, made reference to the assessment and the value of the timber in dollars for the purpose which has been described, and I say, Mr. Speaker, I am not prepared to go any further than that.

Mr. MacDonald: A supplementary question if I may, Mr. Speaker?

Mr. Speaker: The hon. member for York South still has the floor for supplementaries and then the hon. leader will have it.

Mr. MacDonald: The $5.7 million was the value put on the five species and the wildlife; this has presumably been handed back to the public domain. Will the Provincial Treasurer explain why this now can be written off against corporation taxes, either federal or provincial?

Hon. Mr. MacNaughton: The value in timber, the value in dollars—what is the difference? If it is conveyed in those terms, what in effect is the difference?

Mr. M. Shulman (High Park): It is a sell-out, that is what it is.

Hon. Mr. MacNaughton: I am not going to pursue the tax relationship of the Algoma Central Railway and The Treasury Department and The Revenue Department any further than that. Those are matters, as far as taxpayers and the government are concerned, that I think properly involve the element of secrecy that is provided for.

Mr. Nixon: Mr. Speaker, if I may pursue this—

Mr. Speaker: The hon. leader will have his opportunity for his supplementary.

Hon. Mr. MacNaughton: Mr. Speaker, I am not quite through with my answer. On the basis of the manner in which the member for York South has put this to me and to the House, I do not think he has any right to expect any further answer from me.

Mr. MacDonald: Mr. Speaker, by way of a supplementary question, the Algoma Central Railway was in effect given $5.7 million in return for the wood and for the wildlife. Now, how and why can they write that off against their taxes? If it was income, presumably they would pay taxes on it. Why should they write it off against their taxes, so in effect they are going to get more out of the public Treasury, federally and provincially? Why?

Mr. Nixon: Is the Minister going to answer?

Hon. Mr. MacNaughton: No, I would simply say this, Mr. Speaker. If they had paid this money in cash, they would have received a receipt. They received a receipt for value.

Mr. MacDonald: But why can they write it off against taxes? If it is money they received, how can you write off money received against the taxes paid?

Hon. Mr. MacNaughton: Well, that is another matter.

Mr. Shulman: It is a straight sell-out.

Mr. Speaker: Order! The hon. Minister has the right not to answer further.

The hon. leader of the Opposition.

Mr. Nixon: Mr. Speaker, a supplementary question on this matter. Is the Treasurer aware that in a statement yesterday the Premier said he felt there was full general public knowledge about the dealings of this government with Algoma Central Railway and that further investigation was unnecessary. In connection with that, he himself has said there are certain aspects which he cannot reveal. His colleague, the Minister of Mines has indicated that there may be certain aspects which the House has no right to know and which he is investigating to see whether or not he will table. In the light of this, does he not agree that there should be an objective investigation into the dealings of this administration with ACR—not as a citizen of Ontario this time?

Hon. Mr. MacNaughton: No, at the moment, I agree completely with the Prime Minister that there is no need for it.

Mr. Nixon: Yes, but surely he cannot agree with the Premier. A supplementary question, Mr. Speaker: Does the Treasurer agree with the Prime Minister that all the facts are known and publicly known when the Treasurer himself has said that there are certain things which he considers secret?

Hon. Mr. MacNaughton: I stand on that.

Mr. Nixon: I do not know how he can have it both ways.

Mr. Speaker: Order. The hon. member for Scarborough West has a further supplementary question.

Mr. S. Lewis (Scarborough West): To the Provincial Treasurer, if I may. Is the Minister saying to the House that there was a separate and private negotiation relating to the right of ACR to write off that $5.7 million against taxes, independent of the initial appraisal of worth of timber?

Hon. Mr. MacNaughton: Mr. Speaker, I am not saying that at all. I am saying that they received a receipt for the value. Now, from there on, what they do in terms of their own tax arrangements, and so on, as far as I am concerned, is their business. I shall not disclose it to this House.

Mr. Lewis: Then you are protecting a private interest.

Mr. Speaker: A supplementary question? No. The hon. member for York South.

Mr. MacDonald: I have two further questions. My next question is to the Minister of—

Mr. Speaker: The hon. member for Dovercourt has a supplementary.

Mr. D. M. De Monte (Dovercourt): I am wondering whether, if the Algoma Central is allowed to write off $5 million, that gives them a further $5 million, does it not, in profits?

Mr. MacDonald: It gives them more out of the public treasury.

Mr. Speaker: The hon. Minister is not answering that question. The hon. member for York South has the floor.

Mr. MacDonald: My question is to the Minister of Agriculture and Food. Would the Minister of Agriculture and Food refer Bill 194 to a select committee of this Legislature in order that the growing confusion among humane societies and the growing anxiety on the university side—in some fashion—to get an adequate flow of research animals, might be thoroughly examined so that we can come up with a bill which will have greater support rather than the divisions at the moment.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, there is no one who would welcome, more than I, a reasonable and satisfactory solution to the concern which is being so well expressed by many concerned people today. On the other hand, the concern seems to associate itself with the fact that the pounds operated by the humane societies of Ontario are required, under Bill 194, to make available for research, animals for which a home cannot be found, even after the prescribed redemption period, and that redemption period can be as long as one wishes it to be. So I would suggest, Mr. Speaker, that the problem can be resolved by the municipalities establishing their own municipal animal control facilities, and not employing the facilities of the humane societies, if indeed it is offensive to the humane societies to go along with the legislation. But I would point out, Mr. Speaker, with respect to what the hon. member has said, that Bill 194 was drafted with five elected members of the board of directors of the Ontario Humane Society and affiliated societies sitting in with us at every stage of the deliberations. All of them, save one, had no reservations concerning the requirements to make those animals available from the pounds after there was no further claim on them for pets by their original owners, or by anyone else who wanted them. So I would say, Mr. Speaker, that to refer this bill to a select committee of the Legislature would further delay the implementation of an Act, which in my opinion, has a great deal of merit to it, and which a great many people feel is necessary in this province today.

Mr. MacDonald: Mr. Speaker, by way of supplementary, is the Minister aware of the fact—to give one example of the confusion—that the Toronto Humane Society ran ads indicating that they were not in favour of even non-survival experiments, whereas they had been part of a policy decision at the Ontario Humane Society last January, February or March, which agreed to non-survival experimentation? With that kind of confusion in the humane society, would the Minister not agree that it would be useful for a select committee to bring all of the people interested in all of the aspects—one of which the Minister has detailed, and admittedly it

is an important one—before a select committee to see if we cannot resolve this. I would think that people on all sides of the House, including the Minister's side of the House, might think that this would be an appropriate move.

Mr. Speaker: The hon. member is just asking a question. Please, the hon. Minister?

Hon. Mr. Stewart: Mr. Speaker, I appreciate the suggestion made by the hon. member. Some letters that I have received proposed that this should be done. Frankly, I wonder how one can possibly meet the changing position of the Ontario Humane Society that fluctuates almost from day to day. Consequently what we had accomplished at one stage is apparently no longer satisfactory, and the position seems to change almost with the wind.

Now, whether or not any position can ever be taken that would be satisfactory to certain members within the Ontario Humane Society, I do not know.

Mr. Speaker: The leader of the Opposition.

Mr. Nixon: Mr. Speaker, a supplementary question. Might I ask the Minister if I am correct in assuming that he is not putting the possibility of such a committee out of his mind, because in my view, it is the only way whereby he can bring the differing views that have been referred to together in a public way, so that when agreement is reached it can be brought to this House. Can the Minister assure me then that he is not dismissing this possibility?

Hon. Mr. Stewart: Mr. Speaker, I am always willing and ready to consider, as every member of this government is, every reasonable suggestion that is made.

Mr. Speaker: The member for York South.

Mr. MacDonald: A question to the Provincial Treasurer, in his capacity as the man responsible for civil servants. Is it accurate that attendants of this Legislature do not get a holiday with pay on Remembrance Day and is that true of all civil servants?

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, if I might answer this question, the civil servants, in fact, will be observing a holiday on Tuesday. This building will be closed on Tuesday.

Mr. MacDonald: Do they get a holiday with pay?

Hon. Mr. Welch: To tell the truth I really—

Mr. Speaker: Perhaps Mr. Speaker might assist in this. Does the hon. member mean those attendants who serve in the House or the elderly gentlemen who help around?

Mr. MacDonald: I was asking a double-barrelled question with regard to all attendants, inside this House or around, whether they get a holiday with pay next Tuesday?

Mr. Speaker: Well then, I will leave the hon. Minister to answer, but he understands that there are two types of legislative attendants.

Hon. Mr. Welch: I will get the information as to what the arrangements are with respect to holidays. There would be this distinction to which the Speaker makes reference, and I will be glad to get this information for the member.

Mr. Speaker: Has the hon. member for York South completed his questions? The member for Grey South.

Mr. E. A. Winkler (Grey South): Mr. Speaker, I have a question of the Minister of Social and Family Services. In regard to the current controversy regarding the Company of Young Canadians and their responsibilities, I would like to ask the Minister if at any time he or his department has had any dialogue in regard to their responsibilities.

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Speaker, I do not think I have had any direct dialogue with anybody in the CYC in that formal capacity. Perhaps I have met with individuals on occasion but not in a formal way. As to whether they have met with any of my departmental officials in a direct formal way, I do not know. I would think that had that been the case it would have been brought to my attention.

Mr. Nixon: Mr. Speaker, a supplementary. Is the Minister aware that the Company of Young Canadians have had projects on Indian reserves in this province?

Hon. Mr. Yaremko: I do not know about the reserves. I know they have been active in the north and I have been in company, I think, where they have been in the background, but I have never met with them in a direct way in their formal capacity as such.

Mr. Nixon: Mr. Speaker, a supplementary question. Did the Minister make no attempt to co-ordinate his responsibilities for Indians

in the province with the programme of the Company of Young Canadians?

Hon. Mr. Yaremko: I think they considered their programme as being completely independent of ours.

Mr. Speaker: The hon. member for Port Arthur.

Mr. R. H. Knight (Port Arthur): I have a question of the Minister of Municipal Affairs. I would like to ask the Minister whether the huge outcry from credit unions in the province will have any effect on the changes he indicated earlier in section 9, subsection (b) of Bill 205, where it pertains to applying business assessment to credit unions. Will this be part of the changes in the Act which the Minister indicated would be coming before us?

Hon. Mr. McKeough: The words "credit union" will be removed in the bill, which will be tabled on Friday.

Mr. MacDonald: That is a step forward in Tory philosophy.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, a question of the hon. Provincial Treasurer. Will he impart to the House why, in his wisdom, in the allocation of tax fields, the banking industry has been the only area in our economy that has been neglected insofar as sales tax on banking transactions? In other words, Mr. Speaker, in the States now the banking institutions are paying a sales tax on every transaction—

Mr. Speaker: Order! The hon. member has now explained his question.

Hon. Mr. MacNaughton: Mr. Speaker, I am not prepared to answer that question today. It is something that has not been considered up to this point; it has not been given any research. May I come back and say, is this a proposition by the hon. member that sales tax should be applied to banking transtions?

Mr. Sargent: Thank you, Mr.—

Mr. Speaker: Unfortunately, the hon. Minister is not entitled to ask a member a question and the member therefore is not entitled to answer it.

Mr. Sargent: You must be kidding.

Mr. Speaker: The hon. member for Sudbury East has the floor.

Mr. E. W. Martel (Sudbury East): A question of the Minister of Labour. Because the first returns indicate 500 employees at International Nickel and 100 employees at Falconbridge have not received a full vacation pay, will the Minister now intervene to see that these men receive the full vacation pay which they are entitled to as of November 1?

Hon. Mr. Bales: Mr. Speaker, may I ask as a matter of clarification, is the hon. member referring to 1968 or is he not?

Mr. Martel: 1969, for which the men completed their part of the contract in fulfilling the work up to July 10.

Hon. Mr. Bales: Mr. Speaker, the general question was raised with me by the hon. member previously and we checked into the matter. I have assurances from both International Nickel and Falconbridge that vacation pay will be paid as it is required. At the present time, other than the enquiries received from the hon. member, we have had no complaints with reference to the matter. If there are proper complaints, they will be investigated.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Hon. Mr. Welch moves that Mr. Rowe, member for the electoral district of Northumberland, be appointed Deputy Chairman of the committee of the whole House for the present session.

Mr. Nixon: Mr. Speaker, might I, in connection with this motion, ask the House leader through you, sir, if this in fact would implement the recommendations of the committee on rules? I thought there would be two further appointments, not just one, in order to fully staff the responsibilities that Mr. Speaker holds and the chairmanship of the committees.

Hon. Mr. Welch: Mr. Speaker, I think the full implementation of this will await the commencement of the next session. We felt for the balance of this session, in order to give some assistance to the present Chairman, we should make this one particular appointment.

Mr. Speaker: Perhaps I could deal with this. It is my humble opinion that any change

with respect to the Speaker and the Deputy Speaker should be by way of amendment to The Legislative Assembly Act to provide the proper status for a Deputy Speaker. I believe that is under consideration, but it is something that cannot come in as quickly as this.

Mr. Nixon: Right. But since the motion is before us, Mr. Speaker, and we had no notice of it particularly—

Hon. Mr. Welch: Oh, I thought you did, I am sorry.

Mr. Nixon: Certainly, I am delighted to support it as far as the gentleman named is concerned. He does a very good job. There has never been any difficulty in a chairman calling another member from any side of the House to his assistance when he felt it was required. Certainly, I am very glad to support the motion but I do not know why it is required.

Motion agreed to.

Mr. Reilly moves that Messrs. Downer, Meen and Villeneuve be substituted for Messrs. Kerr, A. B. R. Lawrence and Rowe, on the education and university affairs committee.

Motion agreed to.

Mr. Lewis: Have Messrs. Kerr, A. B. R. Lawrence and Rowe been consulted?

Mr. Speaker: Introduction of bills.

Orders of the day.

THE MOOSONEE DEVELOPMENT AREA BOARD ACT, 1966

Hon. Mr. McKeough moves second reading of Bill 189, An Act to amend The Moosonee Development Area Board Act, 1966.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I would like to say something regarding amendments to The Moosonee Development Area Board Act, 1966.

First, I think we should look at the board itself. It is composed of five members appointed by the Lieutenant-Governor-in-Council, to look after the duties which would normally be carried out by a municipal council in the area. This bill asks for the provision of a secretary-treasurer to be appointed to the board. I think that is just and normal.

In the second section, the principle involved is to strengthen the money-raising or taxing authority of this board within the area to carry out their duties in conjunction with the provisions provided in schedule B of the Act. This means that they will have taxing authority for such things as sewers and water, both the provision and maintenance of roads, streets and drainage, the provision of garbage collection, work under The Planning Act, fire protection and street lighting.

In my view, there is a principle involved here which I do not think is right. That is, taxing powers and the powers to raise money are being given to an appointed board. In fact, we are here strengthening their powers. In no way can I be convinced that a community the size of Moosonee, which I visited for almost a week this summer, is not capable of electing representatives to look after its own affairs.

I think the continuation and the perpetuation of this type of authority to an appointed board is a principle which is not in the best interest of the people of the area. Before we know it, things could degenerate to the condition that existed in some of the statute labour board road commissions, especially in Baxter township, where you have people raising money, taking their percentage from the top and the rest being used for the provisions of roads in the area. I think the principle here of giving additional taxing powers and strengthening them in an area where there is no need for it is not correct.

Let us look at the Moosonee area. There are well over 3,000 people, and personally I do not think the nationality of the people there should be any basis for the perpetuation of this Moosonee Development Area Board.

Before this bill goes through, I would like the Minister to give us reasons why he thinks this need be perpetuated. They have seen fit to erect a very elaborate educational centre in Moosonee. Granted, there is great need for civic improvements around the area, but I think if these people were given a chance—of their own volition and with authority given to them as elected representatives—that they could pull themselves up, and over a period of years direct their own affairs. All the government is doing here is perpetuating the appointment of men from Queen's Park to look after the affairs of this community. Personally, I am not in favour of the Act and I do not think we should continue to strengthen the taxing authorities of appointed boards.

Mr. Speaker: The hon. member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Speaker, I am rather surprised that the Minister did not see fit to make an opening statement to give some idea of the way in which this board is operated since it was originally called into being by the Act which was passed in 1966.

Hon. Mr. McKeough: That really did not come into force until last year.

Mr. J. Renwick, No, it was assented to somewhat earlier, but I still think there has been certain activity taking place under the jurisdiction of that board and under that Act which required explanation by the Minister rather than simply leaving it for him in reply.

I certainly associate myself with the remarks that have been made by the member for Waterloo North about the bill and about the operation of the board. I would like to elaborate on a few of the points. It seems to me to be a convenient reference point to speak about the original very brief statement which was made by the predecessor of the Minister when he first introduced this bill into the assembly on June 23, 1966. The hon. Mr. Spooner then said:

> The purpose of this legislation is to provide a form limited in its application, but a form of local government, to the area of the present hamlet of Moosonee in northern Ontario. Hon. members are aware of the development that is contemplated in that area with particular reference to the services which may be improved for the Indian population to the north, or of that area of the country. It is our feeling in The Department of Municipal Affairs and in the government that local people should be involved in attending to matters that are local in nature, insofar as their government is concerned. We have developed this particular type of local government to suit the particular purposes of this area of Moosonee.

I happened to be in Moosonee for a few days about the same time as the member for Waterloo North. I would certainly say to the Minister that this is not the form of local government which best suits the needs and purposes of the people who live in the Moosonee area. I think that the government is required to rethink their whole approach to the question of the government of the area of Moosonee.

First of all, the board itself is totally undemocratic. It is a board of five persons appointed by the government and what is more, it is a direct creature of the Minister's department. There is very little, under the very cursory terms of the statute as it will be if this bill is passed, which the board, in fact, can do unless the department and the Minister approve of it—whether that is in terms of raising money by way of taxes; whether by way of estimates, which are voted in this House for the board; or whether it is by means of the issuance of debentures which are totally subject to the control of this Minister.

It is not only undemocratic at the place where it operates; it is undemocratic totally in the remoteness of this Minister from the concerns of the Moosonee area. I am suggesting to him that we cannot tolerate this kind of paternalism by the government in perpetuating this particular kind of board in that area.

Having said that, of course, this one minor change provides that one of the members of the board, but not necessarily a member of the board today, shall be a full-time employee of the board, means he will be, in fact, the dictator of the area subject to the overriding authority of the Minister himself. That person, being on the ground day in and day out as a full-time employee exercising the functions of a clerk or a treasurer, is a person who, over a period of time, will have a substantial say and a substantial voice in what the policies of that board are going to be.

In the case of other municipalities, the elected representatives of the people are able to affect the decisions which are made. In this sense it is really an arm of the Minister that he is establishing at the site in Moosonee, and that, I suggest, is what the secretary-treasurer of that board will become; simply the presence of the Minister at the Moosonee site.

I go on to the next point covered in the bill, Mr. Speaker, and that is an extension of the powers. The original powers can be referred to as non-people powers or hard powers. There is not a single one of them that really has any relationship to the well-being of persons in a personal sense. Of course, we all agree that fire protection and garbage disposal and water and sewage facilities, and the repair and maintenance of the streets are a very important substratum of any community. But those powers are the only ones which that board has and the government does not see fit to extend to the board any further powers. The only one it is extending in this particular bill, and I will comment specifically on that, is the queston of the acqusition of land and its development and servicing and subsequent sale of the land.

I think that the Minister has got to tell us in the first place who now owns all the land in the proposed Moosonee area, the extended area, which is covered by this bill. I am suggesting to the Minister that this is one area of the province where the total

ownership of the land in the Moosonee area under the jurisdiction of this board, the title to it totally, should be vested in the local government. I would suggest that at no time should any land be disposed of outright by the local government of the Moosonee area. Whatever plans are made for the overall development of that area, it should be done by the use of a lease arrangement, which will make certain that over the long run the reversionary title to the land is vested in the local government.

This is an opportunity that the Minister very seldom has to provide for the development of this area. But he can, at this point, exercise that by amending this clause to make certain that the title to all the land is vested in the local board and that at no time may that local board divest itself of the title to the land. He can use this as a method of land assembly at a time when it can be done, and he can prevent the escalation of property values in that area to prices beyond which they will provide speculative profit to those who happen to be in on the ground floor.

I think, Mr. Speaker, the next matter I would like to draw the Minister's attention to is the role of the Ontario Northland Transportation Commission. I would hope that during the course of his remarks he will tell us what are the plans of the Ontario Northland Transportation Commission in relation to this board. I know, as well as anyone else, that the transportation commission does not fall under the jurisdiction of this Minister, but it plays such a predominant role already in that area in terms of the rail communications, other communications, and in terms of the amount of land which is owned by the transportation commission, that the Minister, in my view, should comment about it.

I think that the role of the Ontario Northland Transportation Commission in that area should be extended to cover, for example, the new airstrip. I think it should be one of the bases of a provincial air service so that through the Ontario Northland Transportation Commission, for once, we can be ahead of the game in providing a provincial air service which will service that area and the eastern Arctic area, rather than leave it in the hands of an entrepreneur who is doing the best he can, but is not providing an adequate air service in and out of Moosonee.

I make the same comments about the outfit which is referred to, I think, as Two Bay Enterprises. That particular entrepreneurial operation has obviously existed for years on the contract with the federal government for the supply of stores and other goods to the hospital at Moose Factory. It would seem to me that it is a proper role of the Ontario Northland Transportation Commission to extend these facilities to encompass all methods of transportation and communication within the Moosonee area. I would recommend that suggestion. I think it would be well worthwhile for the Minister to discuss with his colleagues the extension of the functions of the Ontario Northland Transportation Commission in Moosonee.

Mr. Speaker, the other area which is covered by the bill is an extension of the geographic area of the board to include the whole of three townships. The townships, as I understand them, are described in appendix A of the bill as Caron township, Horden township and Moose township. That area is but a small area of the whole James Bay area, served by the Moosonee area.

It would seem to me that there should be the initial stages of an exercise of jurisdiction over the whole of the bay area lying within the province of Ontario, with specific responsibilities for this area of the three named townships.

Perhaps the Minister can tell me why Moose Factory itself is not included in the board? If I am right and it is not included, I would like to know from the Minister why it is not included.

What is the status of that particular Moose Factory area? On the map which I have seen it is not shown as a reserve. I have heard the other view, that in fact it is owned outright by the Hudson's Bay Company.

Hon. Mr. McKeough: Part of it.

Mr. J. Renwick: Part of it?

Mr. D. M. Deacon (York Centre): That is right, part of it.

Hon. Mr. McKeough: And part of it by the church.

Mr. J. Renwick: What I am saying to the Minister is that any adequate overall plan for the development of that area must encompass the whole of the communities of Moosonee and Moose Factory. The reason I make that particular point is because of the gradual shutdown, as I understand it, of the hospital facility at Moose Factory because it is no longer required for the purposes for which it was originally constructed —namely the control of tuberculosis among the Indian and Eskimo population.

That community, by its isolation in the river, is likely to tend to be a stable community, but one which is gradually dying. Obviously, the activities from Moose Factory are gradually going to be absorbed within the area of Moosonee. If that is so, then that transitional period of time—whether it takes ten, 15, or 20 years to accomplish—is something that must be the responsibility of the local government body in that particular area. I think that is an extension of the geographic jurisdiction of this local government operation that must be brought about immediately, so that the plans can be made for that transitional operation. Those are some of the points that I wanted to make on the bill.

I want to come, however, to the glaring problem at Moosonee and deal with it very briefly. What has happened, and apparently is happening with the approval of the government, is that it is establishing the principle of apartheid in the Moosonee area. It is not just a double apartheid, it is a triple one.

There is one very highly favoured and select community that lives behind the fences of The Department of National Defence enclave and they have every conceivable facility available to them. They are totally isolated from the main community except to the extent that they visit back and forth with those members of the white community who happen to want to share some of the amenities and facilities of the base radar camp.

I am saying to the Minister so far as that is concerned that the government must negotiate immediately with the federal government to remove the living accommodation from the radar base at the Moosonee area, and integrate it with the town so that there is not that kind of separation even within the white community. The facilities obviously available within the enclave of The Department of National Defence are far superior to the facilities available elsewhere in the town. That is the first of the steps that the government must take.

The second one is the major apartheid separation of the communities caused by the Store Creek, the creek which runs east and west through the town into the Moose River. On the south side the Indian community lives, and on the north side the white community lives.

Certainly there are one or two bridges, but I am saying to the Minister that it is the equivalent of the "other side of the tracks". When you find a community which can only receive its education and can only participate in the activities of that community by coming across the bridges into the town, then I am saying to the Minister that you will never have an integrated community at Moosonee.

One of the major things which is required in that area, is by the use of large corrugated pipes or sewer mains, to close in the Store Creek and sod it over, so that you integrate the whole of the geographic layout of the town. That can be done quite readily without interrupting the flow of the Store Creek. It can be done in such a way that you will eliminate the separation of the community between the Indian community and the white community.

I think that is a matter of great concern to myself and to the members of this party when one looks at Moosonee, and I am quite certain if the Minister would consider that suggestion, it would have an appeal to him and to the other members of the House, because it is only in that way that he can destroy the obvious institutionalizing of the apartheid doctrine in that area.

If that is done, then in addition to other things which may be done it should be possible, over a period of time, to affirmatively develop a positive policy for the total integration of the white and Indian communities in the Moosonee area. If that is done then I would think that in the course of time we can look with some degree of pride, at having attempted to meet needs of the Indian community in relation to the white community.

Mr. Speaker, those are the principal points I want to make. I would be very interested in the remarks which the Minister makes in reply. If I may, by way of addendum, simply add a couple of other points, there is really no reason why a duly elected, municipally elected council in the Moosonee area could not handle police matters and matters of welfare. There are other areas with which it could certainly deal—in the area of questions of health and housing in the community, for example.

Until there is viable strong democratic local government on a representative basis in that area on a franchise equivalent to what we have in other parts of the province of Ontario, then you are not going to have the kind of stable, growing, thriving community —solving many of the problems that we have encompassed here in the southern parts, but which I believe can be solved if the Minister will take, in substance, an entirely new look at the way in which the Moosonee area is governed.

Mr. Deacon: Mr. Speaker, I was hoping when I saw the announcement of The Moosonee Development Area Board Act that it would include a concept of giving the government to the local people. I was very surprised that the Minister did not realize that the age of colonial empires was over and that "Lord Darcy's" empire should not be strengthened by the Act that he is presenting to us.

We have heard many comments from members of his party, officially and unofficially, against the system of apartheid in South Africa where some people are disenfranchised. There, they do not feel that they have the ability to control their own destiny and we have condemned them for that attitude, and rightly so. But why should we perpetuate a situation that is completely unnecessary for us to perpetuate in Moosonee? I can understand that at the beginning it was necessary, perhaps, to have an appointed board to get this hamlet organized into a community, but considerable development has occurred, and growth in the area has been very rapid in recent years.

For example, the number of visitors in this last year, I understand, is over 30,000 compared to 15,000 in the year before, and as a result of that the economy of the community is improving rapidly. There is nothing that people want more than the opportunity to direct their own destiny. When the Moosonee education centre was built it was not designed by local people in Moosonee, it was designed by a board appointed from all over northern Ontario of people who were not fully conversant with the needs of the people of that area, who were not living in the area and did not know what the people were hoping that area to become as a result of the centre.

We saw the development and construction of a centre at a tremendous expense. Teacher's residences, at a cost of $45,000 or $50,000 each, form a real solid brick barrier between the men and women trying to work and communicate educational ideas to the community, and the community itself.

Mr. Good: The "Moosonee Hilton" they call those.

Mr. Deacon: Moosonee Hilton is a very good description for them. They are a formidable barrier for any teacher to have to overcome in communicating with the people of that community. And here we have a continuation of this paternalistic trend. Why would the Minister not recognize that these people are responsible, and capable, and competent to take on the control of their own destiny and run their own affairs. He says they do not have the education and the background, and yet we have seen much evidence in other parts of this continent where people who are not considered competent have been given this responsibility—unconditional grants of very sizeable amounts—and have shown they are far more competent than all the PhD's and university-degree holders and all those with the extra skills that we people in the south here, consider to be necessary to do a good job. They just have common sense. They know value for their frugal means, and they know how important it is to obtain value for the frugal means at their disposal.

I concur that the area encompassed must be the overall area, must not be just a little area within Moosonee itself, because the whole area for many miles around feeds into that community and it is really part of it. I would urge that an early settlement and arrangement be made with the federal government to enable us to take over the Moose Factory Island, and the other islands around, so that the board, which should become an elected board at the earliest possible moment, will have jurisdiction over that island. This board should be given powers, of course, to elect its own secretary-treasurer and hire other people.

Why should we treat this board as if it has to have petty little controls; as if we are the only ones who know what is right for them. Let us give these people unconditional per capita grants on the basis that they can spend the money in the way they deem wisest, and we will see them do a far better job in spending and getting value for that money than we will ever do. Let us not continue this retrogressive trend proposed by the Minister in this bill to extend the powers of an appointed board. I urge the members of this House to turn down this bill because of the principle it embodies.

Mr. Speaker: Is there any other member who wishes to engage in this debate before the Minister?

The hon. Minister has the floor.

Hon. Mr. McKeough: Mr. Speaker, with great respect, I think some members have made mountains out of molehills this afternoon. I think we had better reflect a little bit about the history of Moosonee. I recall that a bill was brought into being three years ago, in 1966, involving a part of the province where no form of local government had ever been known. Moosonee is not the

only part of the province in this condition. There are many parts of the province where local government—I think we would all agree; I would assume the members would agree—is probably not practical or possible, and I suspect that many of the people—

Mr. J. Renwick: Why not?

Hon. Mr. McKeough: I would ask the hon. member if he would have a look, for example, at the report of the interdepartmental committee on government in the north. Somebody opposite mentioned the township of Baxter, which I am a little bit familiar with. The people in the township of Baxter, at any point in time, could petition to become an organized township. They have not done so. The costs would be too great in many of the unorganized parts of the province.

Mr. J. Renwick: They cannot petition here.

Hon. Mr. McKeough: If I might be allowed to continue, Mr. Speaker, there was no form of local government. The Ontario Northland Railway provided some services and it was recognized, particularly by the Prime Minister, on a couple of occasions there that we should be moving ahead, that there was a concentration of population—not of 3,000; of about 1,000 people—in the Moosonee area.

Mr. J. Renwick: Fifteen hundred.

Hon. Mr. McKeough: Twelve hundred, I think, is about the right figure. I do not say this critically, but it is a very fluctuating population—1,000, probably, or 1,200 at any given point in time—not necessarily the same people from year to year, and from month to month. In fact, there is a very high turnover of people, I think it would be fair to say. The Moosonee Development Area Board Act came into being in 1966. It was not until 1968 that it was found possible to proclaim the Act and appoint the board and put them in business—just a year ago. I am delighted to pay tribute to those five men for the work that they have done and what has been accomplished in the space of a year.

I am delighted to pay tribute to—I do not think we should pat ourselves on the back very often but I think this is an instance where we should—the interest shown by a great number of civil servants—part of the government—in the problems of Moosonee. I think of some of the overtime that has been worked travelling to a part of the province which is not the easiest part of the province to get at, and a great deal of dedication by the people in Social and Family Services, by people in the Ontario Housing Corporation. God knows, by people in the Ontario Northland Railway, by people in my own department, in various departments, who I think have gone an extra mile in Moosonee to try and create something better out of what I would agree would not be the most happy of circumstances a few years ago.

It was suggested by the member for Waterloo North, that the people on the board were from Queen's Park. They are not from Queen's Park. The five people who were appointed to the board a year ago are all residents of Moosonee. They were appointed by the Lieutenant-Governor-in-Council but they are not from Queen's Park. They are residents of Moosonee. They are from Moosonee.

Mr. J. Renwick: They are not all residents.

Hon. Mr. McKeough: The five people are residents of Moosonee. They certainly are, all five of them.

Mr. Lewis: Oh, the Minister of Public Works (Mr. Simonett) would not know who they are, or what they are.

Hon. Mr. McKeough: They are not from Queen's Park. They are appointed from the community.

Mr. Nixon: Several Cabinet Ministers went up there and certainly the appointments did not reflect particular local choice. Was the Premier not there?

Hon. J. H. White (Minister of Revenue): Does the member object to that?

Hon. Mr. McKeough: Yes, I think that is correct. That is right. The Prime Minister was there.

Mr. Nixon: There is just one Indian.

Hon. Mr. McKeough: Two out of the five.

Mr. Nixon: Were they the two who were surprised that they had not seen the appointment until the trainload of Ministers arrived?

Hon. Mr. McKeough: No, I do not think they were that surprised.

Let me just comment on a few of the other points that were made. I do not agree with the concept of an appointed board being responsible for local government. I do not agree with improvement districts remaining indefinitely, yet I think where there are appointed boards—and there are some 20 or 30 or 40, I think, improvement districts in the province—I think members in the north

who know something about improvement districts would agree, that for most of those improvement districts that is the only form of local government which is possible. There are simply not enough people to form an effective local unit of government. The hon. members opposite, of course, waffle back and forth.

Mr. J. Renwick: If the Minister added in Moose Factory there would be plenty.

Hon. Mr. McKeough: Well, it is just not possible to add Moose Factory.

Mr. J. Renwick: He has just added the rest of three townships.

Hon. Mr. McKeough: Where there are no people. Is the member suggesting that the Brant Reserve should be added to the city of Brantford? We cannot do that constitutionally.

Mr. J. Renwick: I do not recall making that suggestion.

Hon. Mr. McKeough: We cannot do that constitutionally. It is amazing, both parties opposite have said we should negotiate with the federal government to bring Moose Factory into Moosonee. I think we might let the people in Moose Factory, the Indians, have something to say about that. I think they may have some interest.

Mr. J. Renwick: Well, why does he not give it back to them?

Hon. Mr. McKeough: One gets a little tired of the preaching.

An hon. member. The Opposition should resign.

Hon. Mr. McKeough: We get just a little tired of the preaching that goes on over there.

Mr. J. Renwick: If the Minister is so keen, let them vote for their own council.

Hon. Mr. McKeough: I could take from the members opposite that they completely endorse the federal white paper on Indian matters. "Do not consult with the Indians, put Moose Factory into Moosonee." That is exactly what they said.

Mr. J. Renwick: Is Moose Factory in Ontario?

Hon. Mr. McKeough: Certainly it is, and so is the Brant Reserve, and so is Walpole Island in Ontario. So is every Indian reserve. Is Brant Reserve in Ontario?

An hon. member: Why does the Minister take himself so seriously?

Mr. J. Renwick: There is no reserve at Moose Factory.

Hon. Mr. McKeough: Yes.

Mr. Speaker: Order! The hon. Minister, order. I have sat here and listened to a very good debate. There was attention and a reasonable hearing given to the members to my left, and I would like to suggest that the same courtesy should be extended to the members on my right. A little bit of crossfire is all right, but when it comes to the point when no one can hear and the Minister cannot make out whom he should answer, I think we should allow him a better hearing than that.

Mr. Sargent: Tell him to get his facts straight, though.

Hon. Mr. McKeough: Thank you, Mr. Speaker.

Mr. Lewis: I thought the Minister was doing rather well.

Hon. Mr. McKeough: This is not the afternoon to be martyred, really, gentlemen, you know.

The member for Riverdale mentioned the secretary-treasurer. This Act authorizes the appointment of a secretary-treasurer. The secretary-treasurer, to be quite honest, has been appointed for some months. This formalizes it. There was some doubt in the original Act whether they had that power. The reason we want a secretary-treasurer is to get my department and some other departments out of the picture. We have been doing some of the work of the—call him what you will—the administrative officer at Moosonee. The board decided in its wisdom to make an appointment of secretary-treasurer. We did not control that appointment. He is not our employee. He is a citizen of Moosonee. He happens to be, in my view, a very good man. I think he will do a very good job, but he is their employee, and surely, every municipality has to have a clerk or a treasurer or some sort of an administrative officer. He is certainly not my employee in any sense of the word. In fact, I think by his very appointment we get out of the day to day administration, and that is what we are trying to do.

I, of course, would reject his contention—the member for Riverdale has used this as

an excuse to espouse some very good socialistic theories. First of all, he says we should go into the airplane business and open a provincial air service. Secondly, we should take over Two Bay Enterprises and put them out of business and run that as a government enterprise. And finally, he says the municipality, and/or the state, should own all the land in Moosonee. Now, I reject those concepts out of hand whether it is Moosonee or Riverdale or Chatham or Brantford. We, as a party, believe in the principle of a man being allowed to own, if he wants to, a piece of ground, and that everything does not have to be vested in the state or the municipality. And whether that is at Moosonee, or where it is, we see no justification—

Mr. J. Renwick: I really did not expect him to.

Hon. Mr. McKeough: The member did not expect! All right, but I wanted to make it very clear—

Mr. J. Renwick: It was too reasonable and proper.

Hon. Mr. McKeough: —where we stood on this issue. I wanted to make sure the members opposite understood where I stood.

Mr. Nixon: Would the Minister trade land in Chatham for land in Moosonee?

Hon. Mr. McKeough: Well, do the members over there endorse this principle of state ownership? I thought you might rise to the bait too.

Mr. Nixon: We are prepared to allow you to trade your land in Chatham for the same in Moosonee.

Hon. Mr. McKeough: I would hope that Moose Factory, at some point in time, will become part of the Moosonee community. It is, in many ways, now. If it should choose to come in—if the Indians wish this—I think we would be very agreeable to extending the jurisdiction.

Mr. J. Renwick: Were the Indians at Moosonee consulted?

Hon. Mr. McKeough: Did we consult the Indians at Moosonee? Yes, I think that is correct, yes. We consulted.

Mr. J. Renwick: We would like to see a record of the vote.

Hon. Mr. McKeough: I think the members would have to understand that there was no organized community of Indians or white people in Moosonee. We consulted with some of the Indians there—there is no question we did that—to find out who would be the appropriate people to appoint.

The member for Riverdale suggests that the people who live in The Department of National Defence area should be moved into town, because it is a case of segregation. It may be, but I think it is highly unlikely and completely impractical to suggest to the federal government, or anyone else, that they should pick up those houses and move them into Moosonee, when there is a good possibility that those houses may well be vacant in a few years as that installation is phased out. That is the sort of socialist impracticability which just appalls me. It really does.

I point out when you talk about segregation that the lots in Moosonee, whether they are north of Store Creek or south of Store Creek, are available to anyone. The price is reasonable on both sides. There is no distinction drawn between who buys a lot where.

Hon. Mr. White: A good buy for the member for Riverdale.

Hon. Mr. McKeough: The member for Riverdale, yes.

Mr. J. Renwick: I am thinking seriously about it.

Interjections by hon. members.

Hon. Mr. McKeough: I know what the member is driving at. I think he made some mention of the Moosonee educational centre. I think the Moosonee educational centre surely is a sign of the faith which all of us have in the future—that through that educational process a more integrated community will develop than has been true in the past. I think the problems are immense at Moosonee. I think we all are amazed at the scope of the problems. I think this government wishes we could do much more. I do not know how we could have done, in the time that has been available, a great deal more than we have.

We have an investment there now of something in the neighbourhood of $5 million to $6 million. I think the members opposite should know that the amount that will be raised by taxes in Moosonee by the people, by the board, will be in the neighbourhood of about, I think, $37,000. Everything over and above that will have to be provided by

various government departments for a number of years to come. You cannot have a strong viable community, which members opposite spoke of, until there is some sort of a financial base. We have put a great deal of our resources into Moosonee; we are going to have to put a great deal more.

I would say, and I think it is the fond wish of members on all sides of the House that some day Moosonee will get to the point where it is financially strong enough—where there is a sufficient number of people—that it will have full local government. This is our hope in every improvement district in the province. We do not enjoy appointing a board of trustees for an improvement district. We wish that our municipalities were strong enough to carry out their own elective process. This is certainly our hope and our wish and our desire for Moosonee and the sooner that it happens the better. The member says there is no provision for a petition, but if they want a petition, we would look at it very seriously. I think at this point in time, from every practical point of view, when so much needs to be done and there needs to be so much help from government, I think it is a little impractical at this point. But when the day comes, we will encourage a petition.

Mr. Speaker: The motion is for second reading of Bill 189. Is it the pleasure of the House that the motion carry?

The House divided on the motion for second reading, which was carried on the following vote:

Ayes	Nays
Allan	Bolton
Apps	Breithaupt
Bales	Brown
Belanger	Bukator
Brunelle	Bullbrook
Carruthers	Burr
Davis	Davison
Demers	Deacon
Downer	Deans
Dunlop	Farquhar
Evans	Ferrier
Gilbertson	Gaunt
Gomme	Good
Grossman	Innes
Hamilton	Jackson
Haskett	Knight
Henderson	Lawlor
Hodgson (North York)	Lewis
Jessiman	MacDonald
Johnston (Parry Sound)	Makarchuk
Johnston (Carleton)	Martel
Kennedy	Newman (Windsor-Walkerville)
Kerr	Nixon
Lawrence (Carleton East)	Paterson
Lawrence (St. George)	Peacock
MacNaughton	Pitman
Meen	Reid (Scarborough East)
Morin	Renwick (Riverdale)
Morningstar	Renwick (Mrs.) (Scarborough Centre)
Morrow	Ruston
McKeough	Sargent
McNeil	Singer
Newman (Ontario South)	Smith (Nipissing)
Potter	Spence
Price	Stokes
Pritchard (Mrs.)	Trotter
Randall	Worton
Reilly	Young—38.
Reuter	
Robarts	
Root	
Rowe	
Simonett	
Smith (Simcoe East)	
Smith (Hamilton Mountain)	
Snow	
Stewart	
Villeneuve	
Welch	
White	
Whitney	
Winkler	
Yakabuski	
Yaremko—54.	

Clerk of the House: Mr. Speaker, the "ayes" are 54, the "nays" 38.

Mr. Speaker: The "ayes" have it.

Motion agreed to; second reading of the bill.

Mr. Speaker: I would draw to the attention of the members of the House that at this point, now when there are new procedures, the House has the opportunity of directing the future progress of this bill, so I shall ask the House: Shall this bill be ordered for third reading?

Some hon. members: No.

Mr. Speaker: No? Well then, shall this bill be referred to the committee of the whole House?

Some hon. members: Yes.

Mr. Speaker: It is so ordered.

THE TERRITORIAL DIVISION ACT

Hon. Mr. McKeough moves second reading of Bill 198, An Act to amend The Territorial Division Act.

Mr. Speaker: The hon. member for Waterloo North.

Mr. Good: Mr. Speaker, in this bill, it is my understanding that this is necessary only because the jurisdictions of The Department of Justice in the two counties are not the same as the new regional government's. If this is the principle of the bill, I would like to know, Mr. Speaker.

Hon. Mr. McKeough: That is correct.

Mr. Speaker: Any further debate on second reading of this bill? If not, then is it the pleasure of the House that the motion for second reading of Bill 198 be carried?

Motion agreed to; second reading of the bill.

THE VETERINARIANS ACT

Hon. Mr. Stewart moves second reading of Bill 197, An Act to amend The Veterinarians Act.

Mr. M. Makarchuk (Brantford): Mr. Speaker, on this particular bill, just as a matter of information, could the Minister indicate whether these assessments, to be levied on the veterinarians, will be decided by the association in the vote held by the veterinarians. Is that correct?

Hon. Mr. Stewart: Yes, Mr. Speaker. The increase in the fee, if any is determined, will be made by bylaw and the bylaw will have to be approved by the general membership at their annual meeting.

Mr. Speaker: Is there any further debate on this bill? If not, is it the pleasure of the House the motion for second reading of Bill 197 be carried?

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Some hon. members: Yes.

Mr. Speaker: So ordered.

THE DAY NURSERIES ACT, 1966

Hon. Mr. Yaremko moves second reading of Bill 134, An Act to amend The Day Nurseries Act, 1966.

Mrs. M. Renwick (Scarborough Centre): We support the principle of Bill 134, Mr. Speaker, and any comments that have to be made on this bill will be made in committee.

Mr. Speaker: Any further members? Does the Minister wish to speak at this time?

Hon. Mr. Yaremko: I would just like to bring to the attention of the House that in committee I shall be moving two amendments and a third, a slight one. In conjunction with the suggestion made by the hon. member for Essex-Kent (Mr. Ruston), I shall be moving a provision which will enable counties to operate day nurseries. It will be made retroactive because we discovered that in addition to the hopes of that forward-looking county, as he mentioned, the county of Hastings had already been carrying on a day nursery without support.

Mr. Singer: Illegally?

Hon. Mr. Yaremko: No, without support, on their own. Secondly, in accordance with the amendment that I have made with reference to The Homemakers and Nurses Act, I will be moving an amendment deleting the requirement in respect of section 2 of the bill, the approval of the Minister in respect of bands wishing to establish day nurseries.

Mr. Speaker: The motion is for second reading of Bill 134.

Motion agreed to; second reading of the bill.

Mr. Speaker: Now, since there are amendments to this bill being brought in, I presume it is the wish of this House that this go to the committee of the whole House?

Some hon. members: Yes.

Mr. Speaker: Agreed.

THE HOMES FOR THE AGED AND REST HOMES ACT

Hon. Mr. Yaremko moves second reading of Bill 144, An Act to amend The Homes for the Aged and Rest Homes Act.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, we support the principle of this bill and I would like to emphasize the importance of the principle set out in section 3. I realize we are not discussing sections, but a principle is set out in that particular section whereby they emphasize the use of foster homes or home care for those people who are getting on in years. I would think that there should be more effort made by the government in encouraging various counties, like the county of Welland, or other jurisdictions like Metropolitan Toronto, in using home care.

There are many elderly citizens in the province who find it physically or economically impossible to carry on in their own homes. The high taxation of this government has forced many to sell their own homes, and they end up in a home for the aged. There is an in-between place for these people and this government now seems to be making efforts to encourage the in-between situation—from owning one's home to going to a home for the aged—and that is the use of the foster home.

I was glad to see that not too long ago there was a fairly extensive newspaper article showing the efforts that had been made by Welland county. Welland county has encouraged individual homeowners to take in senior citizens and treat them as one of the family. It is known from the studies that have been made in geriatrics that an older person is going to have a better chance—not only of living longer but living a healthy life—if he is given some opportunity to mix in with the community and not be put on a shelf. I feel, in principle, this should be encouraged, Mr. Speaker, but I would like to draw to the Minister's attention that the principle of encouraging home care for senior citizens is practically ignored in Metropolitan Toronto.

One may say that is Metropolitan Toronto's fault, but this Minister is also well aware that because of his position he is responsible for the care of our senior citizens and the policy of Metropolitan Toronto, I think, has been extremely poor. It has been lacklustre in the care of many of its senior citizens.

I believe there are approximately 1,000 people waiting to get into homes for the aged in Metropolitan Toronto. That is a lot of people, and if they apply to get into a home they are going to be told it takes about two years to get in. If you are 74 or 76 or older, two years is an awfully long time.

I do believe that as a result of this legislation that is before the House—and that is why we support it—more effort is going to be made by this government in urging other jurisdictions, such as the counties and metropolitan governments, to do something about that very serious problem. Again, I emphasize that a waiting period of two years for nearly 1,000 senior citizens in this city is far too long. Foster homes could certainly be used.

I may make one other suggestion in the treatment of our senior citizens in the homes for the aged. I have often thought, and I have said it before, that the restrictions on liquor and beer in these homes are far too severe. I would think it would do no harm at all if drinking privileges were allowed in a much more open way than they are now. If you have a director or a superintendent who is a kindly soul they may arrange for a doctor's prescription for purposes of health. I know for an elderly gentleman they managed to get a beer before his supper.

I do not think they should go through this farce any more and I would hope that the Minister would not be afraid to encourage the local administrations, and say to the local administrations: "Why do you not open up a bit?" If they have a common room, at certain times let them have a drink if they wish. The old days, when it was said that a person was going on the primrose path to everlasting bonfire by having a beer, are pretty well out the window.

There are some old persons, particularly the men, in the homes for the aged, who are used to stopping off on the way back from the plant on the way home to have a beer. This is denied them unless you have somebody who winks an eye or who goes through the farce of getting a medical prescription. I would mention that to the Minister because this again would affect the treatment of our senior citizens and how it is to be administered.

Mr. Speaker, I do not intend to dwell at length on the principle of this bill. I do draw, again, to your attention, Mr. Speaker, and to this House, that there is a tremendous shortage of accommodation for our people in the homes for the aged in this province. I give the government credit that a great deal of advance has been made in the last 20 years in providing good homes for the aged, and if you are in any one of these homes you are fairly lucky.

What they do not tell you, or what we do not seem to know, is how many people are waiting. I live in a city where I know it takes about two years to get anybody into one of those homes. My view is that in Metropolitan Toronto we do not have nearly as good facilities as they do in many of the other counties and municipalities in Ontario.

Through the leadership of Mr. Earl Ludlow, who was formerly a civil servant with the department that administers the homes for the aged, tremendous strides were made through, I think, his personal drive in going around talking to the county boards and other municipalities urging people to get rid of the old houses of refuge. I know that when I was on the committee for aging we went into one jurisdiction where they still had the old house of refuge. Of course, some of us were prepared to make some pretty scathing statements of that particular county unless they got rid of it, but we got word that they were finally impressed they should make changes so we forgot about the speech and a new home for the aged has gone in.

This has been a result of the work done from Queen's Park and I think, particularly, I would say, from inspiration that Mr. Ludlow in that department gave over his years of service. Incidentally, I may say in passing, Mr. Speaker, that the committee on aging recommended that a model home for the aged be constructed in Metropolitan Toronto where it could also be used for teaching facilities and would be called after Mr. Ludlow. Unfortunately, the government has not begun, I do not think, to give that any thought.

Mr. Speaker, due to the fact that so many of our people are now being able to live to an older age, it is highly important that we have decent homes for the aged and also decent facilities for keeping them. We need not just the homes, but the foster homes—or as we call it here—home care.

I do hope that this is a step in the right direction. When it comes to home care, I do not think the government has done enough, but this is at least in the right direction. I hope and pray that it is evidence they are going to do a lot more as they have done in the county of Welland. Because of this, we in this party support the bill.

Mr. Speaker: The hon. member for Scarborough Centre.

Mrs. M. Renwick: We support the principle of the bill, Mr. Speaker, and are pleased to see the Minister move into the private care area rather than the special home care arrangement. I hope that the contingencies, the regulations, that are applicable to the homes for the aged now in the examination of the patient before going in and the examination of the facilities, would be carried forth into the private home care system.

I think that most of us, as legislators, have been watching the situation where homes for the aged are concerned, particularly since the first day of the estimates of The Department of Social and Family Services this year. Then, much to the pleasure of all of us in this House, the Dorchester Manor was approved and the work of many people that had in fact been going to patients not in home care, thus could be extended under the home system to give them individual care.

I think the real fear for most of us as legislators was the severe cutback in the decision against that particular building, the Dorchester Manor. It was frightening to all of us knowing the waiting lists that are in almost any large municipality.

We are pleased also to see the words come out "going ahead with the home for the aged in the Oshawa area". I can only say to the Minister that to go into private home care, certainly in our view, is one more step in the right direction.

Mr. Speaker: Is there any other member who wishes to speak to this matter?

Mr. I. Deans (Wentworth): Mr. Speaker, I wanted to ask the Minister whether or not in the change—and I realize it is just a subtle word "change" actually—consideration was given to whether or not a patient, when he requires medical attention, can be moved into hospitals? What happens in the case of those people who do not presently pay Ontario hospital insurance?

The case that comes to mind and what ties it to this Act is where a person has left his worldly possessions, or passed them on, to one of his family; and the family have then undertaken to pay the cost of Ontario hospital coverage, I wonder whether there might be consideration given in the Act covering all people for short hospital stays where they are sent to the hospital by decision of the administrator. In the case here, the administrator can send a person to a private home for example: When he decides that it would be better to send him into hospital for a short period due to some medical infirmity, is

this covered automatically by the department, or is this covered under the Ontario Hospital Insurance Commission?

Mr. Speaker: Is there any other person who wishes to speak before the Minister? The hon. member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): I would speak very briefly on it. I want to say that it is a step in the right direction, I think, seeing the large waiting lists we have in the homes for the aged in our own area. The need for increased facilities is very great at the present time, and I want to congratulate the Minister—which I failed to do a few minutes ago on Bill 134—for allowing counties to have day nurseries.

Mr. Speaker: The hon. member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, there have been several comments made about the county of Welland and the good administration there in the homes for the aged. If you would be so good as to bear with me for a few minutes I would like to give you some of the history.

I certainly do agree with the principle of this bill and I am sure that the Minister would be only too pleased to have me put some of these things on the record.

My colleague from Parkdale did not know when he was speaking that the administrator of that home in Welland—Douglas Rapelje, is a Chippawa boy—that when he first applied for a job with the county I was the chairman of the committee that hired him. That goes back some 20 years.

He applied to work with the county in the treasurer's office and when this position was opened in the home for the aged—the old folks' home we called it at that time—it was a scary place where people felt that this was the last step before they would be put away. They just did not like the home at all and I do not blame them.

The hon. member for Welland (Mr. Morningstar) and I were on a committee that subdivided that farm and we earned something like $155,000 for the new addition to that lovely home in Welland with the approval of the government. Mr. Ludlow at that time added a $500,000 addition and it is one of the finest homes—not because of the bricks and mortar that are there, but because of the attitude of this fine young administrator, Doug Rapelje towards people.

When we come to the foster homes that we speak of, the principle in section 3 is one point I would like to emphasize. I believe that in many towns and cities there are many fine old homes that are too big to be maintained by the individual homeowner. This government could immediately house some of the people in that neighbourhood, who are accustomed to living in that part of the city. You could have the foster homes such as we have in Welland and they are working out. If they work in Welland they would work in any city and any town in this province.

We have the little home, as the hon. Minister knows, in the village of Chippawa for which the government has approved the money to reconstruct. We are on the right track. We are not doing enough of this and if the principle of this bill is going to bring about that type of accommodaton for our senior citizens then we are on the right track.

As late as Saturday last week a lady called me about her husband who was being put out of the hospital because he did not need hospital care any more, but they had no place to house him. I approve the type of administration, the type of work that our administrator has done for the people of that county—and I am sure many areas of the province must have similar men who are doing equally good jobs. But I think the homes in the neighbourhoods now could be occupied within the next few weeks, where people can spend their last few months, yes, last few years of their lives, comfortably in a neighbourhood where they are accustomed to living.

I say to the Minister, as my colleague before me—congratulations. We do need more and I am sure you are a sincere gentleman who wants to do this for the people. I am looking forward to the day when you will apply some of the methods that I have spoken about in this House since I came here. It works in one area and it could work throughout the province. I want to say on behalf of my colleagues here that we do support this bill.

Mr. Speaker: The hon. member for Timiskaming.

Mr. D. Jackson (Timiskaming): Mr. Speaker, I have one question for the Minister. He has changed the wording to read "from private homes," but then the Act itself says "not in the residence of a parent or child of that person." Could he explain the reason behind that?

Mr. Speaker: Is there any other member who wishes to participate before the Minister replies? The hon. Minister has the floor.

Hon. Mr. Yaremko: Mr. Speaker, it is a welcome change to have something before the House that has tremendous and unanimous support.

Mr. MacDonald: Do not get so euphoric.

Mr. Trotter: We are not used to such good legislation—

Hon. Mr. Yaremko: I may say that this is really a tribute to the homes for the aged programme. I have discovered that within the department, the one programme that seems to have the complete and unrestrained support of our public as a whole, all the taxpayers, is the homes for the aged programme. I am not going to go into that programme in detail at this time except to say that it is always a pleasure to open up one of these homes, to turn the sod. I have had quite a number in the last few months.

One of the most interesting phrases that I have heard in respect of conditions in a home, was in the recently-opened home in Cornwall, the St. Joseph's Home. My colleague, the Minister without Portfolio (Mr. Guindon) asked one of the residents in the French language how it was and the reply, Mr. Speaker, was, "Monsieur Guindon, c'est commencement du paradis"—the commencement of paradise on earth.

I think this is the attitude that most of the residents take once they are within the facilities of a home for the aged. But still there are a great many people who, as has been pointed out, want to live within the community, right in their old haunts. The concept advanced, which is not a new one, was developed in order that people could, from their point of view, have the best of both worlds—that is, live within their community but still have all of the additional facilities which are provided for in a home for the aged: the recreational facilities, the therapy facilities, all of the others—the meals, of you wish—all of the aspects of a home for the aged.

The programme is not new but it has received little attention outside the county of Welland as the hon. member has pointed out. And there it has had a wonderful success. We hope that by changing the terminology, we will be able to focus more attention on this aspect. It was a year ago at the conference of the Homes for the Aged Association which was held at Niagara Falls as it happened, in the heart of the programme, that I laid stress on that because I was already aware of the fact that our growth in providing capital structures was not going to be as rapid in the immediate years as it had been in the past. Here was an aspect which had worked out with great success but very little attention had been paid to. I am very pleased that in addition to Welland county, other areas where these are used presently are Dufferin county, Halton county, Lambton county, Norfolk county, the regional municipality of Ottawa-Carleton, Wellington county and Metropolitan Toronto although in a very, very limited degree.

I think that Metropolitan Toronto will be paying more attention to this aspect especially in the light of the fact that there are many within Toronto of the different ethnic communities who would like to continue living in an environment in which they have been for most of their lives. It is typical of the aging process that people more and more would like to be with their own and turn to their own in the latter years of their life.

The foster homes will be used and the committees have been giving their approval to start such programmes in Essex county—again, I mention that county—in Waterloo county and the district of Sudbury and the district of Manitoulin. Preparation to start the programme is underway in the district of Cochrane, the district of Timiskaming and the district of Thunder Bay. So that the programme is catching fire, I trust.

The Toronto *Daily Star* had an article reporting the Welland county programme and as a result of that article, we had many enquiries both from those who wish to know more of the programme and those who were willing as homeowners to participate in the programme by making their homes available. There was produced in the department, a year ago, following my remarks in Niagara Falls—at that time, we were still using the old terminology—A Guide on Foster Homes for the Aged, Special Home Care under The Home for the Aged and Rest Homes Act. I will see to it that each member of the Legislature receives one of these so that he will be able to familiarize himself with the programme and be able to participate in the act of promotion thereof within their ridings and communities.

With respect to care, the people who are or will be in private home care will come

under the jurisdiction of the physician who supervises the medical care within the home prior to being accepted into the home for aged. They undergo the same procedures that anyone else would. As to care, that is an aspect which I am going to look into because I think the success of the programme will be based on the proposition that every aspect of the formal residence in a home for the aged is transferred to the individual living in the private home. I think the two things should be comparable and then nobody will feel that he has lost something by staying within the community. With respect to the exception within the definition, it is not contemplated that there should be subsidies paid in respect of accommodation with parents living with their immediate family.

Mr. Trotter: I wonder if it is a matter of policy if the—

Mr. Speaker: Order! The agreement with respect to second readings is that if there are comments by the members, they will make them before the reply by the Minister and the reply by the Minister will close the debate.

Mr. Trotter: I just wanted to ask a question.

Mr. Speaker: I think that the hon. member perhaps can do that at some later stage. If we depart from it, then, of course, we will get into the difficulty we have been in before where the debate is interminable. After all, those are the rules. The motion is for second reading of Bill 144. Is it the pleasure of the House that the motion carry.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered to third reading?

Some hon. members: No.

Mr. Speaker: Shall it be ordered to committee of the whole House?

Some hon. members: Yes.

Mr. Speaker: Agreed. I would point out that if the House wishes it to go to some other committee, then the members should say "no" to the committee of the whole House and we will find a standing committee it should go to.

Clerk of the House: The 29th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS
(continued)

On vote 2402:

Mr. Chairman: We were dealing with the matter of regional development when we adjourned last evening. The hon. member for Peterborough, I believe, had the floor.

Mr. W. G. Pitman (Peterborough): Yes, the hon. member was in full flight at the moment the House adjourned.

Mr. Chairman, I would like very quickly to recap my remarks of last night by saying that I really cannot feel, on looking at what has been produced by this department, that the government really has an interest in planning and long-range development. Indeed, they have used the process of planning as an excuse for not making decisions. There is no provincial plan into which structure one could fit the various regional plans.

It was stated very well by Mr. Ron Forth, director of the planning for Waterloo county, who set the tone of that conference apparently some time ago and asked two questions:

"Is it not strange and sad that the province which has so competently set down in its legislation the method by which local government must resolve its planning problems, does not always utilize the same process in its own decision making?"

And secondly: "Is it not peculiar and regrettable that the province having so adequately spelled out to the local government planning board the elements and facts which it must consider in planning environment, has no single, clear cut agency charged with the responsibility of performing a similar coordinating function, at the provincial level?"

That is a criticism, too, which I think I am repeating; that is from last night.

In fact, there has been no real direction. The direction was set out, of course, some five years ago by the Krueger report. This document, you might say, documented the chaos which had preceded and demanded a provincial development plan. It was to be the responsibility of the Premier (Mr. Robarts) and the Cabinet.

At the same time, I think this is important, Mr. Chairman, one of the things often not stressed about the Krueger report was that they also suggested there should be a short-term strengthening of the counties by the provision of county development boards to deal with industrial promotion, rural development and urban growth.

These boards would be given money and staff to carry out realistic planning. This is one of the strange things about this government, that it will give money to a municipality for roads, sewers, anything except planning. Somehow they expect that the local municipality, the local community, will of itself decide to use tax resources which, of course, are in short supply to say the least.

One cannot help but feel that this is the degree to which pseudo-citizen participation is encouraged by this government. In other words, encourage them to do things, but do not give them any real support—money, statistics or realistic research facilities in order to carry out those duties.

The regional development associations, the Krueger report suggested, would become collections of the county development boards. Finally, that report suggested a department of regional affairs with a senior Cabinet Minister in charge, presumably to co-ordinate what is now being done by The Department of Trade and Development, by the Provincial Treasurer (Mr. MacNaughton), by The Department of Municipal Affairs and several of the other departments who also have their fingers in this regional development pie as well.

We realize, of course, that the design for development programme which the Premier announced on April 5, 1966, did set up a structure. But what a confused kind of structure it is, with its Cabinet committee at the top and its advisory committee of civil servants, its ten regional councils at the local level and its ten advisory councils of civil servants at the local level, with no clear definition of who is doing what.

There was no clear definition of where the goals are for each group, and certainly we have never received in this House any indication of really what has been going on. All we can find out is that it does meet occasionally; that things do happen; they talk about something.

But we do not find out what they are really talking about. All of the real planning, we suspect, is being done behind closed doors and these regional councils are left to play around, to play games at the local level.

Mr. Krueger had some more comments to make on this whole development. Speaking about the machinery that had been set up for the design for development, he says in an article he wrote in *The Community Planning Review*:

> I regret having to say that much of this co-ordinating machinery is not yet working well.

That is an understatement.

> And there still seem to be overlapping responsibilities and confused jurisdictions concerning community planning and regional planning and development.
>
> The regional development branch of The Treasury Department, responsible for the planning by the regional development councils, and the community planning branch of The Department of Municipal Affairs, provincially responsible for the planning done by municipalities, and joint groups of municipalities, do not seem to be adequately integrated in their research and policy programmes.
>
> As a result, the regional development councils are being encouraged to formulate regional development plans, which, to be implemented, require the use of The Planning Act which is under the jurisdiction of The Department of Municipal Affairs.
>
> Furthermore, the regional development branch is doing and subsidizing pre-planning research at the regional level, while at the same time the community planning branch is doing and subsidizing pre-planning research at the county level.

Now, I can assure the Minister that all of this has the effect of really logjamming any planning at any level, because what you have is local municipalities who assume with regional development there is going to be someone doing the planning, and, therefore, do not support planning boards and do not encourage official plans.

You have the community planning branch going about various groups of municipalities to put forward more effective official plans because, of course, an official plan for a township is a pretty elementary and almost unusable thing today when you happen to be looking at the larger sector.

As a result, these various townships do not wish to put their resources into this kind of a thrust. At the same time, the counties, who in many cases have what they call a county planning committee, do not know what to do because in essence, the real jurisdiction for planning is through The Planning Act as a municipal affair. They set up, of course, as well a regional government committee and it wonders what is going to happen, too.

So by all this confusion and awkwardness, what we really do is jam any effective planning at the local level, to say nothing of what

is going on as we described already at the provincial level.

To continue his comments—I will make this brief—he talks about the complexity of the picture and describes the Waterloo county planning board trying to work towards an official plan and he says:

> In addition, every municipality within a county has a subsidiary planning board. There is little wonder that many citizens in the area are asking who is planning for whom and how are all the plans going to be implemented?

He goes on:

> Unrelated and unco ordinated planning activity is a needless waste of both financial and leadership resources. What is required is a rational province-wide system of planning agencies—

I think the Minister, of all people, the Provincial Treasurer, should be shocked by that statement: The waste of both financial and leadership resources.

> What is required is a rational province-wide system of planning agencies, each planning within a framework of policy established at the next higher level. A provincial development plan is also needed to provide the overall policy framework within which the government departments, regions, and local municipalities can do their planning.

Mr. D. C. MacDonald (York South): You had better have PIP make a start there.

Mr. Pitman: And then he goes on to another area.

> There is one major recommendation of my 1965 paper which apparently has not yet been accepted. I suggested that local government reorganization must be considered as an integral part of the overall programme of regional development.

There is the other thing that is completely irrational about the regional development plans of this province. They are not in any way co-ordinated with regional governments.

As much as this government does not like the term "regional government" and is shying away from it, we hear speeches by the Minister of Municipal Affairs (Mr. McKeough) backing off from regional government.

There was a headline in the *Globe and Mail*, that "McKeough announced 'We are going to go slow on regional government'." To slow down in this area—well, one really wonders.

Hon. C. S. MacNaughton (Provincial Treasurer): That is oversimplification—

Mr. Pitman: I do not think it is a simplification and I think the Minister knows it too. There has been a good deal of slowing down —since the education fiasco—in regional development. In fact, one only has to talk to some of the regional development people and to the people in the community planning branch. Do they ever hit a plan where they go out in the province and talk about regional government as the result of what happened in the education situation where there was not even an announcement during the election campaign!

Hon. Mr. MacNaughton: A couple of other people were around the province this summer too.

Mr. Pitman: Pardon?

Hon. Mr. MacNaughton: Two other people travelled the province this summer.

Mr. Pitman: I am glad.

Hon. Mr. MacNaughton: In fact, rather extensively.

Mr. Pitman: There were a lot of us around the province.

Hon. Mr. MacNaughton: And we learned quite a bit.

Mr. Pitman: Some with more success than others.

Mr. MacDonald: Some of us went to Strathroy with success, and some of us went with failure.

Hon. J. R. Simonett (Minister of Public Works): Some of us went to Manitoba, too. Was that a success?

Mr. MacDonald: Yes, it was. Make no mistake about it.

Mr. Pitman: The plan that is angering the planners is the one which describes the activities of this government in the Toronto area. I just want to read you two or three paragraphs which would certainly point up the confusion in this government.

Hon. Mr. MacNaughton: Are these your thoughts or somebody else's?

Mr. Pitman: The Minister does not seem to want to accept my thoughts on this matter.

Hon. Mr. MacNaughton: I do, though.

Mr. Pitman: I drew his attention to the remarks of other people in the province who have the same misgivings, the same fears, which I share with them. This is from an article by Margaret Scrivener, "A Plan that is Angering the Planners", concerning the regional government plan in the Metro area.

> The answer is the failure of the provincial government to give leadership to the municipalities and land use planning does not augur well. For a positive future performance, whatever the form of government might be, planning boards in Ontario have no real power. They examine problems and report things to the local council, the Minister or the Ontario Municipal Board. The Department of Municipal Affairs appears to be so involved with administrative matters, they have little time for land use planning.
>
> All the allowances for comprehensive town and regional planning are inherent in The Planning Act together with the organization to carry it out, but little was achieved. The provincial government never has produced land use policies or established a planning research bank nor has it engaged in integrated regional planning schemes for the province.
>
> The Department of Municipal Affairs is consulted to undertake studies of special problem areas but these have been done on a piece-meal basis. The reluctance to give leadership in or to spend money on planning is grossly manifest in the new proposals for regional government.

We will go on with that discussion, perhaps, when we come to regional government under the Minister of Municipal Affairs. You know, when you look at it, the whole thing comes right back to the design for development programme. I have read the speech the Prime Minister of Ontario made on April 5, 1966. I think I have read it at least five or ten times trying to discover really what the Prime Minister was getting at. If you read carefully, I think it begins to emerge. This is what he said, his main principle was:

> This government accepts the responsibility of guiding, encouraging and assisting the orderly and rational development of the province.

If that is not exactly what this Minister is engaged in, then it is no wonder that we are in trouble. If you look at every one of those words, it is a non-action word. Guiding —guiding somebody else to do it. Encouraging somebody else to do it. Assisting somebody else to do it. There is no acceptance of responsibility of this government to come up with a plan and do something about it.

Hon. Mr. MacNaughton: Do you believe in participation?

Mr. Pitman: It is quite true. It is quite true. I will go on and read more of what the Prime Minister said.

Hon. Mr. MacNaughton: We are all familiar with what he said.

Mr. Pitman: Continuing the quotation:

> The government also believes that its efforts should be echoed, should be complementary to the private sector of the economy.

There is the whole problem, this bowing down and scraping to the private sector of the economy—the private sector which is going on with its pollution, the private sector which is going on with the traffic snarls, with its sprawl. This government will not take the whole matter by the hand and do something because it is politically unpopular to do that. It will not produce a plan. I go on:

> The problems must be cast in a mould of Ontario's conditions and not simply be borrowed from other jurisdictions.

I will agree with that. We need something unique in this province but we certainly have not produced anything we need yet. I go on to point out further what the Prime Minister said:

> The objectives of the design for development programme were, 1. The provision of the best possible environment for our people—

But then he balances it off:

> 2. The creation and maintenance of an atmosphere which will encourage economic growth and development throughout the province.

We would agree with the second, but we wonder sometimes which is winning in the balance. Which is winning? Is it the environment and the people of this province? Is this not the problem we get into when two Ministers go out on the hustings and begin talking? The Minister of Municipal Affairs who tells us that "we cannot close down all these companies that are polluting the air and the water of Ontario. This might have some effect on the economic growth of the province." Of course, the Minister of Energy and Resources Management (Mr. Kerr) is going about making great noises and we are

hearing all kinds of things about what the province is going to do in relation to pollution. Well this is exactly it.

The Prime Minister also said the responsibilities must be related to a "central authority." Where is the "central authority"? Where is it, Mr. Chairman, we are still looking for it. He said in that speech:

> It was accepted that regional development and industry requires comprehensive planning and land use planning in order that the regions of the province are developed according to an orderly plan—

We have not seen an orderly plan.

> —which would include environmental and economic consideration.

Here is the point that really, I think, shows the lack of understanding of this government. He made it quite clear, in that speech, that this programme was concerned with regional development—not regional government—and you simply cannot divide those two things.

What you have had, of course, is a continuation of musical chairs—bringing in the redevelopment branch; putting it now into the Minister of the Treasury; the community planning branch going on to carry out its studies and of course the MTARTS study coming along not integrated into what is going on; the Minister of Tourism and Information (Mr. Auld) going off with his plans. The whole thing has no idea of co-ordination, no concept really of what it is all about.

In fact, the Prime Minister revealed himself again when he said on February 28: "Regional development is an exercise in policy co-ordination."

Hon. Mr. MacNaughton: Exactly.

Mr. Pitman: It is not. I say to the hon. Minister, it is not an exercise in policy co-ordination. It is a setting of goals.

Hon. Mr. MacNaughton: It is both.

Mr. Pitman: You can then co-ordinate your policy once you have set your goals but the province of Ontario and this government has not set its goals. That is why we are in this utter and complete confusion which we have described and set out here both last evening and today.

As it is now, the Prime Minister went on to say,

> The true meaning of regional development is the development of a plan of attack, a strategy for development, the overall set of regional guidelines established by the provincial government.

We do not have these regional guidelines.

> It is an issue that goes beyond a sphere of simply collecting statistics.

And yet that seems to be what we are able to do best. That, and drawing up charts.

I suggest, Mr. Chairman, that this leaves the Ontario citizen who sees his own municipal structure being undermined, sees the value of his home or farm being destroyed and sees the existence of his recreation lands virtually being taken away—this leaves him in a pretty sad situation. Because he does not have any feeling that he is being protected by this government from people who would indeed take away recreation land.

I am not going to go into the whole Whiterock fiasco we have had where 3,000 lots are taken up by a large agency. The government races this company to the registry office to see if it can prevent a whole area of valuable farm land from being taken up by developers who indeed do not have even a plan of subdivision, who do not have any written agreements to build those roads, who do not have any responsibilities to supply water or garbage collection or services or sewage or anything else.

Somebody does the planning, Mr. Chairman, somebody does the planning but it is not this government. It is somebody else, and that is what we are complaining about. It is being planned by people who have no responsibility to this government or to the people of Ontario. They are people who are going about their work in their own way for their own purposes – in many cases, very selfish purposes. This government can do nothing about it. But it can do something if there was a will to on subdivision control in areas of southern Ontario until regional government can look after that kind of situation.

All the Minister says is, "Government policy on that will be announced in due course". In the meantime, how many other developers are going to desecrate another area of Ontario. Then the Minister will have to pick up the pieces and revise his regional plans in a way which will be to the detriment, I can assure you, of most of the people of this province.

Let us look at the poor regional development council. They are naked. They have not got any research facilities, all they can do is hire experts. In many cases, Mr. Chairman, one knows what an expert is. An expert is a

man who comes to solve a problem but stays long enough to become part of the problem.

That, in many cases, is what is wrong with the difficulties of some of the regional councils.

Hon. Mr. MacNaughton: That may be what you are doing right now.

Mr. Pitman: Mr. Chairman, that really is not a very helpful remark. I would hope that the Minister—

Hon. Mr. MacNaughton: It is a matter of opinion.

Mr. Pitman: —could engage me at a slightly higher level than that.

Mr. J. B. Trotter (Parkdale): No, that is his speed. Tory speed.

Mr. MacDonald: It is not a high school debate back in Exeter, you know.

Mr. Pitman: Let us take a look at some of the plans the Minister has given us. I realize the time is limited on this estimate, so I will not read some of the really choice bits we find throughout. For example, the Central Ontario Regional Development Council seemed to think that a collection of tape recordings essentially would be the measure of their responsibility to the Minister.

I find it very hard to find the answers to the questions that were being asked. For example: "The major problems are of an urban nature in your region, and what solutions appear feasible?" The fifth question is a dandy one: "What measures of land use control would you recommend could be implemented on a province-wide basis?" What a question to ask a regional council that has been given $5,000 to hire a few people from a university or, perhaps from a research or some consulting firm. What a question to ask. The whole government cannot come out with any answer, so ask the people who do not have any research facilities at all. It is like asking: Tell all you know about the geography of Ontario.

Mr. R. F. Nixon (Leader of the Opposition): That is the kind of question you put back in your working days.

Mr. Pitman: I tried not to, I assure the leader of the Opposition. However, the council saw itself as a quasi-regional planning board, and the MTARTS plan as a possible draft of the official plan for the region. How did they ever get that idea? The MTARTS plan was a draft official plan for the region? Not on the basis on which, apparently, they wrote the rest of this document.

I would say we were very lucky, Mr. Chairman, in our area. We got a very good man who did this. In fact, he is now down in Haldimand-Norfolk, I think, looking after that situation for the Minister of Municipal Affairs. But, to show the degree to which this document covers the waterfront, it suggests a reform of local government. Parallel with local government reform the regional development council should also be strengthened so that it could be an effective agency for regional development planning.

It suggests that farm consolidation should be encouraged—vertical integration. I wonder what the Minister of Agriculture and Food (Mr. Stewart) feels about that one? On the effectiveness of the agriculture retraining programmes from the Minister of Education (Mr. Davis), for example, it goes on to suggest that arrangements should be encouraged whereby The Department of Lands and Forests would manage private lands in appropriate cases. These, I find, are urban problems.

It goes on to point out—and here is a very good one, Mr. Chairman—that the provincial government should consider the distribution of municipal revenues derived from industry in such a way as to achieve more equitable shares for all areas. I can only suppose that they have read the New Democratic Party policy on municipal taxes. This is essentially what we are trying to provide for the government.

It goes on to point out the possible use of transportation subsidies. It goes on to suggest the multiple use of the Trent Canal system, which of course has to do with the federal government. It goes on to talk of provincial liquor regulations that should be revised and removed. It goes on to talk about direct freeway access to Toronto.

Now, what kind of hoax is the Minister giving to all these various regions to send them off to give him recommendations on every imaginable thing? In the Georgian Bay Regional Development Council we have, lo and behold, the regional minimum family income. Now, I ask you, Mr. Chairman, we are in flights of fancy, and indeed, Georgian Bay is perhaps one of the best reports. I am trying not to bring some the less successful ones down here.

I might say, these regional councils were told to start a five-year plan. In many cases, one year is already over and nothing has

happened. They are in limbo, they are hanging between being a council and being disbanded. They do not know where they are going. They certainly have not got any indication from the Minister that they have a very real role in the future. They suggested, for example, in the Lake Ontario one, existing passenger train service should be retained to Belleville and extended. Well, since the publication of this report the train service has been cut by two-thirds.

They discuss the feasibility and benefit of an extended system of airfields. Well, Mr. Chairman, I will not go on reading any longer because I am sure it is too embarrassing for the Minister. He knows what he has got here in this great pile of material. All I can say to the Minister is that it is time he became honest with us, told us where he is going.

I think we, in this party, have a few recommendations to make:

1. That he get on with it and give us a provincial plan into which we can structure realistically what is going on in the various areas.

2. That we place all of this under one head—community planning—and indeed, the control over the EIO programme be taken away from the Minister of Trade and Development (Mr. Randall) and placed within the planning context. I repeat again, that subdivision control be placed under municipalities—at least in southern Ontario—which are close to urban centres where the various interests can very well despoil an entire township before this Minister of Municipal Affairs realizes how many lots have been sold and whether they have got to the registry office or not.

3. That we give regional councils, Mr. Chairman, some money to develop their own local planning and their own research, so that they can do a realistic job and none of this pseudo-citizen participation of sending people around to talk to what they call "local leaders", and deciding what they want to do about regional development.

4. That they give them realistic projects to undertake and not ask them what they suggest as land use projects for the entire province.

Finally, that we link regional development and regional government and give the whole regional development thrust at the local level, some kind of political base. As the Minister well knows, regional councils are entirely appointed. They are entirely dependent upon subsidization by municipal councils, and it has already been stated here, in many cases they do not know from year to year what their budget is going to be.

In other words, if the Minister is really interested in regional development, then he had better not try to baffle us with charts, but give us some direction in this House.

Mr. Chairman: The hon. member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, it is not my intention to go over all the groundwork which my leader spoke of on Tuesday night. Coming from an area in which the regional development council practically faltered into oblivion, I am deeply concerned about this. I do not intend to touch all the bases, but merely to reinforce these areas where I am familiar.

We believe that the Treasurer has committed a gross error in building up this branch and staffing it with theoreticians who could probably have made a great contribution at the university level. But, when confronted with the practical implications of evolving a plan for regional development much is left wanting.

That is what has happened here, and unfortunately it has been accompanied by a very real attitude of condescension on the part of some of the Toronto based members of the branch. This attitude has filled the local people with resentment, and more than anything else, has caused the present drop in morale in the regional development councils, which have become, in my estimation, lame-duck organizations, some of which are living on pension from the government, and shunned by the larger municipalities in their areas. This is particularly true in my own remote area. They have a king-size inferiority complex from which they will never recover.

There may have been some germs of good ideas in the original design for development, but we have moved so far from that now, and so much has happened in the interim, that these early documents are no longer relevant. Furthermore, the boundaries of the regions themselves are a hangover, as was said the other night, from wartime controls and have absolutely no meaning in relation to the conditions we face in Ontario in the next decade. In my own area this is also true. Regional governments have sprung into being, and they have plans of their own. The Norfolk-Haldimand study is in total contradiction to the absurd imaginary line that

divides Niagara from Erie in the 10-region economic scheme of things.

Next week, it will be my duty to criticize the Minister of Municipal Affairs, but today I must say that, in the case of Norfolk-Haldimand, we support the efforts of Mr. Richardson and his team, and we applaud the manner in which he is soliciting the co-operation of the local people. It is quite clear that the department has learned a great deal since the days of Eric Hardy in the Lakehead, and from all accounts, the work of Mr. Richardson is finding general favour. He is respecting local customs and sensibilities, and the importance of this cannot be over-emphasized.

We therefore demand that the barriers fall between the Erie and Niagara regional development regions, and that the Treasurer remove all protocol barriers to the success of Mr. Richardson's work. We recommend his newsletter approach to keeping local people in the picture, and we wish that the regional development people had taken this kind of approach when they had the chance. But they have blown their opportunity to do so, and now it is time to see that these things pass into oblivion. There is little else to be done other than to bury this branch as quickly as possible.

At this point I want to read into the record a number of editorials about the progress of MODA, the Midwestern Ontario Development Association. I know the Treasurer will say that the worst is over, that the MODA is getting back on its feet, but I happen to know that this is not the case. What I find, as I phone around for facts and attitudes, is that a few stubborn and proud men are making the best of it. They know they have been taken by Toronto, but they are not going to give up. At the same time, they realize that they are now the pensioners of the government.

The government has had to put money into MODA to keep it in existence, and they have committed themselves until the end of 1970. The major portion of the four counties has said time and time again that under present structure, they see no use for the existence of MODA.

How long local pride can be sustained under such conditions remains to be seen. It is not good for a man with pride to have to be anyone's puppet. Nor is it in the Ontario tradition to play such a humiliating role.

Alderman Jack Young, of the city of Kitchener, summed it up well, I think, in a quote in the Kitchener-Waterloo *Record* on May 7, 1969, liking MODA to a rudderless ship on an uncharted sea.

First of all, let me build into the record the letter which the Provincial Treasurer wrote to the Kitchener-Waterloo *Record* on Monday, August 19, 1969. This letter contains, in order:

1. An ultimatum—join or be left out of the planning process.

He realized that the areas were dropping out one after another so that none of Waterloo county saw any benefit remaining in it under its present form.

2. An admission that the scheme has changed significantly from the first concept.

3. A relegation of local participation to the local planning function. The broad planning function is to be dictated from the top.

4. A condensing reference: "We could do it better ourselves, but . . ." (and also a significant reference to ivory towers. How true!)

5. An admission that the programme changed in midstream so that the last three years did not build upon what went before.

6. A stress on the technical inventory approach. You can almost feel the statisticians taking over as the concept of MODA was changed. Let us get the facts that the computer will be able to use. This is obviously the basis for the selection of the economic indicators as the basis for the inventory, rather than personal statements or subjective assessments, personal feelings of what people want to do with their lives, and so on. All they were interested in was getting statistics from the people in the field.

7. An admission that the regional reports are being evaluated against provincial concepts. In other words, we have a preconceived idea of where we want to go. Let us see how your reports stack up. We wanted the government to look at these reports with an open mind, not with a mind made up already.

8. A frontal attack on the Waterloo County Area Planning Board. "Tie in with us or else," or words to that effect.

9. A snide remark to the effect that when the gravy train starts rolling, everyone is going to want to ride!

The way the thing is being operated, now there will not be any gravy train because the thing is just one confused conglomerate of three empires in government trying to get in on an act of doing something for which, at the present time, there is no rhyme or reason.

What a letter! How this letter opposes the underlying attitude of whoever drafted it on the Treasurer's behalf. Do we want this attitude to prevail? Of course not. Well, the *Record* saw through it, and its editorial of the following day put it very nicely:

> We can admire the loyalty with which Mr. MacNaughton backs up the officials in his department who are trying to revive MODA (but) healthy growth starts from the roots (and) if there is any tax-financed organization in Ontario today which is distinctly not of grass-roots origin, MODA is it. It was created 15 years ago, as the brainchild of Queen's Park officials. The idea was presented to municipalities on reams of mimeographed outline, and a number were persuaded to subscribe to it. The growth of the organization was forced from the top down, and not from the roots up. The original intention was that MODA should promote economic development. The revised intention is that it should convey to planners at the provincial level the thoughts of planners in the municipalities.
>
> It is out of touch with reality. MODA is at best a completely toothless organization, with no power to do anything. Whatever planning it might do is in a fantasy world of ifs, maybes and perhapses.
>
> One more advisory body to hold talk sessions and keep up an office staff looks like an unnecessary complication in a governmental framework that is already too complicated.

What an indictment!

Therefore, Mr. Chairman, as a result of this, I would like to move, seconded by Mr. Ruston, that vote 2402 be reduced by the sum of $12,000; a sum equal to the statutory salary of the hon. Treasurer.

I would like to read a few reasons why I am doing this.

Mr. Chairman: Perhaps the hon. member would permit the Chair to place the question before the committee first?

Moved by Mr. Good that vote 2402 be reduced by the sum of $12,000.

Mr. Good: Among the reasons why I feel strongly that the regional development expenditure of $1,044,000 which forms part of this vote, cannot be justified to the people of Ontario:

As Minister in charge of the department, the hon. Treasurer must assume total responsibility for the actions of his staff members, and for the operations of his department. This he has singularly failed to do in the case of the regional development branch. The present elaborate plan for regional development is not compatible with, cannot be merged with, and cannot co-exist with, the programmes of The Department of Municipal Affairs, particularly the Haldimand-Norfolk study, and also in my own Waterloo county area; the equalization of opportunity programme of The Department of Trade and Development; the land consolidation programmes of the Ontario Housing Corporation, nor with the programme of regional governments, without serious and costly duplication of effort.

The regional development programme now bears little resemblance to the ideas expressed in parts 1 and 2 of the designs for development, and cannot be regarded as being the same programme. Instead of using the talent of local people out in the field on a continuing basis, the programme has become Toronto-based and theoretical. The boundaries of the regional development areas are carryovers from wartime controls and have no relevance to the conditions which will apply in Ontario in the 1970s.

Any plans based on these boundaries are therefore bound to fail in purposes and execution. The goodwill of local people who give of their time and effort freely to the production of reports on their regional conditions has been destroyed by the condescending manner in which these efforts have been regarded by the government.

Members of regional development councils regard their work as an end-product rather than as merely input into a computer, which is not what you would classify them as. The present regional development programme has, with the full knowledge and connivance of the hon. Treasurer, been used as a vehicle for empire building; for personal and professional advancement of the members of the regional development branch. Funds have been siphoned into Toronto operations, while the regional development councils have been starved for money with which to carry out their particular jobs effectively.

Briefs making this point have been ignored by the government and I would like to ask the Minister what has happened to the briefs which asked you what the exact role of the RDC is, and the relationship to regional planning and regional government functions which should be spelled out, and the briefs which asked that this be spelled out in

legislation. And what happened to Mr. Ira Needles' brief when it was presented to the development council?

These are questions which are unanswered and as a consequence ten lame duck regional development councils are marking time. The municipalities are allowed to support the councils which can only exist under subsidies from the provincial government. For this reason I feel the present approach must be abandoned. Regional development branches which now exist must be wound up.

Mr. MacDonald: Mr. Chairman, the motion that has been put before the House is designed to express a lack of confidence in the operation of the regional development branch. It is a rather clumsy mechanism for doing this kind of thing. I am not saying this in criticism of the motion, because I do not know how else one can do it. The interesting thing, however, is that these estimates have been before the House now since last spring. We started in March, and I venture to suggest to you, Mr. Chairman, that we are only concluding them now because the Minister came face to face with a void in terms of his own policy in his whole operation. He needed six or eight months at least to give the image of filling that void. That is not only my reaction, it is the reality.

Hon. Mr. MacNaughton: How do you know it is a reality?

Mr. MacDonald: How do I know it is a reality?

Hon. Mr. MacNaughton: You think it is a reality? That is better.

Mr. MacDonald: Last spring, when the Minister got into his estimates, about that time, we got copies of the regional development studies. It took a little time to dig them out, but we got copies of the latest regional development studies that had been done. The Minister confessed that he had not even attempted to read them yet.

Hon. Mr. MacNaughton: I had just received them.

Mr. MacDonald: Right, you just received them. You had not even had time to read them. Indeed some of these reports have been delayed in the mill so long that in reading them you discover that they were supposed to get into operation and implementation in the year 1968. Now we are at the end of 1969.

That just shows you how great the void was and how great the timetable has got out of kilter.

However, I want to be perfectly fair about this because there are few things that I have a deeper and more continuing interest in than regional development.

My great complaint down through the years has been that this government has been toying with regional development. They set up regional councils as paper structures for the most part, without any real direction away back in 1953. I have said this before in the House, but let me repeat it. The first time they had a meeting of a regional development council in eastern Ontario—which was an outgrowth of the associated chambers of commerce, I believe—about six or eight Ministers, in the fashion we have seen so much this year, went down to eastern Ontario. They listened to briefs represented to them—this is back in 1956—briefs presented to them on reforestation; on the collapse of the industries of eastern Ontario, such as the textile industry and so on and on. And at the end of each brief some Minister or a collection of Ministers got up and said, "No, no, no." But they made the mistake of having as the banquet speaker to conclude that meeting, Gratton O'Leary. He has at least one enduring and ingratiating quality and that is he speaks his mind, even to fellow Tories on occasion. In fact, he said, "What in heaven's name are you up to? You asked the people of eastern Ontario to present their case in terms of things that should be done, and then automatically you give a 'no, no, no.' What was the purpose of the Ministers coming down here?"

"Furthermore," he said, "you have spent three days examining the need for economic development in eastern Ontario and you have not had a single brief on what is still the basic industry of eastern Ontario, namely agriculture. Heaven knows it was languishing and it is languishing even more now."

I repeat that in some detail because it has been the history of the regional development councils. They have withered on the vine; a lot of good people have been persuaded to become members. After a year or two or four or five, they begin to wonder what was the purpose of the whole exercise, and so they dropped away. The turnover in terms of personnel must have been almost unprecedented. Somebody who had a very close association with the regional development branch back in 1963 made the comment that it was the only branch of the department that Bob Macaulay did not exploit fully for political purposes in the general election.

Regional development was so ignored by the government that it was ignored even by Bob Macaulay for political purposes—and there were few things ignored by him for political purposes in 1963.

I want to get up-to-date, but I think it is necessary to recall this background. In the last two or three years there has been the pretense of seriously coming to grips with issues. We have had "Design for Development", part one; "Design for Development", part two; and I wonder whether this chart indicates "Design for Development", part three. I have listened to the spokesmen—to Dr. Thoman, head of the branch, and to the Deputy Minister particularly, at the northern conferences. They are both very eloquent people; they almost persuaded me for a moment.

Then I asked myself, what are they saying? What exactly are they saying? Or if I may borrow the Deputy Minister's favourite analogy—to engage in regional development is even more complicated than to put a man on the moon. It may be, but the point is: what exactly is going to happen? We have been told to wait.

There are big plans underway so there was an air of hushed expectancy created. But what is going to happen? I, for one, was willing to admit this is a difficult problem of co-ordination; but what is going to happen?

Now we are given a chart, Mr. Chairman. As a theoretical exercise off in an academic ivory tower, this is a magnificent chart. One could spend 10 or 15 years with it. At stage one, identity provincial goals; stage two, review growth plans; stage three, conduct social and economic day studies. I wonder where the studies that have been done, fit in? Were those studies just an exercise to fill part of the void over the last year or so? Stage four, examine land use, present potential; stage five, examine the impact of technology; stage six, consider possible urban centres of investment opportunity; stage seven, select regional goals. At stage seven, what year is it going to be? 1975? 1978? I hope that the Minister will tell us, because this is a most fascinating and complicated theoretical process. One wonders whether it is a programme for the rest of the century.

Hon. Mr. MacNaughton: What processes would you leave out?

Mr. MacDonald: I do not know what processes you are going to leave out, but if you have these studies by each regional development council, merely as an exercise, it was a farce in itself. To make something like $5,000 or $10,000 available for a basic study for regional development, over a summer period was just farcical. What you got was little more than potboiling of the material that was already available. Nothing more. If you really were serious you would not go about it that way. In spite of my basic sympathy and my best intentions to be fair to you, when I take a look at this kind of approach, I wonder what time span you are covering.

Certainly the many stages will never be completed because the life span of this government is getting shorter. This kind of action is going to result in it being shorter.

However, Mr. Chairman, I rose because the Minister tends to dismiss what we say over here. He gets a bit hurt when we quote experts, whether they be Dr. Krueger or Margaret Scrivener or whoever you will. I want to quote to the Minister—because I do not know whether this is public document yet —what the regional development councils themselves think. These are the people who, presumably, you are now talking for; these are the people for whom, presumably, your programme is going to provide a pattern of action. What do they think? Here is a document which was presented by the Ontario Regional Development Council and the members of regional development councils; that means the overall council and each one of the 10 individual councils.

It was presented to the hon. John Robarts, the hon. C. S. MacNaughton and the hon. Darcy McKeough early this year. My recollection is it was some time in January or February. What do they say? Well, they pulled no punches. The opening paragraph says:

> The regional development councils of Ontario represented here today have requested this meeting, as the future of local involvement and support for regional development in Ontario is in great danger of collapse. We would like to alert you and your Ministers to the situation and the problems facing our councils at the local level before this matter becomes public knowledge.

Hon. Mr. MacNaughton: This is what, did you say?

Mr. MacDonald: Yes, this is a report of the regional development council which was presented to the government. In fact, I asked the Minister last spring whether he had received it and whether he would make it available. I do not know whether he did make

it available but there are copies available around the province and I have one. If you want an example of the collapse of regional development councils, the hon. member for Waterloo North has just given you a documented case of the collapse of one of them—perhaps it is the best example.

Hon. Mr. MacNaughton: It has not collapsed, that is the point.

Mr. MacDonald: You have done your best to put crutches under it to give the appearance that it is still standing but it is really lying flat on the ground. The Minister is not aware of that. However, let me proceed, let the regional development council speak for itself.

I move on now to page seven of this document. "After the active involvement in 1968 by local municipalities, there is an obvious desire for action on some of the programmes during 1969 so that a complete year will not be wasted." If I may interrupt, Mr. Chairman, they are getting frustrated. They have had no direction, they did not know exactly where they fit into the picture. They were the fifth wheel of the carriage with no political base and no full participation because they have to spend so much of their time trying to persuade the municipalities to put in the money to keep them going.

They were getting frustrated and they presumed that the government was serious once again, for the umpteenth time, when they made a little money available for the reports produced in 1968. I repeat, there was an obvious desire for action on some of the programmes during 1969.

Mr. Chairman, this is November, 1969, and there has been no action on any of these programmes, no action of any substance at all. There is also a strong feeling that a start should be made this year on programmes extending over a longer period of time. I move to page eight of this document.

> The role each of the councils is to play has not been clearly defined and many communities feel that duplication of effort is resulting. The area of responsibility to be assumed by the regional development council must be clearly established and the authority to carry out certain activities recognized so that the council's role can be easily identified not only by the local municipalities but by members of your government department.

Finally, I move on to page nine where they really come to the crunch in terms of their reaction.

> The councils have, on several occasions, both individually and collectively, made representations to the agents of your government and to your Ministers, pointing out that if the programmes and role of the regional development council was to be changed then a new foundation must be established on which the council could base their future operations. We have been advised that the necessary changes will be forthcoming, that our problems were understood and will be dealt with. So far, nothing has happened.

That was February, now it is November. So far, nothing has happened either, nothing of any real substance. I pick up on the quotation.

> Design for development phase 2 was welcomed by the council as another step forward and we look forward to hearing from your government the role to be undertaken by the council with this statement.
>
> Before this advice was received, however, the hon. Minister of Municipal Affairs made various statements on regional government. These statements contained no information of any role for the regional development council and in fact, appear to allocate the functions that we were led to believe we might fulfil to the proposed regional governments. This most recent development has only served to further confuse the municipalities and members of the board of directors of the regional development council. It is no longer possible for the council to interpret or assume the role to be performed within the overall Ontario programme from information contained in government statements. The communities supporting the regional development councils and in fact the boards of directors themselves have reached the point where they feel that if the regional development council is to retain local involvement and perform a useful function in the regional development programme, then clear statements identifying the relationship of the various regional agencies and organizations must be made and their role clearly spelled out.

And finally:

"We are sure that you will feel that our requests are quite extensive." They were being a little humble at this point—"and it is the understanding of the magnitude of these requests coupled with the gravity of the need for solutions, that bring us here today."

Hon Mr. MacNaughton: I did not detect any element of humility. If you can read it in there, you are a better man than I am.

Mr. MacDonald: Quoting again:

> We are concerned that without direct intervention by yourself, a major government programme, which we support and for which there is urgent need in the province is in danger of serious deterioration, if not failure.

Now, Mr. Chairman, let us go no further. Let the Minister not get up and say that we are talking through our hat over here. What I am saying to you is that these were the considered views of the regional development council because—

Hon. Mr. MacNaughton: I was there, remember?

Mr. MacDonald: I know you were there.

Hon. Mr. MacNaughton: That is right.

Mr. MacDonald: You cannot deny that what we are arguing on this side of the House has no credence, because—

Hon. Mr. MacNaughton: I am not denying that.

Mr. MacDonald: The people involved are saying precisely what I have now put into the record. What I am asking the Minister is: Where is the direction? Where are the goals? Where is the reconciliation of all the various government departments in their overlapping? Having said all that, I do not know where the answer is. With that hushed expectancy which has been created on this whole issue for the last six or eight months, I shall sit down and sit in hushed expectancy in case the Minister has got something up his sleeve other than this 12-box chart which would develop into a theoretical exercise throughout the rest of the century.

I would say this in conclusion, Mr. Chairman: You cannot have effective regional development if you have not got a political base for it. What puzzles me more and more in the unco-ordinated approach of this government is why there has not been a greater co-ordination and integration of the work of the regional development branch and that part of The Development of Municipal Affairs which is engaged in the basic work leading towards regional government.

If you have not got regional government for a political base, much of your regional development is going to be impossible to co-ordinate. The last 15 years' experience is the most convincing proof of that, and nobody can deny it. And that is the reason why I was a little intrigued—

Hon. A. B. R. Lawrence (Minister without Portfolio): How can you say that in eastern Ontario.

The regional government for Ottawa-Carleton cannot be matched with the whole area down to Kingston and Cornwall.

Mr. MacDonald: That goes back to a point that was raised by the hon. member for Waterloo North. The regional development divisions in the province of Ontario are 10 of 65 that were created for the whole of Canada by a group of geographers back in the early 1950s. They have not been altered and some of the boundaries are absolutely ludicrous. The most ludicrous one is northeastern Ontario. To have something that stretches all the way from Sault Ste. Marie to Moosonee in one regional development area is just for the birds.

Hon. A. B. R. Lawrence: Would you stop regional development at the boundaries of Ottawa-Carleton?

Mr. MacDonald: No, I would not stop it at Ottawa-Carleton. All I am saying is that you have got to have something other than the great number of municipal governments, that we have had up to now. They must be co-ordinated into regional government before you can have regional economical development. There has been no apparent co-ordination of this in the government. Do not sidetrack me because I want to conclude. I see a ray of hope in the confusion of this government's approach, but I wonder what it really means. I refer to the study that The Department of Municipal Affairs is now engaged on in the Haldimand-Norfolk area. Instead of bringing in a group of experts who go and pick the brains of the local people, and then go off to come up with a plan that sometimes is so radical that the people who have to live with it take a look at it and say: "How do you relate it to the reality that I have to live with from day to day?" So, the proposal dies there, it gathers dust from that point forward.

It seems to me that if you are going to have effective regional development and, indeed, effective regional government—and God knows there is no place in this province where we need that more than in Haldimand-Norfolk with unplanned, private industry developments like those which have taken place with two of the steel companies. No

department of this government knew that these were going to take place until the action was taken by the industries involved.

When we were invited by the community development branch to sit down with them and to talk through their operations, it became clear when we questioned them that they did not know that this development was going to take place. Indeed, when they want to find out what development might be engendered by loans that the EIO department is giving over in Trade and Development—they cannot even get the information from the EIO branch.

Mr. H. Peacock (Windsor West): Nothing about KVP at Huntsville.

Mr. MacDonald: Right. EIO says this is a private agreement. It is like the private agreement the Provincial Treasurer has just signed with ACR. It is so completely private that they cannot even give it to other government departments. The community development branch, with a planning job to be done, cannot even find out what another arm of government is doing in terms of industrial development that will alter the whole pattern of community development.

My hope was that in the strange and mysterious way in which this government moves, the new Minister of Municipal Affairs was grasping the nettle and had survived the consequences of this action—the Provincial Treasurer was going to let him go ahead—and that the Minister of Municipal Affairs is moving into Haldimand-Norfolk with what, in effect, is a combined regional government and regional development study. He is doing it, not by a group of experts studying it and coming back with a blueprint; he is doing it by working with the local people so that they are involved from start to finish.

That strikes me as a sensible kind of approach, but is it an exception? Is it the pattern of the future? If so, how does this Minister's responsibilities, Mr. Chairman—if we can get back to it in the four corners of these estimates—fit in with what appears to be the new pattern emerging with the study that the Minister of Municipal Affairs has launched in Haldimand-Norfolk?

I do not know, but I sit down in hushed expectancy that sometime, sometime soon, we are going to get some clarification of goals and the approach of this government to achieve them.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, I cannot promise the member for York South that atmosphere of hushed expectancy, at least for a few moments.

I want to tell the House a story about this branch, which I think it is fair to tell, or else I would not tell it. Somehow or other, we in the Opposition are never able to comprehend the workings of government. But, for some reason that is known only to the inner enclaves and the group of mandarins that now organize and direct the affairs of this government, a request ended up on the desk of the director of this department for assistance to a young man of academic pursuit who was studying geography in England.

Apparently there is nothing in the $3 billion that we raise from the people of Ontario that permits the assistance to persons who are studying offshore—a word the Treasurer likes. If they are studying offshore, there is nothing The Department of Education may do to give them any assistance—however great their penury.

We have the case of this young fellow, a geographer, and ultimately the request for financial assistance—I will not use his name—ended up with the director of the regional development branch. This young geographer had been teaching before he departed for the United Kingdom at Laurentian University where, I believe, he held the rank of professor in the department of geography.

He had won his master of arts degree, I believe—if my memory serves me correctly, it does not always, Mr. Chairman—won his master of arts degree at the University of Western Ontario where he did a thesis concerned with the geography of northern Ontario.

Some time later, after teaching a year or two at Laurentian, he decided to work toward his doctoral thesis at the University of London. There, I understand, the head of the department of geography is an outstanding figure in that discipline, and under the guidance of this geographer—whose name escapes me—at the University of London, his doctoral thesis concerned the geography of the Scandinavian countries and in particular, Finland.

All right. A request was made to the Minister of Education for assistance to him, a modest amount, perhaps $1,000. The Minister of Education said that he could not do anything with the funds at his disposal, but he would forward it to the regional development branch of The Department of the Treasurer.

To make a long story short, this young man who had gone to the United Kingdom

with his wife—and I believe, two or three children—to engage in a two-year course of study toward his doctoral thesis, had his assistance refused. It was not for reasons of penury or austerity, but the reason for the refusal was that his thesis was about Finland, and Finnish geography has no relationship to the geography of Ontario. To put it another way, the reason given for the refusal was that there was nothing in his doctoral thesis about Ontario.

It was suggested by myself to the young man that he might change that thesis a little bit. Throw in a couple of paragraphs about Ontario somewhere and that might win him $1,000. I was serious in that suggestion. He could perhaps add a chapter to it, but he was a young fellow of integrity and he said that he must abide by the guidance of the geographer at the University of London under whom he was studying.

A couple of things followed as morals from that story. One is that I always assumed that the geography of Finland was quite similar to that of northern Ontario. I have been to Finland and it seemed to me that the tone of her cover of the land and the rock formation, rivers and lakes—to the naked eye—make it quite similar to northern Ontario. The second thing—and more important—is that it does not matter a damn, it does not really matter whether Finland is similar to Ontario or not.

The young man was engaging in a course of study that would give him knowledge and perception and all the other academic qualities which would be of benefit to us in Ontario. That is the very kind of people we need in the north. I cannot think of any discipline that would have proved more to the benefit of the north than to have this young man complete his studies abroad and come back as he has done to his teaching post at Laurentian University—without the $1,000 from The Department of the Treasury.

I am happy to report, finally that he kept body and soul together, his family intact, completed his doctoral thesis, returned to his native land and he is now teaching again at Laurentian University where he went back into his post in the department of geography.

To tell the story indicated, of course, to anyone who thinks about it in even a cursory fashion, the deficiency of this department. In all fairness, this never got to the desk of the Treasurer. It was felt by myself, since the Minister of Education was a fellow advocate on his behalf, that that was enough Ministerial help. Secondly, I did not feel that the refusal having been made, that an overruling by the Treasurer ought to be sought. Again I say, Mr. Chairman, that that is indicative of the short-sightedness of this department.

I want to turn to the economic boondoggling. I always thought that it was only lawyers who boondoggled—those who do not know the meaning of that word might consult their dictionaries at the earliest time possible. This, Mr. Chairman, is boondoggling by economists. I think it was the member for Peterborough last night who summed this thing up by saying that in any intelligent and well-directed approach to regional development in this province, you do not have to go beyond square one, you do not have to entrap yourself in the maze of the other squares.

Maybe it is a game, maybe this is some sort of a game that you go along in those squares and you encounter something that moves you back to square one, because once you identify the provincial goals, once you have some clearly conceived plan about what we are going to do about this province and the part of it that I am going to speak about in a moment, then something else falls into place.

Put conversely, of course, this boondoggling is a quintessence of the organization man. This is an organizational orgy. I am one of those who refuses to believe, and I will never believe with the Treasurer, that business corporations are efficient *per se* and government is inefficient. There is a certain ambivalence there. That is a mythology that has been pandered to for most of this century: business runs its affairs efficiently and government does not.

Here is an example, I am sorry to say, of the business approach to things. I read that this is typical of the modern conglomerate. I just read an article recently that the conglomerates that are coming on the scene, the gigantic business organizations, are being discovered to be terribly inefficient. They are inefficient because the people working for them indulge in excesses like this.

Now, I do not like to speak in general terms, but I want to return to that specific area that I have the honour to represent in this House. And in going back to square one, I have said, and I beg leave to say again, Mr. Chairman, that the identification of provincial goals in that great area of northeastern Ontario, taken together, of course, with that which we identify as northwestern Ontario, being four-fifths of the land mass

of the province, the identification of goals in that area would mean that we recognize at some point in our history that it is incumbent upon us to utilize the resources that we produce in the area.

Now, put in specific terms, I say to my friend, the Minister of Public Works who attends me—the member for Peterborough was talking about Nanticoke. He apparently did not know what it was, and he apparently did not know that not one but, I think, two steel mills are going to be located there, together with a major Hydro plant. I have said many times in the past and I will not tire of saying it, that at least one of those steel mills ought to be located at the Lakehead. Or is it that Lake Erie is felt to be dead and you cannot do anything more toward its ruination, so you might as well pour further pollutants into Lake Erie?

But the Lakehead is an ideal place for the location of such a complex, it occurs to me. Road and rail transportation, natural gas, the nearness of the raw material for the production of steel, the hydro-electric energy, the labour supply, good transportation systems, all of the necessary things. And so it is with our natural resources. There is a ray of hope on the horizon, belatedly, the Minister of Mines (Mr. A. F. Lawrence) comes into this government. I see, following the Conservative Cabinet toffee-pull that they had in Sudbury a month or two ago, that the Minister of Mines is quoted in the press in a way that indicates that he appreciates the necessity of the utilization of our resources. Our fate, of course, has been, let us never forget it, to be a raw-material-producing economy. Put in a nutshell, to sell our raw material resources for a dime and then buy them back for $1. We are not very good businessmen; we have not got native Yankee shrewdness.

The identification of provincial goals in northern Ontario would mean that some sort of programme would be laid out, whereby we start to use those resources in the manufacture of finished or semi-finished products, rather than shipping them to Cleveland and Pittsburgh, International Falls and many other places to create employment for large numbers of people outside our country.

I sometimes get discouraged. At that same meeting I referred to—what is he called, the director of this branch? The director of this branch made a speech where he gave us a prelude to these boxes and squares. And that was all right if he wanted to talk that way. I was not impressed much; I was not impressed much with Tom Kent, either, who continues the Ottawa policy of treating us as producers of raw material. That was the burden of his message, but the director of this branch made a speech and he enunciated, I think, and enumerated the 12 points. That was all right. But what really got me, though, was when he threatened us with another team of experts to study us.

I think some of theme were present—he had them stand up; they looked like bright young people; the mandarin type. They stood up and in an attitude of humility, they took a bow. He said, "Now, these, or some of them, or more of them, are going to be among you and they are going to collect some statistical material about you all." For heaven's sakes, that has been going on for 20 years, Mr. Chairman. We are the most studied people in North America.

But as I said last night, they have counted the telephone poles in northern Ontario; they have counted them about 15 times over and published brochures and booklets and pamphlets about them. I recall one very well; I wish I had it to hand: they counted the number of houses in northern Ontario that do not have indoor plumbing.

Mr. Nixon: Were there any?

Mr. Sopha: Yes. Parry Sound led the way in that regard.

Mr. J. E. Stokes (Thunder Bay): The member for Sudbury advocated another study a few years ago.

Mr. Sopha: Mine was quite different, mine was a Royal commission.

Mr. MacDonald: A rose by any other name.

Mr. Sopha: I had one here a couple of years ago when they had a statistical rendition of all the economic facts about us. The foreword they could get in one page, and the foreword ended up saying that we had a great potentiality for the development of the tourist business.

That is enough to evoke cynicism in the hearts of true northerners. Let us say in this House that for the Minister of Mines, part of his mission in regard to the development of the north has been, he has said in the public prints, to persuade his colleagues—he has said that—to acquaint some of his colleagues with this.

On the identification of provincial goals, for 10 years I have never heard any articulate enunciation of what the provincial goals are. But I know that with the production of the

raw materials, the vast amount of wealth that we produce in northern Ontario, we create those tall buildings on Yonge and Bay Streets and University Avenue. They are the testimony to the industry of our people north of the French; otherwise they would not exist. Those are the legacy of the raw material wealth of this province. And by default this government—if it does not intend it, then history shall attend it with the culpability by default—is going to permit to be created the megalopolis in this province that will stretch from Niagara Falls to Oshawa to Barrie, with all its neuroses and all the problems of urban living that will come out of that.

Interjections by hon. members.

Mr. Sopha: Yes, indeed. Future generations will scarcely be able to cope with the urban problems that will be created.

Identification of provincial goals. I wish there was one identified that would stop the drain of our young people out of northern Ontario. They cannot be blamed. Recent studies have shown that there is a marked decline in population of young people who are departing. Three of the districts in northern Ontario, unique in the province, are losing population. To remind those who do not know, they are the districts of Rainy River, Manitoulin and Timiskaming. All have a net population deficit over the last 10 years.

Identification of provincial goals? Let us stop counting things. Let us get around to some policy where some industry is established that utilizes the precious raw materials that we have in abundance in the northern part of the province. The Minister of Mines is a ray of hope but he was not here the other night. I want to repeat for his benefit that he will never achieve fruition of his dreams and visions as long as he sits in front of the television set with the map of northern Ontario and he is pointing to the district of Patricia as wasteland for the time being. Wasteland. Not a suitable area as an environment for increased population. Probably, great wealth abounds in it but the population of northern Ontario resides south of the railway line, and 60 per cent of the population of northern Ontario is in four or five urban collections—The Lakehead, Sault Ste. Marie, Sudbury, North Bay and Timmins. Sixty per cent of the population surround the already-identified ore bodies that are producing great riches. Those are the places where I suggest we should start.

Now there is no necessity at all, as somebody else has pointed out—and it should commend itself to the common sense of the legislators here—there is no necessity at all for this branch to be allowed to put lines on maps. That does not assist understanding; it does not assist progress to start to carve this province up into chunks. This province should be thought of as an economic unit; different in its various aspects, it is true, but a totality as an economic unit and a political organization. And if we but thought of the potentiality of the various areas of it and what intelligent people would do towards their development then it can be seen that—with the focus of thinking that way—we do not need segments.

We do not need the province compartmentalized. For example, the northern part of the province should be thought of as one unit, its economy is sufficiently similar—with one exception I want to deal with in a minute—that, as a raw material resource producing area, we can think of it as a totality. The exception of course, is the great potential for agricultural development. I say to you in 1969, as I said in 1961 and 1962 if not earlier, as more and more land in southern Ontario goes out of production in agriculture, if we are to maintain a viable agricultural industry, then that industry—or important parts of it—will have to be located in northern Ontario.

I think that is especially so in the raising of beef cattle which must be provided with large areas. Now fortunately, a merciful providence has endowed us with many millions of acres of very fertile soil in the north, it only awaits the development of the techniques of husbandry to make it a reality. Now, that I think Mr. Chairman—I have a very warm feeling for the Treasurer—sums up what I wanted to say about this. I hope that the people who created this boondoggling will be chastened and they will not come back to the Legislature with this type of tripe to put on our desks in the future.

I would like to think that this place is more intelligent than that, that we would be taken in by a series of boxes and squares. I have a warm feeling for the Treasurer, he probably needs the $12,000 as much as the rest of us—and more.

Hon. Mr. MacNaughton: I do not know what I am going to do without it.

Mr. Sopha: But, it is a matter of principle, notwithstanding my warm feelings towards one of the leading members of the London

establishment. I must support this resolution in the hope that it will give courage to people like the Minister of Mines to continue his efforts while he yet has time. He has about two years left with that assemblage over there and in two years, let the Lord be praised, they all go.

Mr. W. Hodgson (York North): That is what MacDonald said.

Mr. Sopha: They all go, all of them. We are going to see the end of them finally. I just want to make one further comment. I am not at all sure that this branch ought to be in The Department of the Treasury. I was thinking about it last night after the House closed and I sort of wished that we had a department of government something similar to the department that has been created for Mr. Marchand—I forget the name of that.

An hon. member: Forestry and Rural Development.

Mr. Sopha: Forestry and Rural Development. And—

Mr. I. Deans (Wentworth): They do not agree with rural development.

Mr. Sopha: I wish that we had a department where the responsibility and the thrust of that department was directed towards the economic development of this province. But we know, as the leader of the Opposition adverted yesterday, that this is not the cup of tea for the world traveller—Stan the man; Osaka Stan—this is not his cup of tea.

Mr. Nixon: Did I advert that?

Mr. Sopha: Yes, well you said he had booted them out.

Mr. Nixon: Oh, well, that is—yes.

Mr. V. M. Singer (Downsview): He did not say it quite that way.

Mr. Sopha: It is not the kind of thing that he is interested in. He is a salesman. He is not a planner. Somebody else can do the planning. And, if so, by default, it ended up in the Treasuerer's department. I wish it had not. I would be more—

Interjection by an hon. member.

Mr. Sopha: If somebody would tell the Premier that I said this, I say it in all seriousness, I would be satisfied if it went to the Minister of Municipal Affairs. He is a young, aggressive and energetic fellow and it might fall in naturally with regional government having some affinity, some connection with it. But, for heaven's sake, my plea is that let us get away from all this organizational stuff and let us get down to the issues. No one knows that better than the Treasurer.

It was the Treasurer who was in North Bay and quite apart from the rudeness of the person who interrupted him—if you leave that aside as being never acceptable among gentlemen—the reason that that person interrupted the Treasurer in the way he did was because the people in the north have been hearing those speeches for 70 years. For 70 years we have been hearing about our great potential.

Mr. R. F. Ruston (Essex-Kent): Three score and ten.

Mr. Sopha: And what fine people we are, how sturdy and determined and aggressive. It is almost an apology to us for having to live in northern Ontario. We are praised by visiting politicians. People who think about it, north and west of the French River, are getting tired of that and we want to substitute for that a sense of destiny based upon the utilization in the most judicious manner of the resources we produce.

Finally, I say to my friend from Thunder Bay, it was a further study that I was advocating in the sense of counting and examining things. What I advocated on December 15, 1968, in this House, was a programme whereby we have a look and assessment of what we have got up there and we start to lay out plans for its most intelligent use for the benefit of our own people and the many tens of thousands who can come to live in that part of the world with us.

That is the sense of destiny and I commend it to the Minister of Mines and anyone else who looks at a map from time to time. When you look at Canada, and northern Ontario's place in it, you are looking, in the western part, at the grain-growing agricultural area; in the eastern part the sites of the industrial complexes at northern Ontario are the bridge between them. It is the land mass that links the west and the east of this country.

When you think about it the politicians have been in great default in this country in that area. The link, the peninsula, the bridge between east and west, has been left undeveloped.

That is a source of weakness to our country. That should be a strong and viable area, the location of many industries. It is not. It is

peopled largely by northerners. Still people after seven decades of this century.

It is peopled by a mere three-quarters of a million people, spread out over a vast area. Young people are leaving. No wonder they leave. There is nothing, no potential, no challenge to keep them there.

Supposing a young man wanted to go to the top management of International Nickel or Falconbridge, to use specific examples. Supposing that was his ambition, a commendable one. He would have to leave the area to do it. He could not do it if he stayed.

The top management of those two giants are never located in northern Ontario. So it is in many other areas of human activity. It is a shame and a great discredit on the politicians of this century that that has been permitted to happen instead of the creation of a viable economy in the northern part of the province.

Finally, Mr. Chairman, time runs against us. Time is not on our side. In respect of the ore resources we have in this province, every ton that is mined out of the ground inhibits us from the judicious utilization. They are irreplaceable resources. If we do not move soon, history is going to record our failure to make the best use of it.

Another illustration, before I sit down, is our Hydro resources. All you have to do is look at the transmission lines coming from the reaches of the watersheds that empty into James Bay—the Abitibi Canyon, the Mattagami. Those Hydro resources are transmitted at tremendous expense more than 400 miles to the industrial complex of southern Ontario. In a sense they are stolen, taken away, from northern Ontario to feed the insatiable demands in the southern part of the province, once again inhibiting us from the utilization of that resource to create a stronger economy.

Well, Mr. Chairman, that has been the message that I have tried to promulgate for a decade. Sometimes I get discouraged, but never so discouraged that I am going to ever fail to call upon my colleagues in this House to join with me and to insist that this government in square one, in box one, identify the provincial goals, at least to the extent where we use our birthright—those resources that merciful providence has endowed upon us for the optimum benefit of our own people.

Mr. Ruston: Mr. Chairman, I just have a few comments to make here and I want to quote from the farm income report which I think spells out very plainly some of the inefficiency of our development, and the plan for regional and economic development.

The present pattern of economic development in the province tends to direct industries and people to large urban centres. The largest concentration is in the Golden Horseshoe around the western end of Lake Ontario. The reasons for this are largely based on the economic decisions of individual industrialists. The cost of this trend to Ontario people has become more obvious in recent years. Large areas, like Metropolitan Toronto, are experiencing difficulties with air pollution, inadequate transportation facilities and overcrowding, along with serious shortages of housing and public services.

Questions arise in regard to the quality of life in large centres where families are raised in high rise apartments, crowded into small neighbourhoods. The difficulties arising out of our present pattern of development, are not limited to the urban areas in which people and industries are crowding, the lack of general industrial development in our rural regions, means a lack of job opportunity. Low-income farm families have little opportunity to obtain alternate employment without moving to large urban centres. Most do not find this an attractive choice. Some low-income rural and farm people finally make the shift to urban areas out of sheer desperation. Others cannot face such a move and resign themselves to their very serious situation.

Since, in each region, a number of rural and farm people make the decision to move into the large urban and industrial areas, each year the population of these areas constantly falls. This makes it more and more expensive for those remaining, to maintain the public and social services they need. Generally, the quality of the schools and the social services fall as a result. If anything is to be done for the low incomes of farm and rural people, then there must be adequate job opportunities in our rural areas. Not everyone presently in our rural can earn an adequate income on the farm. Their major hope lies in other jobs in their area from which they can earn a living. Unless the present pattern of industrial development in Ontario is changed, such jobs will never be created.

The situation is urgent. In the opinion of this committee, the government of Ontario must immediately begin a series of programmes to redirect the pattern of industrial development in the province. Such a

programme requires planning. A number of specific centres for future industrial growth in the rural regions of the province must be designated. A commitment must be made to undertake the public investment necessary to develop such areas. These centres must be adequate, in number, so that farm people seeking non-farm work do not have to undergo extensive locational movements. They must be located in such a way that the needs of people employed in them are considered. Many of these people will come from families who would be willing to leave farming if they do not need to undergo costly shifts to the present large urban centres.

I think that is a very good quotation from the farm income report and as far as the St. Clair regional development area is concerned, it is very strange when some of the workings of their department, they have made a report of different areas of growth. One of them that I can recall, I believe the town of Kingsville, in the St. Clair regional development report, said that it could be classified as a residential area, and it was only a few weeks later or a few months later that the Minister of Trade and Development designated it under the EIO programme. Since then, three industrial plants have moved in.

So, there sure is no planning or co-ordination of these departments. There is an attempt in our own county to start planning because the St. Clair regional development board has not done it properly and now the county is trying to do it itself. Evidently they have not been doing anything that I can see in the last six or seven years in that area.

Hon. R. S. Welch (Provincial Secretary) moves that the committee rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. J. H. White (Minister of Revenue): Mr. Speaker, on a point of order, yesterday during the estimates of The Department of Revenue I made the following assertion:

> As a matter of practice we are now placing ourselves in the position of secured creditor as opposed to preferred creditor, and as the taxing statutes are revised this actuality will be embedded in the statute.

What I should have said was, "In the position of a preferred creditor as opposed to a secured creditor".

Interjections by hon. members.

Hon. Mr. White: I should like to seek the approval of the House to make that correction in yesterday's *Hansard.*

Mr. V. M. Singer (Downsview): Shame. He misled us. Deliberately!

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, tomorrow we will carry on with the consideration of the estimates of The Department of Treasury and Economics.

Mr. Speaker: Before I put the motion, may I enquire, because I think there is still time to have *Hansard* printed as it has been corrected, that the House accept the hon. Minister's correction and allow it to be so printed, so that there will be no mistake in the eyes of the public who read *Hansard.*

Agreed to.

Hon. Mr. Welch moves adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 o'clock, p.m.

No. 207

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 6, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 6, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, in the east gallery, we have as our guests students from Downsview Secondary School in Downsview and from Barton Secondary School in Hamilton; and in the west gallery from North Toronto Collegiate Institute in Toronto. Later this afternoon in the east gallery we will be joined by students from Kennedy Collegiate Institute in Windsor.

Statements by the Ministry.

The point of privilege takes precedence.

Mr. M. Shulman (High Park): Sir, on a point of privilege, one of the important privileges of the members of this House is that of fair reporting in the public press. I have had occasion to rise some dozen times in the past few years to complain about misreporting by the Toronto *Telegram*, and I am rising once again on that subject, sir.

In today *Telegram*, there is an article on page 7 about myself. It is in reference to the information that is being sent to me to inform me on conditions in mental hospitals. I would like to quote one line from that article, sir. I quote:

> Morton Shulman pays at least two persons to take jobs in health department institutions, so that they can spy out anything unsavoury about senior staff members and report back to him.

Sir, I would like to say—and the person who wrote this knew this—that this is completely untrue. There has been only one instruction given to the people who are informing me about matters in mental hospitals, and that is they are to inform me about the level of patient care and make suggestions as to the improvement of that care. The article goes on, sir, to discuss at some length the matter of alcoholism among senior staff members at one particular hospital. As the paper was well aware, sir, this came up when one of my informants notified me that patient care in one of the children's institutions was suffering because of drinking of senior staff while on duty. I did not feel that this was a fit subject for public debate, sir, and I wrote the Minister of Health offering to send him all the details in private, so that it would not become a public matter, if he would assure me that when the details were supplied to him, the persons supplying those details would not be charged. The Minister refused. This has all been ignored.

Hon. T. L. Wells (Minister of Health): The member refused to send the material.

Mr. Shulman: I offer again to—

Interjections by hon. members.

Mr. Shulman: I offer again to forward the material. Sir, may I complete my statement of privilege?

Mr. Speaker: If the hon. member would stay with his statement of privilege, and that is that his privileges have been infringed by the Toronto *Telegram*. It has nothing whatsoever to do with the actions of the Minister and the hon. members unless he wishes to make that a matter of privilege.

Mr. Shulman: Sir, I was trying to reply to the interjection from the Minister of Health.

Mr. Speaker: That is not in order.

Mr. Shulman: All right. Sir, in the 12 previous instances which I have brought to your attention, in not one of these has the *Telegram* seen fit to correct the matter even when the facts were perfectly clear. Now I would like to point out, sir, that it is your duty as the Speaker of this House to safeguard our privileges, and I am requesting you now, sir, to look into the matter, and after you have looked into the matter, to direct the *Telegram* if they once again refuse to print the facts. They have made an error here not only of commission, which I detailed, but of omission in that they have very carefully omitted the reason that those informants were placed in the mental institution, which was that normal access of members of this House, to those institutions, has now been barred. I ask you, sir, to look into the fact

of commission as well as that of omission and I ask you, sir, to take appropriate action.

It is very true that the member involved here is a member of a minority party, but it is just as serious a matter as if a member of a majority party were affected. I would also like to remind you, sir, and through you the *Telegram*, that after next election there may be a different make-up in this House and I would like to think, sir—

Interjections by hon. members.

Mr. Shulman: —would like to think, sir, that if we have the privilege of appointing the Speaker of the House at that time, that the Speaker will treat every member of this House in exactly the same way.

Mr. Speaker: First of all, may I say to the hon. member that I am not in possession of any facts. I have heard things that the hon. member has said. I have not read the article in the *Telegram*. If the hon. member wishes to bring to my attention by letter, or otherwise, facts in the matter, I will be glad to look into it further, or if the hon. member wishes to bring a motion before the House to have the editor of the *Telegram* brought before the bar of the House, that is his prerogative. I would further point out that all members of this House have a similar problem with the press.

This is still, thank goodness, a free country and freedom of the press is one of the bases of this freedom. Of course there always is a certain latitude and I would not feel called upon at the moment, without having further facts placed before me by the member for High Park, to deal with the matter in any different way.

However, I invite him to let me have those facts, although not now, because this is not the place for it. If he would let me have those facts, then I would be glad to deal with the matter as he has suggested.

I would point out to him that so far as has lain within my power—the hon. member certainly has been the recipient of much more courtesy from the Chair than perhaps almost any member, because he has had more opportunities to speak, perhaps, than any other member here. I would also suggest that he is not being fair in his remarks when he suggests that the members of the minority party are not receiving the same treatment from the Chair as the government members.

If every government member spoke as often and as long and received as much attention from the Chair, we would never be done here by Christmas.

Mr. Shulman: Thank you, sir. I will forward the material to you. I was not suggesting any discourtesy on your part, sir. I have never had such discourtesy.

I would like to point out, sir, that one of the freedoms of the press is not the freedom to lie.

Mr. Speaker: May I have the attention—

Interjections by hon. members.

Mr. Speaker: Order!

May I have the attention of the House to introduce the very large gathering that we see—a delightful gathering—in Mr. Speaker's gallery. The hon. Minister of Revenue from London South has advised me that in that gallery are members of the Women's Progressive Conservative Association from London.

Statements by the Ministry.

Interjections by hon. members.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, hon. members will recall that yesterday there was considerable discussion in the House pertaining to Bill 194, An Act respecting the care and provision of animals for research. Several members indicated that they would like to have the bill referred to a committee of this Legislature, in order that it might be examined in detail and that representations could be made by those people outside the House who have an interest in the matter.

As I indicated yesterday, I feel that there is considerable merit in this suggestion. In order that the debate on this bill can be as meaningful as possible, I feel it is important that it be studied by a committee before the House is called upon to discuss and vote on the principle of the bill in second reading.

Mr. D. C. MacDonald (York South): Well, what a reversal.

Mr. W. G. Pitman (Peterborough): The Minister did not say that yesterday.

Interjections by hon. members.

Hon. Mr. Stewart: Well, that is good sound thinking.

Interjections by hon. members.

Mr. Speaker: Order!

Hon. Mr. Stewart: Now, Mr. Speaker, such a procedure would ensure that the members of the House are as familiar as possible with all the ramifications of the bill, and have all the views of those who will be affected by it. I am convinced that our debate on second reading will be much more informed and productive if it is preceded by consideration in committee. I therefore propose, Mr. Speaker, to ask leave of the House to send, as soon as possible, Bill 194 to the standing committee on health, which would be prior to second reading.

I feel that this committee is the most appropriate in the light of the great importance this bill has for our whole health and health research programmes. We did consider asking that it be sent to the committee on agriculture and food, but I am convinced that since the bill has a great impact on urban areas and on aspects beyond the traditional interests of the standing committee on agriculture and food, that it would be better to refer it to the committee on health.

As the hon. members know, the standing committee has full power to call and examine witnesses and pursue whatever line the study sees fit, and I expect that they will be able to give a very thorough and useful examination to this important piece of legislation.

Mr. Speaker: Agreed?

Agreed to.

Mr. Speaker: Statements by the Ministry.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker following the discussion in this House during the private members' hour on Friday, October 17, I ordered a re-examination of the files of the Ontario Securities Commission relating to Canadian Central Holdings Limited and the department files relating to A. M. Greenaway and Company Limited, a registered mortgage broker, and A. M. Greenaway personally.

Now, with respect to Canadian Central Holdings Limited; during the House debate many figures were quoted regarding the extent of losses incurred by investors in this company. These figures were, in some cases, inaccurate due, in part, to insufficient information being made available at that time. The files of the Ontario Securities Commission indicate that losses were as follows: Ralph T. Markham, $7,330; Garry Pratt, $40; Allan Sharp, $10; for a total of $7,380.

The staff of the Ontario Securities Commission are reviewing this case on two fronts. First, the facts disclosed by the investigation have again been placed before the officials of The Attorney General's Department, who are now reconsidering their position regarding the laying of criminal charges. Members will recall, from the debate in this House, that these facts were brought before the late Henry Bull, the Chief Crown Attorney for the county of York in March of 1967. At that time, it was the opinion, that there was not enough evidence to warrant the laying of criminal charges.

Second, the commission's staff are looking into what action can be taken to assist those who lost money in this company. In this regard, Mr. Ralph T. Markham, the major shareholder, has been interviewed by the commission.

With respect to A. M. Greenaway and Company Limited and A. M. Greenaway personally, it would appear that there are no executions filed against A. M. Greenaway and Company Limited, the registered mortgage broker. Following the debate in this Legislature the press reported that there were judgments against A. M. Greenaway personally in amount of some $180,000. A careful examination of the documents in the sheriff's office discloses that there are 12 executions on file in the counties of York and Peel in amount of $63,591.89. Our enquiry further discloses that none of these judgments are related to losses incurred by investors in Canadian Central Holdings Limited. Nor are they related to A. M. Greenaway and Company Limited, the registered mortgage broker.

I have been informed that some of these judgments have been settled, although the court records have not been updated to show that situation. Steps have been initiated by Mr. Greenaway's solicitor to resolve the others.

However, after due deliberation, it is my view that it would be in the public interest to order a formal investigation into these matters. Accordingly, I have signed an order to this effect under the provisions of section 8, subsection 2, of The Mortgage Brokers Act.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): I would like to ask a question of the Minister of Agriculture and Food, subsequent to the statement he made here a few moments ago. The fact that he is sending the bill to committee for a full discussion before second reading would include then a possibility of a recommendation from that committee to withdraw the bill and replace it with one that

would meet the requirements of the pounds of the Toronto Humane Society and the doctors concerned with experimental animals.

Am I to understand that the Minister is prepared to withdraw the bill if it is so recommended by the committee?

Hon. Mr. Stewart: Mr. Speaker, I would not be prepared to say anything of the kind at this stage. I would be prepared to say we are sending this bill to the committee for a full review and examination, so that it has complete and full discussion in a public forum, where all members of the public would be welcome to come and present their side of the case and their position with regard to the bill, and to the whole matter of providing animals for research purposes, and for teaching of our medical students and those interested in the health sciences.

So it seems to me that the bill is opened to a complete review, for the type of report that would be submitted by the committee. This is what it is being sent there for.

Mr. Nixon: As a supplementary question. If the Minister says that he would not consider withdrawing the bill and since our rules do not permit a bill to be amended between first and second reading, then it would be difficult, if in fact there were substantial changes recommended by the committee, for the bill to be changed in that particular way.

Hon. Mr. Stewart: Well, Mr. Speaker, I did not want to leave that impression. Certainly the committee should be prepared, after full discussion and consideration of all the ramifications of this important piece of legislation, to bring back their recommendations as to what they believe should be incorporated after the thorough public review.

Mr. Nixon: I would presume, Mr. Speaker, as a further supplementary question, that in that case the report would be made to the Minister of Agriculture and Food, even though it is the health committee that is convening to discuss this matter, and that the Minister would undertake to change the bill along the lines recommended by this review.

Hon. Mr. Stewart: The report would come back to the House, and not to me particularly. The only reason that our department is involved is because of the administration of the Act through the veterinary services branch of our department. So, the report of the committee would be submitted to the House—to you, Mr. Speaker, I assume—and then would be dealt with accordingly.

Mr. Nixon: If I may, Mr. Speaker, surely the Minister must undertake to agree to change the bill along the lines recommended by the committee, and in fact the rules will not permit the same bill to be introduced a second time. It should be withdrawn and another bill brought in upon the recommendation of this committee.

Mr. Speaker: I would think that the line of questioning the leader of the Opposition is now pursuing is entirely hypothetical, because the ministry has no control over the committee, and I would suggest that there will be no further questions in that area. Has the hon. leader any further supplementary questions on this point? If not, I believe—

Mr. Nixon: Not at this stage.

Mr. MacDonald: I have a further supplementary question I would like to put to the Minister. Would he indicate the timetable that he has in mind? Is it his intention to have it studied by the committee, for example, through to the conclusion of this session and bring in whatever amended bill there might be in the next session?

Hon. Mr. Stewart: No, Mr. Speaker. I suggest that the bill would be sent to the committee on health just as soon as it can possibly be arranged. That would mean if they take time to get the committee organized and hold a hearing, perhaps it can be done next week; perhaps we could have it next week. It depends on the timetable of the House. Tuesday is a holiday for the House, because of Memorial Day. Perhaps we could have a hearing on Thursday—I do not know—but as soon as possible, we will get right into it.

Mr. Speaker: The hon. member for Windsor West has a supplementary?

Mr. H. Peacock (Windsor West): Mr. Speaker, a question to the Minister. Does the Minister have a definite date in mind for the committee to report back to the House?

Hon. Mr. Stewart: Well, I would like it to be as soon as possible, Mr. Speaker, but I do not want to say, well, they have to report back at a certain date because not all people might have been heard. But I would like to urge upon the members of the standing committee on health that because of the very critical situation faced by our research institutions' supply of animals, that they deal

with this bill as quickly as possible and report back to the House.

Mr. Shulman: As a supplementary to the Minister of Agriculture and Food. In view of the very large number of people who will probably wish to appear before the committee, is it his desire that all who wish to be heard shall be heard?

Hon. Mr. Stewart: Well, it has never been the policy of any committee that I have been associated with to deny the right of an appearance to a committee.

Mr. Speaker: The hon. leader of the Opposition has the floor.

Mr. Nixon: Mr. Speaker, I have a question.

Mr. Speaker: A supplementary?

Mr. E. A Winkler (Grey South): A further supplementary to the other questions that have been asked: Will the committee be empowered also to call any witnesses they desire?

Hon. Mr. Stewart: Yes, that is inherent in the statement I read, which gives full rights to call for witnesses and the production of documents.

Mr. Nixon: I have a question for the Premier: In view of the fact that the Treasurer (Mr. MacNaughton) said yesterday that certain of the negotiations between his department and Algoma Central Railways are secret, and the unwillingness of the Minister of Mines (Mr. A. F. Lawrence) to table the documents associated with the agreement, will the Premier now reconsider his decision that an objective review of this matter is not required and that all of the information is publicly known?

Hon. J. P. Robarts (Prime Minister): I do not think I need to reconsider my decision in that regard, but I will lay before the House—I was not here for the question period yesterday, so I had a look at *Hansard*—but I will tell the House exactly what the agreement was between the government and the ACR. There is nothing secret about it. I think the Treasurer was referring to certain principles that he follows in dealing with tax information. He was not really referring to this particular situation *per se*. This is my interpretation at any rate.

Interjections by hon. members.

Hon. Mr. Robarts: I have no desire to conceal from the members of the House what agreement was reached between the government and the Algoma Central Railway, and I have asked for this information to be put in my hands. As soon as I have it, I will give it to the House.

Mr. Nixon: A supplementary question: Would this include the information that I asked the Minister of Mines to table, and of which he said he would enquire to see if it was proper to be tabled?

Hon. A. F. Lawrence (Minister of Mines): That is a completely different agreement.

Mr. Nixon: Well, Mr. Speaker, a supplementary question to the Premier: Would I be correct in assuming that this would include all of the agreements made between this administration and the Algoma Central Railway? Because unless we have all the information, then surely parts of it are next to useless.

Hon. Mr. Robarts: Well, yes. I have just been trying to think how many agreements we have made with them. As you know, this has gone on over a long period of time. There have been a lot of discussions and there were certain things we wanted from the railway that we thought were in the public interest, and these we have received. Now, there is nothing secret about these agreements. What the Treasurer was referring to was the way he treats certain information from a tax point of view.

Interjections by hon. members.

Hon. Mr. Robarts: That is my understanding and I discussed it with him—

Mr. MacDonald: He was denying our right to information for—beyond taxes.

Hon. Mr. Robarts: We have nothing to conceal or hide. This matter has been debated in the House I do not know how many times over the last while with various Ministers.

Mr. MacDonald: We never got the information.

Hon. Mr. Robarts: I have asked that this information be compiled.

Mr. Nixon: A further supplementary question: Is the Prime Minister aware that the Minister of Mines was trying to get him to say "no" in answer to my question? I do not know whether *Hansard* picked up his whispered interjection, but certainly that is what his intention was? Would the Prime Minister not think it wise, if in fact some impartial

person might examine these papers, as well as those of us as members of the Legislature, who not only have the right to them but the responsibility?

Interjections by hon. members.

Hon. Mr. Robarts: Well, Mr. Speaker, I simply have to say that this government enters into a lot of agreements with a lot of people over a lot of things in a course of a year and we do not submit all our decisions to impartial bodies, to judge whether they are good, bad or indifferent.

Interjections by hon. members.

Hon. Mr. Robarts: Well, you happen to think so, I do not agree.

Hon. C. S. MacNaughton (Treasurer): Mr. Speaker, I think the position I took yesterday in the House and in discussing this matter with the hon. member for York South, is summed up in this paragraph, where when I said: "Mr. Speaker, I am not saying that at all—I am saying that they received a receipt for value. Now from there on, what they do in terms of their own tax arrangements and so on, as far as I am concerned is their business. I shall not disclose that to the House".

Hon. Mr. Robarts: We are not as sensitive as you people. Do not worry so much!

Mr. MacDonald: We are just reflecting the worries of the people of Ontario.

Interjections by hon. members.

Mr. Nixon: I have a further question to the Premier, dealing with railways. Since the Canadian Pacific Railway—I will write you a letter about it. If the member would be quiet, we could proceed with the business—

Interjections by hon. members.

Mr. Nixon: Mr. Speaker, I would like to ask the Premier if he intends to make a submission to the federal transport board in view of the request by the Canadian Pacific Railway that they would drop their passenger service in Canada?

Hon. Mr. Robarts: Mr. Speaker, perhaps the Minister of Transport would deal with this question in detail. But for some years it has been our policy as the government to take note of all railway abandonments, and we have made representations to the federal government on many other occasions; I am sure we will on this occasion. But I prefer that the question be answered by the Minister of Transport, whose responsibility it is.

Hon. I. Haskett (Minister of Transport): Mr. Speaker, for more than a year now we have anticipated the action that is being taken by the railways to discontinue passenger services across Canada. Since the enactment of The National Transportation Act of Canada and the establishment of the restructured Canadian Transport Commission, The Ontario Department of Transport has been playing a very active role before the railway committee of that commission. Beginning, I would say with contesting the very costing procedures the commission intended to put into effect, resulting in the costing order being modified to fall very much in line with that which the provinces had put before the commission—a costing order that is now being litigated before the Supreme Court by the Canadian Pacific Railway.

The government of Ontario has been studying in depth the passenger train service in parts of Ontario. And any application to discontinue a service in Ontario which, if granted, would have the effect of isolating the community because passenger train service is the only reliable service available to the community, will be very strenuously opposed. It will be the purpose of this government to make our position known before the Canadian Transport Commission in these applications. We will place in evidence the economic effect of the discontinuance on the area served, and we will be certain that the commission is aware of the probable future transportation needs of the area, as well as the importance of the passenger train mode in supplying that need; and where, in our opinion, it is in the public interest that the service should be continued at the present level or an improved level, this opinion will be urged on the commission.

In those applications where the province is able to present a good case for the services to be continued, there is reason to expect that the application will be denied and, in those cases, the service can be continued and the railway will be entitled to a subsidy of up to 80 per cent in its proven losses according to the costing procedures as certified by the commission. I would just like to point out to the House that with respect to those services, which in our opinion should be continued for the public interest, every means available to us will be used to prove to the commission that the public interest is paramount.

Mr. Pitman: A supplementary question, Mr. Speaker. I wonder if the Minister can

indicate whether he intends to enlist the support of local municipalities and local groups in securing information in regard to the importance of railway transportation to the growth and economic development of these various areas that may well be abandoned by the CPR?

Hon. Mr. Haskett: As each individual application comes before the railway committee of the commission, and our department considers it a matter in which we should be represented, we will make a very thorough and careful canvass of the area concerned, including the municipalities and the agencies and the businesses and the people that will be involved.

Mr. Speaker: The member for Nipissing.

Mr. R. S. Smith (Nipissing): A supplementary, Mr. Speaker. Will the Minister also oppose the application of the Canadian National Railways to discontinue service between Toronto and North Bay and Kapuskasing, which is a pool train service operated jointly by the Ontario Northland Railway and the CNR? Will he oppose the application of CNR, which must be in accordance with the direction of the ONR as well? In other words, will one department of government oppose what another department of the same government is doing?

Hon. Mr. Haskett: Mr. Speaker, as each application comes forward it will be analysed on its merits, and where it is decided it is in the interest of our people to oppose it, it will be opposed.

Mr. Speaker: Has the member for Humber a supplementary?

Mr. G. Ben (Humber): Yes, Mr. Speaker. Why should the railroad be permitted to discontinue a service on which it is losing money, or why should it be permitted to receive a subsidy when this railroad receives tens of millions of acres, revenue from which was supposed to subsidize the railroad. Why should it be given any kind of a subsidy? That is why it got—

Mr. Speaker: Order!

The hon. member's question is not supplementary to the original question.

Has the leader of the Opposition concluded his questions?

Mr. Nixon: I have a question of the Attorney General, Mr. Speaker.

Is it still the Attorney General's intention to introduce at this session, landlord and tenant legislation, and will it contain a provision for a rent review board? It seems to be in question.

Hon. A. A. Wishart (Minister of Justice): To the first question I would answer, "yes". The second part is a matter of policy, which will be apparent when the bill is introduced.

Hon. J. R. Simonett (Minister of Public Works): The leader of the Opposition should read his own paper.

Mr. Nixon: We will see when the legislation comes in if it does.

Mr. Speaker, I have a question for the Minister of Health concerning the Alcoholism and Drug Addiction Research Foundation. Can he now confirm to this House that marijuana is being used for experimental purposes there, and can he further confirm reports that the foundation is requesting permission from Ottawa—I suppose from the federal Department of Health, or the Food and Drug Control Bureau—to use marijuana for experimentation with humans?

Hon. Mr. Wells: Mr. Speaker, in answer to that question, they have been carrying out some animal studies over the past year. They are presently putting together a proposal to submit to Ottawa based on some form of human research which they are going to submit and see if this will meet with their legal requirements.

Mr. Nixon: Mr. Speaker, a supplementary question. Does it meet with the Minister's approval?

Hon. Mr. Wells: Mr. Speaker, the use and the carrying on of research in this matter meets with my approval. The legalization of it for human consumption, does not.

Mr. MacDonald: The Minister will not be confused by the facts.

Mr. Shulman: Mr. Speaker, a supplementary question; how does the Minister reconcile this statement with his statement the other day that such experiments were illegal?

Hon. Mr. Wells: I did not say such experiments were illegal.

Mr. Shulman: The Minister said the other day, that possession of marijuana for such experiments was illegal.

Hon. Mr. Wells: I said, at that time, that possession of marijuana is illegal and I was right. Now I gather that our researchers, in using certain pure forms, had some—I do not know what the provisions were—but they were apparently able to arrange to use it in animal research. I do not know what provisions they went to; I was not the Minister at the time these were instituted.

I might just tell the House that if I ever had any doubts that I had taken a right stand and stood by my convictions before my response since I made my statement in this House last week, it has certainly been confirmed to me, that the people in Ontario, by and large, back the stand that I have taken.

Mr. MacDonald: Mr. Speaker, my first question is to the Prime Minister. Is it correct that provincial government representatives are going to be briefed tomorrow morning in Ottawa in advance of the tabling of the government white paper on taxation, and if so, is there any possibility that authorized representatives of Opposition parties might be included in such briefing because we, too, will be—

Hon. W. D. McKeough (Minister of Municipal Affairs): "Sleazy Morty" will have his spies there anyway.

Mr. MacDonald: That is not a very useful comment. It is a little below the Minister's level, a little unworthy.

Mr. J. Renwick (Riverdale): It is certainly not supplementary.

Mr. MacDonald: We, too, in the Opposition, have already been requested for comment at six o'clock when it officially becomes a public document.

Hon. Mr. Robarts: The Treasurer informs me that some staff have been invited to this briefing session, but the Minister himself will not be there, nor will any members of the House. I believe that the staff of Treasury have been invited.

Mr. MacDonald: My question then, to the Prime Minister, is: Is it at all possible, as far as he knows, that some staff, for example, our director of research, might be included in such a briefing too?

Hon. Mr. Robarts: I rather doubt that, Mr. Speaker.

Mr. MacDonald: Would you mind enquiring to find out whether or not this would be permitted?

Hon. Mr. Robarts: Perhaps I will ask the Treasurer to tell you exactly what communication he has had with Ottawa in this regard.

Hon. Mr. MacNaughton: Yes, Mr. Speaker, we were given a definitive list of names of those who would be admitted to a closed briefing session tomorrow afternoon—closed to the press and closed to the public.

Mr. Shulman: Was your name on the list?

Hon. Mr. MacNaughton: Yes it was, but I chose not to go and be locked up for four hours when the tax advisors of my department can do it for me. In any case, Mr. Speaker, copies of the white paper itself will be available at the Toronto District Taxation Office at six o'clock Friday.

However, I might say, to pursue this a little further, I have been asked by the press if I would like to make a statement at 6.05 and, of course, my answer was that I would like to digest the report a little bit longer than that.

Mr. MacDonald: My supplementary question to the Provincial Treasurer—while he is purring at the brilliance of his comments—if staff members of the government are going to be permitted to a briefing, is it not a fair proposition and would he intercede on our behalf, that authorized representatives of Opposition parties might also be included in such briefing?

Hon. Mr. MacNaughton: Mr. Speaker, I would think that the ability of the party leader to address himself to Mr. Benson in his own interests is quite enough. He seems to make out in a variety of other situations, so I propose that he contact Mr. Benson himself.

Mr. MacDonald: I thank the Provincial Treasurer for his expression of confidence in my ability, I shall try to exercise it, not with too much confidence that I will succeed, however.

I have a question for the Minister of Revenue. When a corporation disposes of a portion of its capital assets, is it normally a taxable transaction?

Hon. J. H. White (Minister of Revenue): When a corporation disposes of its capital assets?

Mr. MacDonald: A portion of its capital assets.

Hon. Mr. White: In certain circumstances it will be taxable for sales tax, and in certain other circumstances, it would not.

Mr. Nixon: Very good!

Mr. C. G. Pilkey (Oshawa): The Minister cannot go wrong on that one.

An hon. member: So far, so good.

Hon. A. F. Lawrence: And that is without prejudice.

Hon. Mr. White: If two business enterprises, whether they be partnerships or corporations, were to merge and the beneficial interest remained in the same exact proportion, after the merger as before the merger, the assets going from the two merging entities into the one combined business enterprise would not be taxable. If, however, the assets owned by a partnership were merged with the assets of a corporation in the form of a new corporation, sales tax would apply to those assets on a depreciated value. Or, if it should happen that two corporations merge, and the beneficial interest was different before the transaction, than it was after the transaction, sales tax would apply.

Mr. MacDonald: Mr. Speaker, all of the Cabinet Ministers are overcome with their brilliance this afternoon, collectively as well as individually.

Mr. Pitman: What a few people from home will do, eh?

Mr. MacDonald: My supplementary question to the Minister of Revenue is: Is there any other tax that might be applied to the sale of a portion of the assets of a company, other than sales tax?

Hon. Mr. White: If the asset were land, there would be a land transfer tax applicable.

Mr. MacDonald: Is there any corporation tax applied, may I ask the Minister?

Hon. Mr. White: The corporation income taxes apply to income, and so the disposal of assets presumably would not affect the income and would not affect the corporate income tax.

Mr. MacDonald: Mr. Speaker, let me be very clear on this, if a portion of the assets are sold, is that regarded as income and therefore taxable under the corporation income tax?

Hon. Mr. White: I will tell you. If an asset, purely and simply, were sold for the value on its books, no, that would not change the income of the corporation. If, however, the asset were sold as something more than the depreciated value on its books, then it would reclaim certain capital costs allowances which had been granted previously. That would be taken into the income column on the income and expense statement and it would form, no doubt, a portion of the taxable income.

Mr. MacDonald: My final question—

Mr. Speaker: May I point out to the hon. member for York South that while this may be of public importance, it has no semblance of urgency so far as I am concerned and I would rule that no further questions on this matter can be asked.

Mr. MacDonald: Mr. Speaker, the urgency of my question will now become very evident. How much, beyond the depreciated value on the books, was contained in the $5.7 million figure that the government assessed as the value of the five species in the deal with ACR?

Hon. Mr. White: Mr. Speaker, I am not able, as the Minister of Finance, to deal with a particular taxpayer, but I am glad to answer the question in general terms.

If a corporation makes a gift to the Crown, that corporation may seek to charge that against the tax payable in that particular year, and if there is some residual amount, to charge that against the tax in the next immediate following year. If a transaction were incurred in the year 1969, it may be that in filing a tax return for that year a corporation would make a claim in the year when filing for that year and in the year immediately following.

The federal government, which sets the leadership, so to speak, in corporation tax matters, our legislation being almost a mirror of theirs, would then have to decide whether the gift to the Crown was acceptable by them. May I draw a parallel. If you make a contribution—if an individual makes a contribution—to a charitable organization, and claims it on his personal income tax, the federal income tax experts will have to decide whether or not to permit that deduction. The same with a corporation. A gift to the Crown may be claimed and the federal income tax people, at some point, have to decide whether to allow it or not. My expectation is that if the federal government were to allow it, we would do so also.

Mr. MacDonald: Well, in view of the Minister's comment I have a final supplementary question. If that be the case then, it really

is not a gift. Am I correct? They are being paid out of the public Treasury through an exemption of taxes?

Hon. Mr. White: Well, Mr. Speaker, I have not dealt with a particular corporation or a particular transaction and, indeed, I cannot, according to the statutes. I would explain the matter in a general way. If the hon. member makes a contribution to his church and receives a receipt which he uses when he files his personal income tax return, and if that is an allowable deduction, obviously he will have some tax advantage. It will be a portion only of the amount contributed.

Mr. MacDonald: My question is to the Minister—

Hon. Mr. McKeough: The hon. member cannot do that if he gives it to the New Democratic Party, only to the church.

Mr. MacDonald: Well some people have made representation to the election committee, suggesting that your contribution to a political party should be exempt for taxation.

My question to the Minister of Municipal Affairs: is the Minister aware that a taxi driver in Picton has lost his job because he asked Mrs. MacFarland, wife of the mayor, to move her car out of a rented taxi stand space in front of the MacFarland-owned Royal Hotel? Because this happened, he was threatened with loss of his job, and he did lose his job. Subsequently, the news editor of the Picton *Gazette*, who reported the event as a news story, resigned because he refused to go along with the retraction which denied some of the basic facts. Is the Minister aware of that? And what action, if any, can be taken by the Minister, or by any agency of the Crown, such as the OMB, to check this kind of intimidation and abuse of power?

Hon. Mr. McKeough: I am not aware.

Mr. Pitman: Not aware of what?

Mr. MacDonald: Would the Minister make himself aware of the situation in reply to my question?

Hon. Mr. McKeough: I am sure that that taxi driver, as the member well knows, has access to the courts and I am not going to make myself aware as to what the taxi driver was reported in the press as saying.

Mr. P. D. Lawlor (Lakeshore): The Minister protects the feudal baron.

Hon. Mr. McKeough: That is not my job as Minister of Municipal Affairs, and it is not the member's job, as a member, to dredge up that kind of nonsense in this House.

Mr. MacDonald: Is that right?

Interjections by hon. members.

Mr. MacDonald: With respect, Mr. Speaker, it is my job and I shall pursue it.

I have a question to the Attorney General.

Mr. S. Lewis (Scarborough West): The Minister will regret that.

Mr. MacDonald: I have a question of the Attorney General. Will the Attorney General table the report made following the investigation of the police force in Picton by the Ontario Police Commission?

Hon. Mr. Wishart: I will look at it, Mr. Speaker, to see who requested it and if there is departmental information in it concerning the department, I will consider then the question of whether it should be tabled or not.

Mr. MacDonald: Well, I had one more question with regard to the Picton area. The Prime Minister has fled, I do not blame him, but he has fled.

Mr. Speaker: The hon. member for Humber.

Mr. Ben: Was the Attorney General aware that the magistrates' courts in the city of Toronto are so clogged that in one particular court there are only three days left in November for which cases may be accepted, and for all of December there are only five days open? That Master and Servants Act applications can not be heard because there are too many drug cases and excise tax cases? Is the Minister aware that in one particular court this week, the judge was not able to complete the morning docket? Is the Minister finally aware that the number of cases they put on a docket in the morning is determined, not by the judge's ability to hear the cases, but by the length of the sheet of the paper?

Hon. Mr. Wishart: Mr. Speaker, there are many factors which enter into the docket of the court and the speed with which cases are disposed of. I shall be glad to look at the situation, but I think these matters were discussed very fully in my estimates. Many cases appear on the list that are not disposed of because the defendants are not ready to go on. This is very often the case and they are not disposed of for that reason. But I will look into the matter and see if I can get any further information for the hon. member.

Mr. Ben: Mr. Speaker, for the Minister's guidance, the court I was speaking of at the present time was courtroom No. 37 and I assure the Minister I had no matter before it. I happened to be a spectator.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question of the Minister of Lands and Forests. Did the Minister, on or before last Wednesday, give a radio interview in which he indicated that paper and cellulose plants had been directed to stop including mercury pollutants in their waste effluents?

Hon. R. Brunelle (Minister of Lands and Forests): Did the hon. member refer to a radio talk?

Mr. Burr: Yes, an interview.

Hon. Mr. Brunelle: If my memory serves me correctly, Mr. Speaker, in an interview that I had with reference to the effects of mercury in Ontario, I said that Dr. Jervais, of Toronto University, was carrying on a study as to the effect of mercury compounds on our small game population, mainly pheasants and grouse, especially in those areas where grains are grown.

I believe there was also a question as to the effects of mercury compound on our pulp and paper mills and in this matter, if I remember the words of my colleague who was responsible for the Ontario Water Resources Commission, the Minister of Energy and Resources Management (Mr. Kerr), I believe that he said that there were five mills.

He said that there were five mills in the province of Ontario that were using mercury compounds and that it could be that they may be polluting our waters and that naturally, Ontario Water Resources Commission which comes under his department, has issued directives to companies concerned.

And of course, we in Lands and Forests are responsible for the administration of the fish and game.

We are naturally very interested in this regard and we are working closely with The Department of Energy and Resources Management.

Mr. Burr: Did you say they had issued directives, or should?

Hon. Mr. Brunelle: Mr. Speaker, as I said, this comes under my colleague, and I am under the impression that directives had been issued. However, I believe that this matter really should be answered by my colleague, the Minister of Energy and Resources Management.

Mr. Burr: Why has it taken me four days of questioning, and over a week, to get this information acknowledged?

Mr. Speaker: The hon. member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): A question of the hon. Minister of Energy and Resources Management: does the department endorse the proposal by the federal government in the new Canada Water Act which will allow municipalities and industry to pollute waterways for a fee?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, the hon. member is apparently referring to a remark that was made by a civil servant in The Department of Energy, Mines and Resources, at a seminar that was held in Toronto this week.

We have not seen the new Canada Water Act yet; it was introduced, I understand, in the House yesterday, but from the remarks reported in the paper, we would not be in agreement to such an arrangement. It would seem to be a licence to pollute, it would involve a lot of questions. For example, who would be charged? Who would collect the fee? And we feel, Mr. Speaker, that no fee base would compensate for the damage to the water.

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question for the Minister of Municipal Affairs: Will the Minister give to the House the exact equivalent, and the process by which it was arrived at, in a determination of the equalization factor in two specific municipalities, the township of Orford in the county of Kent, and the township of Aldborough in the county of Elgin, on equalization tables that were drawn up by you on October 29?

Hon. Mr. McKeough: Mr. Speaker, I first of all want to thank the hon. member for giving my office notice that this question was coming, and we have been able to do a little bit of work on it.

The provincial equalization factor—if I may give a general answer first—assigned to a

municipality is simply the ratio of existing taxable assessment to an estimate of what the taxable assessment would be if all real properties in the municipality were assessed at full market value. In other words the equalization factor is existing total taxable assessment, divided by an estimate of total taxable assessment at market value. And this produces the factor.

Now this is arrived at, of course, by a sampling technique. In the case of these two townships, Aldborough and Orford, all sales were looked at. There were not that many; these are farm sales in particular, and normally they are taken from the registry office. We only consider sales made on the open market, so we would normally take out family sales, horse sales, a quit claim clearing of a title type of sale, a speculative farm sale—in other words a sale of a farm to a developer, government or exempt property transactions, bush or lots sold for trees, sales involving speculation or change property use, sales based on non-typical financing, double sales, a single sale, or assessment for several properties and finally the key one, I think, in relation to this question: sales including crops, chattels or goodwill.

Now, in the 16 sales in Aldborough and the six in Orford which we looked at, there was no indication on the bill of sale—I guess those are the correct words—in the registry office that there were chattels involved. We have no way of knowing whether there were chattels unless it was on the deed in the registry office. We pointed out of course, that if there were chattels involved then a land transfer tax would have been paid which should not have been paid. On the other hand, it may well be that retail sales tax, which should have been paid, was not paid, because of the sale of the chattels. Retail sales tax rate, of course, is higher than the land transfer tax, but to our knowledge none of the sales which we examined included chattels.

Mr. Spence: Mr. Speaker, I just might say to the Minister, this is a concern of many, that the chattels were included.

Mr. Shulman: I have a question for the Minister of Health, Mr. Speaker: why does your department not allow the venereal disease clinics finances from your department to use the drugs of their choice in the treatment of venereal disease, and why do you restrict these clinics to the use of two drugs which do not control 40 per cent of the venereal disease coming to the clinics?

Hon. Mr. Wells: Well, Mr. Speaker, I gather that this question is prompted by the appearance this morning of Dr. Ann Keyl of the clinic of the Women's College Hospital. Now, as it has been reported to me, she reported to the committee that the drugs which we make available, penicillin and tetracycline, are not entirely satisfactory for her purposes; that there are showing up at their clinics some strains of the organism that are not really being treated by these drugs.

Our department has been continually trying to verify the evidence of the Women's College Hospital but we have not, I must say, had particularly good co-operation from them to let us do some laboratory work on it to verify the existence of these other strains. If we could do this we would be most happy to consider making available other drugs.

But I want to point out to the House that this experience is isolated to this one clinic. The other clinics are not experiencing any particular difficulty. Penicillin is still being used to a great degree to treat gonorrhea, and in cases where people are allergic to penicillin, or strains of the disease have developed which penicillin cannot treat, the tetracycline is being used.

But we are very open minded on this and we are, of course, willing, if some other drugs can be used, to make these available. But the facts have not been adequately pointed out to us that this is necessary.

Mr. Shulman: As a supplementary, Mr. Speaker, is the Minister unaware that over 80 articles have been printed in Canadian and American journals in the last ten years, pointing out that gonorrhea has now become resistant to penicillin, and to tetracycline in almost half of the cases? Furthermore, why is the Minister not answering the letters sent by the various clinics? And, as a further supplementary, is the Minister unaware that the Toronto General Hospital has proved exactly the same thing?

Hon. Mr. Wells: Of course, Mr. Speaker, you never know whether to believe this hon. member or not. I do not know what letters he is talking about having been sent to me. I am not a doctor like the hon. member; I listen to the opinions of the people who are experts in our department on this matter, who, I think, know as much or more about it than the hon. member for High Park. These people tell me that they are on top of the situation. They know there are resistant strains of gonorrhea, but all people

who have had this disease do not have the resistant strains. Penicillin is still an adequate treatment in some cases. In other cases, tetracycline can be used to replace it. In any case, it is a very academic point to be arguing about, our people are continually looking at this and they will make available—

Interjections by hon. members.

Hon. Mr. Wells: They will make these drugs available, but I emphasize to you that Dr. Keyl has not been particularly loath to co-operate with our people.

Mr. Lewis: What does the Minister mean, not been particularly loath?

Mr. Shulman: It is hard to believe, but this Minister is worse than his predecessor.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, a supplementary question: In any event, whether the Minister agrees with Dr. Keyl or not, why does his department not let the doctors use the drugs they want? After all, they are highly trained people. Why does the department prescribe certain drugs and do not give the doctors a free choice?

Hon. Mr. Wells: Well, as I said, Mr. Speaker, generally I would subscribe to what the hon. member has said, that a doctor should have a free choice, but I am told by our people that in most of the clinics we operate in this province these drugs are the ones that are being prescribed.

There are other problems inherent in this, medical problems; certain of the other drugs that are wanted are oral drugs which, if not taken properly as prescribed, only lead to a misuse and a building up of more organisms that will be resistant and so forth.

Interjections by hon. members.

Mr. Shulman: Oh, heavens, he is so ignorant.

Mr. Speaker: The hon. member for Scarborough Centre has a supplementary?

Mrs. M. Renwick (Scarborough Centre): Would the Minister comment on—

Mr. Speaker: This is a supplementary?

Mrs. M. Renwick: Yes, a supplementary.

Mr. Speaker: The hon. members would please advise the Speaker that they are supplementary questions.

Mrs. M. Renwick: Thank you, Mr. Speaker.

Would the Minister consider the problem that the Toronto General Hospital is faced with in that it testified this morning they are using prescriptions? It is a compulsory clinic and a prescription, of course, cannot be compulsory in order to get drugs other than the two supplied by the services of the province.

Hon. Mr. Wells: Well, I am not sure. I did not hear the course of the evidence presented this morning, and I would be happy to look into that. I would just like to further clarify this subject by saying I have been merely trying to point out the opinion of the experts in my department who, as I say, I think know a lot more than the member for High Park about treatment in medicine. And I have been pointing out their reasoning for doing this—but I am certainly not suggesting a rigid position. In fact, I have under consideration right now the appointment of a task force to study the whole situation of venereal disease treatment in this province.

Mr. Shulman: That will postpone it for another year.

Hon. Mr. Wells: Now, I just point out to the hon. member that this was requested of us by the Ontario Public Health Association and the Ontario Medical Association. We are giving very careful consideration to this, and I believe, in the light of what we have been doing in our department, in all other areas of treatment, particularly preventive medicine, this will be a good thing. We will be presenting a statement shortly that we will be establishing a task force on the treatment of venereal disease in this province.

Mr. Lewis: Just a second. A task force on what?

Hon. Mr. Wells: I said on the treatment and on the handling of reporting, and so on, in this matter.

Mr. Lewis: A task force on venereal disease? Extraordinary!

Mrs. M. Renwick: A supplementary question of the Minister, Mr. Speaker. Would the task force be covering the possibility of publicly advertising information as to where these clinics are? And, secondly, would the task force be looking at the legislation, so that it might be amended to not have the name of the patient documented, but a number or some other type of system to alleviate the position of patients being treated privately by doctors and not being reported?

Hon. Mr. Wells: Mr. Speaker, of course that is the kind of thing I think should be looked at—the whole type of programme we have in our venereal disease control branch. And I might tell the members—probably none of them are aware—but at one time in my life I worked for a year in the venereal disease control branch.

Mr. Speaker: The hon. member for Halton East.

Mr. J. W. Snow (Halton East): Mr. Speaker, I have a question for the hon. Minister of Municipal Affairs.

Could the Minister advise the House as to when we could expect the report of the committee that has been working for over a year on the National Building Code recommendations?

Hon. Mr. McKeough: Mr. Speaker, I am advised that the final report is being circulated this week to the members of the committee, and it should be back the first of next week to the chairman of the committee, who will then arrange for its publication. I am told that it will probably be ready for tabling in the House in about three weeks' time.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Treasurer.

Did the government lose any money when Copaco went into receivership, and if so, how much?

Hon. Mr. MacNaughton: Mr. Speaker, it is true that the government will be required to make up a substantial portion of the guarantee given to the Bank of Montreal in terms of the support of Copaco. The amount is not known as yet. The report of the receiver has not been given to the Bank of Montreal. I understand that the work is just about done, and we should know what the amount is before too long, at which time, if need be, I can disclose it to the hon. member.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): I have a question of the Minister of Lands and Forests.

Will the Minister intercede on behalf of the improvement district board of Marathon to have the American Can Company release a portion of land for much-needed development at the intersection of Highway 17 to the access road in Marathon? And, if he is not successful in his intercession, will he not remove the licence of occupation on that particular parcel so that development can be proceeded with?

Hon. Mr. Brunelle: Mr. Speaker, I would be very pleased to look into the request of the hon. member, because his requests are always very reasonable.

Mr. Speaker: A supplementary?

Mr. Stokes: I have a whole file on it here, including letters from the Minister—

Mr. Speaker: Order! The hon. member was placing a supplementary.

Mr. Stokes: Yes. When will the Minister make that intercession on my behalf?

Hon. Mr. Brunelle: I would say I will have information for the member as early as tomorrow morning. Now, whether I will be in a position to fully answer all his queries, I cannot answer—but I certainly will pursue it. It is a matter that we have been dealing with, as the hon. member knows; we have been dealing with this subject now for several months, and I will bring him up to date as to where we stand in our negotiations.

Mr. Speaker: The member for Kingston and the Islands.

Mr. S. Apps (Kingston and the Islands): Mr. Speaker, a question of the Attorney General.

Would the Attorney General consider discussing with the Minister of Education the advisability of providing specially trained police officers—particularly trained in dealing with young people—that they might be placed, if requested, in some of the high schools in order to curtail the excessive use of drugs that are very prevalent in many of them, in an effort to curtail this use and cut down on the number of young people who are being encouraged to use them?

Mr. Lewis: In uniform or plain clothes?

Mr. Nixon: That is as bad as Morty's spies.

Interjections by hon. members.

Hon. Mr. Wishart: I will take the question as notice, Mr. Speaker, and give the hon. member an answer.

Mr. Speaker: The member for Nipissing.

Mr. Apps: Mr. Speaker, may I answer the question?

Mr. Speaker: No, no! The member for Nipissing has the floor.

Mr. R. S. Smith: A question of the Minister of Energy and Resources Management.

In light of the application of the Canadian National Railways, along with the Ontario Northland Railway, to discontinue service from Toronto to North Bay and Kapuskasing, is it now the policy of this government and the ONR to discontinue all passenger service into northeastern Ontario?

Hon. Mr. Kerr: No Mr. Speaker.

Mr. R. S. Smith: As a supplementary, why is the Minister a party to this application, then, if it is not the policy to discontinue the service, because this is the only service.

Hon. Mr. Kerr: Well, Mr. Speaker, I will have to take this question as notice and get more information. But certainly my information now is that there is no intention of discontinuing the service of the ONR on its present line. And it is quite possible that the ONR would have to review its policy in light of any discontinuance between, say, Toronto and North Bay, by the CNR. As the hon. member can appreciate, to provide adequate service—or even to provide passenger service—on the ONR from North Bay to other points in northeastern Ontario, it is essential that passenger service continue between Toronto and North Bay.

Mr. R. S. Smith: Mr. Speaker, if I might ask the Minister another supplementary. Since you are a party to the application, I do not see how you can say it is not your policy. And you go on further to say that we have to look at the service between Toronto and North Bay before you can look at the ONR service—but it is a pool service; you are in partnership with the CNR—

Mr. Speaker: Is that the question?

Mr. R. S. Smith: My question is, will he perhaps make his policy clear?

Mr. Speaker: The hon. Minister has taken that as notice. I understand that part of the question, and I would think that would be a reasonable reply at this time.

The hon. member for Peterborough.

Mr. Pitman: Mr. Speaker, I would like to direct a question to the Attorney General.

I wonder if the Attorney General would investigate certain allegations made in recent newspaper articles that Whiterock Estates are directing their clients' lawyers who have shares in the varied agencies which make up that organization?

Hon. Mr. Wishart: I would be glad to take the question as notice and look into it. I wonder if the hon. member could give me the question, because the names were unfamiliar to me.

Mr. Speaker: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Transport as soon as we get his attention.

Mr. Speaker: The Minister of Transport.

Mr. B. Newman: Is the Minister reconsidering his decision, concerning the reflectorization of licence plates, in view of the report of the Metropolitan Toronto Transportation Commission, which states that the reflectorization has a beneficial effect, and prevents rear end accidents?

Hon. Mr. Haskett: Mr. Speaker, not to my knowledge.

Mr. Speaker: The hon. member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I have a question for the Minister of Municipal Affairs. Does the Minister propose to introduce legislation, as requested by the town of Mississauga, calling for licensing by municipalities of community television antennae, so that they can oversee the location of poles, and so on, and to get fees for the revenue that is earned by the television cable companies?

Hon. Mr. McKeough: It is a matter of policy, Mr. Speaker, which will be evident to the members of the House in due course.

Mr. Speaker: The member for Parkdale.

Mr. Trotter: Mr. Speaker, I have a question for the Attorney General. In view of the letter that the Premier of the province, as well as each member of this House, received from Sidney Brown, president of the Police Association of Ontario, requesting that legislation be brought in enforcing patrols—cruiser patrols with two officers—will the Attorney General change the present policy? I might say this was asked of the Premier

the other day, but he had not read the letter and that is why we have not had an answer.

Hon. Mr. Wishart: I think the same question, Mr. Speaker, or a very similar question was asked by the hon. member in the course of my estimate, and I answered it at length at that time.

Mr. Trotter: This is dated October 31—this letter.

Hon. Mr. Wishart: Well, the letter may be dated. I have not read the letter either. I have been in Ottawa till late yesterday. But, Mr. Speaker, when the hon. member speaks of policy—the policy is set by the Board of Police Commissioners. The government does not set the policy.

Mr. Trotter: You are responsible for the administration of justice.

Hon. Mr. Wishart: The government does not set the policy. The Minister does not go down to the detail of setting the circumstances in which policemen go out two by two or singly, and I said that to the hon. member in my estimates. Surely situations are different at certain times of the night in certain areas. It is necessary, perhaps, for the policemen to go in pairs. There are other situations and other areas, in smaller towns, which are very different from urban municipalities where a policeman may walk alone and keep law and order.

These situations are not such that you can set forth a directive, a particular circumstance, in which policemen must go two by two. These are things that are determined by the chief who runs the force under the administrative direction of the Board of Police Commissioners in the particular municipalities.

Mr. Trotter: By way of a supplementary question in light of your answer: If the Ontario Police Commission left an area improperly policed, or any particular area improperly policed, would the Attorney General just sit back and do nothing and give the answer he was just given?

Hon. Mr. Wishart: No. The Police Act gives the Ontario Police Commission the power to deal with any area in the province if it considers it improperly or inadequately policed, or if the force is improperly equipped—

Mr. Trotter: There is your authority right there.

Hon. Mr. Wishart: —or properly equipped or short in numbers of personnel. The Ontario Police Commission has power to so act, but I am saying to the hon. member, in response to his original question, that I think it will be a most impractical thing, a most unwieldly thing, and it will be an impossible accomplishment for the Ontario Police Commission or for the Attorney General, to define in one overall directive the occasions on which policemen go in pairs or when they go singly in the circumstances, because they differ. The circumstances differ from municipalities, from area to area of the province, from day to night, and so on. These things are something that must be administered at the local level. That is why local government is most efficient at these local levels.

Mr. Trotter: The time has gone, but I disagree.

Mr. Speaker: The oral question period has now expired. Petitions.

Hon. Mr. Kerr: Mr. Speaker, on a point of privilege. Earlier this week, the hon. member for Downsview asked me a question in respect to the Atomic Energy Control Board. He wanted to know how many members were on the board. My answer was, I think, there are eight. However, in order to correct the record, I would advise that there are six on the control board, and I am also advised that there is a heavy water safety committee under the Atomic Energy Control Board which reports to it and is made up of eleven members, six of which are from the provincial government.

Mr. Nixon: I do not know whether it is permissible. On the Minister's point of privilege, could he give the distribution of federal and provincial members on the original board he reported on?

Mr. Speaker: I think that would be quite proper to clarify. Does the Minister have that information?

Hon. Mr. Kerr: Yes. On the safety committee, there is a member from the OWRC, the director of Air Management Branch, two representatives from The Department of Labour and two from The Department of Health.

Mr. Nixon: That is six, did you say? How many on the other committee?

Hon. Mr. Kerr: The six members of the Atomic Energy Control Board are all federal appointees. The president, I assume, is a

federal civil servant. There is the president of the Atomic Energy of Canada Limited. There is a secretary—it does not say—I would imagine he would be a federal appointee. Then there is the director general of Canadian International Development Agency in Ottawa, the president of Eldorado Nuclear Limited and the president of the NRC.

Mr. Nixon: For further clarification, if you will permit, which body decided that the power house had to be moved?

Mr. Speaker: I think this goes beyond clarification—I think that could be the subject of another question tomorrow.

Hon. Mr. Kerr: I might just say this, Mr. Speaker, that a full statement will be made on this matter.

Mr. Speaker: Presenting reports.

Motions.

Mr. R. D. Rowe, in the absence of Mr. L. M. Reilly, moves that Mr. D. A. Evans be substituted for Mr. G. A. Kerr on the highways and transport standing committee.

Motion agreed to.

THE MUNICIPAL ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Municipal Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this bill is somewhat larger than normal, but it is not quite as weighty as it might look. It includes, of course, the transfer of approximately 135 sections from The Assessment Act, which deal essentially with tax collection, leaving The Assessment Act to deal with the assessment function as such.

The transferred provisions are found in section 31 of the bill and constitute a new part XXV to The Municipal Act. Generally speaking the transferred provisions have not been revised due to time limitations, and this will come later. However, there is—other than changes in references in those sections to The Municipal Act, which is the reason for the delay in the introduction of this bill—the only substantial change which is made in those transferred sections is to be found in sections 120 and 150 of The Assessment Act, to authorize an increase from two-thirds of one per cent to a full one per cent per month on taxes that are in arrears after December 31 of the year of levy, and to authorize discounts in interest on taxes paid in advance at a rate not exceeding eight per cent per year, this being an increase from six per cent per year.

We have also amended section 294 (a) of The Municipal Act to authorize an increase from one-half of one per cent to a full one per cent as the monthly penalty that may be imposed in respect of interim-levied taxes that are in arrears.

As for the amendments not related to the assessment functions, I would mention the following: Some of them are just housekeeping but there are three or four—six I think—of some interest. I would mention the following as being of particular interest.

Section 2 is an amendment to section 14 of the Act to authorize the Ontario Municipal Board to designate the name to be borne by any municipality affected by an annexation or amalgamation order. The board presently has limited powers in this regard under subsection 6, which is limited to cities and towns and does not include townships.

This has been raised by the member for Nickel Belt (Mr. Demers) and the member for Sudbury (Mr. Sopha), with reference to the amalgamation, or the annexation, of Chelmsford and Balfour Townships. It also occurred in the case of Calvert and Iroquois Falls. Calvert annexed Iroquois Falls, but would like to retain the name Iroquois Falls, and presumably the board will so order.

Section 17 (3) and (4) of the bill relate to paragraphs 61 and 62 of section 377 of the Act, dealing with municipal employees' fringe benefits, such as hospital and medical insurance, and these are amended to remove the two-thirds limitation on the portion of the cost thereof that may be borne by any municipality. The amendment also, we think, removes any area of conflict with the provisions of The Health Services Insurance Act, 1968-1969.

Section 21 of the bill calls for a new section 379 to be added to the Act to enable municipalities to designate improvement areas to provide for a higher standard of maintenance of public land than is normally otherwise provided by the municipality generally. The legislation is designed to provide a means whereby business proprietors can bring about a general improvement of their business area with the additional cost to be borne by such business proprietors by a special assessment similar to a local improvement assessment.

A board of management may be established for the improvement area.

This was suggested by the city of Toronto arising out of representations made by business men in Toronto who decided it had merit and should be included in the general legislation.

Now for section 24 of the bill—and this will be of interest to the member for Sandwich-Riverside who is not here—the definition of master electrician and master plumber as provided in paragraphs 5 and 12 of section 401 are amended so as to remove the requirement that they have a regular place of business in the municipality to qualify for a license from that municipality.

As well, the authority for municipal licensing of journeyman plumbers is removed since The Department of Labour now issues certificates of qualification in this regard.

Section 27 of the bill amends section 411 of the Act to make it clear that municipalities. including a county, may expend moneys in their discretion, publicizing the agricultural advantages of the municipality as well as the other types of advantages specified in the section. In conjunction with this paragraph 7 of 391 is repealed, which paragraph limited a county to an amount of $3,000 for this purpose.

Finally, section 28 of the bill—and this I think arose in the private bills committee—a new paragraph 1a is added to section 476 authorizing municipalities to require the deposit of moneys to provide for the repair of curbings, sidewalks and paved boulevards damaged in the course of building construction or demolition. It also provides authority to use deposited moneys to clean the streets of waste material tracked on to the streets during construction.

Mr. Speaker: Orders of the day.

Clerk of the House: The 26th order; House in committee of supply, Mr. A. E. Reuter in the Chair.

ESTIMATES, DEPARTMENT OF TREASURY AND ECONOMICS

(concluded)

Mr. Chairman: Before we proceed I should perhaps remind the committee that we do have a motion, moved by Mr. Good, before the committee, which we will take at the appropriate time.

I might also inform the committee, for their information, that the elapsed time to date under the new procedures is 27 hours, 59 minutes.

On vote 2402:

Mr. H. Peacock (Windsor West): Yesterday, in this debate, reference was made by, I think, at least one hon. member to my right, and by other speakers before him, to the apparent violation of a series of specific recommendations in the various regional council reports, by either the Minister of Trade and Development (Mr. Randall) or some other branch of the government, say in The Department of Lands and Forests.

The two particular instances that I am thinking of were the announcement by the Minister of Lands and Forests (Mr. Brunelle) of the location of a large pulp and paper mill by KVP near Huntsville, Ontario, and the announcement of the granting of a non-interest, non-repayable quarter of a million dollar loan to Precision Springs Company Limited of Canada, in Kingsville.

I want to ask the Treasurer first if he is going to reply to those particular instances of what appear to be clear disregard of very precise recommendations in at least two of the regional council reports, those for the St. Clair region and the Georgian Bay development region? And, in doing so, can he indicate to us whether he, or his colleague, the Minister of Trade and Development, is prepared to give any weight whatsoever to those specific recommendations for land use contained in the regional development reports which he tabled in the House this session, and if so, when?

At just what stage on this 12 part chart that he placed on our desks the other day, is the implementation, or at least the Treasurer's answer to the recommendation to be given to the regional councils that have forwarded these reports to him?

Hon. C. S. MacNaughton (Treasurer): The reports that were tabled last spring, you mean from the regional councils? There are in actuality, a number of recommendations, as has been pointed out that became part of the input material that went into the study that is in progress now. I do not really know what the hon. member means when he asks the question the way he asks it. I do not quite follow him. Maybe he would elucidate a little bit.

Mr. Peacock: Yes, for how much longer will the departments of government ignore the specific recommendations made in the ten regional councils reports for land use in

particular portions of the council regions? If, for example, on page 57 of the St. Clair development council report, it says: "Kingsville is indicated as an area for further residential and recreation development", how soon will the Minister of Trade and Development be steering industry into that area?

If, in the Georgian Bay regional development study, on page whatever it is, I do not happen to recollect at the moment, the council has indicated that the community of Huntsville and its surroundings are designated or indicated for, again, recreational development, for how much longer are we going to have heavy industry directed into that area, or at least, permitted into that area by another department of government.

Hon. Mr. MacNaughton: Mr. Chairman, the answer is that the overall report involving the recommendations that were used for input material from the economic councils themselves, will be ready very shortly. I will deal with the timetable, as a matter of fact, later on, when I do a little summing up on this matter. And at that point in time, I think that the evidence of the extent to which those recommendations have been accepted and put into process, will become quite clear. To use the Kingsville example the way it was done, is not in my opinion altogether appropriate. It is true, I recall that the recommendations from the St. Clair council did say what you have referred to.

Mr. Peacock: It said Amherstburg should be.

Hon. Mr. MacNaughton: Yes, exactly. Now, whether the location of Precision Springs in Kingsville, could be said to have flown very much in the fact of the recommendation, I am not prepared to say. I think if there were to be a series of industries located there under the programme, yes, it might swamp it, but I do not think the recommendation that Kingsville may be maintained as principally a residential community has been impaired all that much.

Mr. Peacock: When the department or the branch decides on those recommendations of the council's report, which it will adopt, what influence will the acceptance by the branch of those recommendations have on the activities of other departments?

Will they, for example, acquire the force of a ministerial order under The Municipal Act, which the Minister of Municipal Affairs (Mr. McKeough) may use to stop a subdivider from parcelling out completely inappropriate subdivisions in an area where he should not be allowed to enter in the first place? So that where industrial development is indicated or suspected, the Treasurer or his officers can move in, if he is going to implement the recommendations of the council's report and, in the same manner as the Minister of Municipal Affairs—or through him or his agency—prevent unwanted development, for example, the construction of a wall-to-wall corridor of factories along either side of Highway 401 from Windsor to Toronto.

Hon. Mr. MacNaughton: I am confident that when the report itself is published and the recommendations are accepted—as I hope they will be—by the government and made policy, that some form of appropriate guidelines, of course, will govern the activities of departments. Whether it will take the form of the suggestion of the hon. member or not, I cannot say. But certainly it should be apparent to him—and presumably is apparent to him—that once the policy decision is made, the heads of all departments will have a hand in that policy decision. And certainly the guidelines that flow from the report will be accepted by them. I cannot think of any other course of conduct that could follow.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, I just want to take a few moments to talk about the regional development study as it affects the Niagara peninsula—at least, in my view, as it affects the Niagara peninsula. The one thing that came through very clearly to me, as I sat in the agriculture committee and went over the estimates in that committee, was that there was no relationship between The Department of Agriculture and Food and, for example, The Department of Municipal Affairs or indeed The Department of the Treasurer dealing with this particular project. When an attempt was made to outline what appeared to be the views of the majority of the people in the Niagara peninsula with regard to the need for some land use policy, it seemed to me—and I think it is fair to say—that the Minister of Agriculture and Food (Mr. Stewart) did not consider that to be really within the ambit of his jurisdiction. And I do not see how the government can possibly arrive at a proper land use policy unless they have involved in the discussion process, at the highest possible

level, the various departments most concerned with land use, and of course this includes, obviously, The Department of Agriculture and Food.

What is happening in the Niagara peninsula? The reason I raise it now is that in the four years that it will perhaps take to reach some conclusion in this particular programme that you have now underway, much of the damage that is now being done will have completely destroyed the peninsula in its present form. Much of the growing industry, which I think is of vital necessity if we are going to be able to provide sustenance for the people of this country, will have been destroyed by the urban sprawl that is taking place.

What concerns me is that to say that there are four years left; in the four years from now that will be required to finish this, and the two years that will be perhaps required to implement whatever policy comes out of it—in the total of those six years, by the time that happens, there will be no peninsula, to plan for; it will have planned itself. The urban sprawl will have so deteriorated the farm community that there will be no opportunity left to safeguard what little farming ability or opportunity there is left in terms of fruit farming.

Now, I happen to feel—and I have done a fair amount of research into it in the last week; I did some prior to the agriculture estimates and I have done more since then, because the Minister indicated that my views in regard to the Niagara peninsula were not the views of the people—I have made it my business to check that, I have spoken to people and, well, we differ on some of the areas. I think that, generally speaking, the views that I expressed were the views of the community, that we do want, in general terms, to maintain that portion of the farm community that is viable, that we do want to make best use of the soil in the peninsula that can provide the very necessary fruit growing industry. And, unfortunately, the present haphazard development in the peninsula is permitting growth to take precedence over development of the farm community, and with the resulting pressure that the farmer—even though he wants to continue in the field of farming—is unable to do so. The economics of it make it impossible for him to continue.

I am afraid that by the time the Minister gets to the end, and implements regional planning box number 12, a regional plan for the peninsula will really be redundant. The views that will have been expressed will be views that, had they been put into force at the time—that is now, or last year, or perhaps even within the next 12 months—may well have set a policy and established a trend in the peninsula which would guarantee the continuation of the industry and will be redundant by that time. There will be no opportunity to reclaim it. And, while the Minister may not agree, I feel that the peninsula probably has no more than ten years left under the present, haphazard development.

By the time we get around to establishing what will be, to recommend the regional plan and to make it operative, there will be nothing left of the basis for the views that have been put forward during the process of gathering information.

Really, what I am saying to the Minister is that time is now the major factor, that this ought to have been done 20 years ago. Obviously we cannot go back 20 years, but the time that it takes and the slow, laborious process we go through in arriving at box 12, is definitely, in my view, going to destroy the peninsula for any farming use whatsoever. The speculator will have taken over by that time, and regardless of the outcome of all of the hearings and the discussions and probes that are conducted, there will be no reclaiming.

Now, what I ask the Minister to do in that area of this study, the area dealing with the Niagara peninsula, recognizing the very great pressures that are presently being put on the farm community, recognizing that the farmer economically cannot maintain his operation in the face of these pressures, is to act with greater haste, to put a greater emphasis on reaching a conclusion immediately on a land use policy for that particular section of Ontario. There are other sections—and I recognize this—that two or three years will not appreciably change the situation they are in, but in that area I suggest to the Minister that two, three or four years could well be far too long. It could well mean that the land speculator will have taken over the land, and regardless of what the Minister wants to do, regardless of the government's position at that time, the tools will not be there to make the necessary changes.

I suggested things in agriculture and I am not going through them again, but I do feel that there has been a definite lack of communication in the past, between the various departments of government. I get the impression—and I am not alone—that the departments most concerned, Municipal Affairs and

Agriculture and perhaps Mining, have not carried on the kind of discourse which would bring about any regional plan in any area and have not been able to come to grips with what are obviously common problems, because they do not sit together and discuss them, other than perhaps during the time when some specific recommendation is placed before them in the Cabinet. And this is where the major problem lies.

There are areas, as I say, of this province where two or three years may make no difference. But I suggest to the Minister, with all respect, that in the Niagara peninsula this just is not the case, that speed is the one thing that has to be paramount, that action is necessary immediately if we are going to be able to take what is obviously the view of the people of the area and turn it into something useful for the development of the entire province.

Mr. Chairman: The hon. member for York Centre.

Hon. Mr. MacNaughton: I am quite prepared to say I think that many of us share the concern of the hon. member for the Niagara fruitlands, farm lands, or whatever they may be. As a matter of fact, this concern has existed for as long as I can remember. There has always been this concern.

Mr. Deans: That is the problem really. There has been great concern but no action.

Hon. Mr. MacNaughton: And without trying to reduce or negate the appropriate concern that should exist, it has not been the easiest thing in the world to reconcile. It may be fair to say that every person in the Niagara peninsula is very much interested in preserving everybody else's land but his own when a developer with a pocket full of money comes along. But even that is over-simplification and it does not negate the problem. I recognize that. I would hope the hon. member would be reassured, at least, that the section of the Niagara escarpment report—that is the fruit belt section—is currently being examined by the government and the proposals of the Niagara regional development plan will be before the government by summer. So it is a little earlier than the hon. member has suggested it might be. I think he would agree, that while the timetabling is not too soon, it is sooner than the time period he was alluding to in his remarks. So at the present time, I just repeat, we are studying the fruit belt section of that Niagara escarpment report itself at the moment, and the Niagara regional development plan proposals will be before the government by June or July.

Mr. Deans: Perhaps the Minister could tell me whether the Gertler report is part of the whole study of the Niagara fruit belt area?

Hon. Mr. MacNaughton: It is the Niagara escarpment study or report, but there is what is called the Niagara fruit belt section of it. It has application to what the hon. member and myself have been discussing.

Mr. Deans: What concerns me is that we tend to compartmentalize. We tend to look at the farm community as if it were something apart from the remainder of the community. Perhaps the Minister and I do not, but I think in general terms we tend to take the farm community and separate it from the urban community and try to look at it as something entirely different. It is not. It is all an integral part of the growth of the Niagara peninsula. If we study the fruit belt report, for example—I do not know what is in it—no doubt the fruit belt report will indicate that certain areas are more capable of growth than other areas, and that certain areas are better for recreational purposes than other areas. But unless a definite policy concerning the zoning and use of that land evolves out of this, it will be useless.

And what I have to ask the Minister: When it comes, is that when you recommend the regional plan? This recommendation, if you do recommend it, is it recommended at that stage in the form of legislation or is it just recommended to the area as a guide for its use?

Hon. Mr. MacNaughton: No, it is presented in the form of recommendations to the government, which I think it fair to say, if accepted as policy, will, if necessary, be translated into legislation. But it will not come out in the form of legislation. It will come out in the form of recommendations.

Now, I would say this to the hon. member, that superimposed on all this—I think we can both agree—the implementation of any plan to safeguard that land will have to be measured not only in terms of legislation but in terms of very vast amounts of money. If you are going to say to an owner of land, that is good viable land for farming purposes, he should retain that for farming, and at the same time he could sell it to a developer, somebody is going to have to compensate him for keeping it in agriculture.

Mr. Deans: Well, let me ask the Minister, is this not the case in the purchase of my home, for example. I own a house. I cannot sell it for manufacturing purposes, though it may well be worth much more to me as a piece of land in manufacturing purpose terms. Or you cannot take what was once an industrial enterprise and turn it into a multi-apartment building. I do not see anything particularly wrong. I see problems, but I do not see anything particularly wrong with setting aside, for the safety of future generations, parcels of land solely for the purpose of farming. I think this is why I say that we cannot take the farm community and look upon it as a separate entity from the urban community. It is all part of the overall growth.

Hon. Mr. MacNaughton: We are agreed on that.

Mr. Deans: And when the Minister talks in terms of making recommendations to the Cabinet, which will perhaps in time bring out legislation which will, of course, receive considerable thought on the floor of this House and so on, it does extend into perhaps a number of years. There are portions of the peninsula—and I am talking about the portions primarily below the escarpment at the moment—there are portions of the peninsula where we obviously do not have a number of years. And it is about this that I am concerned. It is necessary to act now, because one thing we are sure of, the land will certainly get no cheaper as years go on and our ability to purchase it probably will not become any greater. And the amount of discomfort and disharmony that might be brought about by whatever policies you implement will be no easier to take, and all we will have lost is the opportunity to establish a proper plan for the area. We will have lost the opportunity to deal with it when it was in its raw state, and we will not be able to do the things with the land that ought to be done, as I say, to safeguard what will be the future generations that will live in southern Ontario.

Mr. Chairman: The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I think the point the hon. member for Wentworth has made in connection with Niagara indicates an area, the overall area, where I think the Minister is missing a great opportunity.

Should the Minister, with his colleagues, the Minister of Energy and Resources Management (Mr. Kerr), and the Minister of Trade and Development and the Minister of Municipal Affairs, decide that they are going to adopt a policy of ensuring there is sufficient or an excess of serviced building lots—an over-supply—there would not be this speculation and the spiralling of prices of raw land occurring in that area. The basic problem in all this matter of speculation is that someone sees that one year you can buy the land for a thousand dollars an acre, and he knows that because of a shortage in building land, available to builders, he is going to be able to get an extra $200 or $300 an acre; the next year maybe an extra $200 or $300; $500 the next year; or maybe four or five times that amount the next year.

We have seen this tremendous pricing advance take place, and yet, if we go to areas right outside some cities of this province, you will find that the raw land price is right back to agricultural values. The price there has not been shoved up because there has not been a tremendous demand—an unsatisfied demand—for lots for builders to build on.

If the Minister and his colleagues announced a programme of installing extensive amounts of water and sewage services, and assistance to municipalities for residential development on top of the escarpment, on lands that have just as convenient access to employment and other opportunities, and ensured as a result that there was an excess of supply of such building lots available there, there would not be nearly the same tendency for developers to come along with fancy prices for the farmers in the fruit belt area.

This lack of integration with other departments is shown to be very serious in the central Ontario regional development, of which my constituency forms a part. The fine study here was done on behalf of the council by the University of Guelph. But the study could have been far better had it been co-ordinated with The Department of Municipal Affairs in relation to their needs, and studies for regional government in the area, in connection with the programme of the Ontario Water Resources Commission for servicing the area. But because it was not done in co-operation with them, because there is no follow-through between the departments in this work, such as any consultation with each other, and whatever might come forward with their programmes, the members of this council have felt completely frustrated about the whole thing. Last night, talking with two members of this council—where they were

trying to justify what the regional development council had done in a meeting with other members of councils in the constituency —they expressed their complete and utter disgust with the lack of action and any hope of anything of importance ever coming out of this report, because they are ignored by the other departments; they go their own way. The mayor of Richmond Hill, the mayor of Markham just laugh at the work that has been done as a result of this, because where is it going to be used? Municipal Affairs is not going to make any sense of it; the Ontario Water Resources Commission say they do not know what the score is up in that area—

Mr. F. Young (Yorkview): And the report says that a new study should be undertaken!

Mr. Deacon: Why are not these reports co-ordinated? Why is not the work tied together?

Hon. Mr. MacNaughton: If you do not get too excited and sit down, I might even tell you. All these matters to which you have made reference, certainly the recommendations of this report planned by the Ontario Water Resources Commission, will be incorporated into the goals plan report, which I believe is to be ready for publication about the end of this year. The preliminary report of the goals plan study, the particular phase —I think it is goals plan 2 and parts of goals plan 4; I am not yet aware of the recommendations—but all of the things the hon. member mentions have been incorporated into the study report and the recommendations that will be made, and the departments to which he makes reference all have been involved. There has been consultation all down the line; all departments are represented on the advisory committee to whom the task force reports.

I do not know where the hon. member gets the impression—or any hon. member gets the impression—that the involved departments do not work together on this or that they do not know what is going on. I tell you, Mr. Chairman—and I say to the hon. member—that when this preliminary report comes out, it will be evident that it could not have been accomplished without the co-ordinated efforts of many departments. It would be impossible. So, as I say, the task force has completed their work—I think their deadline was the 29th of last month—they have submitted their recommendations to the advisory committee, they will come forward to the Cabinet committee and, I believe, about the end of the year—December 29, I think, or something like that—is the target date for publication of the interim report.

Mr. Deacon: Mr. Chairman, I was surprised to hear an assertion that there is co-operation and co-ordination, because members of these councils say that they are not consulted. When they make recommendations to the other departments, they are ignored. And most of these announcements, such as the Malton announcement by the Minister of Municipal Affairs, ignored recommendations that they had made with regard to this problem, as if there had been no consultation whatsoever. And, with regard to the Ontario Water Resources programme for the north, they had no opportunity to consult or discuss or meet with the Ontario Water Resources Commission with regard to what might be done for the overall area.

Hon. Mr. MacNaughton: Yes, well, I do not intend to belabour this too much longer. I rather doubt the propriety of every department or agency of government consulting with a regional council before the action is taken. Certainly, the recommendations of the council to the central agency, the branch and the advisory committee are all taken into account. The recommendations of this report are taken into account and, as I say, they will be evident when the goals plan report, to which I made reference, is available early next year.

Mr. Deacon: Mr. Chairman, it is really strange that the members of the Ontario Water Resources Commission tell members of council they are really in the dark as to what the future programme for the area is to be, and their proposal is only what they think may be required.

Hon. Mr. MacNaughton: They will not be when the report is published.

Mr. Deacon: I just assert that the whole reason for the falling away of interest and the falling away of membership in these councils is due to the frustration felt by the members of these councils and the work they put into it; they feel as if there will be no useful result.

Hon. Mr. MacNaughton: On that point, Mr. Chairman, with reference to the falling away of interest, I must say I cannot accept that. There have been some major changes to the Central Ontario Regional Development Council, and as of very recently this council has picked up four new members; they now

represent 10.2 per cent of the population of the area. Instead of falling off of interest, there has been a very noticeable increase in interest in that council.

Mr. Deacon: Well, Mr. Chairman, I submit that the Minister may find that there is a very severe falling off—in the next little while —if there is not some change in the degree of co-operation with the other departments.

Hon. Mr. MacNaughton: Very well.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): I have a few brief comments that I would like to make on regional government, particularly as it applies to—

Mr. Chairman: Regional development.

Mr. Stokes: Regional development. Did I say government?

Particularly in northwestern Ontario, where the Minister of Municipal Affairs is concerned about some kind of regional government for the area. He presented a report to the House a short time ago, by the interdepartmental committee, to engage those communities in northwestern Ontario in some kind of dialogue to find what kind of regional government might work for their area. Now, I am not quite sure which should come first, whether it should be regional development or regional government for that particular area. But I would suggest that both should be co-ordinated to a very high degree, one complementing the other. I think I would find that of greater importance is the regional development that the people of northwestern Ontario envisaged and so badly need for the area. I think that the Minister is aware that the northwest is about the most studied part of this province and has been for the past decade. And, I might refer briefly to a brief that was presented to the northwestern development conference in Port Arthur a short time ago—a brief that was presented by the Northwestern Ontario Development Council —he does make reference to their own study that was made with the $5,000 subsidy that was provided by this branch of your department. I think that the on-going study—the ARDA study at the present time—will just confirm to a large degree what came out as a result of their own study and survey of the area.

I do not think that any more study or any more primary research need be done in the area. I think that you have all the tools at your disposal, all the statistics at your disposal, to recommend the kind of development that should take place in that area, the nature of it. You have established where the growth centres are, what the population patterns are; you know everything about it.

Now, if I might use the words of Mr. Phillips of the Northwestern Ontario Development Council. He says:

> While there will continue to be a need for research and investigation into specific areas of interest, feasibility and challenge, we respectfully suggest you now have reached the point when translation of such studies, surveys and reports in the policies and programmes for action is of paramount importance if the growth and development of our rich, vast and beautiful land of northwestern Ontario is to be accelerated.

Only Lackie Phillips could have said it in that way. He did point up the tremendous potential for secondary industries in the resources field. He made mention of the forest products industries, the mining industry and the potential for tourism. He points out what is needed with regard to industry and trade when one considers the present EIO loans that have been extended to the northwest, I think it is only two small and insignificant ones that have resulted in new industries establishing in the area, so obviously we need an extension of the present programme of ODC conventional or forgivable loans at the present time.

As I say, I think you know enough about the inventory of resources in the area that you can come up with a positive programme for development of the growth centres and, in the process, provide the necessary services for the smaller towns who need so badly another source of tax income rather than the very regressive tax which is based on residential, and residential solely, in a good many of the communities that are mentioned in your interim report, or a progress report, of the northwestern Ontario Regional Development Programme which was released during the conference that I spoke of earlier last month.

You also know the problems with regard to transportation. It was given full and thorough discussion in the dialogue that took place at Quetico Centre last August, a year ago last August I believe it was. And at the four seminars at the recent conference there was a considerable dialogue in all those

areas; there were people from your department there—Dr. Thoman, he made a contribution to it, and indeed, I think your Deputy took advantage of the opportunity to say what was going on in a general way.

What the people in northwestern Ontario want right now is something much more specific, something that will indicate that this government is interested, concerned and capable of doing something about instituting the kind of programmes that will bring northwestern Ontario into the mainstream of economic, social and industrial development that is so badly needed if we are going to retain our people in northwestern Ontario. I think it is a desirable objective for many, many reasons.

I think you are further ahead with regard to the surveys and the research in northwestern Ontario than you are in any place in Ontario. I think you know what has to be done and I think you should have a general idea about how you are going to accomplish it and right now, if you will, I would like you to say what the programme is, what the likelihood of proceeding with a lot of these programmes based on the research that has been done to date is, and what the timetable might be.

Hon. Mr. MacNaughton: Mr. Chairman, I do not know that I can go into quite as much detail as the hon. member would like me to, but I hope he will be reassured when I tell him that the final report emanating from the study that he referred to will be completed for submission to the Northwestern Ontario Council by March 31. This is the final report.

You point out there is not much more need to study and restudy the area. I agree. I think that has been done, and I have no reason to disbelieve that many of the goals the hon. member is concerned about will be identifiable and show as identifiable when the report comes down.

I might say in this process, too, Mr. Chairman, that we have maintained a very close contact with the federal government through the plan that is administered by the hon. Jean Marchand. There is a basis of working relationship there I think that warrants our close contact in that area.

As far as the EIO arrangement is concerned I cannot tell you what date it was, but I was up there not that long ago, and I was able to announce—and the hon. member knows this, I do not have to repeat it to him —that the value, the range of the size of the available loans, was maintained in northwestern Ontario at a higher level than in any other section of the province, I think in recognition of our acceptance of the need to direct as much development as we can up there. Municipality by municipality, I think, we are obliged to apply to the department on July 1, 1969, or after January 1, for redetermination of their eligibility. Whether that applies to the north or not I am not aware, you would wonder because with few exceptions, if any, I would think all municipalities in the north should be considered as eligible. That is really about as up-to-date information as I can give the hon. member. The report, as I say, will be ready on March 31, which is not that far away, and it will be a final report.

Mr. Stokes: If I might just ask one other brief question: no doubt you must have, through this interdepartmental committee, some dialogue with other departments within government, and how do you see development taking place, say, in northwestern Ontario? Would development precede some form of regional government or does it necessarily follow that they are complementary to one another? How do you see regional government with regard to regional development? Which should come first?

Hon. Mr. MacNaughton: The report incidentally will indicate certain things to the hon. member. Whether the relationship of regional government to regional development will come out in the context of the report I am not prepared to say yet. Maybe I can get some advice from Dr. Thoman, but the growth centres will certainly be identified. I would doubt very much if they would differ largely from the ones the hon. member would probably pick out himself, because the north lends itself to identification of growth centres probably more readily than any other part of Ontario.

It is obvious. They are obvious. That much will be clarified. I cannot speak with any degree of assurance as to what might be the relationship between regional government and regional development in northwestern Ontario, but a parallel may be what is being discussed in northeastern Ontario.

Certainly these dialogues are taking place in the Porcupine district. In the municipalities of the Porcupine district. Whether they reach a consensus of opinion, or reach any form of decision or not—there are discussions taking place as to some form of consolidation and/or amalgamation, or in effect, certain forms of regional government between the townships of Whitney, of Mountjoy, Tisdale and Timmins. The hon. member for

Cochrane South will be aware that this dialogue is taking place there, so to that extent, these things can be considered hand in hand. I am not aware of anything other than the Lakehead amalgamation that is now actively underway in northwestern Ontario at the moment.

Mr. Chairman: Anything further on regional development? We have a motion before the committee, if that is all on regional development. It has been moved by Mr. Good that vote 2402 be reduced by the sum of $12,000.

Those in favour of Mr. Good's motion please say "aye."

Those opposed will please say "nay."

In my opinion the "nays" have it.

Now the decision has been challenged and in accordance with section 9 of the new procedures, with the consent of the committee we may wait for a decision until the end of the estimates. Do I have concurrence to defer the division on this particular motion?

Permission granted.

Votes 2404 to 2407, inclusive, agreed to.

Vote 2408 agreed to.

Mr. E. R. Good (Waterloo North): Vote 2408, what is that?

Mr. J. B. Trotter (Parkdale): That is on horse racing. The member was on his feet—

Mr. Good: Never mind. Forget about it!

Mr. Chairman: I do not want to be too restrictive on this. If the hon. member was on his feet—

Vote 2408 has been carried then!

On vote 2409.

Mr. J. Renwick (Riverdale): Mr. Chairman, on vote 2409 on the Treasury Board secretariat: It has been so long since the Treasurer's estimates were before us in the spring, that some of the points can undoubtedly be made when he next presents his estimates in the year 1970. I do, however, want to send to the Treasurer and recommend for his adoption if he has not already decided to adopt it, a method of classifying the estimates by standard objects which would give a much better overview to the House of the various classifications in each department. Would you give that to the Treasurer? There is nothing particularly unusual about it. It is just a different method of grouping the various items which come before us for consideration in the estimates, and is used by the federal government. It is called the "Standard Objects Classification." To indicate the value of such a standard object classification, I would like not to summarize the whole of it, but I would like to indicate the percentage breakdown, the various methods by which this particular classification by standard objects is developed and the purposes which it serves. Instead of simply using various headings for a particular department, they are grouped under various headings and added for each of the departments. And the various headings comprise in the method which was compiled through our own party resources—some 19 headings—totalled for all of the departments and the percentages of the expenditures which this Assembly is approving.

The list is:

The first heading is salaries, which accounts for 12.3 per cent of the total expenditures; travel which accounts for—

Hon. Mr. MacNaughton: Mr. Chairman, maybe the hon. member would permit me to say that from the knowledge available to us, the federal government is moving away from this type of report. I think it is fair to say that the public would prefer very much to save costs, as we are, in terms of a system of planning, programming, budgeting.

Mr. J. Renwick: Well, Mr. Chairman, I am going to come to the question of programme planning, budgeting and systems analysis and findings by objects afterwards. It is difficult for this government to move away from this position because it has never reached it. I happen to think that regardless of what system a government adopts for accounting, that no one single method is sufficiently illustrative of what we are required to do to permit the exclusion of other methods. I would suggest that regardless of what the federal government may or may not be doing, that I would recommend to the government that in future years they at least go through the exercise of producing, on two or three sheets of paper in the estimates book, this kind of classification, because it provides information which is not otherwise available and illustrates the very narrow ambit within which we in this Assembly can exercise any flexibility in the decision makng process. It is not a sufficient answer for the Treasurer to advise that because he has not done it before, therefore it is of no value. It is of a very significant value.

Hon. Mr. MacNaughton: My only point in making the statement I did, was because of the hon. member's own reference to what the federal government was doing. I should wish to inform him that they are not now doing it that way any more.

Mr. J. Renwick: Mr. Chairman, I do not want to pursue this particular point.

Hon. Mr. MacNaughton: No. Why?

Mr. J. Renwick: I am well aware that the federal government may be adopting an aspect of a programme planning budgeting system which is different from this. But they had used this in the past, and I suggest that regardless of what system the Treasurer adopts in the future, this has value.

I would like, Mr. Chairman, simply to review the percentages so that the record will show what these percentages are. I repeat again, salaries in the government department account for 12.3 per cent of the total estimated expenditures of this government for the current fiscal year; travel, .5 per cent; maintenance, 3 per cent; grants, 58.7 per cent; unemployment insurance, .01 per cent; workmen's compensation, .03 per cent; reports and publications, .01 per cent; advertising, films, displays, broadcasting and promotion, .05 per cent; exhibits and trade fairs, commissions; .1 per cent; items which are too small to reduce to percentages such as conferences and conventions, Royal commissions and special committees, trade and development, .5 per cent; data processing, .2 per cent; buildings, works and lands repairs, maintenance, operation, and acquisitions, 11.6 per cent; building, works, and lands rental, .3 per cent; equipment purchase, rental, repair, .4 per cent; pensions, remunerations, employee insurance, Canada pension plan and fidelity bonds, 3.1 per cent; other items, 13.2 per cent; research, .02 per cent, making a total of 100 per cent for all of the departments. I think the significant factors which come out, and I only use two or three of the illustrations to point out what the value is of such a method of presenting, in addition to the present method of presentation, is for example that when we come to a heading such as advertising, films, displays and broadcasting, we find that only five departments itemized this as a separate item. Where it is buried in the other estimates, I do not know.

The Department of Education, for example, has separate items for ETV, radio broadcasts and films, but these are part of the educational process and not akin to departmental publicity through various media so we did not include it in this particular breakdown. We find for example that under workmen's compensation, only eight to 28 departments itemized this separately, but one would think that others would also have such costs. The grants constitute 58.7 per cent of total gross expenditures, they occur in all but six of the 25 departments. A standard objects classification is the only means by which we can see the size of this form of spending.

It would appear to us that the public is entitled to know how much is going to non-governmental spending or to other levels of government. Data processing, which is an item, Mr. Chairman, which appears constantly throughout the estimates, 18 departments have entries for data processing. Some consolidation seems to be indicated when one looks at the standard object classification results. Same or similar remarks can be made about the various classifications which we use for the purpose of developing our presentation in this way. I am certain there are other classifications.

I do not know whether there is any way in which this particular chart could be included as an appendix to the record of today's *Hansard* in order that it would be available to all the members, to illustrate in a much clearer way than I can do verbally, the value of such a classification. And I would ask the Chairman whether or not it is open in some way for this particular chart, as other statistical information has, from time to time, appeared, to be made available for the benefit of the members. Is that possible in our procedures?

Mr. Chairman: I am not sure I clearly understand what the hon. member is requesting.

Mr. J. Renwick: Mr. Chairman: I was wondering whether or not this chart could be attached to the *Hansard* for today's proceedings setting out the particulars and the details which cannot be orally communicated, so that members can have the benefit of this particular method of classification.

Mr. Chairman: I think if the hon. member refers to a certain document, a publication, and with the consent of the House that such a document form part of *Hansard*, my recollection is that this has been done, although I would not want to assure the hon. member on that point without referring to the proper authorities in this respect. It seems to me that some similar action has been taken, but I am not certain of that.

Mr. J. Renwick: Mr. Chairman, I would ask with the consent of the House that this particular chart headed, "Expenditure Estimates 1969-1970" classified by standard objects, to which I have referred in my remarks, be included as an appendix to today's *Hansard* if that is possible within the rules of the House.

Hon. J. R. Simonett (Minister of Public Works): Mr. Chairman, I wonder if it could be reproduced and laid on the members' desk instead of going to all the expense of putting it all in *Hansard*, which are printed and distributed in the province?

Mr. J. Renwick: Mr. Chairman, I might just reply to that comment. I think it is valuable to have it in the *Hansard* wherever it is distributed; I think it is illustrative of a particular method of outlining the financial expenditures of this government, which is not otherwise available, both to the members of the House, and to the public.

Mr. Chairman: May I ask the hon. member the source of this particular document?

Mr. J. Renwick: The source of this particular document was from the research department of our own caucus in this Legislature. It was work undertaken by our caucus in order to present to the House an alternative view of the estimates and the expenditures and it was compiled from the information we researched. It is simply a different method of presenting the same information which is produced within the expenditure estimates book presented by the government and conforms to those figures as accurately as is possible to do so.

Mr. Chairman: What the hon. member is asking then, is that this chart be reproduced in *Hansard*, assuming that he might have taken the time of the House to read into the record, what certainly would have been in *Hansard* in any case. Is this what he is asking?

Mr. J. Renwick: That is right, Mr. Chairman, because to read it would not have been informative, however, to see it visually reproduced in *Hansard*, I believe, would be most informative and most useful to the members as well as the public.

Mr. Chairman: Would the hon. member be satisfied if I asked for the consent of the House to do what he has requested, subject to the concurrence of the appropriate officials that this is proper and in accordance with precedents of the House?

Mr. J. Renwick: Yes, I would certainly Mr. Chairman, take my chances on the last part of it.

Mr. Chairman: Do I have the concurrence of the House?

Mr. Trotter: Mr. Chairman, I was wondering if they were going to print copies for us to see. Why do they not just print the 117 copies, run them off on a Gestetner, instead of putting it in *Hansard?*

Hon. Mr. Simonett: Right!

Mr. Trotter: What is the point of doing that?

Mr. Chairman: I think I have placed the question thoroughly before the committee and unless I do have the unanimous consent of the House, it cannot be approved.

Mr. J. Renwick: Mr. Chairman, I believe my reply to the Minister of Public Works, would be the same as my reply to the member for Parkdale on that point. I think it is a matter of public interest to show an alternative method by which the estimates of the department can be viewed by the public, not exclusive of any other method, but providing insights into government expenditures that are not otherwise available.

Mr. Chairman: I think that it could be accomplished in numerous manners, one would be by tabling it, another would be by reproducing it for wide distribution and yet another would have been as I suggested to the committee. In all fairness, if the hon. member had read this into the record, it would have been reproduced in *Hansard* in any case.

Mr. J. Renwick: Mr. Chairman, I would not want to have to do that.

Mr. Chairman: I think it is fair to put the question to the committee, but I must point out that I must have unanimous consent of the committee to do so. Do I have the unanimous consent of the committee to reproduce this document as part of today's *Hansard?* Consent granted?

An hon. member: No.

Mr. J. Renwick: Mr. Chairman, I am going to have to take up the time of the House to read it into the record, I am very sorry.

Mr. Chairman: Does the hon. member wish to have this copy back?

Mr. J. Renwick: No, I have a copy, you certainly may keep that.

Mr. Chairman: Just checking.

Mr. J. Renwick: The heading on this chart, which is before me, is headed "Expenditure Estimates 1969-1970" classified by standard objects. There are 19 columns on the chart—

Hon. Mr. MacNaughton: May I say Mr. Chairman, that this appears to be putting the member to, frankly, a lot of useless time and effort. He is going to read it, and the *Hansard* clerk is going to have to take that for transcription purposes anyway. If he reads it into the record, it is going to get into *Hansard*. If that is the case, it seems to me to be rather silly and I think that his earlier suggestion should have been accepted.

Mr. Chairman: I must say, in fairness to the hon. Minister, that I believe I expressed my feelings in that manner. I did put it to the committee and I must have the unanimous consent, but I heard two dissenting voices.

Hon. Mr. MacNaughton: But possibly the committee might reconsider; it is going to amount to the same thing anyway and it is going to take longer, be more cumbersome for the hon. member himself and the material is still going to have to go through the printing process.

Mr. Trotter: Mr. Chairman, I was one of the people who dissented and I feel it is an abuse of *Hansard*, but if they are going to abuse it this way, I realize that to read it in is going to cost the taxpayer more money. I do not approve of what he is doing, I object to the way he is doing it, but in order to save the taxpayer some money, I will withdraw my dissent and approve. If there is anybody else who dissents, that is okay.

Interjections by hon. members.

Mr. Chairman: I must point out to the committee, I must remind the committee, that there was an addendum to the question placed before the committee that I would have to take it under advisement and make certain that there was precedent or procedure of the House which might prevent such an action taking place, and this was the basis on which I put the question to the committee.

Hon. Mr. MacNaughton: Mr. Chairman, I would point out that we have seen evidence that there is no way to prevent this getting into *Hansard*, if the hon. member chooses to take his time and read it. There is no way of preventing it.

Mr. Chairman: It has been placed before the committee.

Mr. Trotter: Speaking on this matter, Mr. Chairman, on two occasions I wanted to do something similar, I had never attempted to put it in *Hansard*. On one occasion when I was talking about the Lakeshore Raceway I produced a map for every member in the House and did not ask that it be printed at the expense of the province. On another occasion I laid out the cost of housing and I had consent of the Speaker, but it turned out I did not use it, but it was going to be printed at my own expense, or my own party's expense, not at the expense of the taxpayer. But if we are going to abuse the rules this way, I, for one, withdraw my dissent.

Mr. Chairman: I believe that under the circumstances, the question now placed in the Chairman's hands is whether or not the committee will reconsider their decision. So, I again ask the committee, do I have the unanimous consent to review the situation, and if there is no restriction on doing what has been requested, then it will form part of *Hansard*. Do I have the unanimous consent? Consented to. I will inform the hon. member for Riverdale as soon as it is possible for me to find out if there are any other restrictions on so doing.

Mr. J. Renwick: Thank you, Mr. Chairman, I appreciate the consent of the members, because I believe it to be a significant and valuable visual presentation of the classifications of the estimates.

See Appendix, page 8128.

Mr. J. Renwick: I want to move on, Mr. Chairman, very briefly, to make one point, and one simple point about the planning programming budgeting or PPBS.

Mr. E. Dunlop (York-Forest Hill): The emphasis is on the BS.

Mr. J. Renwick: You are speaking of your own government, I trust.

Mr. Dunlop: I am speaking of the system.

Mr. J. Renwick: Another alternative way —and I have never clearly understood the distinctions between the two of them—is planning by objects, which as I understand it, is another way of expressing somewhat the

same systems method of dealing with government expenditures. It has been said before, so I will say it very briefly, the origins of it were within The Department of Defence of the United States government during the tenure of Robert MacNamara as Secretary of Defence in the United States.

The point I want to make is that it is no substitution, by way of these systems, for value judgements which must be made about political ends to be achieved or social changes which are required. I think those value judgements still have to be made and are part of the political process, and that therefore these particular systems require always, to be qualified in the minds of those who use them within that context.

There is a tendency to believe that all decisions these days, are systems decisions, analytical decisions, and that all choices are qualified only within the framework of what is available in present-day technology. And I want very much simply to state very clearly, that we, in this party, dissent from that particular view of the value of the systems analysis, of the value of this kind of planning-programming-budgeting system of the value of other equivalent modern methods of planning, not from the point of view of running does the systems, they play a valuable role in achieving what we want to achieve, but perhaps, if I may quote, very briefly, Mr. Chairman, I can make my point much more readily in the words of another man, rather than in my own words because it is a field in which I am not familiar, let alone expert.

I am referring particularly to an article dealing with the automation report which was prepared in the United States as long ago as 1965, and this is the comment of a man by the name of Robert Lekatchaman, who is a United States economist for whom I have a considerable amount of respect.

In dealing with the results of that automation report he has this to say:

> We have, in the opinion of the commissioners who put out that report, we have the technology to do almost everything we collectively decide we want to do to improve the quality of our common environment. We simply lack the knowledge about how best to apply the technology.
>
> Just as Robert MacNamara has used cost effectiveness in programmed budgets to rationalize the 50 to 60 billion dollars which The Department of Defence annually expends, we can apply cost benefits and systems analysis to the programme of social spending.

Robert Lekatchaman goes on to say:

> As a proposition this is exceedingly seductive. It amounts to a recipe for cool research rather than hot politics, orderly university training rather than untidy street demonstration, and the forging of a consensus out of rational thoughts rather than conflicts of ideologies and interests.
>
> Even if the picture misrepresents reality, one would like to believe that its central premise can be turned into a creative social myth of the sort that persuades people to behave in new ways. This is why it is a pity that so little in our recent experience or our immediate prospects, lends plausibility to such a vision of orderly social change. As it happens, our technology has been adequate for quite a long time to achieve certain social goals.

He goes on, then, to say:

> Change takes place either when the interests of politically potent groups are allied to change, or when such groups accept change in preference to riot and revolt.
>
> In the 1960's—

And here, strangely enough, it is rather prophetic,

> In the 1960's the triumph of Keynes in public finance was the consequence of the belated perception by a not very bright business community of the benefits that government-sponsored prosperity offered the businessman in his search for sales and profits.
>
> Support for federal aid to higher education grew with the ascent of college tuition charges. The conservative middle classes saw their interest in higher quality education only when its costs hit them personally.
>
> Thus, it is quite possible that in the next decade there will be general public support—

Speaking of the 1970's

> —for federal auto safety standards, meaningful control of pesticides, and genuine assaults on water and air pollution. These are environmental hazards which affect everybody.
>
> It is here, no doubt, that systems analysis, computer science and cost benefit analysis, stand their best chance of influencing events, but it should be plain that not all the measures that the commission supports

coincide so obviously with the interests of the large, prosperous majority of Americans whose incomes place them far above the poverty line. The most massive evidence of the familiar human reluctance to set the public good above personal advantage is the obvious national preference in 1963, 1964 and 1965, for general tax reductions over larger social welfare expenditures.

The tax cut choice has very little to do with social valuations and a great deal to do with the political force and influence of the businessmen and middle and upper income families who derived the bulk of the gains, as against the relative lack of such force and influence among the poor and the unemployed who benefitted only slightly from the tax slashes.

The remedies of poverty, like its causes, are to a substantial degree, political and not technical.

He said:

It does not detract from the general, intellectual values of systems and cost benefit analysis to point out that political pressures and political choices will determine the sphere of application of the techniques. Indeed, even when these instruments of rational choice are employed, we should be wary of the results. Cost benefit analysis can help compare the relative virtues of various job training programmes, various approaches to pollution control or even various ways of expanding the supply of low-cost housing. But cost benefit analysis is most unlikely to demonstrate persuasively that it is better to raise taxes than to reduce social welfare expenditures and it is even less likely to explain just how to distribute the pains of tax increases or the pleasures of tax cuts.

It is not so much that social needs can be fulfilled when the technical prerequisites to their fulfilment are present, it is rather that urgently felt social needs will produce the technical tools required to relieve them. This is the lesson of military technology, the commitment to social change precedes the methods by which change can be rationally evaluated, it does not follow them.

Mr. Chairman, I think the point is simply made to the Treasurer, I give it to him in the hope that it will guide him in his decisions about the tax reform of the province. I hope it will guide him also when making the political decisions which will influence the programmes and the planning and the systems analysis and all the other modern techniques of analysis which are available to him.

The point, therefore, Mr. Chairman, on which I would like the Treasurer to comment, is that these matters will be decided in the political forum, that the choice of values and the determination of how the expenditures and revenues of this province will be used, are matters for political decision and that there is no magic method through any system, modern or otherwise, that these decisions can be evaded by parties having the political responsibility for making the decisions.

Hon. Mr. MacNaughton: I cannot disagree with what the hon. member says, Mr. Chairman. As a matter of fact, it is fair to say we have never claimed anything more for the system we are leading into than really what he has discussed in the last few moments. And he is also quite right, that the decision-making processes are, in the final analysis, political. No matter what others may feel about the plan, it is our contention that the best you can hope for PPBS is that you are enabled to make your political decisions, whatever decisions they are, more easily and, presumably, better.

The information flows up or down, or whatever you like; three ways. It is programmed activities within programmes, and in the overall sense it is objectives. It determines how the objectives can be most efficiently met and the political decisions that go with it. And I presume I am on the same wavelength as the hon. member, because very largely what he discussed is in the same vein as what we hold for PPBS. We took some of our instructions in earlier years from public accounts committee, and it has taken time to reach a state of readiness for implementation, although this year's estimates are, to an extent, reaching the final form.

I can say to you, Mr. Chairman, and to the members of the committee, that the manual for PPBS for departmental use is completed. If it is not distributed it will be distributed very shortly.

So that we now stand, I think, just at the very edge of almost complete implementation of this system of budgeting.

Mr. J. Renwick: Mr. Chairman, using the Minister's own department as an example, would he believe that the presentation of the estimates of his department as set out in the current estimates book is in final form, or is it also in transition?

Hon. Mr. MacNaughton: This is transitional, as are all departments. There would probably be better examples than the Treasury Board for this purpose; it probably does not

lend itself to some of the objectives that other departments would, but it is in the transition form at the moment. Some departments are doing the internal work leading up to this manual, some of them have employed consultants to help them, because it is quite a switch from the old form. In its final form it will be much more interpretative than what you see here.

I am sure the hon. member will, as all members will, recognize that this is a departure from what we used to use for estimate purposes. But it is not in its final stage yet.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I take it that this vote will allow us to deal with the Judge Little report on collective bargaining? Is that correct?

Hon. Mr. MacNaughton: Yes, it can be dealt with under the appropriate vote here. Yes, under the staff relations section of The Treasury Board.

Mr. Gisborn: Vote 2409, Treasury Board Secretariat.

Hon. Mr. MacNaughton: Staff relations. It is in order.

Mr. Gisborn: Yes, it says: "represents the government in its collective bargaining with the employee associations."

Hon. Mr. MacNaughton: That is right.

Mr. Gisborn: This is about the only place where we are going to have a chance to deal with the Little report and collective bargaining in the civil service. I am a little disappointed because I had thought we might have had set aside a special one-hour, two-hour or three-hour period to deal with it, so we would have some continuity, and both Opposition parties would have been aware of the time set aside.

Nevertheless, if this is the appropriate place and the only place one might get a chance to deal with it, I had better deal with it at this time. In fact, I cannot for the life of me think what one can say about it, and I want to make it very clear at this point that in anything I do say there is no reflection on the civil service association of Ontario. I have had no discussions whatsoever with any of them, and I have had not one single complaint from an employee who is a member of the civil service association.

What I want to say is from a deep conviction and a philosophy in regard to collective bargaining in the province and Canada in general; from the standpoint of one who has had some involvement in it and believes that when we deal with this sort of thing all employees should be treated equally and looked upon as equals by government as well as by management in the private sector.

I want to say of His Honour Judge Little that I and, I know, a great many other people involved in collective bargaining processes over the years, have had a great respect for him. In the most impartial manner he has dealt with conciliation boards and his knowledge of arbitration, his impartiality and tenacity in that field, have been recognized by those involved. However, I cannot but think that in his declarations in this report and his subsequent findings, he has in some way been somewhat contemptuous of his own convictions. I am sure the solutions he has arrived at would not fit his convictions if he were in another situation.

The other thing about the report itself is whether it can be considered a report we can deal with or not. I had thought, after I read it, that it is not a report that should come to the members of the House, because almost all of it has been dealt with by the government up to this date, as *fait accompli* as far as one can be concerned. So maybe the hon. Treasurer will tell us whether there is any use in talking about the report or not. Can we make any impression upon the government after certain things have taken place?

As we know, the interim report came down in October. That dealt with the exclusions that were going to be put into this report, and those exclusions were known by just particular interest of people and not members or the public. The Order-in-Council regarding the maintenance of membership, the union security, the check-off, has already been made. That is an important part of the report. Firm statements have been made by the spokesman for the government I think, namely, the Provincial Secretary (Mr. Welch), that under no circumstances would there be any fragmentation of the public service as far as bargaining units were concerned. Very firm declaration was made by the government—management side—that there must be included in any kind of collective bargaining procedure for the civil service of this province a no-strike clause.

If those things have already been decided, what is there for us to do with the report?

Hon. Mr. MacNaughton: It is not fair to say that it has all been decided. The hon. member put it in the form of a question, I realize. He is right about the Order-in-Council, but most of the proposals of Judge Little

are still under consideration. I would presume, and I am sure the hon. member will agree, that those recommendations that are acceptable to the government—and I do not know of any that are not at the moment—they will then, of course, be translated into legislation—amendments to The Public Service Act or other Acts that require it. Certainly at that point the Legislature will have full opportunity to discuss the proposals. Other than discussing the report in a more philosophical way now, I doubt if this is the time really to accomplish the end that would concern the hon. member.

Mr. Gisborn: What I meant was that naturally the legislation needed to implement some of the requirements and Judge Little's report will have to remain and we will have a chance to discuss it but it is the four point principles involved in the report that is a *fait accompli.* We are going to have nothing to do with that.

Now, let us consider, in my opinion, what His Honour Judge Little has done. He has proceeded in his function as a special adviser similar to the fashion in which he would proceed if he was conducting a conciliation board hearing. If you follow the trend all the way through, there were three parties involved: civil service association representatives, management representatives from the commission and department heads—officials of departments. In fact, they are the only groups that made representation to His Honour, Judge Little, excepting the Canadian Union of Public Employees. Not once through the report is there any mention made of any recommendations, comments, ideas or propositions of the Canadian Union of Public Employees.

I would ask that we might look to see if there was kept a transcript of hearings and dialogue regarding the making of the report so that we can find out what other parties said, and what propositions were made to His Honour. But not any place in the report do we find a reference to suggestions by the Canadian Union of Public Employees, the only group which is in the mainstream of labour which made representations to His Honour. But all the way through you will find His Honour dealing with a subject and then coming to the conclusion that the government spokesman and the representative of the civil service association of Ontario have agreed to this. So a compromise was made. They agreed, so he, therefore, recommended it and this is the trend all the way through the report and that is what makes me believe that it has been handled similar to a conciliation board hearing.

It has not been a report to determine the four vital principles because if we look at them in the reference:

1. The determination of appropriate bargaining units.

Now that has almost become a definite situation. There is no difference now than there was before. They are locked in the $45,000—the recognition—and employees support the bargaining agents and the only reference made to that section was to justify the establishment of the bargaining unit, based on the surmise that over the years the civil service association of Ontario, as a representative for the employees, have built their organization on voluntary payments of dues and otherwise. He comes to the conclusion that for that reason then, the whole $45,000 should constitute a bargaining unit but he does say in his declaration in arriving at this section that he believes wholeheartedly in the proposition that there should be freedom of choice for employees to get into the bargaining unit of their choice and he recommends that.

He only recommends it after he makes the firm commitment that there can be no fragmentation. He believes in what the Provincial Secretary has said, that that should be the case and that they should start from there.

We have said for years—I have at least, and other members in this party—that there was a great deal of fraternalistic feeling binding the civil service. We went through it thoroughly in the last two or three years to give reasons why. We had the whole argument of the mix-up in collective bargaining in the Liquor Licencing Board and the Liquor Control Board, where there were two factions vying for the right to represent that group of employees. There was no difference between either one, and they all finally ended up under the civil service but they are now bound in, and they have not got the chance, or no other union has the chance, to make a proper attempt at organizing. The scope for bargaining, of course, is restricted in the most positive way it can be. I would like to refer to that section which I think is one of the more important ones. I cannot put my finger on that spot at the present time.

I want to look through the report. In the principles and procedures concerning change of bargaining agents, and I quote the report:

> Unlike other jurisdictions which have more recently become involved in collective bargaining within the public service, the situation in Ontario is relatively stabilized due to the existence of established appropriate units. As a result it is my opinion that it would be redundant to establish permanent machinery for the disposition of issues arising out of disputes over bargaining rights within the established bargaining unit. Accordingly, I recommend that provisions be made for the application of the democratic principle of freedom of choice by establishing a procedure under which employees will be able to exercise such freedom within the established bargaining unit. To effect this purpose, I further recommend that legislation be enacted to incorporate provisions parallel to those in effect in the private sectors with respect to the exercise of this freedom of choice in the view of the circumstances prevailing throughout the public service.
>
> It is my view that this power not be delegated to a full-time tribunal, but it may be properly exercised through the appointment, as the occasion requires, of an independent adjudicator applying the same principles and criteria as those applicable in the private sector as adapted therein. It is inherent in this recommendation that employees shall be afforded the right to choose a new bargaining agent for such a change as is considered desirable and to discontinue any selective representation where the majority of the units so wishes.

Now, this is why I made the remark that I think his honour in his findings somewhat got a little bit contemptuous of this position because it does not follow that that can take place with the procedures that have been adopted in this court.

Now, I want to refer to the strike situation. The association made this proposition to his honour, and he quotes the association:

> It is our view that it is most unlikely that any issue in the Ontario public service would result in a strike as long as the parties continue to demonstrate the maturity which has been demonstrated over the past two or three years. It is our view that the effect of the present legislation should remain and provide the right of the parties to have recourse through arbitration as the final means of resolving disputes.

There the association representatives have set out clearly that in the past, and at the previous times, there is no prohibition against employees in the public service going on strike. But the government representatives took this more positive position. The right to strike should be clearly prohibited in the statutes. Automatic penalties against the bargaining agents for work stoppage should also be provided, which might include stoppage of the check-off of union dues.

That is the first threat that is going to stop any kind of free collective bargaining. That is where the employees will be progressive in their approach, and with such a wide variety of different occupations across the province, this is going to happen and it is going to cause one of the biggest shemozzles that we might ever see in management-employee relations. Where they would stop the check off of union dues, provisions should be made for an independent view of the circumstances of the work stoppage where the bargaining agent disclaims all responsibility. Individual violation of the statutes or collective agreement would be dealt with by disciplinary action subject to the grievance procedure.

These remedies are thought to be preferable to court action or management grievances and arbitration which are the most used in the private sector.

Now this is a new innovation into the public service that was not asked for by his honour, and was not desired by the representatives of the Civil Service Association.

Then his honour states this in replying to the latter submissions the association stated:

> We do not agree that the right to strike should be clearly prohibited in the statutes. We would prefer that the legislation is silent. Adequate safeguards of the employer operation could be provided for in a negotiated agreement as well as the responsibility of the bargaining agent.

But, nevertheless, we get his honour coming down with a prohibition of strikes. That is what I mean by the semblance of a conciliation officer—he took both sides, got their opinions and then came down with a compromise.

There is not very much more to be said, excepting that the four points are the principle of the report and that is what we have to deal with at this point. And, as legislation comes along, we will be dealing with

other sections at a later time. But we must make some proposals. What I would have rather seen as a finalization of this report—if we believed in the declarations that have been made, both by his honour and by others, that they believe in the employee's right of joining a union of his choice—is that we should have given that choice before the principles of this report were firmed up, Both by the declaration by the Provincial Secretary that there would be no fragmentation whatsoever of the bargaining unit—he was very firm on that—and by the Order-in-Council establishing the checkoff of union dues.

I do not see any reason why—if we read the report, the confidence his honour has expressed in the Civil Service Association on their representation over the many years—that we could not have allowed a free vote. We could have done what was necessary to do, with the advice of the director of the industrial relations department of the industrial institutes department, by establishing maybe four areas of bargaining units. I think there is room. I am not one who agrees with fragmentation of a bargaining unit, but I think in a situation such as public employees, we could very easily establish four. And then let the various unions applicable to that occupation, trade or profession, intervene to put their name on a ballot. This government could have been well above board by saying to the intervening unions that we will give the employees in this province a free choice; we will send out one mailing for each union. We could name the number of pages they could use in that mailing to explain to the employee the reasons why he should join our union. You are shaking your head, but I want you to tell me later what would be undemocratic about that. Let them have that one mailing. You do not turn—

Hon. Mr. MacNaughton: What is undemocratic about the way in which is has been done?

Mr. Gisborn: There is nothing democratic about the way it has been done. Can you tell me, at any time, when any employee of the civil service was given the right of determination that this should take place?

Hon. Mr. MacNaughton: Mr. Chairman, on that score, Judge Little's appointment and the terms of reference assigned to it were concurred in by the representatives of the employees and the representatives of the government.

Mr. Gisborn: By the representatives. How about the employees? How about the meetings held in—

Hon. Mr. MacNaughton: Is that not up to the association that represents them? We dealt with them in good faith; the terms of reference were agreed to jointly in that manner. Now, how they choose to communicate with their membership surely is not our responsibility; it is their own.

Mr. Gisborn: I will not dispel that; it is a fact. It still follows that it was undemocratic.

Hon. Mr. MacNaughton: Well, I just want to say one thing. The hon. member—

Mr. Gisborn: They had no right to determine that they are in favour of this report or that they are in favour of a report taking place.

Hon. Mr. MacNaughton: I do not think that the point the hon. member is making is too valid when you consider that before the report was written, some 30,000 members of the public service were, on a voluntary basis, regular, paid-up members of the CSAO—no compulsory checkoff at that time; it was voluntary. I think that it indicates a degree of support for the present bargaining agent. Now, as a result of very strenuous canvassing, I would suggest that the other union has maybe achieved a membership of about 3,000. Very strenuous canvassing.

Mr. C. G. Pilkey (Oshawa): Without any canvassing; disillusioned people.

Hon. Mr. MacNaughton: No, no. Very strenuous canvassing.

Mr. Gisborn: That is just the point I tried to get at.

Hon. Mr. MacNaughton: Whatever it is, the options are there. There is that freedom of choice; they can join either union. The rules—

Mr. D. C. MacDonald (York South): What option?

Mr. Gisborn: The employees have no choice. Since 1911, they have been tied in to the Civil Service Association. They have had no choice and, naturally, if they wanted representation, they were mature enough that they would pay their dues because they had no other choice—they had to belong to the Civil Service Association of Ontario.

Hon. Mr. MacNaughton: It is voluntary.

Mr. Gisborn: If you had cut them loose ten years ago, there might have been a different situation. This is what I am talking about. They have never had the choice. To go back to 1911, when the Civil Service Association was established—it was set up to be a social intercourse type of an association, to develop good athletics and to talk about superannuation funds. It took them until 1920 to get their superannuation fund established, and from then until 1963 before they had any collective bargaining. But they had no other choice.

It is all right to say that there were 33,000 voluntarily paying their dues and that was an indication. It might have been. But at least they should have had a chance to declare themselves; they should have had some determination as to whether they want to be represented by the Civil Service Association of Ontario or some other union or whether they wanted to be represented by any union at all, and whether they wanted a compulsory maintenance and membership form of union security. You know, we have been asking The Department of Labour for many years to establish in The Labour Act, not the type of compulsion that you have put into this report, or into the civil service union security, but just the voluntary revocable check-off. And they said that is undemocratic; we do not believe in it, that is collective bargaining. But to tie down those 45,000 members into the chains of the civil service is to put in a compulsory membership maintenance programme. Once they are in, they cannot get out. There is nothing wrong with the suggestion that if you wanted to be undemocratic, you could have—

Hon. Mr. MacNaughton: I should correct the hon. member, Mr. Chairman. Membership is not compulsory, but dues are compulsory whether you are a member or not for new employees only after the date.

Mr. MacDonald: That is progress.

Mr. Gisborn: For new employees and for those who were voluntarily paying their dues and did not opt-out in the short period of time. We have got some letters from people who were just one day over the deadline, and they got a letter back saying, "You are too late. You are in; you cannot get out".

Mr. MacDonald: After 25 years, the Tories adopt the Rand formula.

Mr. Gisborn: That is beside the point, but—

Mr. Peacock: What does the member for Eglinton say about that?

Mr. MacDonald: We have heard a lot of complaints from the hon. member for Eglinton.

Mr. Gisborn: If you had so much faith in the fact that the Civil Service Association representatives were doing a good job for the employees, that they were well satisfied because there were 33,000 paying voluntary dues, what was wrong with clearing the matter up once and for all by having a vote to let them declare what union they wanted to belong to? I do not think there is any argument; it is just that you did not want to be that democratic. You just did not want to take the road of new enlightenment, participatory involvement in this province, and you are going to be sorry for it before many years, because I think you have handled the thing very badly.

I am going to leave my position there, because I think that as in the past there has been a great degree of bureaucracy and paternalistic approach to the employees of the government. I think they are made more of a type of second-class citizen now than they were before because of the imposition of the four principal moves in this report. And only when they have the right to participate as employees in a democratic fashion will we be able to say that we have got the kind of a Civil Service Association that this province deserves.

Mr. Chairman: The member for Oshawa.

Mr. Pilkey: I would like to just make a comment on the Little report and the method that the government used to implement it, particularly that section that the member for Hamilton East alluded to.

In the summary of the Little report, as most of us recall—in the first and second recommendations—he mentioned the establishment of a procedure whereby employees may exercise the democratic principle of freedom of choice as to bargaining representation within the established bargaining units. Well, that was fine; he obviously negated that in the second recommendation, when he urged the continued recognition of the present bargaining agents since they have demonstrated that they command the support of the majority of those in their respective bargaining units. Very frankly, I do not know how they demonstrated that they enjoyed the majority. We have heard all kinds of figures since I have come into this House

as to the number of people who are actual members of the CSAO.

Nevertheless, I think that the Minister, or Mr. Little, when he brought his report down, did indicate that there was a very basic democratic principle involved, and it is one that is implied through The Labour Relations Act. I want to suggest to the government that what they have really created here is a double standard. You have one standard that you go by as the government, and you have implemented another standard in the private sector of this province.

Now, I recall just the other day asking a question of the Minister of Labour (Mr. Bales) related to the checkoff of union dues. This government saw fit to provide a form of checkoff for the Civil Service Association of Ontario, yet the Minister of Labour did not think that this was necessary as far as the rest of the labour movement was concerned. He felt that this was a collective bargaining matter; yet the government did not feel that way in this case, that it ought to be a collective bargaining matter. You just legislate it into force. In addition to that, I want to submit to the Minister that this government actually provided a five-day period for people to opt-out of the CSAO. I said nine days the other day, but if we take out the weekends, the people had five days to opt-out.

I suspect very strongly that a great number of the people in the Civil Service Association did not even know that they had the opportunity to opt-out. I do not know how you get those messages through the lines of communication in government, but I suspect very strongly it would take something in excess of five days to get it through the whole of your system. Yet you felt that this was the procedure that should be used.

I want also to suggest that in most democratic organizations, as the member for Hamilton East pointed out, the democratic process means that you consult with the membership, that there is consultation with the members of your organization. I understand that there was no consultation in reality with the members of the CSAO as to what they wanted to do as far as a bargaining agent was concerned.

Hon. Mr. MacNaughton: Mr. Chairman, I would have to say to the hon. member that there was discussion with the CSAO. As a matter of fact, the discussion led up to the appointment of Judge Little. These matters were under discussion, they were proposed for discussion and the discussion stopped with the appointment of Judge Little. As a matter of fact, they formed the terms of reference that were handed to Judge Little. Do not say there was no discussion because there was discussion. Take my word for it, there was.

Mr. Pilkey: There may have been some discussion with the CSAO leaders—and I am not suggesting that there was not—but I am suggesting that there was very little, if any, discussion with the rank and file.

Hon. Mr. MacNaughton: Well, Mr. Chairman, on that score who does the discussing with the rank and file? The leaders? Is it not appropriate for the leaders to inform their members?

Mr. Peacock: In five days' time?

Hon. A. Grossman (Minister of Correctional Services): Shall we go into every union and ask them if their leaders have informed their members of such things?

Hon. Mr. MacNaughton: Should we do this?

Mr. Gisborn: Did they have any meetings to decide if they wanted this kind of a review of their association? No.

Hon. Mr. MacNaughton: Well, Mr. Chairman, I can only assume—

Mr. Gisborn: Did they take a vote to see if the majority wanted—

Hon. Mr. MacNaughton: Mr. Chairman, I can only assume, that in all honesty and fairness the executive or those who lead the CSA are empowered by their representatives to enter into these discussions. What other assumption can I make?

Mr. Pilkey: I might point out to the Minister again that you provide—just a moment—all these tests in the private sector. You make sure that they have them in the private sector but, you see, this is again the double standard.

Hon. Mr. MacNaughton: No double standard at all.

Mr. Pilkey: Let me also say this: There was no opportunity for the members of this Legislature to debate this subject matter. You bring it in; you make an announcement. Why is not the Opposition given an opportunity to have some say on these subjects? They are very important to thousands of people in this province, and you just bring

them in and make a unilateral decision; there is no opportunity for the Opposition to voice their opinion in any manner.

Hon. Mr. Grossman: You are voicing it now.

Mr. Pilkey: Yes, after the fact. That is great. That is the democratic Cabinet. They have that kind of system over there in eastern Europe. Are you suggesting that we have it here? We never had an opportunity to discuss this question.

Hon. Mr. MacNaughton: It is so inconsistent, you know, it is not worth listening to.

Mr. Pilkey: Well, you may call it inconsistent. You have not given any answers anyway.

Hon. Mr. MacNaughton: You have taken two reverse positions in the last two minutes.

Mr. Pilkey: I have not reversed any positions. I said there are two things you have not done. You have not discussed it with the members of the CSAO; they have had no opportunity to discuss any facts of this. And you denied the Opposition the right to debate it in this House. You did those two things.

Hon. Mr. MacNaughton: That is what I mean. How can you have those two positions at the same time?

Mr. Pilkey: Well, why could you not discuss it?

Hon. Mr. MacNaughton: You criticized us for not discussing it with the rank and file. I would say that is the function of the leaders; I assume that they do that. Then at the same time you want to discuss everything that is to be done—proposed to be done—all over again in here.

Mr. Pilkey: Certainly.

Hon. Mr. MacNaughton: You want to do that over the heads of the union.

Mr. Pilkey: Not over the heads of the union. I say this needs to be a simultaneous thing. It could be discussed with the rank and file on the proposals that you make, as well as with the Opposition in this House.

Hon. Mr. Grossman: What kind of bargaining would that be?

Mr. Pilkey: It is not a question of bargaining. No bargaining took place on this question.

Hon. Mr. MacNaughton: The bargaining will now take place.

Mr. Stokes: What kind of red herring is that?

Hon. Mr. MacNaughton: This is not the bargaining. This is Judge Little's report.

Mr. Pilkey: Oh, I recognize that is Judge Little's report.

Hon. Mr. MacNaughton: The bargaining now starts.

Mr. Pilkey: Well the bargaining did not start on this document; you just implemented it holus-bolus. On the whole question of recognition, there was no chance for any other organization. You provided the recognition by statute in this province; you provided the maintenance of membership provision in this province without any negotiations whatsoever with anyone. That is the point I am trying to make.

Mr. MacDonald: You got the report you sought and now you are rushing to implement it.

Hon. Mr. MacNaughton: Oh, no. There are lots of negotiations to take place yet—much negotiation to take place.

Mr. Pilkey: This government is the one that is always talking about the democratic process. You allege you are standing by all the democratic procedures that give people an opportunity to have a voice. What did you do here? In a very sneaky fashion, in my opinion—on the last portion of the regulations, you said:

> Subject to subsection 4, the deductions referred to in this section shall be remitted to the Civil Service Association of Ontario and shall be used only for the purposes directly applicable to the representation of Crown employees and shall not be used for activities carried on by or on behalf of any political party.

Hon. Mr. MacNaughton: Exactly.

Mr. Pilkey: Well, is it not fair to say that employees ought to be able to make a democratic decision in this regard as to what they want to do?

Hon. Mr. Grossman: Working for the government?

Mr. Pilkey: I do not care who they work for. It is their money.

Mr. MacDonald: Second-class citizens!

Mr. Pilkey: Right. That is the problem.

You see you want to treat the private sector differently than you do the public sector. The Minister of Labour stands up and says we want to treat them as equals. As a matter of fact, the hon. Provincial Treasurer has made the same statement, that he wants his public employees treated as equals to those in the private sector. And yet you find they cannot even make that democratic decision. Is the government scared they might make the decision to support some party other than the Conservatives? Is that their fear?

Hon. Mr. MacNaughton: There are no restrictions on that now.

Mr. Pilkey: There is with the civil service employees.

Hon. Mr. Grossman: The civil servants support the government which is in power at that time.

Mr. Pilkey: Well, why put this section in then? Are you concerned about it?

Hon. Mr. Grossman: That is to assure them.

Mr. Pilkey: Oh, you want to assure them? I see. That is different.

Mr. Stokes: There is nothing that says they have to support the government in power.

Hon. Mr. Grossman: I am not talking about at the ballot box. I am talking about their employment.

Mr. Pilkey: Well, in their employment, obviously every employee has some loyality for whom he works, but surely they have the right to make the democratic decision as to who they want to support. And here we find the government denies it.

Mr. Peacock: They will turn into informers if they do not get it.

Hon. Mr. MacNaughton: The member is entitled to his point of view. I do not agree with it. It is as simple as that. Go ahead, I want to hear it anyway. I just do not agree with it, and I never will.

Mr. MacDonald: Oh, that we suspect.

Mr. Pilkey: You may not have the decision with you forever. Remember that, too.

Hon. Mr. MacNaughton: It is a long time.

Mr. Pilkey: Well, we will take our chances. I just want to conclude by saying that I heard the member for Eglinton about a year ago make a tremendous dissertation on freedom of choice for the individual. It would be very interesting to hear what he has to say about this.

Hon. Mr. MacNaughton: If he has anything to say, he will say it.

Mr. Pilkey: Right. But the freedom of choice has been denied.

Mr. V. M. Singer (Downsview): That is not the kind of freedom of choice you are—

Hon. Mr. MacNaughton: It is not quite the same.

Mr. Pilkey: Oh, yes, freedom of choice has been denied. Well, maybe not in a political way, but in terms of freedom of choice to join an organization of their choice. That is the point I am trying to make. And we heard —for an hour and a half—the member for Eglinton stand up in this House saying that workers have been denied the freedom of choice.

Mr. Singer: I got the impression the member did not agree with him at that time.

Mr. Pilkey: And I do not agree with him now.

Hon. Mr. MacNaughton: The member for Downsview is so right.

Mr. Pilkey: But nevertheless, it appears to me that—I want to say in conclusion, sir, that the government has instituted a double standard as far as the employees in the public sector are concerned, and that this government has not given the same right as a great number of the employees in the private sector have.

Mr. Gisborn: May I ask a question of the Treasurer before—

Mr. Chairman: Well, the hon. member was speaking, I know, just a short while ago. I do not want to restrict him. Just a moment?

Mr. Gisborn: Is the hon. Treasurer aware whether or not the civil service association has a functioning constitution?

Hon. Mr. MacNaughton: Have a which?

Mr. Gisborn: A constitution?

Hon. Mr. MacNaughton: Yes.

Mr. Gisborn: I tried to obtain a copy and I cannot find one anywhere.

Hon. Mr. MacNaughton: They are incorporated.

Mr. MacDonald: They have a constitution?

Hon. Mr. MacNaughton: As far as I am aware, they have.

Mr. MacDonald: Will the Treasurer provide us with a copy?

Hon. Mr. MacNaughton: Have you asked them?

Mr. Gisborn: I have inquired and the best I can get is that they do not exist.

Hon. Mr. MacNaughton: That has been pointed out to me, and I think it is quite correct. They have been recognized under The Labour Relations Act and certain certification proceedings. I do not think they could be without it.

Mr. Gisborn: How do they function as an organization, as the civil service association? How do they spell out their method of election of officers and set up—

Hon. Mr. MacNaughton: Constitution, by-laws, everything. Sure.

Mr. Pilkey: Could I just make a comment in that regard? I hope their constitution is a little more enlightening than the one that the—you recently signed an agreement with the LCBO on September 15, it is not two months ago—and I hope their constitution is a little better than this.

Just let me read you one paragraph:

> To be eligible to be nominated or elected president, the candidate must have served a minimum of two years on the executive of the association and be a full member of the association.

In other words, if they have a 10-man executive, the only guy that can run for president is one of those. Nobody in the rank and file can run.

Hon. Mr. Grossman: Did not the hon. member tell us to keep our hands out of the unions' internal matters?

Hon. Mr. MacNaughton: It is our business.

Mr. Pilkey: It is a matter of fair constitution. I just illustrate—

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I would like to get in on this Civil Service Association discussion for a few minutes. Annually, I have got to my feet in my place to discuss the problems that the employees of the Niagara Parks Commission have had to contend with over the years, and I am glad that the chairman is here. I want to first put on the record that I have not been approached by any employee of the park. I have not talked to any of the employees for quite some time—yes, a couple of years—about their problem. But I have argued in this House on occasion that when Civil Service Association, Branch 74, the parks commission—I think I remember the branch number properly because I had some dealings with them before—they had an opportunity to discuss their problems and their bargaining with the parks commission. Some of them paid dues and nobody had an opportunity to talk to the boss. That problem has been, I understand, settled. Since the new chairman is there—I speak of the hon. member for Haldimand (Mr. Allan)—I understand that on occasion in the past couple of years that you have sat down and talked with your employees about their working conditions.

The problem, Mr. Chairman, and I know, is that the man that I am speaking to, the Minister that is responsible for this particular estimate, has no knowledge at all about what I speak. Again, as I said about Hydro the other day, here we find ourselves in this position, Mr. Chairman, where we cannot speak about the estimates or the expenditures of a commission such as workmen's compensation, the liquor control board, the parks commission and the Hydro. And when we get an estimate like this where we have an opportunity to discuss the conditions under which people work in the Niagara parks, I think here is an opportunity to get some answers because as I said before—and I want this very clearly put to this House—that no employees' position would be jeopardized by speaking to me about the conditions under which they work.

They did not do that. But I have remembered in the past, because I, too, sat on that commission for some six years. Men start to work some time in May to keep those parks clean and they are excellent workers, I might say. They find themselves in the position where they must work all holidays, Saturdays and Sundays. I think maybe—I would like to ask through you—maybe to the Chairman, when the Civil Servants Association has a union formed with regular employees. The spare time employees such as the ones of which I speak—in the past many of these men did not complete enough hours in the summer to give them an opportunity to collect unemployment insurance.

I do not know whether that condition exists this season; whether there are men walking the streets after they worked for the park all summer and did not have an opportunity

to collect unemployment insurance because they could have maybe worked, as in other years, a couple of more weeks to get the necessary stamps into their books so that they can collect unemployment insurance. And I think this is unfair.

What I would like to know from the chairman, through you, is whether there are many of these people under these conditions that have worked this summer, who find themselves in this position. And if so, why the chairman and parks commission did not agree to keep them there long enough to give them the necessary stamps so that they can collect unemployment insurance at least, because many of these people know no other type of work. They are the best of gardeners. And, I want to know, also through you, Mr. Chairman, of this Minister, how many of these men work Saturday.

Mr. Gisborn: Wrong vote. You are out of order.

Mr. Bukator: Am I? Some days I am making a good point on behalf of the working man that is not getting too well paid.

Mr. Gisborn: Typical Liberal answer.

Mr. MacDonald: This is not part of the present estimates.

Mr. Bukator: I thought you were talking about the civil service association.

Mr. Chairman: I must point out to the hon. member that we are talking about the collective bargaining aspect only of the Civil Service. It is my understanding we have a Civil Service vote which does deal with arbitration.

Mr. Bukator: Is that not wonderful? I will get another chance to do this same thing over again. In the meantime, you can think about what I said. I am wondering whether these people—I suppose maybe I could finish and I will not be back on this subject. You do not mind for just another minute, and I may be able to complete this.

Mr. Chairman: Well, the hon. member takes up very little time in the House. I think you may proceed.

Mr. Bukator: Thank you very much. I am wondering how many of these people have to work Saturdays, Sundays and holidays because those parks have to be cleaned up. I understand that people take jobs under those conditions. Are there any of them getting at least time-and-one-half or double time for the work because they are not protected by that association? This is the question I would like answered.

Hon. Mr. MacNaughton: I may have to rely on the chairman to provide us with more details. Presumably you are talking about what would be designated as casual employees. I think the agreement with the Niagara Parks Employees' Association or whatever—CSAO—which was ratified two years ago, makes provision for employing a certain number of casuals. Now casuals do not have these rights, I guess it is fair to say. That is recognized and understood in most circumstances but for the—for more detail—I would like to rely on the chairman if he could provide it.

Mr. J. N. Allan (Haldimand-Norfolk): Mr. Chairman, I may say that in an operation such as the Niagara parks commission, which is a seven day a week operation, it is practically impossible, and particularly with casual workers, to have time-and-one-half for holidays and Sundays.

I should like to point out that the Niagara parks commission provides employment for almost 1,000 persons during the summer. Many young people who are in university today are there partly because of the employment that they have had. We endeavour to favour young people in that area.

We find that most of the men that have been referred to by the hon. member for Niagara Falls do work long enough to get sufficient stamps in their books to qualify for unemployment insurance, and I may say that I should like, while I have this opportunity, to express my admiration for these employees of the summer for the Niagara parks commission for the splendid job they do and for the contentment and satisfaction that exists in the employment. I so often admire the splendid service that these people give, particularly with their satisfaction of conditions there.

Mr. Bukator: Mr. Chairman, you could hardly say that this is casual work. When they start some time in May and they work throughout the whole summer and beyond Labour Day, seven days a week, that in my opinion is not casual labour. Now I am entitled to that opinion I think.

Mr. Allan: I should correct the impression that they work a seven-day week. They do not work seven days a week. They work a 40-hour week, but some work this weekend and miss the succeeding one. The employees who work on the Saturdays and Sundays are largely clerks and attendants at concessions,

not those who work on the grounds. They have a five-day week

Mr. Bukator: May I pursue this? There is just one more point, Mr. Chairman. If they work only 40 hours a week—as the chairman just said—if they work 40 hours a week, the old method that was used in that park where they worked all summer and all holidays did apply at one time. They could take the time off next winter because they worked extra hours in the summer and for that they were paid, I understand. That at least has been done away with.

Mr. Allan: To some extent.

Mr. Bukator: To some extent? I will check into this thing for my own information. Apparently I cannot get the information here that I want.

Mr. Chairman: Is there anything further on collective bargaining?

Vote 2409 agreed to.

Mr. Chairman: We shall now revert then, to vote 2402 which is the last vote in this estimate for this particular department. We do have a motion which had been placed before the committee for a voice vote. This is the end of these estimates therefore.

Mr. Singer: For a vote.

Mr. Chairman: And the voice vote was challenged. Therefore we have a division coming up at this time.

Mr. Singer: I was anticipating what you did this afternoon.

Mr. Chairman: We are operating under the new provisions and we have consent of the House to defer the division until the completion of the estimates.

The voice vote opinion of the Chairman has been challenged, therefore call in the members.

Mr. E. W. Sopha (Sudbury): Can I ask the Chairman a question?

Mr. Chairman: Just hold it.

Mr. Sopha: Could I ask him a question? I have often wondered—and this will elicit, I am sure, a brief response—in regard to the 28 per cent of the income tax that we get from Ottawa, whether the provincial government takes any interest at all in the method of collection of it? Do we make any representations to the federal government or do we leave it, so far as problems of tax evasion and tax avoidance are concerned, do we leave it entirely to the federal government?

Mr. Chairman: With respect to the hon. member, the votes have been carried. We are dealing only with the regional development, and that is the matter, so—

Mr. Sopha: They have not been carried.

An hon. member: Sure they have.

Mr. Sopha: They have not been carried at all.

Mr. Chairman: Call in the members.

Mr. Good has moved that vote 2402 be reduced by the sum of $12,000.

Those in favour of Mr. Good's motion will please rise.

Order.

Those opposed will please rise.

Clerk of the House: Mr. Chairman, the ayes 33, the nays 43.

Mr. Chairman: I declare the motion lost.

Vote 2402 agreed to.

Mr. Chairman: This completes the estimates for The Department of Treasury and Economics.

ESTIMATES, OFFICE OF THE PROVINCIAL AUDITOR

On vote 1601.

Mr. Trotter: Are you continuing on?

Mr. Chairman: Not if the vote is carried. Is there debate on the department?

It being six of the clock I do now leave the chair. We will resume at 8 o'clock.

It being six of the clock, the House took recess.

APPENDIX

EXPENDITURE ESTIMATES 1969-1970 CLASSIFIED BY STANDARD OBJECTS

	Salaries	*Travel*	*Maintenance*	*Grants*	*Unemployment Insurance*	*Workmen's Compensation*	*Reports and Publications*	*Advertising, Films, Displays, Broadcasting and Promotion*	*Exhibits, Trade Fairs, Missions*	*Conferences and Conventions*
Agriculture and Food	$ 14,531,500	$ 1,465,000	$ 5,412,600	$ 25,121,400	$ 8,000	$ 30,000				
Attorney General	64,369,800	1,896,300	9,675,900	8,442,700	12,000	8,000				$ 7,000
Civil Service	1,878,200	74,000	192,100				$ 70,600	$ 107,000		
Correctional Services	29,563,000	512,000	12,147,000	4,074,000	15,000	77,000				
Education	30,662,000	1,618,000	7,459,000	737,440,000						
Energy and Resources Management	8,766,700	827,000	2,002,300	13,407,500						
Financial and Commercial Affairs	2,709,300	143,000	424,100	35,600						2,000
Health	123,351,100	909,400	30,986,700	198,452,700	35,000	300,000				
Highways	27,894,000	2,604,000	3,495,000	168,936,000	120,000	300,000	163,000	170,000		
Labour	8,455,000	1,042,000	1,640,000	156,000	3,000	12,000				
Lands and Forests	35,498,000	1,496,000	13,173,300	390,700	110,000	198,000				
Lieutenant-Governor	19,000									
Mines	3,090,400	156,700	1,339,400							
Municipal Affairs	8,873,500	552,500	3,008,500	190,814,500						
Prime Minister	330,900	18,500	32,500							
Provincial Auditor	838,000	20,000	30,000							
Provincial Secretary	3,031,100	38,600	669,300	24,500						
Public Works	10,904,500	263,300	448,700	79,000	78,000	115,000			$ 441,500	
Revenue	9,753,000	519,000	1,304,000							
Social and Family Services	8,889,100	824,000	890,000	253,405,900						
Tourism and Information	6,009,000	289,500	3,994,000	265,500				42,000	1,000,000	
Trade and Development	2,527,400	343,000	1,348,100	10,556,500	2,000			815,000	2,165,000	
Transport	8,720,500	316,500	1,576,000	765,000	8,000			436,000		
Treasurer and Economics	4,809,000	160,000	892,000	2,341,000	6,000		50,000			80,000
University Affairs	786,000	58,500	360,000	364,249,500						
Total	$416,260,000	$16,146,800	$102,500,500	$1,978,958,000	$397,000	$1,040,000	$283,600	$1,570,000	$3,606,500	$89,000
% of Total	12.3	.5	3.0	58.7	.01	.03	.01	.05	.1	

EXPENDITURE ESTIMATES 1969-1970 CLASSIFIED BY STANDARD OBJECTS

	Royal Commissions and Special Committees	*Training and Development*	*Data Processing*	*Buildings, Works and Lands: Repairs, Maintenance, Operation and Acquisition*	*Buildings, Works and Lands: Rental*	*Equipment: Purchase, Rental, Repair*	*Pensions Superannuation, Employee Insurance, C.P.P. and Fidelity Bonds*	*Other*	*Research*	*Total General Expenditure*
Agriculture and Food		$ 9,880,000	$ 31,500					$ 150,000	$ 35,000	$ 56,665,000
Attorney General	$27,000	41,000	65,500			$ 4,454,300	$ 30,000	2,250,500		91,280,000
Civil Service		408,100	50,000							2,780,000
Correctional Services								46,000		46,434,000
Education		3,777,000	1,963,000					77,827,000		931,419,000
Energy and Resources Management			114,000					367,500	35,000	25,520,000
Financial and Commercial Affairs							70,673,000		110,000	3,424,000
Health			1,616,000					16,299,100		371,950,000
Highways			1,945,000	$192,039,000		5,208,000		80,293,000	150,000	483,317,000
Labour			119,000					10,818,000		22,245,000
Lands and Forests		1,466,000	150,000	10,932,000				1,660,000		65,074,000
Lieutenant-Governor								20,000		39,000
Mines				2,250,000				37,500	54,000	6,928,000
Municipal Affairs			12,000					60,000		203,321,000
Prime Minister								100		382,000
Provincial Auditor										888,000
Provincial Secretary			37,000					3,407,500		7,208,000
Public Works			10,000	49,906,000	$ 9,252,000	1,971,000		7,776,000		81,245,000
Revenue			395,000					30,000		12,001,000
Social and Family Services		483,000	5,000					192,000	100,000	264,789,000
Tourism and Information			20,000	656,000				234,000		12,510,000
Trade and Development			15,000					903,000		18,675,000
Transport						454,000		1,897,500		14,173,500
Treasurer and Economics	50,000		660,000				33,822,000	241,431,000	132,000	284,433,000
University Affairs			62,000					332,000		365,848,000
Total	$77,000	$16,055,100	$7,270,000	$255,783,000	$9,252,000	$12,087,300	$104,525,000	$446,031,700	$616,000	$3,372,548,500
% of Total		.5	.2	7.6	.3	.4	3.1	13.2	.02	100.

No. 208

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 6, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 6, 1969

The House resumed at 8.00 o'clock p.m.

ESTIMATES, OFFICE OF THE PROVINCIAL AUDITOR

Mr. Chairman: On vote 1601.

Mr. J. B. Trotter (Parkdale): Mr. Chairman, I would just like to make a few brief remarks regarding the Auditor's report.

There was one reference made in the report, on page 20—when they talk about a continuous post-audit of the revenues of the province; and I was wondering, to start off, if the Treasurer could tell me what they mean by the post-audit; we have criticized these reports over the years because you have only the pre-audit. Now, how is it they are now using the term, "post-audit"?

Hon. C. S. MacNaughton (Provincial Treasurer): For revenue it is a post-audit. You cannot audit revenue until it is in, you know.

Mr. Trotter: You may recall that over the years some of us have said that the accounts of this province should always have a post-audit, and of course, I know the Auditor and the Treasurer, when we have been before the public accounts committee, have said that the way we do things in the province is the proper way. Along came the Smith report, and it again took up this matter, saying that a province should have a post-audit—and rather criticizing the way we kept the books. And then they selected a committee which met a year ago last summer. And again, despite what the Treasurer has said about the way they audit the accounts in this province, the select committee agreed that there should be a post-audit of the accounts. Now, is it the intention of the Treasurer to change the way of keeping the books and have a post-audit?

Hon. Mr. MacNaughton: I do not know that the audit procedure has any material bearing on how the books are kept; that is just the related time of the audit. I might say that the government is trying to accept the advice of the Provincial Auditor up to this point. This will be within the terms of references assigned to the productivity improvement project, and a number of other related matters. But up to this point, we recall the admonition, if you like, of the public accounts committee and then we get the advice of the Provincial Auditor. However, we will directly suggest that the steering committee pursue this matter in detail.

Mr. Trotter: I am just wondering, when we see on page 22 of the Auditor's report an item such as—I am quoting:

> "The Treasury Department purchased about 10,000 sets of the report of the Ontario Committee on Taxation at a cost of $91,271. Arrangements were made with the Queen's Printer to print copies of the report to sell at a price of $15 per set. At March 31, 1968, approximately 7,000 sets were still on hand. It is doubtful that these will be disposed of as demand for this report has not been as great as anticipated.

In answering this question, the Minister might tell us, Mr. Chairman, what has actually happened to those reports?

The thing that always surprises me is that despite the great sums of money that are spent by this province, items like this very seldom appear. Was it that the auditor has found that maybe something has been ordered? In comparison, the federal government's Auditor General is always showing the figures to the public even if their committee on public accounts never gets around to it. At least, the Auditor General is showing a number of things that the federal government does wrong. We would like to believe that everything in this province is so well run that we just do not make those mistakes, and that federally, they do.

I am not one of those who believe that, because the Auditor General found things were misspent no matter which political party was in power in Ottawa. So I would like to ask the Treasurer two questions: What did he do with these reports mentioned on page 22? And what is his explanation that our Auditor never seems to find anything very wrong? And please, in that second question, do not give me a political answer.

Hon. MacNaughton: I will not, because you gave a political answer to your own question. You gave a good answer. The Smith committee report did not turn out to be the best seller that we had hoped it would be. Whether the price we put on it, which was to recover the cost, was too high or not, I cannot tell you. Actually there are not too many left. When they were not moving we decided to distribute them to universities and libraries. Repositories of that kind across the country were given a free supply. I wish I had the list of the places where we sent them at no charge but they were obviously not doing any good lying in the corridor where they were gathering dust, so I thought somebody might as well have the use of them. I do not think there are many left now. But there was not a large demand for them. We over-estimated the demand.

Now as far as the other and more general question is concerned, I cannot say I am fully aware of the extent of the Auditor's activity. He is, to my knowledge and awareness, on the job constantly. I receive annual reports from him of every agency and commission. These statements go over my desk in an almost constant stream depending on the fiscal year end of the corporations. All of which, to some extent, leads me to believe that the on-going process of a pre-audit can often pick up things and regularize them before they become the problem that can be revealed only in a post-audit—after the fact, if you wish.

So the pre-audit function goes on either under the direction of the Provincial Auditor, but mostly, if not always, the departments have an internal auditor of their own whose procedure is supervised by the Provincial Auditor. This is an on-going process, and I say to you, Mr. Chairman, that this is one thing that recommends a pre-audit to me because it is a continuing thing. It goes on all the time. Errors of scale cannot develop as fast.

Mr. Trotter: Do you know of any business firms that keep their books that way?

Hon. Mr. MacNaughton: I know that a business firm that I was quite actively identified with myself had both a pre- and a post-audit. It had a pre-audit going on every month but we also had a post-audit. Now, when you say, post-audit, that particular function is carried out by the Provincial Auditor. The annual statement, the abridged report, the figures you see in the public accounts book—all of this is put together in post fashion. It has to be, it cannot be otherwise. I would not want to see some characteristics of pre-audit disappear because it gives you the opportunity of continuing scrutiny. As I say many, many errors—of course errors are made, we do not make any plea for perfection in the keeping of our accounts. But when you are in a position to catch them you can adjust them before they become errors of scale. I think this is important to remember.

Mr. Trotter: I do not want to belabour this at length, Mr. Chairman, because this has been discussed before and I know that the Minister now has a committee that is going to look into the accounts. But I do want to emphasize that this is one of the few jurisdictions in North America, I think, that has this system. There is a debate on which is the better, but Mr. Smith in his report certainly left the opinion that there was much to be desired in the way we keep our accounts. Just for my general information, from making inquiries of some of the top accountants on Bay Street, they are quite surprised that we still do the things we do, and carry on in the manner in which we do. Even though our public accounts might show that we have spent so much money on a certain item, we have no way of knowing if it was efficiently spent.

We still do not know if there were horses on the payroll as they found in Ottawa on one occasion. That particular item may have been exaggerated, but it seems to me that it does not show, for example, items such as the federal Auditor General pointed out—the huge sums that were spent on the ship, *Bonaventure*, which evidently was a fiasco. I suggest this is bound to happen when government becomes as large as it has become, no matter how well meaning the Minister may be. I claim there are no checks, and I would seem to be supported, or the checks are not as good as they should be, and I seem to be supported on this by a number of people who know far more about the subject than I do.

Hon. Mr. MacNaughton: I just say this for the hon. member's information: Other than the federal government, there are only four provincial jurisdictions in Canada on a post-audit basis. Two of those within the last year.

Mr. Trotter: Yes, but they are switching over.

Hon. Mr. MacNaughton: Possibly they are, and possibly after the examination by the

committee that I referred to, we may make consideration of it. It is not a matter of any opinion one way or the other with me. I just say that as far as I am concerned I am satisfied that the Legislature is getting an honest accounting of the business of the government.

Mr. Chairman: On vote 1601, the member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I would like to inquire of the Provincial Treasurer: is the present office of the Provincial Auditor going to have anything to do with the government's interest in relation to the OHSIP-Healthco financial operation?

Hon. Mr. MacNaughton: Yes, the appointed auditor is the Provincial Auditor and any audit functions that are employed above and beyond that are by appointment of the Provincial Auditor. The whole audit function is under the supervision and direction of the Provincial Auditor and his staff.

Mr. Gisborn: I would like to inquire at this point, then, what preparations are being made as far as additional staff and facilities and so on?

Hon. Mr. MacNaughton: I am sorry, I did not hear you.

Mr. Gisborn: What preparations are being made at the present time for additional staff and facilities to handle the additional responsibility regarding the Healthco operations?

Hon. Mr. MacNaughton: The Auditor advises me that there have been no changes made yet, that they are not in a position to determine what their full requirements may be. They have not had a month's operation, and they just simply cannot measure it.

Vote 1601 agreed to.

Mr. Chairman: This completes the study of the estimates of the office of the Provincial Auditor.

ESTIMATES, THE DEPARTMENT OF MUNICIPAL AFFAIRS

Mr. Chairman: The estimates of The Department of Municipal Affairs; the hon. Minister.

Hon. W. D. McKeough (Minister of Municipal Affairs): A year ago from the point of view of the legislative timetable—I suppose it is something over a year ago in terms of months—in my estimates speech, I set before the House, I hope, some of the problems which the department and I saw facing our municipalities. This was a recognition, I hope, of the need for change perhaps in some of our traditional structures and outlooks and views, both on the part of the municipalities, municipal politicians, the municipal administrative staff, and indeed, on the part of government as well, at the provincial level.

Since that time, Mr. Chairman, a great deal has happened. We have had Design for Development, Phase 2; we have had the white paper; we have had a number of speeches containing regional government proposals, with other proposals for tax reform; we have had a good deal of dialogue, and I do not propose to rehash any of those things at this point in my opening remarks; in fact my opening remarks really are now concluded.

I think the stage was set a year ago and I think the estimates speech, if you will, has gone on continually since then. I only rise at this point to say what has been accomplished.

Mr. E. W. Sopha (Sudbury): It indicates that you are here.

Hon. Mr. McKeough: Right. What has been accomplished is not only due to the government, it is due to a very hard working staff from my Deputy Minister on down and I pay tribute to them particularly, tonight. I pay tribute to the help we have received from a great number of municipal leaders—elected and appointed—throughout the province, in making some very difficult decisions work.

I pay tribute to the co-operation we have had from a number of other departments of government. I think of Treasury, in particular, and the Treasurer (Mr. MacNaughton) himself, in setting the stage and working with us to try to make local government more effective, which each and every one of us hope can be possible. We are working together to try and make it more effective, stronger and more responsive to the people of the province.

I take pleasure then, Mr. Chairman, in introducing the estimates of my department.

Mr. E. R. Good (Waterloo North): Mr. Chairman, the immenent second reading of The Asssessment Act will now, it seems, be concurrent with the consideration of the estimates of The Department of Municipal Affairs, and so it is likely that next week

will be regarded as the main chance for looking into the assessment practices of the province as it moves, unwelcomed, into a field which has hitherto been rightly regarded as a preserve of local authority and a practical reason for local autonomy. The old adage: "he who pays the piper calls the tune," is beginning to apply less and less, and the resentment that this is causing is a very real thing indeed.

We have seen the first two regional governments and the Thunder Bay amalgamation come into being, or cut their teeth, since these estimates were discussed last year. I am happy to say that we have seen some slight increase in the Minister's understanding of people's sensitivities in regard to the way in which they are approached. As I was saying last night in the Estimates of the Provincial Treasurer, Mr. Nigel Richardson's methods in Haldimand-Norfolk are a great improvement over the bulldozing tactics that were employed in many other areas of regional government study.

At last, it seems, the phrase "participatory democracy" is beginning to be understood at 801 Bay Street, and it is a small but significant improvement over previous relationships that Mr. Richardson has an office in Cayuga and that he does his real work down there in the field and, I am told, effectively consults the local people at each stage of his survey. Since this may be the last occasion on which I shall be congratulating the Minister tonight, he may as well take his bow now, because the brickbats will follow in short order after this solitary bouquet. Let me temper my praise by saying that about a year ago in my Throne Speech I recommended that this be the format of the type of regional government survey that should be made across our province, and I am glad to see that this concept is now being utilized in the Haldimand-Norfolk study.

The fact that the Minister of Education (Mr. Davis) could not wait for regional government, but, instead moved ahead with the reorganization of school jurisdictions, has come home to roost, in many ways, to the Minister of The Department of Municipal Affairs, who must, after this year, forego the basic shelter exemption slush fund, and turn it over to the very man who pre-empted him, to finance the continued equalization payments for county school boards. This must be a bitter pill indeed for him to swallow!

So far as the homeowner and tenants are concerned, this will mean that even if the government does increase its participation in education to 60 per cent or more, on the average, it will just be giving with one hand and taking away with the other. It will be interesting to see by how much local property taxes are reduced as a result of this move. More importantly, it will be our duty to see that fairness and equity are preserved, and that the burden does not fall on those who can least afford to pay. We shall be expecting the Landlord and Tenant legislation before we go home for Christmas, and we shall expect the Cabinet to unite on the rental review board question, which will have increased urgency now that the basic shelter exemption is about to disappear.

This Minister, Mr. Chairman, will be judged by the attitude he has displayed towards local authorities, and towards local autonomy. In legal terms, and in an important constitutional sense, the municipalities are creatures of the province. This did not seem important until Metropolitan Toronto began to flex its muscles. However, as soon as that happened in a very real way, the Minister accelerated his programme of boxing Metro in, by the creation of regions around it.

Mr. Chairman, I personally want to predict tonight that the Minister will be forced to come to some accommodation, whereby the boundaries of Metro are extended beyond their present limits. We are concerned as the Opposition with the role of the Ontario Municipal Board in its inflexible relationships with municipalities.

What might apply equitably to a number of small municipalities might be regarded as an insult to a megalopolis the size of Metropolitan Toronto. There are cities and cities, and we cannot pour everything into a mould as the Minister of Education did with his county school boards.

This, of course, is what my leader was getting at when he expressed the view that the Ontario Municipal Board ought not to be able to reverse the city of Toronto's decision regarding the ward system. There are, I think, ten of us on this side of the House who favour the retention of the strip system. But the way that the block system came about was a reflection on the mature municipal status of the city of Toronto.

How to build flexibility of this kind into this particular department is a problem which the Minister has failed to meet head on. He either dodged this basic question, or he has bluffed his way out of confrontations with those whose only desire is to establish a new and more meaningful relationship of cities with the province—a relationship that will

serve them better for the needs of the seventies.

Let me give you a very good example of how we are not keeping up with reality in our relations with local government. During a recent session of the committee on commissions, last spring, the OMB chairman heard me expound the following philosophy, and his response was indeed very illuminating.

I pointed out that the quality of life in the municipalities in a great many instances depends on decisions made by the OMB. Therefore, in my view the OMB should be a mirror of the spectrum of people's concerns, and should certainly include such men as social scientists, social planners, municipal planners, whose field is primarily concerned with people and the quality of life in Ontario.

When I pointed out to the chairman of the board the large number of lawyers on the Ontario Municipal Board, his reply to me was that if he had his way, they would all be lawyers. This kind of thinking is not broad enough to serve Ontario's needs in the new kind of future we face.

Another inflexible area is that of planning, at least so far as the department is concerned. There is no doubt in my mind that the imaginative people seem to be out in the field at the moment. Guelph is a very good example. Here we had a new kind of plan filed with the community planning branch, which apparently was so nonplussed that people at 801 Bay Street were even at a loss as to how to react to it. Here was something out of a new age of planning.

The reaction, sir, was just the same as you get when you take someone who has been brought up all his life with the printed word and take him to a movie. He does not understand the new type of vocabulary.

Well, the grammar of planning is changing, the concepts of planning are changing and in my estimation the community planning branch looks too rigidly at an inflexible pattern set out on paper. That is not what planning is all about. Planning is a concept, it is creatively arrived at. The sooner the government grasps this fact, the sooner will the relationship between this department and the municipalities, who at present are loath to file official plans for fear they will be locked in, improve.

The Minister will not be surprised to find that this has brought me to the subject of Kitchener-Waterloo and that famous or infamous Fyfe report. But does he have any answer to the quandary my constituents find themselves in? So many of them are unsure of what is going to happen in this expanding part of Ontario.

No doubt they will be told what to do by Dr. Fyfe if he ever gets around to finalizing his report, and they will be told something else by TRW Systems Ltd. the firm of planning consultants that the Minister of Trade and Development has engaged in his OHC capacity.

Then there is the $800,000 Waterloo-South Wellington Land Use Study which must be considered in the background, is the weak voice of MODA, which we dismissed last night with faint praise in the Treasurer's Estimates.

All these forces are being brought to bear on the people of the region, and for one year and five months the commissioner has had the information and as yet, we have had no report.

What a shambles! This is when the absence of a master plan for Ontario really comes home to roost. Confusion like this is certainly going to be paid for in lost votes, and I believe that this is just one more example of all the factors that will combine to put this government out on the street in 1971.

The others, for the record, of course are Medicare, housing and rent control, centralized assessment (which is now very affectionately referred to by senior members of the department as Pato, Provincial Assessment Takeover—almost as good as PIP; and the appalling Hydro shortage which is going to hit us in the winter of 1970.

These major disasters will be accompanied by many minor woes, including, no doubt, the dropping of the regional development programme and the disbanding of the regional development councils. The people in those areas where regional government has been introduced will no doubt be in the painful growth stage where true costs are beginning to come home in the form of increased tax bills.

In the end it will be said that this was the government that died because it didn't know how to plan, and had no idea of creatively involving the people in the growth and development of Ontario.

The striking example of failure to appreciate the changes that are taking place today involves OWRC, and we shall get to this again in the estimates of the Minister of Energy and Resources Management.

But Government is indivisible, and just as the Treasurer found himself caught up in it, so the Minister of Municipal Affairs will

inevitably be involved with our criticisms of the antiquated regulations of OWRC, the OMB and the municipalities, whose hands are tied, and whose credit stunted, by their having to enter into 40-year agreements to get water.

If Hydro can work with the municipalities through the PUCs, on what in the end amounts to a cash basis, a trusting basis, then we fail to see why OWRC must insist on a municipality pledging its soul and its credit just to get the water that it must have to exist.

I know that the member for York Centre will have more to say on this next week, but I know that the feeling within our caucus is for an early change in the relationship of OWRC and the municipality, and we shall put Ontario's water system on a very different footing when we come to power.

Another matter which we intend to develop more fully in the votes is the question of municipal financing. One of the things that has been discovered in my area—and there is evidence that the same applies universally—is that ordinary people still have a great deal of faith in their local authorities, much more faith than the department in Toronto has.

This faith in their municipalities has been demonstrated in recent months by the people of Waterloo county. The Minister cannot fail to have noticed the success of the over-the-counter sale of municipal debentures. The city of Waterloo had no trouble in disposing of $230,000 worth; the city of Kitchener sold over a million dollars' worth; while Preston and Galt also disposed of debentures in the same manner.

Now, here is the interesting thing and I hope the Minister pays particular attention to this. All the short-term debentures were sold out the first day, but the long-term debentures did not sell so well. There is no doubt that people put their money where their heart is, but they also prefer short-term issues.

So the municipalities, in their own interests, ought to have the power to refinance at five-year periods, or ought to have the privilege of issuing extendable debentures. Under the Municipal Act as it stands at present, they can do neither of these things, and so a valuable new source of capital is cut off, even as it is just being explored.

The very existence of viable municipalities —the very quality of life in this province—depends upon the return of dignity and confidence to local government. We must recognize the ability of local people to handle their own affairs. There must be an end to the paternalism of The Department of Municipal Affairs.

Mr. Chairman: The hon. member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, during this past year, to give credit to the part of the administration dealing with this particular subject of municipal affairs, there have been some very exciting events. I think all of us were delighted with the way in which the new Minister began to tie into the problem of regional government and to face up to the necessity of a new kind of regionalism and a new power and function for municipalities in Ontario.

Some of us were privileged to attend some good meetings where discussions were held, where announcements were made, and where new undertakings were embarked upon. So we congratulate the Minister and his staff upon the achievement of the past year. I think it has been an achievement which has some marks of real progress, an achievement upon which they should be congratulated.

There are a couple of matters which I want to talk about for some time tonight. I hope it will not be for too long, Mr. Chairman, but I want to have a word to say on the problem of the cities in our civilization.

We have heard a great deal about that word megalopolis in recent months. It is defined as about 15 million people strung out in a series of metropolitan regions with very, very high economic activity, where productivity is at a peak.

We find that here in Toronto, and in southern Ontario, we are in the heart of one of those great units of dynamic growth and very large population.

I have a copy of a speech made by Mr. Kirkup, the public relations director of the Toronto Real Estate Board in Feburary of this year, and he makes this statement:

> Toronto is the centre of the world's fastest growing megalopolis stretching down the Great Lakes and the St. Lawrence Seaway to Chicago.

The other three, of course, which are generally recognized are the Boston-Washington complex, the Los Angeles-Vancouver one and the Tokyo-Yokohama one.

This speaker pointed out that Toronto is the heart of the most dynamic megalopolis in the world, and he goes on in a speech which

might well be a political speech at this time of year:

> Metro produces more new industrial development—about six to eight million square feet of manufacturing and warehousing space per year—than any other metropolitan area on the North American continent. Metro has the highest per capita construction expenditure in the world. Metro issued $900 million in building permits last year, second only to New York City. Construction was started on 38,000 new housing units in the Metro region in 1968—about 19 housing starts per thousand population. This is three times the rate of residential development in New York, Chicago or Los Angeles. In short there has been more physical growth in Metro in the last 10 years than in the previous decade ending in 1958.

It might be Mayor Dennison making a campaign speech at this particular time.

Hon. S. J. Randall (Minister of Trade and Development): Amazing. I have been saying that for years.

Mr. Young: All right. Now this is true, and I bring that before the Minister tonight to point out that the city is becoming the centre of our civilization. We are told by the same speaker that very soon eight out of 10 Canadians will live in big cities; with one out of three in Toronto, Montreal and Vancouver by the year 1980. Added to this, is the statement by J. R. Smith, the chairman of the Canadian Economic Council, who points out that in Canada we still have the opportunity to evade the mistakes made by other sections of these megalopolises, in the United States, and other places where some pretty serious inner-core developments are taking place.

He said we still have low densities and more options for alternative future vote patterns for our cities than is the case for some other countries. But our cities are growing with striking speed, faster than most cities in the United States, and very much faster than those in almost all other industrially advanced nations in the world.

And then Mr. Smith goes on to point out that so far, Canadians by and large tend to think of the open frontiers, the great land space we have, and it is certainly true of our advertising in Europe when we are looking for immigrants coming in here. And we think that these great open spaces of mountains and valleys and lakes and rivers and woods—space in this concept—is still true of Canada.

We have the space, but there is another fact that is emerging, and Mr. Smith sums it up this way:

> Most Canadians now live in another and very different Canada, in crowded and congested cities, and most Canadians now work in other and very different industries and occupations—mainly in the service industries.

Canada is now in fact one of the most highly urbanized countries in the world. Over the past two decades urban population has grown about half again as fast as in United States. And there is around twice the rate of growth experienced in many of the industrial countries of western Europe. By the end of the century, it is estimated that nine out of every 10 Canadians will live in an urban area. This in spite of the great space we have.

Seven million—7,000,000 the authorities tell us—will live along the north shore of Lake Ontario.

This points out one striking fact. A fact buttressed by the application yesterday of the railways to discontinue their passenger services across the country. Time was when the frontier was out there some place in the rural hinterland and people who were seeking new horizons, went for open land. "Go west young man" at one time was the advice in both this country and the country of the southwest. The young people in vast numbers moved to the frontiers, the rural frontiers of this great land.

The railway lines and the passenger trains played a great part in developing this kind of a frontier. But now things are changing. The CPR says it no longer pays to run these passenger trains, although freight is still a lucrative business.

Now new technology is building a new frontier, the frontier that Mr. Smith calls the "frontier of technology," and that is located in the cities. So now the migration is back out of the rural areas, as agricultural production goes up with less and less manpower and more and more machinery.

The landscape and the countryside are being denuded and the young people are now flocking into the cities, into the new frontiers of technology. That is where the excitement is today. That is where the progress is centred, that is where the new discoveries are being made and the great advances of civilization are taking place. And while this is true, something else is happening. What I said a while ago about the growth of our great urban centres leaves something unsaid, because the standards that were set by the

spokesman of the real estate board were standards of quantity. He says we are producing more buildings, more motor cars, more machinery, more sophisticated equipment, more houses, more of this, more of that, more things; but what we have failed to do while we were building these things in our civilization is to build real quality into those cities.

So we built buildings. Sure, we did some planning but our emphasis was that of putting certain types of buildings on a certain kind of land. And because land was expensive, because we always hesitate to think in terms of public ownership of land except in the arteries leading to the private land, land cost moved up. Because land was so expensive our tendency was to cover that land, almost every inch of it, with buildings. We forgot that cities need lungs and open space, breathing space, parks, playgrounds, places where people could go from the buildings at noontime and have some fresh air and sunshine and do a little bit of walking and just plain loafing.

We forgot, in heating our buildings, that the smoke coming out of those buildings was polluting all our air and creating hazards there. Then as we built our streets and filled them with transportation facilities called motorcars, we forgot about the pollution that those motorcar engines were causing. We called that "progress" and forgot the by-products of the progress.

And then we saw as we spread our cities out, the choking of the arteries of transportation. We failed to build the transit lines to move people more quickly than we are moving them. Then we pour the waste from industry and from our municipalities, from our new burgeoning cities into the rivers and lakes. We did not adequately treat our sewage so we began to poison our rivers and our streams and our lakes.

And Smith ends it up like this. He says:

> There has long been widespread concern about the mounting deficiencies in our cities and heavy lack of essential improvements. Shortages and inadequacies of urban housing, traffic, transport problems, air and water pollution, a confused jumble of conflicting land uses, decaying neighbourhoods and monotonous suburbs, urban poverty and social disturbance, steadily rising property tax burdens and the frustrations of municipal administrations.

These are familiar problems to the average Canadian city dweller today. Here we have the contrast. On the one hand ideas of great progress, the building of buildings, the piling up of the megalopolises. The contrast is a lack of proper services of all kinds: places for people to live adequately, places where they can play and breathe, adequate inter-urban transport system—all these things which we forgot about and which we have to look into at the present time.

Something else has happened today. People no longer are willing to tolerate these conditions. And everywhere and on every side we are hearing more and more about the need to clean them up and to build greater quality into our city situations.

Patrick Brady in a speech—this is not our Patrick Brady I am speaking about, he was I think from Missouri, actually the budget and systems officer in Kansas City in Missouri. Speaking to the Municipal Finance Officers Association in Toronto, this year—he pointed out that the unrest today in our urban centres, and he was speaking particularly of the United States centres, but it is also true, as we have seen, in some of our own cities in Canada. He said that,

> The dynamic is being created by rising expectations among our people, a dangerous chemistry that begins with the ferment of hope and can end in the explosions of wrath.

These things are working in the United States cities today, and the reason for these rising expectations, of course, is because we now know the capacity of our nations to generate things. We also know that we have the technology to generate quality. And what Mr. Brady said was this:

> A truly massive revolution in communications has put classes and nations within sight and sound of one another. These existing confrontations have the power of dissolving or weakening social patterns that have endured for centuries. Change begins to seem possible to people, then desirable, then mandatory, then explosive.

That, of course, is what we are now seeing the beginning of in Canada, and we have seen it to a greater extent in the nation south of us. Because of our capacity to generate progress and generate quality, people no longer are willing to accept the kind of cities that we have been building. We have a nation which today, is generating a gross national product of about $70 billion. That is an average of about $15,000-plus

for each Canadian family. That is our productivity, and with that kind of productivity people just will not believe that we cannot build, or rebuild our cities to make the quality of human life achieve the standard of success, or rather the value of the things that we put into those cities.

You see, people have been conditioned recently to think that technology can solve almost any problem. We have put men on the moon. All right, a civilization that can land men on the moon can do a lot of things, and so our people just will not believe today, they just will not believe, that we cannot solve the problem of housing in our cities. They just will not believe this, we have the technology to do it.

They do not believe that we cannot build a motorcar engine, or a motorcar which will not pollute the atmosphere in the streets where it runs. They just do not believe, that we cannot build incinerators, for example, for apartment blocks, or great office buildings, that do not produce smog in the volume they do today. They just do not believe that we cannot build traffic transit lines which can move our people quickly and easily from one end of our great cities to the other.

There is just no willingness on the part of people to accept any longer this idea that, "oh yes, sure, this may be done when we achieve the technology some day in the future, but in the meantime we have to put up with this kind of thing."

All that we need to do today with the technology we have is to apply the needed resources to the problems. But, somehow or other, we have not reached the place where governments like the government of Ontario, or of Canada, are willing to face that fact.

You know, we have had, in the province of Ontario, up to the present time, and still have, a rural oriented government, inclined to think that the cities are an intrusion into our civilization and we still hark back to that open space, and all that that means. We like to have our back gardens, I do, so many of us do.

We cannot think in terms of apartment dwelling, we cannot think in terms of crowding together in the way cities do. Perhaps if we could apply some of that rural thinking to our planning and open up our cities a bit, with a bit more space, there might be far more sense to it. But, let us remember, today, that the country area and the city, are inextricably bound together. We cannot separate them any longer.

The city becomes the service area for the country with the high speed highways we have. They become the places where even the rural people look for the services they want, and, of course, the cities are dependent upon the foodstuffs produced outside, and in the cities those foodstuffs are quite often processed and marketed.

And so, today, what we face is an application of greater resources to the growing cities, the burgeoning cities, the cities that are going to be so vast in such a short time. We have to start now, to apply real planning to these growth areas so that we are going to evade the mistakes of the older cities and rebuild where we have to, in the central core of the cities that do exist. We have got to have the rapid transit, we have got to acquire land so that we can plan decently, and we have got to think about the kind of rebuilding and renewal that must take place.

But, we are up against the problem of resources, and no city in this province—and I am thinking of this province particularly, but it is true across this country—has the fiscal base today, it just does not have the resources because it has not been given them by upper levels of government; it has not the fiscal base and the resources to do the job that has to be done, to make it a viable centre of population built for people.

So, the provincial and the federal governments just have to move in with those resources.

I have attended quite a few conferences over the past year and this has been the refrain of every conference, that federal and provincial authorities must face up to this issue and realize that the present tax base of the urban areas can no longer suffice and that more resources must be brought to bear to this problem.

I do not know what the general idea of the federal government is, at present time, in freezing urban renewal and making housing difficult. I presume what they are trying to do is to evolve some great master plan that will solve the problem, but it seems to me, Mr. Chairman, that what they are attempting today, is to find some new solution under the present system of private ownership of land, of the private construction of buildings and of the so-called free enterprise system.

What they refuse to face is the fact that this system of providing homes for our people and building our cities has become bankrupt, and they are never going to find that solution they are looking for, within that framework, within the province itself, if we are going to build the municipalities we have to have and the cities we have to have. I think, again, that the foundation tax plan that we have outlined in this party, and which the Minister, I think, has been looking at and studying, that foundation tax plan, becomes more and more mandatory, with the passing of the days, because we are just not going to get out of this box in our cities unless the foundation tax plan is worked out.

Then we also have to think of business methods for our municipalities. You know, so often we think of debt as a bad thing, but our big corporations do not think of it that way. A corporation that needs money for development will float a bond issue, pay the interest on that bond issue and as long as it creates the assets to correspond to it, no problems ensue. Yet, we have always looked upon debt for municipalities as a sort of thing that should not occur beyond a certain limit, even though they had the assets there.

So, I say to the hon. Minister that it is high time that we began to think in terms of making it possible for municipalities to borrow more funds to achieve assets. And I am thinking of land particularly. Already the hon. Minister of Trade and Development is doing this for his housing. He is acquiring land in large measure to build houses for people. But the municipalities still are held to a fixed limit of debt, a rule of thumb the OMB has established.

If we could do what other nations are doing, and set up a municipal bank, a municipal loan fund, call it what you will, then it would make it possible for municipalities to go in and buy land in key areas for planning, particularly around the periphery of the cities where they are going to expand and where they want to control development. You see, that is not debt, dead weight debt in the old sense, because when they buy land at any time even though some of it may be used for parks and public purposes, there is always enough there as assets for the future. Rising values will increase the asset as the years go by.

So, even though municipalities may go into rather heavy debt to buy land, as so many of the European municipalities are doing today and have done for generations, this is not a serious problem. It is an asset which these cities can buy, but they are not going to buy it until we make it possible through a municipal loan fund to do the job. This has to happen.

I have here a decision of the Ontario Municipal Board which is rather interesting. It is signed by J. A. Kennedy, chairman. And he says this, when he is talking about the lack of ability to plan because land is not available.

> The board can find little merit in this contention because the Legislature has given municipalities power to acquire lands at reasonable prices which are necessary for redevelopment. While indiscriminate expropriation is certainly not to be encouraged, nevertheless it would appear to be proper and perhaps it is the duty of councils to use this extraordinary power in any case in which they would find land speculators, through attempts at profiteering, to be delaying orderly development.

Mr. Kennedy sent this to me because I had raised this whole question of municipalities acquiring land. He said they have the power to do it today, even though they do not, and he sent this to prove his point.

But the problem always is that this debt limitation, which even the Ontario Municipal Board places, is something which handicaps the municipalities.

I find this in the *Ontario Economic Review* of October, 1967, and I presume this was sanctioned by the hon. Minister of Trade and Development. In words:

> . . . the council recommends that the federal sales tax on building materials be revised . . .

That is one thing—

> . . . and public authorities acquire land for residential use in ways that would prevent rising land prices.

Now that is the recommendation, I presume, of the Minister and I call it good advice being offered to us.

Mr. V. M. Singer (Downsview): What are those ways?

Mr. Young: Well, we will have to ask the Minister those questions a little later and perhaps through him—

Mr. Singer: But if you are commending it, I would like to know what they are.

Mr. D. C. MacDonald (York South): Why does the member for Downsview not make his own speeches?

Mr. Singer: I will, but I am curious.

Mr. Young: Okay. One of the ways I have already outlined, if the member was not listening, if we can acquire land outside the developed area of the city at low prices, then we have control and we can plan. We can hold the price line by putting land on the market at reasonable prices. We can at least in that one way—and the hon. member asked for one. This is one way we could accomplish this result.

Mr. Singer: The only fault is that land outside the cities is not easy to acquire at low prices.

Mr. Young: Well, for relatively low prices, let us say, at the present time.

Mr. MacDonald: Do not get derailed.

Mr. Singer: No, do not get derailed. Do not confuse us with facts—

Mr. Young: The hon. member knows the sense of what I am saying and he agrees with me in his lucid moments.

Mr. MacDonald: *Touché*!

Hon. Mr. Randall: He does not have many.

Mr. Singer: Well, if logic does not succeed, try an insult or two. That is better.

Mr. Young: Well, the hon. member is a past master in that field.

Mr. Chairman, again I bring before the Minister another problem which this leads right into. That is the problem of the combination which I mentioned of city and rural areas. And that brings us to this matter of regional government. We will have more to say about this later on when the votes occur. Again I say that we felt rather optimistic this year when the Minister tied into this problem and began his work in the field of establishing regional governments. And I said I congratulate him on what he has done, and I mean that sincerely. He made a real start, but then something happened. I am not sure but I suspect it had something to do with what the Minister of Education blundered into last fall.

This whole matter of regional government was moving forward. Discussion was going on. New surveys were taking place here, there and everywhere and they still are going forward to some extent. But when the Minister of Education (Mr. Davis) decided that he was going to make the unit for education the counties, something happened.

I do not know whether the Minister felt he was forcing the issue and was going to make it mandatory by his action that the new regional governments should be contained within the county boundaries. This may be what he had in mind at the time.

I doubt if he discussed it with the hon. Minister of Municipal Affairs, because if he had, I do not think that precipitate action could have taken place quite so fast. But what he did was to raise a great deal of concern among municipal people right across this province. And then in addition to that, and we had the hon. Minister who is just leaving us—the Minister of Trade and Development—moving into areas like Waterloo county and others, and acquiring land in defiance of all the planning that local authorities were undertaking.

That brought uncertainty and wonderment among local people as to whether or not the kind of thing upon which the Minister was embarking was practical, since obviously his own Cabinet was not behind him, and that they were flying off in all directions and doing their own things while the dedicated staff behind the Minister was attempting to bring order out of chaos in the municipal field.

So while we have had some progress in recent days, there has been a marked slowdown in the development and the excitement in connection with regional government. We see in this whole field, because of the delay, because of a slow start, because of a late start because we were years late in getting this going that the former Minister could not seem to get underway. Because of this, we have the kind of thing happening which has already been discussed in this House, where everybody is planning. But so much of the planning is being done by the private developers and they are setting a pattern which is going to make it very difficult for the Minister to achieve what he wants to achieve in the days ahead.

And we have the OWRC going ahead with great pipelines up into Chinguacousy Township where we are going to have the basis for a two million population. Before any regional government is decided upon or any plans, the pipeline goes in. The OWRC announced the contract is going forward and everything is going to be fine and dandy.

Okay. Then as I said, the Minister of Trade and Development moves into Waterloo County with his idea, and we do not know how many other places he is looking at in the same way. We see Century City being announced up in the Uxbridge area. A big city for a lot of people. Where does that fit in? But the pattern is being set, and pretty soon this government will be told that it is too late to do anything about it.

The land is there and all the rest of it, and then of course the Minister of Trade and Development moves in with his EIO grant. As we heard this afternoon, in a place like Huntsville the recommendation of the Regional Development Council was that it would be of certain use, and yet the Minister blindly gives his grant here and there without reference to what the purpose of that area ought to be, and what the planning is going to be in the long run.

We saw the MTARTS study. The MTARTS study where we were given four solutions. Then we got another one from the area around Oshawa where my friend comes from. The planning group there decided upon another one which perhaps made more sense than at least three of the others. They are going to put the cities on the seaboard. But what happens to MTARTS? Where does it fit in with the great land acquisitions that are taking place around Metropolitan Toronto today?

We do not know, because of a lack of leadership now, the uncertainty in the cabinet and the uncertainty of the Minister because he does not know where he can go. Well, he does not know because of the slowdown, because of the tremendous uncertainty that has been created by his cabinet comrades over there, and by the private developers everywhere. Nobody seems to be able or willing to draw a line and say here is where the developments will take place, here is the kind of use to which certain lands ought to be put. This is the development pattern of the future for the province of Ontario.

The hon. Minister was kind enough to send to all of us this local government reform report issued by the British committee looking over land use and regional government in England. His letter said this to us:

> I am enclosing herewith a copy of a short version of a report of the Royal Commission on local government in England. You will notice that, making allowance for obvious difference in size, economic structure and government, the conclusions and recommendations of this report are remarkably close to our stated policies on regional government.

Now I am not sure just what the Minister meant. He has stated policies but those stated policies do not seem to be coming to very great fruition because—I raise that question—because this report outlines what I suggested the Minister ought to do last year.

In other words, it draws the map of England and it draws boundaries and it says here that these are the suggested boundaries for the new regional governments in England. And then the report will go back to those municipalities. They will have a free-for-all discussion—and, believe me, it will be free-for-all and that discussion will last for some time. Out of it will come some changes, alterations, lines drawn in little different places, perhaps some difference in the structure.

These people recommend one government in most cases—not a two-tier, but one-tier structure in most cases. Up to about a million people at one tier, above that two tiers.

But this is a job which I think the Minister ought to undertake in Ontario, where he can draw up suggested guidelines for future development of regional governments. I know that the piecemeal approach that has been undertaken has made some progress. It may be that there is a problem of staff, problem of getting enough experts to do the job, but it seems to me that a commission could very well do what this British commission did and take the map of southern Ontario particularly—the north will have to have different treatment—and draw up what the suggested boundaries might be for regional government. Then throw it back for discussion.

Then our people will have something to bite into. And they will bite. We would have two, or three, or four years, whatever is necessary, of real discussion and those municipalities that are ready for regional government will move into it, many of them of their own volition. Some of them will have to be persuaded by this Minister, or whatever Minister may follow him.

This process should be underway today and regional government ought to be moving much, much faster. It would move faster if we had this kind of a document for the province of Ontario.

And so, Mr. Chairman, with those remarks and those suggestions to the Minister, we

can move on to the discussion of the estimates. I feel very strongly that we have to get some order into the city structure of our province. That order can only come through massive intervention, capitalized by provincial, and particularly federal governments, but with the provincial leading.

I also think that the regional government set-up, which is vital for the development of Ontario, has to be speeded up and, somehow or other, somebody has to knock heads together over there in that Cabinet, so that there is some unity of purpose and some understanding, at least, of what this Minister and his staff are trying to do.

Who knocks those heads together? I suppose it is the Prime Minister's job to do that. But in any case, that knocking of heads has to be done, and some education undertaken of some of the Ministers, so that they know what regional government means and what it could do for the province of Ontario.

Mr. Chairman: Would the hon. Minister like to reply?

Hon. Mr. McKeough: Mr. Chairman, it seems to me we have had a very wide-ranging discussion from both of the members opposite. I think that the points which they have raised can probably be best dealt with separately under the various votes.

Mr. Chairman: The votes of course are seven in number. Shall we deal with the votes by programme of activity? Is this agreeable to the committee?

Usually we have taken first the main office vote, general vote under total. I do not know whether it lends itself to the programme.

Hon. Mr. McKeough: Mr. Chairman, probably the first three votes are for general discussion, and, as for the fourth vote, I think it would be better if it were by programme activity. Then after that perhaps the next two items and the last one are again for general discussion.

Mr. Chairman: Is this agreeable to the committee? The first three under general discussion and then the fourth one by programme and I presume that five and six could also be by programme generally and the same with the last.

Is this agreeable? Good!

The hon. member for Downsview.

On vote 1401.

Mr. Singer: Mr. Chairman, I think with those ground rules established I can properly refer to a matter that, in my opinion, is generally a matter of administration within this department, and touches also on the department of the Attorney General (Mr. Wishart) and also on the department of the Minister of Financial and Commercial Affairs (Mr. Rowntree).

This relates to a matter that we have dealt with in general terms in the question period and that is, what appears to be the unconscionable sales practices—

Hon. Mr. McKeough: Mr. Chairman, I do not want to be difficult, but I really think this does fall under the community planning vote, which is 1403, and I would suggest you leave it till then. It is the whole area of planning, or lack of planning, and planning control.

Mr. Singer: Well I think, Mr. Chairman, that 1403 is planned development of municipalities. Really what I am talking about is not planned development of municipalities. What I am talking about is the inability, under the present law, the present statutes, the not being able to control this sort of matter.

I think, as I say, it probably falls astride the responsibilities of three ministers. And what the Minister refers me to—the planned development of municipalities—I would think would relate to, generally, matters like The Planning Act and the control of it and committees of adjustment and that sort of thing.

Hon. Mr. McKeough: And promotion of the planning function.

Mr. Singer: Well, promotion of the planning function, but certainly Mr. Chairman—

Hon. Mr. McKeough: I do not want to quibble about this, but this is obviously a planning matter, Mr. Chairman. We are talking about Whiterock Estates. If the member is not going to be here, or something, later on, let us deal with it now, but it really comes under the planning vote.

Mr. Singer: I was not even going to mention Whiterock, Mr. Chairman, except by way of an example. I was going to deal with another one.

If the Minister wants to ask me if I may not be here at that time, it is quite possible and I would prefer, if the Minister has no violent objection, to deal with it now.

Hon. Mr. McKeough: Well I really do. There have been, as I understand it, some ten hours set aside for this particular set of estimates for this department and I think, Mr. Chairman, with great respect, that we must follow some sequence.

I have a staff here. I would presumably like—if we are to talk about planning—a member of the planning staff, through the planning branch here. I think we should follow a sequence.

Mr. Singer: Mr. Chairman, this is not planning. What I am talking about, or what I plan to talk about, provided I am in order—and I would only talk, sir, if I was in order—relates to our inability to plan under the existing statutes and relates to, by and large, departmental administration. The thrust of my remarks is going to be addressed to the Minister's inability, and the inability of his colleagues, to place before us the kind of legislation that could control this fraudulent and unfair type of exercise that is going on within the province of Ontario. I would think, sir, that within those broad terms, certainly it comes within the general vote dealing with the head office and the whole administration of The Department of Municipal Affairs.

Mr. Chairman: Well of course if it has anything to do with planning, the hon. Minister has pointed out that he has his planning department staff here who are not, I presume, at the table at the moment. He prefers to deal with it in order, so that the proper officials on planning may be with him. I think this is the—

Mr. Singer: With respect to the Minister's suggestion that you cannot talk about anything that might even remotely relate to planning except under vote 1403, really any phase, within The Department of Municipal Affairs involves some form of planning or lack of planning. If I was going to talk about the failure to put forward plans or the lack of action under existing statutes I would say that the Minister is right, but we are wasting a lot of time about something that I think is important and—

Hon. Mr. McKeough: You certainly are.

Mr. Singer: I would like to proceed if I may.

Mr. Chairman: With respect to the hon. member, I would like to point out that the programmes under 1401 are information services, administrative personnel—

Mr. Singer: Yes, administrative, that is right.

Mr. Chairman: Departmental accounting, library, legal services—I do not see anything in there that is involved in planning in any way.

Mr. Singer: Mr. Chairman, I have hardly introduced my point. I am saying it does not deal with planning, it deals with a lack of planning which is quite a different thing.

Hon. Mr. McKeough: Mr. Chairman, I can only assume the member for Downsview is planning on a pre-Remembrance Day bash on Monday and that he is not going to be here, so let us go ahead with this now and get it over with.

Hon. A. Grossman (Minister of Correctional Services): Under what vote is "lack of planning"?

Mr. Singer: Ignoring whatever insinuations the Minister has hurled, I presume that he has, for the moment at least, removed his objection. What I wanted to talk about, sir, is this: the various schemes that have been indulged in by certain people in the province of Ontario to part our citizens from their well earned money and not give them anything in return, under the guise of allowing them to purchase a parcel of land in the province of Ontario. Very often they skate just within the existing law and very often they do things that are outright fraudulent.

Certainly, they take advantage of the gullibility of many of our citizens, and certainly, they happen to enlist the services of some of the best salesmen that are available throughout the province to attempt to convince people with a few extra dollars and looking for—what was it?—"a piece of Canada" in the ads of Whiterock, that they should ignore professional advice that might be available to them and take a chance on some well advertised and highly oversold scheme. I did not want to talk about Whiterock at all, as I said, but Whiterock is an example. The one I want to talk about is something I think is far worse than Whiterock; at least Whiterock was apparently within the law. This one, I do not know, I have grave doubts of it being within the law at all. In my opinion, it is quite a fraudulent plan that has been unloaded on many people in this province. It deals with an effort put forward in the township of Tay in the county of Simcoe, and it is sponsored by a company called the Meadows Land Development—

Mr. D. A. Evans (Simcoe Centre): Do you know these people? Great county!

Mr. Singer: Great county—yes, yes; but even in a great county, every now and then, fraudulent schemes are unloaded on people who happen to live in the province of Ontario.

Mr. Young: He means at election time.

Mr. Singer: The scheme is being unloaded by a firm called the Meadows Land Development Company Limited. This matter came to my attention when I received a phone call from a Mr. E. A. Livingstone—I suppose we had better have the whole thing on record, Mr. Chairman—and subsequently I had a telephone interview with Mrs. Livingstone. She wrote me a letter enclosing a number of documents just a few days ago. She says this in her letter and I am going to quote part of it:

> We bought—

and the word "bought" is very significant because it indicates to some substantial degree, the amount of misinformation that was put forward and the misinformation that the Livingstones, at least, were labouring under.

> We bought this land primarily for the purpose of placing a trailer on it and we were rushed into buying it as the lots would all be bought up by March 1, 1969. We have written notice that they would have all been sold by March 1, 1969. Mr. Meadows carried out his own surveying which was either unknowledgable in transacting or his guessing was amiss and on three occasions, we were constantly moved from one land position to another. We are still not 100 per cent sure of our location. Approximately one half the lots in Red Cedar Park have been sold—

and the word buying and selling is very significant in this story—

> with little or no roads opened up. We have been told that this type of sale is quite legal. However, we feel that the province should stop this type of land deal as it is possible for us to lose all we put into it.

They put in just under $1,000 and their son has got about half that much money into a similar property close to the one that they bought, and apparently he is now being threatened with legal proceedings to collect the balance of the money that he might have promised to pay. The company could go bankrupt, which appears very likely as it seems they cannot afford to do what had been promised.

I might also add that Tay township advised me in June, 1969, that the taxes had not been paid for 1968 or 1969, for all this property.

> We paid cash for ours, but Wayne—

and that is their son—

> has paid only $500 in instalments which he has stopped. After the snow had gone, we found most of our lots in Red Cedar Park are not suitable for wells and septic tanks due to the presence of rock under the top soil. This past week, newspapers tell us that Mr. Kerr advises that the Ontario government will soon impose strict regulations re pollution. Under the present lease-sale, it would be foolhardy for anyone to pay for a sewage system.

Well, that is the essence of the letter and with that, she sent all these supporting documents. One of them—and I am not going to read them all, but some of them I think, are worth substantial reference to—headed, Forest Harbour, has a plan sketched out on it.

The extent of the planning on this is for somebody to draw a bunch of hen-tracks on a piece of paper; there is no real planning procedure in this at all, there is no plan of subdivision submitted, either to the municipality or to the Minister and there is no approval. However, the ordinary citizen is not going to be able to discover this in any way.

> Forest Harbour, forest and waterfront, summer and winter cottage area of great charm, 87 miles from Toronto.
>
> Georgian Bay, two miles north of Waubaushene, one mile south of Port Severn, deep forest and protected water for small boats. The property is planned—

One would imagine—that is why I am sorry the Minister of Financial and Commercial Affairs is not here because I would like to have him and his officials look at some of this wording and the misleading aspects of it—

> the property is planned to suit the natural landscaping. All lots easily underbrushed and cleaned.

Then down at the bottom there are the words,

> Drinking water and hydro available, good motor roads, telephone available, food deliveries to all properties, good soil for gardens, sewage disposal, garbage collection.

One would imagine, Mr. Chairman, when you read a dodger like this that everything is fine. You can go in and you can buy a lot on a planned subdivision. It is close to all these amenities, it is only 87 miles from Toronto and there is drinking water and hydro and good roads and telephones and food and good soil for the garden, sewage disposal and garbage collection. That is what that appears to say, at least to me. And there is a similar dodger—that one was about Forest Harbour. This is a little later, the sketch is a little different, but by and large it is the same, and there are airplane pictures of the area and white lines shown on them. And then, Mr. Chairman, we come to another very fascinating document that I think is worthy of a full report.

This is a document on the letterhead of the Meadows Land Development Company Limited, Box 218, Port McNicoll, Ontario. It gives three telephone numbers, one in Port McNicoll, one in Waubaushene and one in Toronto, and this is headed "Statement Releasing". Now I refer you back to the original dodger, Mr. Chairman. There is nothing there about leasing; this original dodger that I just referred to would seem to relate to me in any event to buying. Back to the original dodger for a moment, I neglected to point out the reverse side of it. It says: "Select the lot for your cottage or trailer now at Huronic Heights, Forest Heights, or Red Cedar Park," and then there is a little map and it shows a girl with not too much of a bikini on, apparently water skiing, so it is a great sort of a promotion effort.

Then we come to this other document, this mimeographed document on the letterhead, as I say, of Meadows Land Development Company Limited, and on this document, apparently for the first time, at least the first time as far as I know, the word leasing is used, and tax the phraseology of this, Mr. Chairman, it is just too good to miss:

> It is the policy of this company to settle our lands with happy, satisfied customers.

Happy, satisfied customers, that is what Mr. Meadows, the president of the company, said—

> During the past 30 years our president—

He is a very modest fellow because he signs himself down at the bottom so he is referring to himself sort of in the Royal sense—

> in his several projects has planned and developed and sold over 1,000 vacation lots. At the present time the Ontario government—

these miserable fellows—

> will not permit us to register plans of subdivision of our lands.

So at that point I am really not criticizing the planning effort, because the Ontario government will not permit them to register plans of subdivisions. Go back to the original dodger and there is a picture of what purports to be a planned subdivision,

> which would enable us to give deeds to our customers.

Their reason is that Tay township does not have an official plan. I quote from their letter of August 20, 1968:

> It is our opinion that further development in the township should be severely restricted until an official plan has been submitted—

Fair enough, and quite proper. Then they go on to qualify this—

> —but a letter of October 7, 1968, from the Minister of Municipal Affairs states "although of course The Planning Act permits land to be leased for a limited period without the need to obtain approval."

Well I do not have the Minister's letter, to whoever he wrote on October 7, 1968, but they have taken a portion of a sentence—

Hon. Mr. McKeough: What was the Act that was referred to?

Mr. Singer: No, the second quotation is "but a letter of October 7, 1968, from the Minister states". And what I was saying was that the way this—

Hon. Mr. McKeough: What was the quotation though?

Mr. Singer: —"although, of course The Planning Act permits"—

Hon. Mr. McKeough: The Planning Act. This is 1403.

Mr. Singer: The Planning Act, oh yes. But I am saying that this is quite beyond the whole question of planning so let us not go back and have that argument. It states "Although, of course, The Planning Act permits land to be leased for a limited period without the need to obtain approval."

Now there is a portion of a sentence, Mr. Chairman, taken out of some letter apparently that the Minister's office wrote. I do not know what the letter was, what that full sentence was, or the context in which that phrase was used, but what is obviously

being done here is that a reference is being made by Mr. Meadows, on behalf of his company, to a portion of a sentence which would lead people to believe, or which is designed to lead people to believe, that notwithstanding the fact that the province will not allow the registration of a plan of subdivision, the Minister himself suggests there are other ways you can do it.

Up to this point I am still not blaming the Minister, I am saying that this is the type of tactic that is being used in this kind of promotion, which I suggest is fraudulent and that is the only word for it. Then it goes on:

> The term of a lease may only be for 21 years less one day and cannot be given subject to a renewal. For some months past we have been leasing our lots to our customers instead of waiting for the several government bodies to do the necessary to enable us to convey by deed. It is impossible for us to say when that will be.

Well the message there again, Mr. Chairman, is obvious. All these terrible government bodies are not doing the necessary which will enable good old Meadows Land Development Company Limited to give a deed. So in the meantime, at the suggestion of the Minister they say, they have a scheme whereby they can do almost the same thing by granting a lease for 21 years less one day.

He continues, "To date we have leased 130 lots". This letter is dated February 24, 1969, so I do not know whether Mr. Meadows' figures are pertinent as of November 6, 1969, or whether they were exact as of the time he wrote his letter:

"At the end of 21 years if the government does not permit the company to give the lessee a deed"—and obviously his impatience with the government is substantial because he is not even sure that after 21 years all these government departments are going to do the right thing but in the event that at the end of 21 years the government has not done the right thing and allowed Meadows Land to give a deed, the company intends to give you another lease for 21 years less a day—I think that is very noble—or whatever period the law then allows, and to keep on doing so every such legal period forever.

Now that is a pretty broad kind of statement. In other words what they have said is the government will not let you buy a lot from us—will not let us give you a deed. However on the Minister's own say-so, we have got a way around this. We are going to give you a lease for 21 years less a day, and if that silly old government has not changed its mind at the end of that time we will give you another lease for the same period of 21 years less a day, and we are going to go on doing that forever.

Hon. Mr. McKeough: There might even be a different government.

Mr. Singer: Well, even you do not think you will be there forever—and we are going to go on, and good old Meadows is going to give you another lease forever, if the government has not changed its mind. The cost of the other leases will be $1 per year, and $21 just the cost of preparing the document.

They are looking after their lawyers well in advance anyway. Every 21 years somebody is going to get another $21 to renew these leases and so on forever. If a lawyer had a few thousand things like this being renewed every year he would not worry about anything else.

Hon. Mr. Grossman: Where can you find a lawyer that will do anything for $21?

Mr. Singer: He continues: "We would be pleased to have you join our summer community on that basis".

There is a second sales pitch. Along come people who give them, believe it or not, $990 and there is an agreement to lease here, and there is another one that is referred to, and then the Meadows Land Development Company Limited, a private company incorporated under the provisions of The Corporations Act, having its head office in the city of Toronto, enters into an agreement to lease and option, in this case with E. Wayne Livingstone. His address and telephone number are set out. And this agreement says:

> Whereas the company owns the lands in the Township of Tay, described as follows: Lot 57—Red Cedar Park.

and if the Minister is looking for something that he might want to begin to pounce on, there is in fact no Lot 57, Red Cedar Park. There is a piece of land that Meadows has designated as Lot 57, but there is no Lot 57 on any registered plan or subdivision. It is a thought that might perhaps be pursued.

> And whereas the property is part of lands included in a development known as Forest Harbour—

and I would think that when the word "lot" on a plan is used and a reference made to

a development, that those words should have a clearer definition, either in the statutes of this Minister or in the statutes administered by the Minister of Financial and Commercial Affairs. The improper or loose or misleading use of words like this could, and should, be an offence that can be properly dealt with by the law officers of the Crown.

> And whereas the lessors agreed to lease the property on the terms and conditions herein set out provided the lease contains an option entitling the lessee to purchase the property for the sum of $1 and receive a registerable deed when registration of plan may be permitted.

I think that is a wonderful turn of a phrase. They give you an option to purchase a piece of land for $1 if and when the plan is ever registered, having announced in their promotional literature that this may well be unlikely, even up to a point described as forever. However, if it ever happens, you can buy the lot for a dollar.

And now the company is agreed, now the indenture witnesseth as follows:

> The Company agrees to lease the property to the lessee, and the lessee agrees to lease from the company for a period of 21 years less one day.
>
> The price to be paid is $990, $400 as a deposit with this agreement to lease, $590 on delivery of lease.

Then there is an option to purchase for $1—a wonderful option.

> The company grants the lessee the irrevocable option to purchase the property for the sum of $1 at any time during the term of this lease. Such option shall be exercisable only in the event that the company has been able to effect registration of a plan of subdivision.

Then there is a right to transfer this agreement to lease and option.

There is a set up, and I am not going to burden the House with these details of what purport to be a series of restrictive covenants running with the land which are again designed, and again I say fraudulently designed, to lead the unwary investor into parting with his money with the idea that everything is going to be architecturally controlled, and that there are going to be services available and that the whole thing really is a part of a well-planned and a well thought out building scheme.

Well, I think we can leave the option, let us come now to the lease agreement. Finally a lease document is produced and it is registered. I do not know who registered it, I guess the lessor registered it to prove his *bona fides*.

Meadow Land Development, a private company, grants a lease to E. Wayne Livingstone, and then there is a meets and bounds description that runs a half page of single space typing at the bottom of the lease, which has no relation to—

Hon. Mr. Grossman: You made your major point.

Mr. Singer: No, I have not quite made my point.

Hon. Mr. Grossman: Do you want an Oscar?

Mr. Singer: I have not made my point and I think this is worth that kind of a performance, with great respect to the Minister of Correctional Services, because if he is not concerned about this thing then I think there are many people in the province of Ontario who have to be concerned about it.

If he and his colleague, the Minister of Municipal Affairs, are going to pay no attention then the time has come that the people of Ontario should know about this. So we are going to go on.

Mr. Sopha: Resign, both of you.

Mr. Singer: To continue: "To have and to hold for a period of 21 years, less one day".

Then we come into a series of covenants here that I think are worthy of substantial interest. I am sure that the poor money payer, the poor sucker, has no real ability, having been steered away from any professional advice, or any legal advice, having been told you had better hurry up and buy it or they are all going to be gone by March 31. He has no real ability at this point to understand whether they are buying, selling, leasing, buying an option or doing anything else. No real ability to understand what goes on in all these pages of documents. One would think the least that the Minister could do is to prevail upon his colleagues to make some provision for independent legal advice before this kind of transaction is entered into.

Dealing with those great promises in the original dodger in the supply of—how did they phrase them? "Drinking water and hydro are available. Telephone available. Sewage disposal. Garbage collection.

Let us see what the formal document says, printed in fine type.

> The lessee agrees, if building a cottage or home, to instal a system of sewage disposal acceptable to the Simcoe county medical officer of health.

Now, there is one for the Minister. That is a great thing. A real estate promoter puts out a dodger and says, buy my land. On the "dodger" it says, sewage disposal, but when you come down to the fine print in the lease, the reference to sewage disposal is that the lessee, if he is going to build anything on this piece of property, agrees "to instal a system of sewage disposal acceptable to the Simcoe county medical officer of health."

Whether there is any possibility of doing this, what the cost of it might be, whether it is within the means of any one individual to do this to the satisfaction of that medical officer of health, of course, is left blank. I am quite certain, Mr. Chairman, that there is no understanding of this in the mind of the lessee at all.

> The lessee agrees, if building a cottage or home, to apply for a building permit and to construct in accordance with the building bylaws of the township of Tay.

Well, that is fair enough, I guess.

> Agrees, if building a cottage or home and providing the same with electricity, to apply for a permit for electric wiring and to apply for power in accordance with the regulations of the Ontario Hydro.

I will go back to the "dodger". The "dodger" says "Hydro available". I am sure that Hydro is available anywhere in the province of Ontario if somebody is prepared to pay the Ontario Hydro enough money to run the wires from wherever they are up to the piece of property that the person owned—

Mr. G. Ben (Humber): I do not know. The Tories have never seen the light.

Mr. Singer: But there is no indication at all, Mr. Chairman, and certainly the promise would appear to be that all you have to do is phone up the Hydro and say, hook me up with electricity, and there it is. I am quite sure that there was no ready supply of Hydro available there at any reasonable cost—

Mr. Sopha: Turn me on.

Mr. Singer: This thing is put in deliberately to mislead the unfortunate person who they have managed to trap.

Again, Mr. Chairman, one of these clauses in the lease is this—

> The lessee agrees, if building a cottage or home, to supply himself with an adequate supply of drinking water and wash water which meets the tests and approval of the Simcoe County Health Unit, either by way of a well, an intake pipe to lake or river, a hermetically sealed concrete or metal reservoir kept replenished by a source of water, tested by the Ontario Water Resources Commission or Health Department, and expertly chlorinated, delivered to the reservoir by a contractor approved by the Simcoe County Health Unit.

Now, anybody who is able to do that to get water on a lot that they have bought; they look at the "dodger" and it says, "Drinking water and Hydro available," Mr. Chairman. Surely when the government becomes aware a fraud like this is being perpetrated they must step in and do something.

> The lessee, if building a cottage or a home, agrees to place suitable granular fill material where necessary on the lot to the satisfaction of the Simcoe County Health Unit.

Would you not think, Mr. Chairman, that somebody in government is a bit concerned about the sort of thing that apparently is being promised to people who purchase properties, so that if they purchase them they will have some idea of the possible kind of expense in which they are going to become involved?

Then, on the same document there is a printed sheet called regulations. That was some of the fine print I was reading. Let us see what the regulations say. Insofar as sewage, under the heading "Sewage" and there are a number of headings—

> Any method of disposing of sewage must be acceptable to the Simcoe county medical officer of health. A dry earth privy located in an outhouse suitably screened with trees so as to be inoffensive in appearance will be permitted by the lessor, provided there is at least four feet of earth overburden on the rock sub-grade.

Now, I do not know whether that second sentence takes away the discretion of the Simcoe county medical officer of health or not, but there it is.

> Septic tanks with disposal tile beds must be installed in accordance with "Rural Sewage Disposal" bulletin obtainable from

Simcoe county health unit, King Street, Midland, telephone 526-5361. Wash Water—

And you recall my earlier references to wash water both in the "dodger", where it says "Drinking water and hydro available". One would think if there is drinking water there is wash water.

Wash water will be to the lessee's cistern at a reasonable charge.

I presume the lessor is prepared to supply wash water to the cistern at a reasonable charge.

Drinking water—that is the next head—

Drinking water will be delivered to the lessee's reservoir at a reasonable charge.

I suppose anything is available at a reasonable charge provided the charge is not set out.

Hydro: Arrangements for Hydro must be made at the Ontario Hydro office, Penetanguishene.

That forms another part of the lease and it is registered in the registry office along with it. We have a sketch, and the sketch purports to carry out what seems to be a description of a lot and a plan of subdivision, except it is not a lot and a plan of subdivision.

It is not a survey, it is not even a survey. It is just a sketch unmarked so one is not really sure who prepared it, whether Mr. Meadows himself prepared it or whether a clerk in his office prepared it or whether the measurements shown on it have any relationship to what exists on the road. And again the purchaser or lessee has no ability to discover this.

And then helpful old Meadows Company attaches to the lease diagrams which will help you instal what is called the "Meadows pumpout sewage system", and there are all sorts of complicated diagrams here that will show you where the door should be and where the fence should be and the minimum level of liquid. There is a note here that something should be buried, if possible. And there is another note that there should be a bank, if necessary. I suppose the helpful Meadows Company would probably do this for you for a reasonable charge. It does not say that, but that surely must be the implication of attaching these sketches.

Then there is another sketch here that has the "Meadows drinking water system" and that shows where you instal your 100-gallon concrete reservoir and where you put the sink and where you put the pump tap. I guess that 100-gallon cistern is the one that is filled by the lessor at a reasonable charge.

Now, there it is, Mr. Chairman. Obviously, a great number of people in this province have been taken for a big ride by an unscrupulous development. Obviously, Mr. Chairman, this scheme has been well thought out. It seems to skate on the edges of the law, and perhaps even is a legal scheme within the fine reading of many of our statutes. I have no hesitation in describing it as a great big promotional fraud. What concerns me, Mr. Chairman, in this one, is that there is not a unified effort being made by this Minister and by his colleague, the Attorney General. I am glad to see the Minister of Financial and Commercial Affairs is here. I do not know whether he heard this whole presentation or not, but it concerns him as well, because certainly the dodges, the pictures and the whole idea has to concern someone, and he has shown interest in his estimates about this kind of thing.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): We have a Real Estate and Business Brokers Act.

Mr. Singer: So what I am saying: Real Estate and Business Brokers Act; verbal representation, all this sort of thing. So it flows over several departments. And I would hope, Mr. Chairman, that there would be, in the firmest words, possibly some assurance from this Minister, from his colleague over here and from the Attorney General, that they are going to get together just as quickly as possible to stop this sort of nonsense here in the province of Ontario. It has to be stopped.

Now, the question is going to be asked I am sure: How do you protect people from their own foolishness? How do you insist that people seek proper legal advice?

Well, it is impossible to cover every eventuality. And I suppose it is impossible to direct that in every kind of transaction that involves the selling of land, that there must be independent legal advice given.

But where, within our securities market, we have found practices going on that we could no longer countenance, we have worked out ways of stopping these things. Now with our real estate market preying on the desire of people such as the Livingstones, who are recently retired from a successful career in our armed forces, who wanted a few feet of their own land on which to retire and to build a cottage—people are taking

advantage of them and stealing their hard-earned money—I say the government has to step in. And there must be, Mr. Chairman, within our province, many hundreds of people, perhaps thousands, who probably do not understand the full significance of our use of language, either in advertising or in formal legal documents, perhaps because of their lack of sufficient training in the English language or perhaps because they lack sufficient educational training to properly be conversant with it.

It would really take someone who has a fairly sophisticated knowledge of business procedures and the methods by which land is held, and the significance of all of these words, to really figure out what was happening. These people today still do not know whether they bought anything. They think they bought something. In fact, they got a lease for 21 years less a day on a piece of land that perhaps has no roads leading to it. There is no ability to force the developer to put any roads in. There is no water available unless they build a Happy Meadows drinking water system and buy the water to put in it at a reasonable charge from the developer. There is no sewage system unless they put in the Happy Meadows pump-out sewage system, having first obtained full approval from the Simcoe county medical officer of health. They can get Hydro if they can go to Hydro and make a deal with them. Who knows how many miles away the Hydro is and how many thousands of dollars it is going to cost to run in Hydro lines?

Well, there is the story, Mr. Chairman. I do not think I need embellish it any further. There is the story, and if the government is not prepared to say in the strongest words possible what it is going to do about this, then I think the people deserve to know that the government is not interested in protecting its citizens.

Hon. Mr. McKeough: Mr. Chairman, I think there are three or four points which could be made briefly. First of all and foremost, I should say that the member was good enough to call me about this matter this morning. Indeed he said he would send me the material. The material has not yet arrived. Frankly, neither I nor anyone in the department, was particularly familiar with this. I discussed it casually with the Minister of Financial and Commercial Affairs. When the material arrives we will be glad to look into it. If it is a case of false or misleading advertising, then it has nothing to do with my department. Of course, there would be or should be an investigation. Perhaps something can be done, under The Department of Financial and Commercial Affairs. That is what we are talking about—fraudulent advertising. Or that is what the member is talking about—fraudulent advertising on the part of a real estate broker or someone who is selling real estate. And all of the remarks, I suppose, it could be said, should have been directed to the Minister of Financial and Commercial Affairs during his estimates and not during these estimates.

I make the point, of course, that the person did not go to a lawyer. The member knows this, he pointed this out. How we encourage people—and there are people all over this province who purchase property and do not avail themselves of the services of the legal profession. They deal with a real estate agent and may or may not understand what they are in fact signing or paying their good money for. I do not know how we can further encourage people. Perhaps the Law Society of Upper Canada should consider advertising in a general way the services that lawyers can provide. Now that the suggestion has been made that they will not have to pay the $50 for their Queen's Counsel, perhaps they will devote that money to advertising the benefits of seeing a good lawyer. All lawyers are good, of course. All lawyers are good, of course.

Interjections by hon. members.

Mr. Sopha: I hear you are getting your QC in the New Year's honours list.

Hon. Mr. McKeough: I hope so.

I would make a couple of other points. If the situation—and I told the member this morning that this is the first that I had heard of this particular situation in the township of Tay—if the situation became serious enough in the township of Tay, or for that matter in the townships in Northumberland and Durham, there is an extreme remedy open to the Minister that perhaps should be contemplated. That is, of course, a zoning order under section 27, something that the member will recall we had some little discussion about last year. I point out in passing, that if, and I do not know for the township of Tay, if there were any kind of a zoning bylaw on one part of that township, the Minister would be precluded from putting a zoning order on the rest of the township or in part of it. This was one of the reasons for the amendments to the Act last year.

Finally, I suppose I could say that I think the main thrust of any investigation or any inquiry into this matter must be by The Department of Financial and Commercial Affairs. I also say this is of some concern to my department: the Whiterock matter is of some concern. I am told that back in about 1958 the department in fact, in a series of advertisements throughout the province, encouraged people to investigate the purchase of land closely, and to, in fact, see a lawyer.

Now perhaps the time is right for us to be doing the same thing again, although I am sure that—I would hope, and I commend the Toronto *Telegram* and others for writing the series that they have in the last few days and drawing to the attention of the public that they should look carefully before they commit their hard earned money to the purchase of a lot anywhere in the province—or a lease.

Mr. Singer: Mr. Chairman, just one word by way of reply. I said I would send the Minister copies of this, but the early appearance of his estimates did not give me sufficient time to give him copies—I only received these documents myself this morning although I had been made aware vaguely what the problem was by telephone. I will supply copies both to him and to the Minister of Financial and Commercial Affairs just as soon possible.

Hon. Mr. McKeough: Right.

Hon. Mr. Rowntree: Mr. Chairman, might I say, that already our department is investigating these matters and I hope to have a report pretty shortly.

Mr. Chairman: On this one—

Mr. Sopha: No.

Mr. Chairman: The member for Yorkview was rising a moment ago.

Mr. Young: Not this one, another matter.

Mr. Chairman: They are both on new matters.

Mr. Sopha: Is it appropriate to speak on urban renewals at this time in view of the paucity of the attendance? Does this come under—

Hon. Mr. McKeough: Under 1403.

Mr. Sopha: Are we dealing with all the votes as in other departments?

Mr. Chairman: No, we do not. Just 1401 at the moment. The member for Yorkview.

Mr. Young: Mr. Chairman, perhaps this may come under 1401, it is one of these matters. In the annual report of the Minister for 1968, at page 15, he mentions that the number of persons graduating from planning schools continues to increase, but the demand for planners still apparently exceeds the supply. Of course, fundamental to good planning in the province of Ontario is the supply of planners, and not too many of our municipalities have been able to acquire good planners as yet, although, as the Minister says, this is increasing.

I wonder if the Minister could give us some outline of what the situation is at the present time in respect to planners in the province of Ontario, the number being trained, the competency of the schools that are training them and what the future might be in this whole field?

Mr. Sopha: On a point of order. Point of of order. How does that comes under 1401?

Hon. Mr. McKeough: No, I think it should be 1403.

Mr. Sopha: Of course it is.

Mr. Chairman: The member for Waterloo North.

Mr. Good: Before I start, I will ask the direction of the chair. Would the Statute of Labour Act Roads Commission come under this vote?

Hon. Mr. McKeough: Statute Labour?

Mr. Good: Statute of Labour Act Roads Commission.

Hon. Mr. McKeough: Under The Department of Highways not under—

Mr. Good: No, I am sorry, it is under your department, Mr. Minister.

Hon. Mr. McKeough: This runs through my mind because when we rescinded the poll tax, that was in the Statute Labour Act, but The Department of Highways administered the remainder of that Act—it was a split jurisdiction—we have nothing to do with Statute Labour Boards, it is The Department of Highways.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, it was understood by the Whips over here, that we would have a full range of debate on any subject in all of the estimates and pass them all simultaneously because there are a good many people who wanted to get on various items.

Mr. Sopha: That is what I thought were the new rules of the ball game.

Mr. Stokes: This is the arrangement that we had worked out and if it creates problems for the Minister, possibly he can explain.

Mr. Chairman: That has worked. That procedure has worked well in the winter, too.

Mr. Stokes: Oh, yes—I would recommend that you adhere to it—a full range on any subject and then pass them all.

Mr. Chairman: I think in this department there are well defined activities and programmes, where we can receive the estimates in a little more orderly fashion. If vote 1401 is just general, 1402 has to do with the particular programme, 1403 is planning generally, which seem to be quite divided. There is a broad range of subject matter in this. Does 1401 carry then?

Mr. Good: No, Mr. Chairman, I would like to discuss this a little further, regarding The Statute of Labour Act, Roads Commission. I have been carrying on dealings with your department concerning this and I am not satisfied with the answer I am getting from your department. They, in no way, have negated responsibility for the fact the The Department of Highways turned the problem over to your department, The Department of Highways, it is true, advanced as a subsidy for road maintenance, but it was my understanding that this Statute of Labour Act, Roads Commission is administered through your department.

Hon. Mr. McKeough: Is has nothing to do—

Mr. Good: No wonder they have not been giving me the right answers for the problem.

Hon. Mr. McKeough: I apologize for whoever it was of the staff that did not set you straight on this, because we have nothing to do with this matter. It may well be, however, that if it was a matter that related to unorganized territories, for example, it sometimes happens that the statute of labour board deals with something more than just roads. For example they make a ten-dollar donation to the local ball club—I have used this example before. They are the appropriate form of community organization to do this. If somebody refers a problem to us in an area without municipal organization where this is a local roads board, or statute of labour board, we, in turn, would probably say, "Why do you not get in touch with the statute of labour board, perhaps they can help you," but we have nothing to do with them.

Mr. Chairman: Is 1401 carried?

Vote 1401 agreed to.

On vote 1402.

Mr. Chairman: This is a valuation of government owned property—

Mr. Ben: Mr. Chairman, I may trespass into 1403 also and 1404—it is rather difficult because I am going to be discussing grants and the municipal tax assistance payments made to the municipality.

I want to especially deal with the city of Toronto and impress upon this government —or try to impress upon this government— the equality which exists in its treatment of Toronto. First of all, so I can put myself within the scope of this vote, I should point out that in the city of Toronto, 25 per cent of the assessment is tax exempted. One dollar out of four of the assessment is exempt. This does not mean Mr. Chairman, nor that am I implying or trying to leave the impression that no revenue comes in from this exempt assessment—this is not so.

Much of the assessment brings into Toronto, grants, in lieu of taxes. Exempt assessment consists of government building, both provincial and federal and even municipal—utilities, churches, schools, hospitals, and so on. Here, of course, I have to deal with how it affects the province of Ontario. I think it is time that the province of Ontario wiped out all assessments or gave to the municipalities, grants, in lieu of assessments, to the full amount of the assessed value. But, the province of Ontario does not do that, it only gives grants to the city of Toronto equivalent to what the taxes would be for general purposes. It gives no grants for educational purposes. The argument it follows, or uses to justify this particular practice, is that it gives such large grants to the city for educational purposes. That is a fallacy, and if I may be a little more blunt, it is a lot of baloney.

The city of Toronto pays to Metro, for school purposes, $20 million more than its own school needs would require. On the other hand, all that the city of Toronto receives by way of grants for educational purposes, is 19 per cent against the provincial average of about 45 per cent. Toronto could well do without that 19 per cent if it did not have to pay the $20 million to subsidize Metro's educational tax bill.

And, Mr. Chairman, I would not want it to be said that Toronto is objecting to that. Toronto has believed for a long time that there should be an equality of opportunity. It has not always paid its money with a smile on its face and it certainly has not been overly enthused about it, but it recognizes its responsibility and has been facing that responsibility squarely.

The fact is, it is not getting a fair shake with reference to taxes. One would think, if he were going to follow the reasoning, that it should not pay 80 per cent of the grants for general welfare or for homes for the aged or for day nurseries. It does, however. I presume it is because most of the money happens to come from the federal government which is something that this government does not broadcast anyway. At any rate, the policy is not very consistent in that regard.

Not only does it not pay school taxes on its property, but it does not pay these taxes or grants in lieu of school taxes on business enterprises which this government carries on. For example, the liquor control board. The liquor control board is one of the biggest businesses carried on by this province, or in this province—

Mr. Sopha: Gigantic.

Mr. Ben: —and yet this government does not pay a grant to the municipality to cover the tax education portion of this business.

Hon. Mr. McKeough: If I might interject for a minute. I do not want to interrupt the member particularly, but I am agreeing with everything that he says. It is a matter of government policy that we agree with everything he says. I would refer him to page 65 of the 1969 Budget, which reads as follows:

> In the long run this government hopes to be able to pay full local taxes on all the properties of the province, its agencies and the institutions it supports. The province's recent move to pay full grants in lieu of taxes on senior citizen housing represents a modest start in this direction. Full realization of this objective will not be feasible until revenues become available to finance such reform. This delay, moreover, will permit the province to consider any relevant findings by the federal-provincial subcommittee on intergovernmental taxation.

I do not mean to cut the member off, but he is arguing something with which the government agrees. I think the only question is—

Mr. Ben: Mr. Chairman, I hope that the residents of Toronto, of this province, reach their promised land—the promised land that this government promises—sooner than did those wanderers in the wilderness of Sinai.

I take what is in that Budget with a grain of salt. What may happen in the future, with all the ifs, buts and maybes that are contained in that document from which the Minister read, all of us here would have to be reincarnated in order to see that come about.

Where relief is needed is now, not some time in the nebulous future. We know the government has promised this, but this government is full of promises. I recall when it came to housing, George Drew, when he got in, said he was going to create a housing authority, and nothing happened for 20 years to the year.

Getting back to this problem, I pointed out that the liquor control board is a business, one of the biggest businesses, and yet it does not pay anything.

Another example is—

An hon. member: Hydro?

Mr. Ben: No, believe it or not, the Ontario Hydro does pay both a grant to cover both the general levy and also the school levy. It does so on the basis that it must be competitive and that, if Consumers' Gas pays its full share of taxes, it is only right that it does also. So that particular one is an exception.

The workmen's compensation board, for example, that is an insurance business. Not only is it an insurance business, but it is run with the money of the business people in the city of Toronto—in the province of Ontario, for that matter. It is not the government's funds that are used to operate the workmen's compensation board, but the premiums, or the funds it gets from businesses. Why should not, therefore, the workmen's compensation board pay its just share of these taxes? But it does not, and it is Toronto that has to pay for it.

The whole system of grants is inequitable. For example, the city of Toronto pays to Metro its share of Metro expenses, but this share is based on the total assessment. Accordingly, the city of Toronto pays 43 per cent of Metro's tax bill. Then this government makes its unconditional capital grants, but it

does not pay these grants directly to the component municipalities, but pays the total grants to Metro. And what does Metro do? Does it distribute these unconditional grants on the same proportion as the municipalities contribute to the Metro coffers? Not on your life.

Mr. Sopha: Is there a bigger land holder in Toronto than this government? I doubt it.

Mr. Ben: The university.

Mr. Sopha: Well, it would not lead you by very much. You have buildings at every point of the compass.

Hon. J. Yaremko (Minister of Social and Family Services): You know when a member made a suggestion that we move to Coldwater—

Mr. Sopha: Just to satisfy my curiosity, I was in Financial and Commercial Affairs. Does the province own that one?

Hon. Mr. Rowntree: No.

Mr. Sopha: You rent it?

Hon. Mr. Rowntree: Most of these—

Mr. Sopha: Are you buying it? Are you going to buy it?

Hon. Mr. Rowntree: Our building? I have no knowledge.

Mr. Ben: As I was saying, Mr. Chairman, when the grants are given back, they are not given back on the basis of total assessment but only on residential assessment, on home ownership. The result is that Toronto takes a beating. It pays on a basis of 43 per cent, but it gets back only on a basis of 33 per cent. So there the citizens of Toronto again are being cheated, because whatever money comes back would help to relieve the burden.

Now they are going to take another kicking. I understand that the basic shelter allowance exemption is going to be eliminated at the beginning of the year. Again the homeowners in Toronto are going to suffer, as they have always suffered under this government.

When it comes to grants for roads, at the present time the city of Toronto has been getting only 33⅓ per cent, by way of road grants. Now I understand that, as of January 1, they are going to get 50 per cent, being the percentage that the boroughs were getting all along, but again this government slides in a little kicker. They will be getting 50 per cent grants only on approved projects.

Hon. C. S. MacNaughton (Treasurer): It has always been that way.

Mr. Ben: Ah, this is a sly way to get it. What this government approves is not necessarily what Toronto needs.

Interjections by hon. members.

Mr. Ben: Oh, now look. We see through your gimmick. You are giving with one hand and taking with the other eight arms of the octopus that you are, that is what you are doing.

Mr. Sopha: Well put. You are getting to them. Four of them reacted to that one. All at once, you hit a quadruple. Three of the Cabinet are asleep.

Mr. Chairman: Vote 1402.

Mr. Ben: This is what has been going on, it is always Toronto that gets. Now another question should have been raised and that is—

Hon. Mr. MacNaughton: You are not impressing all your own colleagues.

Mr. Ben: I am sorry. With all honesty I cannot bring this next item up here. I have to wait until item 140—

Hon. Mr. Rowntree: Who wrote that for you?

Hon. Mr. Grossman: That was a fly walking across the member's notes.

Hon. A. F. Lawrence (Minister of Mines): The wrong vote.

Mr. Sopha: I cry for Toronto.

Mr. Ben: Mr. Chairman, I have on this piece of paper written all the thoughts that have occurred to this government since it has been in power. There it is.

Mr. Sopha: They will never read Mao, Chairman Mao, let me tell you.

Interjections by hon. members.

Mr. Ben: Mr. Chairman, I was discussing these grants. And I was discussing what the cost of education is to Toronto and how it is getting beaten on these unconditional grants and how it is not getting its fair share. It is not getting the taxes it should be getting from its assessment.

And because it is not getting all these taxes, Mr. Chairman, it cannot undertake urban renewal. Why? Because they cannot afford the cost of education or the cost of

the services that have to go in. And therefore the municipality tried to avoid cheaper housing coming in.

This is one of the things that is causing the housing shortage. They tried to stop cheaper housing coming in, because it will not carry itself from a tax point of view. In fact, I daresay that industry could produce an adequate home for about half of what it costs at the present time if the municipalities were to loosen their restrictions when it comes to their zoning bylaws and building codes for this kind of housing.

But they try to avoid that. Why? Because these just would not carry a fraction of their share of the tax burden. So the result is that many of our poor people just go without housing.

If this government paid to the city of Toronto, to municipalities—I am dealing specifically with the city of Toronto, it happens to be in my area—a fair share of the tax burden, it might be able to reduce this burden on the homeowners to the degree that they might welcome some new and cheaper housing coming in, even some of the prefabricated ones. But this government does not see it; all it does is order poor Toronto around. When they tried to change their ward system—now maybe the system was not the best—

Hon. A. F. Lawrence: What does the member for Sudbury think about this favouritism towards Toronto?

Mr. Sopha: I am struck speechless.

Hon. Mr. Grossman: And that is not easy.

Mr. Sopha: These are things I did not know.

Mr. Ben: The strip system may not have been a success.

Hon. Mr. Yaremko: How did you arrange to have the member for Grey-Bruce absent?

Mr. Singer: That is why we are rushing it all in now before he comes back.

Mr. Sopha: And we have only seven minutes.

Mr. Ben: A decision was made by the council of the city of Toronto and surely it was entitled to have its wishes respected in that regard. Surely the municipal board is not as infallible as it feels. As a matter of fact, one would come to the conclusion, listening to the municipal board talk, that there were only two men in the room who were infallible, and that was the chairman of the municipal board and the Pope; and the chairman is not so sure about the Pope.

Mr. Sopha: They are both Catholics.

Mr. Ben: So I think—

Hon. A. F. Lawrence: What vote does the Pope's salary come under?

Mr. Ben: —that this Minister ought to be reprimanded for his cavalier and dictatorial attitude towards the city of Toronto.

There is one question I would like to ask before I sit down, Mr. Chairman, and that is: When does the Minister propose to bring down an amendment to The Metropolitan Toronto Act which would eliminate boards of control in the boroughs and bring their system in line with the system that is now prevailing in the city of Toronto where we have executive—

Mr. Chairman: The question is out of order in this vote. It has nothing to do with the valuation of government-owned property.

Mr. Ben: I beg your pardon.

Mr. Chairman: The question has nothing whatsoever to do with valuation of government owned property.

Mr. Ben: Well, now—

Interjections by hon. members.

Mr. Ben: Mr. Chairman, I have come to the conclusion that finally you are right.

Mr. Sopha: Mr. Chairman, very briefly, I hope I will not get cut off, there is just a minute. I would like to ask the Minister how this activity in this vote will affect, from the point of view of benefits to organized municipalities, situations where the government has elaborate installations in unorganized territory abutting urban concentrations. What value will that be to organized municipalities? I have always questioned the government's assembling large numbers of civil servants and housing them in elaborate installations just outside urban municipalities, in a sort of County Palatine, and then requiring the organized municipality to provide all the services to these people, their children—and they do not pay any taxes. They are some kind of a leech, if that is not too strong a word, on the resources of organized municipalities. Now, how is this valuation going to change that?

Hon. Mr. McKeough: Mr. Chairman, The Municipal Tax Assistance Act, I think, would not apply to the buildings the member is talking about. He is probably referring, for example, to little Queen's Park, which is outside Sudbury. Whether it were inside or outside Sudbury at the present time, it would not matter because there would be no grants in lieu of taxes.

Mr. Sopha: No, I know that, but how is that going to change the value of—

Hon. Mr. McKeough: In light of what the Treasurer has to say, In light of the Treasurer's budget statement, when we do start to pay taxes? Hopefully it will be not before—it will be soon.

Mr. Singer: But not before?

Hon. Mr. McKeough: Will be soon.

Hon. Mr. Grossman: Not before soon.

Mr. Snow: That is definite.

Hon. Mr. McKeough: And I see what you are getting at. What you are saying is that Broder and Dill, for example, might receive the taxes but Sudbury is providing the services. Well that, of course, is a great argument for regional government.

Mr. Sopha: Well they all live in Sudbury.

Hon. Mr. McKeough: A great argument for regional government.

Mr. Singer: I was not arguing against that.

Hon. Mr. McKeough: It just is not as simple as that, either. I looked at my own municipality in which I live, and in which is located an Ontario Hospital school. If the Treasurer, in his munificence, I think started to pay full taxes on that particular building, tomorrow, the tax rate in my township, which I would have to say is not all that high, would be cut in half. The people who work in that hospital and who should receive the benefits of any taxes paid, whether it is by the Treasurer or by private employers, live in other townships, and I think we would have to—

Mr. Singer: Are we going to have regional government in Chatham next?

Hon. Mr. McKeough: There is a great argument for it.

Mr. Singer: Are you in favour of it?

Mr. Chairman: On vote 1402?

Mr. Sopha: Just to leave it in one sentence. The Minister is saying: to get the taxes, to latch on to the Treasurer and get him to pay his fair share for education, fire, police, and so on for those employees, we will have to have regional government.

Hon. Mr. McKeough: No, I would not be surprised that there may have to be other arrangements made where there is a large building like this. I think we want to take a look at it before we start paying the money out.

Mr. Chairman: Is vote 1402 carried?

Mr. Ben: No, I want some answer about the point I raised about poor Toronto.

Hon. Mr. McKeough: Well, none of that came under vote 1402.

Mr. Ben: The grants—the grants in lieu of taxes. Why do you not pay taxes on the LCBO and the other businesses you carry on?

Hon. Mr. McKeough: I indicated that it was a matter of government policy that we would be paying them out. I quoted the Treasurer's white paper.

Mr. Ben: You quoted the Treasurer's white paper about some plan in the distant future —which he cannot see even if he has an astrologer.

Mr. Chairman: Is vote 1402 carried?

Vote 1402 agreed to.

Hon. A. F. Lawrence moves the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the Chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon A. F. Lawrence (Minister of Mines): Mr. Speaker, tomorrow it is the intention to call Budget debate. On Monday it is the intention to continue with the estimates, on Wednesday there will be legislation, on Thursday we will continue with the legislation on the order paper and perhaps, hopefully get back to estimates, and on Friday of next week we will go back to estimates again.

I move the adjournment of the House.

Mr. V. M. Singer (Downsview): Mr. Speaker, before that motion is put I wonder if there could be an indication as to what legislation will be called on Wednesday.

Mr. G. Ben (Humber): Anything on the order paper?

Hon. A. F. Lawrence: Yes, primarily, I think, it will be McKeough week. Wednesday will be devoted to legislation on the order paper of the Minister of Municipal Affairs.

Mr. Singer: Solely?

Hon. A. F. Lawrence: On Wedensday primarily; not solely, no, primarily. I think at the rate that we are getting through the legislation on the order paper, and if the hon. member for Downsview will look at the order paper, there is not that much on it. We will be proceeding with any legislation. I would imagine there are one or two items of legislation on there that we expect will certainly keep the House busy for all of Wednesday.

Mr. Singer: Mr. Speaker, then obviously the acting House leader has something more in mind that just that general reference indicates. Could he not tell us the order in which the statutes are going to be called, or what is going to be called that day? Surely we are entitled to that much advance information?

Hon. A. F. Lawrence: Well, I think if you want to go through Wednesday's order paper, Mr. Speaker, and I am merely going down the list here now—Order No. 19, Order No. 22, Order No. 23, Order No 24—I think those will certainly keep us busy for most of Wednesday.

Mr. Singer: Well, that is fair enough, Mr. Speaker. The House leader knows that when he has indicated Order No. 19 there will be a substantial debate on that; that is all he had to tell us. If that is the government plan that is fine.

Hon. A. F. Lawrence: I think this list was given to the leader of the Opposition at least two days ago.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.35 o'clock, p.m.

No. 209

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Friday, November 7, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 7, 1969

The House met at 9.30 o'clock, a.m.

Prayers.

Mr. Speaker: I would like to announce that this morning we are going to have with us in the west gallery the citizenship branch school from the International Institute in Toronto, and later, in the same gallery, students from Parkinson Centennial public school in Orangeville. Later, in the east gallery, will be students from St. Mary's Academy in Windsor. I am sure these young people will join us later.

Statements by the Ministry.

Oral questions.

Mr. V. M. Singer (Downsview): Mr. Speaker, I have questions for the Prime Minister (Mr. Robarts) or the Minister of Lands and Forests (Mr. Brunelle), neither of whom is here, and a question to the Minister of Energy and Resources Management (Mr. Kerr) who is not here and a question for the Minister of Health (Mr. Wells), who is not here. It would seem seem to me that the rules must be known to the Cabinet as well as to the Opposition, and there is a duty incumbent on the Cabinet Ministers to make themselves available for question period.

Mr. Speaker: Order, order.

Mr. Singer: In view of the fact that none of these four gentlemen is here, I will have to withhold my questions until some of them arrive.

Mr. Speaker: Has the deputy leader of the NDP questions for any Minister not present?

Mr. J. Renwick (Riverdale): One question for the Minister of Energy and Resources Management, Mr. Speaker.

Mr. Speaker: Have we any further questions, by any members of the official Opposition, of Ministers who are present?

Hon. S. J. Randall (Minister of Trade and Development): I notice the Opposition is pretty short over there.

Mr. Speaker: I see that the NDP are ready to ask questions, but would the House prefer that we proceed with the more formal parts of this morning and then come back to the question period just before we go to orders of the day?

Interjections by hon. members.

Mr. Speaker: That might be better and we will not count any time we have spent now.

Petitions.

Presenting reports.

Motions.

Hon. Mr. Randall: If the Opposition had finished all the work up at the end of June, we would not be in this mess.

Mr. Speaker: Introduction of bills.

Mr. Singer: I was waiting for that.

Mr. Speaker: Well, we are back again to the oral questions. The member for Downsview, I believe, now has a question that he can ask, and we will go on from there.

Mr. Singer: Yes, Mr. Speaker. I was going to address this question either to the Prime Minister or to the Minister of Lands and Forests, and since the Minister of Lands and Forests is here, let me ask him this.

In view of the statement by the Prime Minister yesterday that he is prepared to table the various documents dealing with Algoma Central, will the Minister of Lands and Forests advise us whether he is prepared to take the House and the people of Ontario into his confidence? Will he let us know what alternatives were available and whether or not there were other propositions available, rather than the one which was accepted?

Hon. R. Brunelle (Minister of Lands and Forests): M. l'Orateur, je crois que la question de member de Downsview, et je suggererais qu'il attende la réponse du Premier Ministre.

In the event that he missed the odd word, I would say to the hon. member for Downsview that I believe that he should wait for

the statement of the Prime Minister in this matter, and then, after this has been submitted and looked over, he can question us further if he feels that there should be further action.

Mr. Singer: All right, Mr. Speaker. I will not comment on the form which the Minister's first reply came to me, at least in the language in which he delivered it. I did follow him. As I understand it, what the Premier said yesterday was that he was going to table documents, not that he was going to make a statement. And the question that I asked this morning is: Is the Minister of Lands and Forests prepared to tell what alternatives were available to the government before entering into the agreement?

Hon. Mr. Brunelle: Mr. Speaker, we understand that the Prime Minister will be making a statement next week, outlining the history of this—starting more than 50 years ago and included in his statement are matters that have been raised by both parties about the taxes; arrears in the taxes in 1940, reverting to the Crown of mineral rights due to the non-payment in the mineral taxes in the early sixties. Then coming subsequently up to the year 1966, when we introduced legislation that those lands that they owned should be taxed; subsequently, the two agreements, the one dealing with the exchange of the fish and wildlife rights on the land that they owned, and the other donating to us the five species on the land that we owned and which ACR retained in the 1940 agreement until 2010.

Those are the things that the Prime Minister will be explaining and, as I said earlier, if the hon. member feels that he needs additional information, we will be pleased to submit it. But I think we should have waited for the statement of the Prime Minister.

Mr. Singer: Mr. Speaker, by way of further supplementary; I do not think the Minister has yet understood my question. Can he tell us what alternatives were available—not whether the Prime Minister is going to tell us about the history and what documents were signed, but were there alternatives available to the government, in view of the agreements that were, in fact, signed?

Mr. Speaker: I would think that the hon. member is now asking the hon. Minister to say what the Prime Minister is going to do or not going to do. I would consider that question is not a proper one to address this Minister and need not be answered.

Mrs. M. Renwick (Scarborough Centre): A question of the Minister of Trade and Development. When the Ontario Housing Corporation leaves its affairs in the hands of housing authorities throughout the province, are all housing authorities on one financial arrangement with the Ontario Housing Corporation, and if so, what is it?

Hon. Mr. Randall: I did not get the first part of the question.

Mrs. M. Renwick: When the Ontario Housing Corporation leaves administration in the hands of local housing authorities—I believe the Minister said there were 44 housing authorities in Ontario, such as the Guelph housing authority—what is the financial arrangement between the Ontario Housing Corporation and the local housing authorities? Is it the same financial arrangement with all housing authorities throughout the province and if so what is it?

Hon. Mr. Randall: I would assume it is the same financial arrangement. They have the main responsibilities of the project, and any expenses that they have were paid out of collectible rents.

Of course, if it is a short fall, that is where we make the difference up through subsidies, as the member knows, from the federal government, the provincial government, and the municipality. I would assume—and I do not have all the details here—but I would assume the arrangements are the same for all housing authorities.

Mrs. M. Renwick: Would the Minister—

Mr. Speaker: Is this a supplementary?

Mrs. M. Renwick: A supplementary question, Mr. Speaker. Would the Minister let us know, then, exactly what financial arrangements have taken place in the last year for each housing authority in Ontario?

Hon. Mr. Randall: I would have to look it up, Mr. Speaker, and get the information.

Mr. Speaker: Any questions from the Opposition? The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Minister of Lands and Forests.

Will the Minister give us the results of the mercury residue tests on wild fowl and perhaps fish, which he said on October 15, would be ready in three weeks' time?

Hon. Mr. Brunelle: I would be pleased, Mr. Speaker, to make those reports available. As I told the members last week, the results should be available at either the end of this week or next week, so as soon as they are available I will send him a copy.

Mr. Burr: Thank you.

Mr. Speaker: The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Speaker, a question for the Minister of Highways. Will the Minister have a statement prepared by the CNR and the CPR of all traffic movements on their lines within a 30-mile radius of Toronto between the hours of 6.30 and 9.00 in the morning and 4.00 and 6.30 in the evening to ascertain the load on these lines other than the east-west existing GO train line?

Hon. G. E. Gomme (Minister of Highways): Mr. Speaker, did the member say, "Does the Minister have a statement?"

Mr. Deacon: No, will the Minister obtain a statement?

Hon. Mr. Gomme: I will try to get that.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I wonder if I might ask a supplementary on that? I wonder if the Minister's department is making any study of the effect which the abandonment of CPR and CNR lines would have upon the total transportation pattern in this province, particularly in view of what effect this might have upon the expansion of GO Trains and upon the possible expansion of other commuter directions, particularly north and east and west?

Hon. Mr. Gomme: Mr. Speaker, we are certainly concerned about that, and as explained yesterday by my colleague, the Minister of Transport, representation will be made to the board of commissioners at the time the hearing is on for the abandonment of any lines.

Mr. Pitman: If I might ask a further supplementary, I wonder if the Minister has considered making any kind of projection as to what his department is going to do if this abandonment is carried out, for instance, in some of these areas. It might very well mean a complete new direction in the building of highways and in making new arrangements with these railway companies for the province to expand in this direction. Is the Minister's department making any study in this area?

Hon. Mr. Gomme: All I can say to the hon. member at this time is we are very actively engaged in providing total transportation for the areas of the province affected and at the proper time some information will come out.

Mr. Pitman: I do not want to press this matter but is the Minister making specific studies as a result of what is obviously going to take place in this province in the next few months—specific, not general?

Hon. Mr. Gomme: Mr. Speaker, we are much ahead of that and have been making studies for quite considerable time on this matter.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. G. E. Smith (Simcoe East): Mr. Speaker, I have a question for the Minister of Trade and Development.

I am wondering if the Minister could indicate whether his department is giving any consideration to the request of the Tourist Operators' Association to provide special grants or loans to them under the EIO development programme in the case of an operator wishing to expand his facilities, or build new facilities?

Hon. Mr. Randall: No, Mr. Speaker, we are not. In answer to the hon. member's question, as he knows we have made ODC loans to certain tourist associations, or tourist people, in the areas where they can enlarge their tourist facilities in that particular area. Our discussion now with the Minister of Tourism and Information (Mr. Auld) and the Treasury Board is into the possibility of a fund that could be loaned for this purpose. We do not have an ODC loan at the present time but if the fund could be increased in the coming year, we would be interested in managing the fund as we have done for the ODC.

Mr. Singer: The Minister is studying whether he has the funds or not—

Hon. Mr. Randall: No, we are not studying—

Mr. Singer: Oh, he is studying—

Hon. Mr. Randall: No, we have got the funds—

Mr. Speaker: A supplementary; the member for Peterborough.

Hon. Mr. Randall: We have got the money—

Mr. Pitman: I think the Minister has bypassed the question completely—

Hon. Mr. Randall: I do not think the Minister has bypassed the question at all. Did the hon. member ask for EIO loans, which are forgivable loans—

Mr. Speaker: Perhaps this member would ask his supplementary rather than repeat the question of the other member.

Mr. Pitman: Is the Minister ready to give forgivable loans—as he is giving to industry—to the motel operators; not ODC loans, which are not forgivable loans.

Hon. Mr. Randall: If I can straighten out the hon. member for Peterborough, all he seems to get is confused.

Mr. Pitman: Boy, there is no confusion over here.

Hon. Mr. Randall: The tourist industry is a special industry and if the $3 million is to be used as a forgivable loan, the ODC will administer it; if it is decided to use it as a loan to the tourist industry, in fact they will ask us or The Department of Tourism and Information to administer that. If the Minister of Tourism and Information suggests that there are going to be any loans of any kind, they should be handled by the ODC staff.

Mr. Pitman: He asked about EIO.

Hon. Mr. Randall: I thought I answered him.

Mr. Pitman: The Minister did not answer.

Hon. Mr. Randall: He is satisfied; the other member was not because he is never satisfied. The member does not listen—

Mr. Speaker: Order, order. The hon. member for York Centre.

Mr. Deacon: A supplementary question. Have any of the loans that have been made by the Ontario Development Corporation in this matter, included some percentage or an option on some percentage of the stock of the companies?

Hon. Mr. Randall: No, there have been no loans on that basis as yet.

Mr. Deacon: Does the Minister contemplate including the type of loan which will give the province a share in companies which are assisted in this way?

Hon. Mr. Randall: We have given considerable thought to that. The hon. member for Riverdale brought it up in my estimates, I think, in 1968, but there is some ramification to the government participating in the operations of a company. I can think of a number of reasons why it may be detrimental to the operation itself as well as the government, but what the member is suggesting is something like what the Canadian Development Corporation in Ottawa is talking about. Perhaps after tonight when Mr. Benson brings down his white paper we will have more information as to where the federal government is going on participating in company operations. But at the moment, no, we are not participating in company operations.

Mr. Deacon: In the supplementary question I asked, would the Minister consider the type of investment and involvement that is carried out by the U.K. government and British Petroleum, which is not operated by the government but is operated independently even though the government has a controlling interest.

Hon. Mr. Randall: I do not know too much about what the British government is doing. I do know what has been done in Quebec by GIC, and in some instances it has been successful, in others it had a great deal of trouble. It is not an easy area to move into. I would suggest to the hon. member that we are going to look at it; we are interested in anything that will promote industry in the province and will help retain Canadian ownership. But at the moment we have not participated on that basis.

Mr. Speaker: The member for Thunder Bay had a question a short time ago.

Mr. Pitman: Is it possible to make another supplementary, Mr. Speaker?

Mr. Speaker: I think we have pursued this far enough. The member for Thunder Bay has the floor.

Mr. J. E. Stokes (Thunder Bay): Thank you. I have a question for the Minister of Transport. Will the Minister of Transport explain why the improvement district of Nakina has been excluded from the "highway-in-the-sky" programme enunciated by his department? I have a letter this morning stating that they do not qualify. Could he explain why?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, I do not have particulars of the Nakina application. I will look into it to see why they do not qualify and let the hon. member know.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): To the Minister of Highways: Can the Minister advise the amount of money involved, as far as the province is concerned, in the Toronto subway extension to Finch Avenue?

Hon. Mr. Gomme: Mr. Speaker, I do not have that figure but I can get that for the member.

Mr. Pitman: It is not going to get to Owen Sound.

An hon. member: It is getting closer though.

Mr. Speaker: The member for Halton East.

Mr. J. W. Snow (Halton East): Mr. Speaker, I have a question for the Minister of Trade and Development. Could he advise me if this booklet that we received earlier this week from his department, on Ontario Housing Corporation, lists projects requested. Is this supposed to be a complete list of the projects that are requested from your department now?

Hon. Mr. Randall: I would assume, Mr. Speaker, that is an up-to-date list that we have on hand at the moment. There may be others that were not ready for publication when that book came out; there may be others next month, but it was my understanding that will be all the applications we have on hand.

Mr. Snow: As a supplementary, Mr. Speaker, I would ask the Minister why in the requested list the projects for the towns of Georgetown, Milton and Oakville have been missed. None of them are listed and there has been a request in from all these towns for several months; in fact the one from Oakville has been in for well over a year and is not listed at all.

Hon. Mr. Randall: I do not have the answer to that, Mr. Speaker, but I will be glad to find out why from the Ontario Housing Corporation. I will say there are two sides to a story; the member's, mine and the truth may be three sides. Now I would like to have a look at it.

Mr. Speaker: The member for Scarborough Centre.

Mrs. M. Renwick: A question for the Minister of Trade and Development: Regarding the arrangement with Montreal Trust, do the arrangements apply to all Metro OHC units or just some? If so, how many and where, and what is this costing the Ontario Housing Corporation?

Hon. Mr. Randall: Mr. Speaker, I think that question should be put on the order paper. There is quite a lot of information there, you see. I might say it does not apply to all of our projects. We are trying a new system—our own staff plus outside sources—to find out if we can get the best service from the people in the project. But the rest of the information, I am sure, we can supply if the member will let us have that request on the order paper.

Mr. Speaker: This question will go to the order paper.

Mrs. M. Renwick: Mr. Speaker, on a point of personal privilege, when a question like that was originated during the Minister's estimates, should it go on the order paper, in your view?

Mr. Speaker: Whether Mr. Speaker has any view on the matter or not, the new rules as we adopted them say that the Minister may direct the question to the order paper, so the Minister is taking that attitude.

The Clerk has just pointed out to me that it must now originate with the hon. member for Scarborough Centre. She must send it to the Clerk for the order paper, but the Minister has the right under the new rule to say it is for the order paper, whether Mr. Speaker or the asking member agree or not.

The hon. member for Nipissing.

Mr. R. S. Smith (Nipissing): Mr. Speaker, a question of the Minister of Trade and Development. What progress is the department making in regard to the integration of the EIO programme with the federal programme in those areas that are federally designated? Secondly, has he forgotten to develop a programme for the federally designated areas that will be supplementary to the federal programme?

Hon. Mr. Randall: As you know, all northern Ontario is included in the ODC programme, and the EIO programme, and our people have been to Ottawa to discuss with Mr. Marchand and his Deputy Minister, Mr.

Kent, the difficulties that arise if we do not merge these two programmes.

We have an oral understanding that this is going to be done, and as far as we are concerned I do not think there will be any difficulty.

If there was a short fall; if for instance the federal government decided to give a loan and there was a short fall, compared to what the man would get if he used an ODC loan, then we would make up the difference. I do not think we are going to have any difficulty.

This has been discussed in the last two weeks and my people assured me that we will have no difficulty merging the two programmes so that the people in northern Ontario get the best of both worlds.

Mr. R. S. Smith: A supplementary, Mr. Speaker.

Is the Minister still considering the establishment of a supplementary programme, rather than an integrated programme? Or has he decided that he is just going to integrate the two and, therefore, I hope that we are still going to be in competition with federal programme as far as designated areas?

Hon. Mr. Randall: Well, I would not say it is a competition; I would say we not going to have a supplemental programme that I know of. We are going to integrate the two programmes and I think that when you put the two together it is a pretty good deal for northern Ontario.

I might say we have people up in Blind River. Yesterday they have been down to talk to Mr. Marchand with reference to a special situation in Blind River.

We were asked where we would come into the picture if Blind River was designated as a special area. We pointed out to the mayor of Blind River and his associates that we will do everything on our part to make sure that he gets the full benefits from the ODC programme as well as out of Ottawa. I think in this instance, the two programmes give the people of northern Ontario a very good set of programmes in the overall.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I have a question of the Minister of Lands and Forests. Will the Minister inform the House of the relationship between his department and Indians in the goose hunting camps north of Moosonee?

Hon. Mr. Brunelle: Would the hon. member repeat the question? The relationship of our department with the Indians? and what about Moosonee?

Mr. Ferrier: In the goose hunting camps north of Moosonee.

Hon. Mr. Brunelle: Mr. Speaker, I would say that we have had very good relations with the Indians, and this has been of real value in the operation of our five goose camps on the west shore of James Bay.

It is quite true that we are not entirely happy with the operation of some of these goose camps. Some of these camps are in their second year. This year—and when I say this year, in the year 1970—we hope to have a great improvement. We need more promotion and more training of our Indian population, and we are competing with the province of Quebec.

Goose hunters can go to Cape Jones for a much reduced price compared with what they are paying in Ontario and they can get there faster. So, therefore, we have to perhaps lower our rates and also try to improve our camps.

We are doing this and this year we hope to have a much larger volume of goose hunters. We are in the process of compiling the information and the amount of revenue. This is an area where we hope to be able also to improve the living conditions of the Indians.

Not only will our goose camps be used for the five weeks of the year, we also hope to use them during the summer time for fishing, as fishing camps, and also to cater to Ontario naturalists because that area has a lot of appeal to naturalists.

Mr. Ferrier: As a supplementary question, does The Department of Lands and Forests pay the accounts of these goose hunting camps? Do they pay the accounts and look after the accounting procedures for them?

Hon. Mr. Brunelle: Until now the goose camps have been operated in co-operation with the federal government under what I think are called resources programmes. And as the hon. member knows, the federal government is getting out of a lot of these programmes. So as time goes on, we will be responsible for the entire operation and will solely provide the advice and counsel for the Indian managers of the camp. And up until now, the managers of some of these goose camps are hired by the government and are paid by the Ontario government under a cost sharing basis under the resources develop-

ment agreement with the government of Canada.

Mr. Speaker: Another supplementary? The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, who speaks for the government over there today?

Hon. A. Grossman (Minister of Correctional Services): There are seven Ministers here. Put that on the record.

Mr. Speaker: The hon. member may address a question to any member of the Ministry who is present. If a member of the Ministry is not present, then—

Mr. Sargent: A question of the House leader. I would like to ask, Mr. Speaker, where does the government get the right to use public funds to bail out the gas company in the Malton explosion? The Prime Minister announced he would match, dollar for dollar, in help for these people in the Malton area. Where does the government get the right to use public funds to help out a private company?

Mr. Speaker: Order! That is argumentative.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, I wonder if that could be put on the order paper?

Hon. Mr. Randall: If he can remember it.

Mr. Speaker: If the question was addressed to the House leader, the acting House leader is present and has directed that it go on the order paper.

Mr. Sargent: Do I take it—

Mr. Speaker: No, there is no supplementary to that. That is the end of the question.

Mr. Sargent: Will there be an answer to that?

Mr. Speaker: That is the end of the question. The hon. member will be guided, and I am sure the Clerk will advise him, as to how to get the question on the order paper.

Hon. Mr. Grossman: It was an argumentative question anyway.

Mr. Speaker: There will no supplementary questions because the question has not been answered. No, no, it is not the member's turn. Does the member for Timiskaming wish the floor?

Mr. Sargent: Mr. Speaker, on a point of order—

Mr. Speaker: There are no supplementary questions unless the original question has been first answered. The member for Thunder Bay has the floor.

Mr. Stokes: I would like to direct a question to the Minister of Mines. Could the Minister of Mines give us a rough estimate of what the three northern development conferences held this fall cost?

Hon. A. F. Lawrence: Yes, the item in the estimates last year for the three conferences was $18,000. We hope that we are going to be just under $18,000, which is a pretty good estimate.

Mr. R. S. Smith: As a supplementary, will the members be provided with a transcript of what went on at these three conferences? I realize the government was taking transcripts there.

Hon. A. F. Lawrence: Not a transcript, Mr. Speaker. We are preparing a condensation of all of the briefs, letters and suggestions received, and as well we are right now finishing the preparation of the report of all the seminars at each of the three conferences. These will be sent out to anyone who registered at any of the meetings. And just about all of the northern Ontario members were registered at one or another of the meetings, so that they will all be receiving these seminar reports.

Mr. Sargent: A question of the Minister of Highways.

Mr. Speaker: The hon. member will wait until he catches Mr. Speaker's eye.

Mr. Sargent: How do you do that?

Mr. Speaker: The hon. member has been very successful in doing that, but we must pass the question period time around among all the members. There being no other member at the moment, the hon. member is entitled to ask his third question of the morning.

Mr. Sargent: That is mighty neighbourly of you. We read with interest where the Minister of Highways has increased his subsidy—

Mr. Speaker: The hon. member will ask a question.

Mr. Sargent: Will the Minister advise, in view of the fact that he has increased the subsidy on subway construction from 33⅓ to 50 per cent here in Toronto, where is the

parallel spending in outside municipalities—like Ottawa, across the whole of Ontario—for transportation needs along the same lines? Who makes the policy in deciding the government is going to increase that subsidy from 33⅓ to 50 per cent in the area of millions of dollars for Toronto, and for the rest of the province? Where is the parallel in spending across the province?

Hon. Mr. Gomme: Mr. Speaker, I might remind the hon. member that it was not made expressly for Metropolitan Toronto. The subsidy was increased to all the cities and separated towns from 33⅓ to 50 per cent. I think if the member would enquire in his own municipality, he would find that if they did the same amount of road work next year as they did before, probably their additional share of subsidy would be over $100,000.

Mr. Sargent: The Minister cut back on all their budgets.

Hon. Mr. Gomme: That is not right, Mr. Speaker.

Mr. Speaker: Are there any further questions?

Mr. Sargent: My deputation went back empty-handed—

Hon. Mr. Gomme: We did not cut it back.

Mr. Speaker: The hon. member for Scarborough Centre.

Mrs. M. Renwick: I have a question for the Minister of Correctional Services.

Did the Minister, in fact, call on priests in the Portuguese community of Toronto and thereby possibly influence them in speaking in the pulpit, or did the Minister request them to speak in the pulpit, against the demonstration at city hall in the Nobrega demonstration?

Hon. Mr. Grossman: Mr. Speaker, I have not the slightest idea of the incident to which the hon. member refers. No such thing happened.

Mr. Speaker: Any further questions?

Hon. Mr. Grossman: Mr. Speaker, I rise on a matter of privilege.

When the House first opened the hon. member for Downsview took great pains to point out that there were very few Ministers present. I think the record should show that there are as many Ministers present as there are members of each of the two opposing parties.

Mr. Singer: The fact is that the front bench is empty.

Interjections by hon. members.

Mr. Speaker: The oral question period is now over.

Mr. Sargent: They should be here; they get paid twice as much.

Mr. Speaker: Orders of the day.

Clerk of the House: The 3rd order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee of ways and means.

ON THE BUDGET

Mr. F. A. Burr (Sandwich-Riverside): I hope this morning to have sufficient time to conclude my report on pollution in the Port Maitland area. This is what might be called chapter 6 of my report, the other chapters having been given on March 12, July 18, December 17, 1968, and on April 18 and May 30, 1969. I am sorry that some of my comments will be fully understood only in the context of the remarks made previously. This is regrettable but obviously I cannot repeat what I have said before.

The Hall commission had the advantage of giving its report in one volume and at one time. My report has the advantage of being somewhat shorter. The Hall report cost the province of Ontario $75,000. Mine has been done *gratis*.

In the "Air of Death" documentary of October 22, 1967, Dr. Waldbott was asked:

> What is going to happen to these people who have fluoride poisoning if something is not done for them?

And Dr. Waldbott replied:

> If they are taken out of their surroundings, this disease, according to what I have learned, will clear up by itself, but if they continue to live in this area, eventually they are going to get more serious harm, more serious damage to their joints, to their internal organs, particularly to their kidneys, and also to their brain and to the spine, which eventually will lead to death. As a rule they die. The immediate cause of death is pneumonia or damage to the kidneys, pyelitis, or pyelonephritis.

Keeping in mind what Dr. Waldbott said, I wish hon. members would listen to just three notes that came in from the interviewers who made the survey I referred to before around ERCO in March, 1969:

> Mr. and Mrs. A. are away, having gone off for a rest. Mr. A.'s lips, which are sore when he is around here, have cleared up, according to a letter to his daughter. Mrs. A. has frequent nosebleeds at home but these had not occurred while she had been away.

A second note:

> Mr. B. said, "The only time I felt well in the last two years was last summer while I worked out of Port Colborne instead of out of here."
>
> Mr. C. said, "I got gall bladder trouble in 1966. The only time it has let up is while I was away for a month in January."

Reference has been made to Ted Boorsma who spent about five months during the winter of 1967-1968 in Toronto General Hospital while a vain attempt was made to diagnose his mysterious ailment. Although the doctors knew that fluorosis was a possible diagnosis because he had admittedly lived in a fluoride polluted environment, nevertheless no attempt was made to eliminate fluoride from his diet while he was in the hospital. One simple and obvious method of doing this would have been to give him distilled water instead of Toronto's artificially fluoridated water.

When he eventually left Toronto General, undiagnosed and uncured, he went to recuperate at the home of a relative in Guelph. He regained a semblance of good health there and after some time returned to the farm near ERCO, but by the middle of December, 1968, he was back in Toronto General Hospital with kidney trouble and he was placed on a high fluid diet, containing as I pointed out in this House on December 17, 1968, several milligrams of fluoride per day. This seemed to me to be a very strange treatment for a person suffering from kidney trouble, especially when, as I have pointed out before, it is now agreed by several authorities that even for a normally healthy person the maximum safe daily intake of fluoride from all sources, including air, water, food and drugs, is about three milligrams a day, or, according to some drug companies, 1.5 milligrams a day.

For those who are interested in Ted Boorsma's case I should report that shortly after December 17, 1968, Mr. Boorsma was told that the tests were completed and he was discharged from Toronto General Hospital.

But a day or so before the CRTV hearings on the "Air of Death" began in March of this year, Ted Boorsma was called back into Toronto General Hospital and underwent further treatment which again included a high fluid diet—and that, of course, means in Toronto a high fluoride diet, one milligram for every quart of water ingested. Finally, in early June, a sign was put on his table beside his hospital bed, with instructions that only distilled water be used in his diet.

Remember, Mr. Speaker, he had now spent ten months of his life in Toronto General Hospital, most of it on a high liquid diet. By now he had wasted away to 105 pounds. His friends were despairing of his recovery. Finally, the advice of Dr. Waldbott, America's leading expert in fluorosis, was taken—finally, at long last. On July 18, 1968, on page 5988 of *Hansard*, I read to this Legislature this advice of Dr. Waldbott. His advice for the afflicted person was: "All sources of fluoride should be avoided." In simple words, his advice was, "Get the fluorides out of this man's diet."

Finally, in early June, 1969, this advice was followed, after all else had failed, and Dr. Waldbott's expert advice was taken after almost a year had passed. With what result?

Within three or four days Ted Boorsma began to feel better. In ten days he was taking long walks. In fact, toward the end of June he came to this Legislature and sat through about an hour of the proceedings. He was feeling fine. He was feeling just great; on top of the world. The only cloud on his happiness was a worry that his good health might not survive after he returned to his home in the neighbourhood of ERCO.

On June 30 he was discharged from the hospital and the officials at the hospital termed his recovery as a "new lease on life." One comment, I believe, referred to "almost a miracle." And what was the official explanation?

The explanation was, "You are allergic to something in the water". Now no one at the hospital would say what that something was.

What has happened to Ted Boorsma since June 30? He returned home to his farm near Port Maitland. The ERCO plant produced virtually no fluoride air pollution all summer—in fact, not until about a week or two ago. Ted Boorsma has drunk only fluoride-free water since his return home.

He is still enjoying good health. His weight, 105 pounds at the beginning of June, is now

140 pounds—for him the normal weight. Yet the Department of Health will admit no responsibility.

As recently as September 29 of this year the new Minister of Health (Mr. Wells) wrote to the new Minister in charge of pollution:

> At no time has there been any medical evidence presented to this department that any person in the Port Maitland area has, or has had, fluoride intoxication.

Well, Mr. Speaker, there are two children near ERCO who have suffered every so often from chizzola maculae. In a previous speech, Mr. Speaker, I called this melanosis in error. Maculae is a Latin word meaning spots or stains, and it is a much more descriptive and much more accurate word. It gets its name from Chizzola the community in the vicinity of an Italian aluminum plant, where these spots were first recognized as a unique symptom of fluorosis. In no other ailment or disease does this symptom appear. Like mottling of teeth in children, it occurs in some individuals as a painless, but unique, indication of excessive fluoride in a person's system.

These bruise-like spots can be distinguished from bruises in that they do not change colour before they disappear as bruises do. They are round or oval in shape. They last for five or six days, disappear suddenly, and may reappear five or six weeks later in other parts of the body surface.

If The Department of Health wants medical evidence, there it is, and it is conclusive medical evidence. There are several individuals in the neighbourhood who have had these maculae, and I have their names if the department will look into the matter.

Only in persons exposed to "too much fluoride", which is what fluorosis means, of course, do the maculae occur. Some people are more sensitive to, or more allergic to, or more intolerant of—choose your own phrase—various pollutants than other people are. At Port Maitland, there was so much fluoride in the air, water and vegetables that many of the people were affected.

Today in Port Maitland, after some months of freedom from fluoride air pollution, many of the people feel noticeably better. What the winter will bring, when ERCO resumes its pollution, no one can predict, but many have their suspicions.

My final point in this whole matter is this: Future historians may wonder how the Hall committee could possibly have reached the amazing conclusion that the ERCO air pollution caused no harm to humans, although it admittedly caused harm to almost every other living thing in the neighbourhood, and damage to some inanimate objects as well.

A complete answer would take hours. For a very few minutes, I wish to indicate the direction in which these future investigators should look in their search for an explanation of this mystery.

I find on page 45 in section 134 of the Hall report the key to this conundrum. Volume 4 of "Fluorine Chemistry," by Hodge and Smith, published in 1965, is quoted at page 380:

> Crippling fluorosis develops after high exposures, that is, those providing from 20 to 80 milligrams of fluoride or more per day for prolonged periods, e.g. 10 to 20 years.

If this were a fact, Mr. Speaker, then, and only then, would this Hall committee be justified in bringing in their verdict of "no fluorosis in humans at ERCO".

But this statement upon which the legal defenders of the aluminum and fertilizer companies depend to save them from successful prosecution whenever they are sued for air or water pollution is untrue—absolutely, unequivocally false.

The fact that it is accepted by judges as being true has tragic consequences for all those fighting against air pollution in general and against fluoride air pollution in particular.

The same Dr. Hodge reported 10 years earlier in "The Annals of Rheumatic Diseases", December 1955, that crippling fluorosis is endemic in many parts of the world, occurring where water naturally contains fluoride from 2 ppm to 15 ppm, in other words, as low as 2 ppm.

When we consult the Indian medical journals upon which Hodge based his 20 to 80 milligram a day figure, we find that crippling fluorosis was reported amongst people whose private wells contained as little as 0.6 and 1.2 ppm of fluoride. Now in order to ingest 20 milligrams a day, a person drinking 0.6 ppm water would have to drink 33 quarts of water a day. Eighty milligrams, of course, would require the drinking of 132 quarts a day.

A more recent report from the 1964 annual conference of the Association of Surgeons of India said, just five years ago:

> Fluorosis has turned out to be a major public health problem in India. In the four states of Punjab, Rajasthan, Orissa and Madras, there are areas where fluorosis

affects as much as ten per cent of the adult population.

The population affected by fluorosis in these provinces were drinking water, the fluorine content of which exceeded 2 ppm. In other words, they drank two milligrams or more with every quart. Fluorosis occurs also in Sicily where the drinking water contains 3 ppm, or three milligrams per quart.

Coming closer to home, let us examine this theory of 20 to 80 milligrams a day. Our former Minister of Health (Mr. Dymond) has indicated that four milligrams of fluoride per day is the danger point. The Russian authority, Krepkogorsky, has pinpointed the maximum safe daily intake at 3.2 milligrams, not 20 to 80 milligrams. And the United States Food and Drug Administration recently said, and I am quoting:

> Two or three milligrams a day would probably be considered a safe concentration for fluoride ingestion from all sources.

I underline the words, "from all sources", and again, not from 20 to 80 milligrams a day.

The United States Food and Drug Administration has control over the sale of fluoride tablets, and it has ruled that they cannot be sold except by prescription. This is now also the case in Ontario. In the United States, tablets containing any fluoride have been banned for pregnant women. To protect themselves, the United States drug companies such as Parke Davis, the Upjohn Company and Abbott Laboratories now print warnings concerning the tablets they sell. I have in my hand an actual photo-reproduction of a professional information brochure sent to physicians, dentists and pharmacists by the manfacturers of a tablet called Mulvidren-F. Each tablet contains 1 milligram of fluoride. The warning says, in part:

> In areas where fluoride is present in the water supply, but in insufficient amounts, the dosage of Mulvidren-F must be adjusted accordingly. One quart of water with a fluoride content of one part per million provides approximately one milligram of fluoride.
>
> Mulvidren-F should not be used in geographical areas in which the concentration of fluoride in the drinking water is greater than one part per million, or the combined daily intake from water and other sources exceeds a half milligram per day.

Note the words again: "and other sources".

In other words, Mr. Speaker, the drug companies say that 1.5 milligrams of fluoride a day is the maximum safe amount—not the 20 to 80 as the Hall committee implies.

The Hall committee was using a measuring stick that was at least five times too long by the standards of our former Minister of Health, six times too long by Krepkogorsky's standards, and 13 times too long by the standards of the United States drug companies.

If you wrote to one of these drug companies, Mr. Speaker, asking why they were so cautious about the use of their product, this is what they would tell you. They would quote a 14-year study for which the final report was given in a journal of dental medicine, October, 1961. The number of pregnant women and their offspring in this study totalled 1,100, and I am quoting from a short letter signed by the medical doctor in charge of product information.

> One per cent of our cases reacted adversely to the fluoride.

That is 11 out of the 1,100.

> By the use of placebos, it was definitely established that the fluoride and not the binder was the causative agent. These reactions occurring in pregnant women and in children of all ages in the study group affected the dermatologic, gastro-intestinal and neurological systems. Eczema, atopic dermatitis, urticaria, epigastric distress, emesis and headache have all occurred with the use of fluoride and disappeared upon the use of placebo tablets, only to recur when the fluoride tablet was, unknowingly to the patient, given again. When adverse reactions occur, the therapy can be readily discontinued and the patient or parent advised of the fact that sensitivity exists and the element is to be avoided as much as possible.

One per cent of the people are sensitive to fluoride. I complete the quotation:

> We hope this information is of value, and thank you for your interest in our firm.

What this means in reality is that Mulvidren-F should not be used anywhere in the United States or Canada because studies show that, even in unfluoridated cities, the average daily intake of fluoride, chiefly from food, is from a half to one and a half milligrams a day. It also means that Mulvidren-F should not be used by anyone drinking more than a pint of fluoridated water a day, because each pint contains half a milligram of fluoride.

Then follows in block letters, the word "caution." And it tells much the same as I

have read in the letter, so I will skip that. But how ill-informed the Hall committee's experts were—20 to 80 milligrams a day for 10 to 20 years.

The drug companies thus warn us of what can happen if a person exceeds the recommended dosage of one milligram a day. This has been known for a long time, Mr. Speaker, and I can give you a couple of short quotations, first from the *American Medical Association Journal* of September, 1943, which says:

> The sources of fluorine intoxication are drinking water containing one part per million or more of fluorine.

And the *Journal of the American Dental Association* of October, 1944, said:

> We do know that the use of drinking water containing as little as 1.2 to 3.0 parts per million of fluorine will cause such developmental disturbances in bones as osteosclerosis, spondylosis, osteopetrosis, as well as goiter.

In November, 1965, to come up to date, the *American Journal of Public Health* contained a most interesting report relevant to our subject, and this I think you have not heard before, Mr. Speaker.

> Clinical dental fluorosis was generally prevalent throughout Thailand. Little or no fluoride was found in drinking water samples. In some cases urine samples revealed an unusually high amount of fluorine, presumably from food with a high fluoride content.

As anyone familiar with the subject knows, "dental fluorosis, or mottling, is the most delicate criterion of harm from fluoride ingestion," and that is a 1957 quotation from the American Medical Association.

So, Mr. Speaker, the Hall committee's non-experts who anchored their testimony on the 20 to 80 milligrams per day theory, were living in a dream world.

Let me draw your attention to the fairly recent case of an Englishman, in Hampshire, who suffered from crippling fluorosis, as even his X-rays proved. Yet, the only known significant source of fluoride in his environment was that in his tea, to which he was, not surprisingly for an Englishman, definitely addicted.

To get one milligram of fluoride from this source one must drink about six or seven cups of tea a day. According to the Hall committee's criterion, this man must have been drinking, at the very least, 120 to 140 cups per day, and, of course, to get 80 milligrams a day, he would have had to drink 480 to 560 cups of tea a day. Yet the English medical journal records no such abnormal thirst in this patient.

Why are skeletal malformations resulting from chronic fluorosis found endemic among people who drink water with only 0.8 parts per million of fluoride on the Persian Gulf? By no stretch of the imagination are they ingesting 20 to 80 milligrams a day. Why are North Vietnamese children suffering from dental fluorosis at 0.4 and 0.6 parts per million? The answer obviously is that the water is not the only source of their fluoride intake. They must be eating food, or possibly even breathing air, that contains too much fluoride.

Now, because the Hall committee was misled as to the toxicity of fluorides, its report should be condemned and the new Minister of Health should admit that there is sufficient doubt in his mind to give the people living near ERCO the benefit of this doubt, and he should act accordingly.

The CBC's "Air of Death" programme helped to bring the danger of air pollution to the attention of almost every Canadian. The Hall report, if allowed to stand, will have set us back ten years, because if the people in the ERCO area have not been, and are not being, harmed by air pollution, then nobody is. So why should we worry?

If the new Minister in charge of air pollution control is interested in his job, as I believe he is, he will never have a better chance to prove it. And this is my appeal to that Minister: Either close ERCO down until ERCO cleans up, or offer to move out of the neighbourhood those people who wish to move, until ERCO ends its pollution.

Mr. Speaker: The hon. member for Welland South.

Mr. R. Haggerty (Welland South): Mr. Speaker, I rise today to speak in the Budget Debate to bring forth, in my opinion, an issue that is of great importance and public concern to the well being of the government and the citizens of the province of Ontario. I speak in particular about the recent labour strikes in Ontario. I am concerned, as are many of my constituents, about the strike between management of International Nickel Company and its employees, local 6200 of Port Colborne, as well as the joint strike at INCO's Sudbury operations.

This strike is now entering its fifth month with a loss of income to its employees which

exceeds well over $55 million. A recent letter sent out to the employees of INCO at Port Colborne states as follows:

> The growing seriousness of the situation has prompted two appeals for Ontario government intervention. Ontario Liberal leader Robert Nixon called on Premier Robarts to end the strike. Earlier in a letter to Labour Minister Dalton Bales, MPPs Elmer Sopha, Gaston Demers and Eli Martel said that they felt "very depressed that the life of the whole community can be made to suffer such dislocation by the failure of the contending sides to agree upon a fair contract."

And I might say, my colleague, the member for Welland and myself and members of the heads of the different municipal governments, local governments, in my area, met with the staff of International Nickel Company, and with the staff of local 6200, and we tried to provide some assistance in bringing the strike to a settlement, but it has been lingering on for some five months now.

Negotiations commenced on March 18, 1969, and have continued to this day, using every means available for a settlement under the present labour regulations of this province. One knows and appreciates the efforts of the province's chief conciliation officer, Mr. William Dickie, for his resources and procedures which are no doubt at an end. The parties are entering into the fifth month of strike and I can see that it will continue into 1970, when negotiations commence at INCO-Thompson operations in Manitoba. What gains the unions have made in the last negotiations have largely been eaten up by a rise in the cost of living. In the past two years, the consumer price index has taken leaps of 4 and 5.2 per cent. The real income of most people has not kept pace with the cost of living, including many of those on fixed incomes, pensioners and employees whose gains have failed to match the increases in living costs, and have dropped back. Maybe it has reached up to to embrace more people; there is a widening gap between labour's haves and and labour's have-nots.

I spoke last year in the House on the Budget Debate on nearly the same line, Mr. Speaker, to bring to the attention of the government and the people of this province the wide disparity in certain regions in this province in wages and income.

"Corporate profits up by more than 10 per cent" was a Canadian Press headline on March 20, 1969, describing the year 1968. Perhaps one could suggest a probe into corporate activities to regulate corporations that serve the general public good; and one should be concerned about the apparent numbers of United States firms that are located in Canada and have control over many subsidiaries and, you might say, in their price-fixing and the cost of consumer goods to the public in Ontario. Perhaps we should have an investigation into this.

In the Canadian Industrial Relations report on labour relations, on page 214, paragraph 767, it says:

> Incomes and costs research board: There should be no constitutional obstacle to the establishment of an incomes and cost research board; essentially it is conceived of as an advisory body though it may require powers of subpoena. In any event we recommend that it be a joint federal-provincial board. Provincial co-operation should preclude any issue of constitution. Where a constitutional base is required it could probably be found in Parliament's trade and commerce power.

So again we have a recommendation that we should have a research board to deal with income and cost in this province.

Less than 40 per cent of the negotiations are settled at the bargaining table in Canada. The remaining 60 per cent are settled through conciliation office. Strikes and lockouts in Canada in 1967 involved 409,932 workers with a loss of some 4,045,000 working days, with a loss of well over $40 million. And if you include all the strikes in Canada, the airlines, the railroads and the St. Lawrence Seaway strikes, I believe that the loss to Canadians alone is well over $1 billion a year.

Mr. H. Peacock (Windsor West): An unknowable statistic!

Mr. Haggerty: Perhaps we have the member for Windsor West wanting to get into the debate, too.

Canada ranks first in workers involved in strikes and the percentage in union membership in various western countries. In 1967, it was 100 per cent higher than the United States. So I think we can recognize there is a problem today in our labour relations in the province of Ontario, and perhaps in the regulations that apply to labour conditions in this province.

I am amazed and astonished that in the two years I have been in the Ontario Legislature I have been appointed or elected to the labour committees of this Legislature.

The first year we elected a chairman; we had one meeting. The second year we elected a chairman; in fact the chairman was not even present the day when he should have accepted the chairmanship. And today I ask myself what is this labour committee for?

I enquired of the chairman the other day. I said, "You know, with all these labour strikes in the province of Ontario we must be able to sit down and come up with some programme that is suitable to management and employees in the province." And he said, "There is no new labour legislation that we can act upon". This committee has nothing to do. And yet all the labour regulations that apply across this province are delegated to subordinate legislatures.

There is no meaning or purpose of this labour committee in this province. It is a farce, and yet with all the problems that face the people of this province and this government, we sit idly by, doing nothing. We cannot act on any decision. When I came into this House, I came to represent the people of this province, not to look for a political vote; but I think when a decision is coming or a decision is wanted, it must come from this Legislature, not from subordinate legislatures. We travel every course available to settle this strike, every course.

We have got the Rand report. No doubt it has been shuttled, or scuttled, I should say. We have one good report here and I think, in principle, it has been accepted by many international unions across Canada. There are some excellent recommendations in the Canadian industrial relations report, but if the committee sits idly by not doing a thing, strikes will continue in this province, at a loss of income to this government, a loss of income to the people involved and a loss of income to the community itself.

I believe Mr. Speaker, that if we are going to have committees in this House to function properly, the House must have that authority to be able to move ahead. On committees set up in the United States—for instance, in the New York state assembly—the chairmen have the right to act, to call a committee together, to roam about the state, to get into the problems of labour relations, make recommendations to their Legislatures. But here we sit idly by, doing nothing, nothing whatsoever. For how long this can go on, I do not know, Mr. Speaker, but I believe that the time has come when this labour committee must take into consideration wage parity—as close-knit as we are with the United States and with their apparent firms here, should not our Canadian people have the same income.

In particular, International Nickel Company has a plant in the United States and I understand and I have been informed that their wages are far above of what they are here in Ontario. Yet we have all the natural resources which are being drained.

The company is set up in New York, the profits leave this country, go to New York, even the pensions of these men are located in the United States. That investment can be used to invest in certain companies or plants in the States to improve their product.

But here in Ontario we sit idly by doing nothing.

Mr. Speaker, there are many, many things that face the labour situation in the province of Ontario. The only way that we can get it is through initiative and leadership, whether it comes from the labour committee of this province or by the Legislature, or by the Premier.

The government must step into this picture —the labour strike between INCO and its employees. It cannot linger on any longer after five months.

I know of a case of a family that lived in Sudbury and moved to Welland, Ontario. The father owned property in Sudbury, but after reviewing the situation he said that because of the length of time that they have been on strike, he just washed his hands of it and said, "I might as well give up everything". Everything that he owned. He moved down to this area to make a new start in his life.

How many more persons are in this same boat? How long can this continue without some leadership?

I say to the chairman of the labour committee, let us get on with the business of this House, let us get on with the business of the Legislature and let us get on with the business of the labour problems of this province.

Let us not sit idly by. Let us move ahead and give these people something to look forward to. I think if we can sit down and talk, and bring in management and bring in union representatives, I think we can have a compromise that is workable and acceptable to all people. Without consultation, without sitting down to negotiate or to talk, you have lost all hope of communication. I think this is the most important thing for this province—communicating with those outside this Chamber.

Mr. Speaker, with those remarks, I would like to just close my portion of the debate.

Mr. Speaker: The hon. member for Peel South.

Mr. R. D. Kennedy (Peel South): Mr. Speaker, in joining in the Budget Debate today, I would like to pass on a few remarks about the matter of pollution—pollution control, particularly with respect to summer cottages.

It is my understanding from what I have seen recently in the press and in discussion, that there are indeed some offenders in this area. It is also my understanding from experience and from other sources of knowledge, that the cottagers themselves want action taken where indicated to remedy this unsatisfactory situation, and I am sure this will receive support from all segments of the public.

There is the problem of determining how many cottages there are in fact, and depending on where they are, when action will be taken and under what authority it will be enforced. Summer cottage properties and, in fact, all the residence sewage disposal systems, are under county health units, and medical officers of health enforce these regulations in accordance with The Public Health Act under The Department of Health.

There is need, of course, for a relationship between this county board of health and the pollution control division of lakes which comes under The Department of Energy and Resources Management.

I mention county health boards. In northern Ontario there is just one unit which reports directly to the government and is totally financed by the government. The others are on a different basis in the counties of southern Ontario.

Now, if resources management finds that there is pollution in our lakes and streams, action must be through the medical officer of health in the pertinent county. This officer has the responsibility of approving and inspecting any installation of septic tank systems in the cottage areas and everywhere else as I mentioned. He has a staff to assist with this work.

If such systems are not working efficiently, it is the responsibility then of the medical officer of health to order correction. In the Revised Statutes of Ontario, this is set out quite clearly in various sections of the Act, and I would refer specifically to schedule B which seems to be a regulation or a supplement to the Act and it gives details of a by-law which is in force in every municipality until altered by municipal council.

If we follow through on this, we will see that this relates the officer of health's duties and also that he must report to the board of health prior to January 31 each year—a full report upon the sanitary condition of the municipality during the preceding calendar year.

So there certainly is machinery set up for this, Mr. Speaker.

Now, I mentioned some publicity that had been in the press and had been given some discussion in the House. The impression got abroad, I think, that all cottagers might be offending in this area. This, of course, was not true, and the Minister of Energy and Resources Management (Mr. Kerr) later clarified this stating that indeed many and most of the cottage systems are adequate.

But there are presumably a relatively small number who are offending and, of course, if they are in violation, this must be discovered and remedial action, corrective action, taken under the aegis of the officer of health.

These offending systems are generally, I believe, in the rocky areas and non-porous sections where cottagers do indeed have a problem. Those who are not in offence are to be commended. Cottagers generally are very aware of this problem and they want the lakes and rivers to be clear of impurities.

I think that something that is accelerating the problem, is the prevalence toward all-year-round use of cottages. This presumably increases the problem proportionately to the amount of use that persons give their cottages.

Speaking of the rock croppings on which some of these very beautiful cottages sit, I know of one case where the owner, having no suitable natural bed as you might call it, brought in a substantial amount of sand fill and built a disposal bed on the rock through the use of this sand. It has been used with a full system of plumbing, shower included, and there has been no seepage whatever. It is working very well.

In this regard, it is my understanding that a certain amount of the weeping process is actually evaporation. There is a pamphlet, to which I refer, put out by The Department of Health though it is prepared by the University of Guelph. I notice it has had printings almost each year, and I presume revision, but it seems to me to be a little deficient in this modern age in view of the public awareness and the acuteness with which they are now aware of the problem.

It does not specifically emphasize the problem with respect to cottages where

necessary, and what remedial action might be taken in this particular field. I think when the next revision comes out, perhaps it could give more attention to this problem and suggest solutions and emphasize it more. Anyway, as remedial action is taken it will certainly be well received by the public and by cottagers.

Another way this problem might be brought to the attention of cottagers is through a handbill—dodger—which could be very simply distributed, either through enclosure with the assessment notice that goes to cottage owners, or, second—which might be even better and I know has been handled this way in some jurisdictions—a similar enclosure with the hydro bill. The enclosure would point out the problem and enlist the co-operation and support of those persons who enjoy these facilities in which we are so rich in Ontario. This would be a good, timely and appropriate public service at relatively small cost to the public.

The extent to which control measures are being taken is another subject of public discussion right now. I think that in the case of our lakes, it might be a little out of perspective, because you read where persons say all our lakes and rivers are polluted. I have read this in articles.

My experience is that this is not the case and I think there is a disservice done by these extreme statements, although an overstatement in this regard is not too serious a matter in view of the seriousness of the problem. Locally, I know the lower Credit River, which used to be very badly contaminated, so it was said, is now relatively clear. There has been a reversal here.

There is a lake I visited in the summertime that I sampled myself—and anyone can do this by sending samples in to the Ontario Water Resources Commission, who will do the testing—this showed it to be relatively clear of impurities. So it is not a general problem. I do not think we need to be unduly alarmed, but what we want to do really is to get back to the quality of air and water we enjoyed before the advent of all the social and recreational advantages that we now enjoy.

It could happen, if it is not reversed, that we would be in the unsatisfactory situation as is described in some publications and by some speakers. But there is such an awareness now by the public and by government and through new programmes of pollution control which are now being embarked upon, I think we are going to gradually win the battle. It will not be easy, but eventually the waters will be back to the quality of which I spoke.

It is going to take work and co-operation, education of the public, and, of course, effective administration of existing laws. Ontario, Mr. Speaker, has the most up-to-date legislation in Canada, but Ontario needs it, because we have the greatest density of population and we also have a great deal of industry; per capita, it is the greatest in Canada. I suppose this could be proven with some mathematics.

The *Globe and Mail*, on November 3, reviewed the activities of the government since 1964 when the present legislation was invoked and our present awareness and government activity was stepped up. It mentions that there are 16 pulp mills and a lesser number of paper mills in Ontario. It refers to the problem of balance between the economic and social factors in dealing with this problem. It states that the government approach has been reasonable.

Ontario Hydro, Mr. Speaker, started out on a control abatement programme in 1953 or 1954, 15 or 16 years ago, which was, of course, to do with air pollution. Since then, it has spent about $30 million, a large sum of money.

The *Globe and Mail* editorial mentions Mr. Thomas Cross, assistant director of Ontario's air management branch, who estimates that on the average it will cost plants about $3 million to instal adequate air pollution control and water pollution control will add to this figure. The cost is high, but the cost in social and economic terms would be even higher in letting the pollution continue. So ends the editorial.

I mentioned Ontario Hydro had spent $30 million but industry owes—and I quote from a trade publication:

> Industry has an obligation, not only to the shareholders of the company, but to the public as well. Industry can and must embark on programmes that are attainable in the shortest possible time.

We cannot exactly balance the books on an issue such as this, Mr. Speaker. Pollution abatement would reduce certain costs now incurred by the public. I speak of individual members of the public. Costs are not large, perhaps, but if a person parks a car down along the waterfront you go down after a day or overnight and you will see the particles that have fallen on it and, of course, you need a car wash.

I suppose if you calculated the number of cars that are on these parking lots and the cost of restoring them to their former condition, it might very well add up to a considerable sum of money. Additionally there surely must be additional laundry cost to the housewives, and street cleaning, because this condition is going on, so it is not exactly a total crunch against industry. The public themselves, as individuals, would receive a small measure of economy that, I think, with a population the size of Metro, would add up to quite a bit of money.

I mentioned one of the trade publications —one of the steel companies put it out and it asserts that industry is, in fact, vitally concerned. We hear that they are not and that they are indifferent to it, but I believe the article. They say so and it is in black and white.

They could have defended what the industry is doing which, in this particular case, is something. But it does not particularly do this; it acknowledges the problem and it confirms that industry does want to clean up. So, until proven otherwise, I think we could take it at face value that they mean what they say. It is certainly necessary to get on with the schedule, to zero in on it, and eliminate the problem as quickly as possible.

I mentioned $3 million; Hydro, of course, is a much greater corporation and it spent $30 million. I think it is a matter of budgeting control and the Dofasco article is realistic and forthright in this regard.

This article acknowledges that the economic health of Canada is the responsibility of every Canadian. Here you get immediately into the problem of the knowledge that we have an international problem of pollution, and of course there is an International Joint Committee at work on this matter of pollution and the federal government is deeply concerned about it as well.

Another view or phase of this that has come up, is that industrial growth and pollution control are not compatible. This article does not agree with that at all and I do not think people do. Some say that if you have one, the other just cannot be. Well, this article does not agree with that, and neither do I and I do not think anyone else accepts this philosophy.

So, Mr. Speaker, in conclusion I would just mention again that this article of the steel company asserts that the quest for clean air and clean water is a continuing struggle. In some areas there are not yet answers. We know this. Research must be accelerated in order to determine what are reasonable and effective controls. What are they? When can they be obtained? So in this respect, Mr. Speaker, research must be accelerated and pollution control in all areas must be accelerated.

Mr. Speaker: I wonder if the next speaker would allow me a moment to invite our newly elected Deputy Chairman of the committee of the whole House to take the chair so that he may enjoy the pleasures for a time, and endure the rigours of this particular seat in the assembly. The member for Northumberland (Mr. Rowe) might perhaps take over.

The member for Middlesex South, please.

Mr. K. C. Bolton (Middlesex South): Mr. Speaker, the Ontario of the 1970's stands before us in a splendid array of opportunity and challenge. I am sure with your retentive memory, Mr. Speaker, you will recall you have heard these words before. They fell from the lips of the hon. Treasurer and Minister of Economics (Mr. MacNaughton) on Tuesday March 4, 1969. He went on to say:

> Although man will probably be on the moon by the time we enter that decade, we must continue to seek a good life on the earth. There is surely no part of this planet that offers more and for that very reason demands more responsible preparation than Ontario.

With all of these statements, Mr. Speaker, I find myself in full agreement, without evasion, equivocation or mental reservation of any kind. He goes on to say:

> The government must at all times pioneer a pathway for the people.

In passing, what lovely commiseration!

> A modern budget is not simply a bookkeeping statement or a testimony to financial management. It is a deliberate instrument of social and economic guidance; it is part of the very fabric of our society and our economy.

Here again I find myself in perfect agreement.

> A budget is a document of very profound social significance. Interestingly enough, in modern language the word "budget" becomes quite familiar. It has the same root as the word bag, and means, in fact, a bag. The Budget is in effect the government's bag, as the hippies might say today, so in very fact, the indication of their set of values and the concern of the government and of this whole House.

So much then for March 4, 1969.

And what since then? Man has reached the moon even before the 70s. This accomplishment has been used as a measurement of man's capacity to challenge the events

of a new age. So for Romeo to enter the Budget Debate, may I accept the invitation to make a comparison and relate man on the moon to man and the good earth.

Just in passing we will ignore Juliet—not the Juliette whose songs fell softly on Strathroy ears in the September campaign; I, too, am capable of commiseration—but the Juliet who counselled Romeo:

> Swear not by the moon
> The inconstant moon
> That monthly changes in her circled orb
> Lest thy love prove likewise variable.

How was the moon reached? I submit that there were at least a handful of reasons. I offer for the members' consideration, five suggestions:

1. By the careful gathering of facts, or more correctly, data, a fact of the thing done. Data are the given things.

2. By a clear decision of what the goal should be.

3. By willingness to calculate in advance and to accept the cost.

4. By interdisciplinary co-operation.

5. By actual refusal to be diverted from the agreed objective.

I speak of these in relation to the planning of the Legislature.

First, "By careful gathering of the facts, or more correctly, data." It may be noted they had to gather the data or the facts as they were, not as they wished them to be. They were resolute in the rejection of myth and so in our physical and economic world facts must be ascertained and myths will not do. It is my submission, as a member of the New Democratic Party, that among the myths we must examine carefully are some of these.

The myth of free markets; the prices find their own level as if there were no cartel, as if there were no manipulations and no significance to interlocking directorates. This is a myth that needs very careful examination. Or again, the myth that the master-servant relationship can be much longer continued.

Or the myth of the quiet acceptance of the wisdom and generosity and effective *bonhomie* of the elite. Or the myth, if you can translate, that the Christmas turkey has year-long sustenance. The hamper will supplant the needs for careful planning throughout the year, to meet all the needs, not just the emotional requirements for the assuaging of economic guilt.

Or the myth that any citizen of the 1970s be he Indian, or of any other origin, or any group in this country, will continue to accept second class status.

These implications must be examined in terms of gathering the data if we are to have this good life on the good earth.

Then the second requirement: A clear decision of what the goal should be. Much was said the other day of the 12 little squares, the 12 little bricks, the yellow brick road. There was careful thought in these 12 blocks but I agree with those who said the other night that the essential one is the first. What is the goal? Where do we wish to go?

Well, among other things I am sure we all agree in terms of goals. Do we disagree in terms of the route toward that goal? There must be the equality of educational opportunity for all our people. There must be houses set in surroundings where there is fresh air and playground space. Houses that rent or sell at prices that people can realistically be expected to pay.

In passing, how strange to hear a suggestion that it is good enough to raise mortgages to 50 years. Do you realize that on a 50-year mortgage the people who are on retirement, living on reduced income will still be making mortgage payments long past their time for productive ability to secure adequate financing?

Then a third requirement, to calculate and accept the price, and here one must venture into the field of value, not just in terms of dollars and cents, but in terms of human dignity and the need to look at prices both negatively and positively.

To ask not only what this will cost, but what will it cost us not to follow this particular road or meet this social requirement. What will happen in terms of human dignity if this particular road is not followed?

We must ask ourselves not the price of land assembly, not only what the land will cost, but what price will we pay in social disintegration if we do not pay the cost of assembling the land and giving our people a chance to build houses that can meet their needs.

The fourth requirement, interdisciplinary co-operation. What a close pattern of it is here, in this House. The need to have the various departments talking to each other, sharing with each other in their examination of the needs and their programmes. Ontario Water Resources Commission discussing with the Ontario Municipal Board and with The Department of Trade and Development, MTARTS, and so on.

Also, of course, as all would agree, on the need for co-operative understanding between the federal government and the provincial government.

Fifth, the need to recognize we must never be diverted from the agreed objectives. Here may I make a parallel, again drawing from the Budget Speech, in which the reference is made to the value of progressivity in taxation, the plea for progressivity followed by the most extraordinary, most regressive form of taxation when Medicare was introduced, of which much more will be heard in a different context.

Well, Mr. Speaker, I do not wish to trespass long upon your time. I want to refer to a German proverb about the moon which is translated this way: "You gazed at the moon and fell into the gutter."

This proverb reflects the danger of merely holding vague ideals and dreams without calculating the price, without the willingness to work and suffer and struggle for those ideals. It does not indicate mere sentimentality, mere rhetoric unmatched by action.

Another reference again to the moon to stay within our parallel. Thoreau writes: "The youth gets his material to build a bridge to the moon, or perchance a palace or temple on the earth. At length, the middle aged man concludes to build a woodshed with them".

Here is the indication of danger of losing one's ideals, of settling for something less than the best, and here is a warning that we must not be content to stop halfway, not be content to allow some hardening of the arteries to prevent building for our people in realistic terms.

You can do many things with materials. You can build a woodshed or build a cabinet. Let us hope that we in this Legislature will continue to build toward, not just a staircase to the stars, not a bridge to the moon, but a bridge between poverty and dignity.

Again, quoting Thoreau, he says: "The mass of men lead lives of quiet desperation". This is still partly true. Men do live lives of desperation.

But, Mr. Speaker, it is the quietness that is going. We have demonstrations. We have more articulate speech and more formal actions against the desperation of our day. We need to be alerted to the danger of complacency. People will no longer accept the idea that you have poverty in the midst of abundance.

To go back to the beginning, Mr. Speaker, it is true. No part of the planet offers more than Ontario can offer. For that reason, the demands of our people will be that much greater and our response must be that much more responsible to the needs of our people.

Also, in other terms, because Ontario has such great opportunities, we have a great responsibility towards the rest of the country. Yes, I know Ontario is called the milch-cow of Canada, so be it. We have much wealth and much to give to the country and to the world.

Mr. Speaker, I hope that as a member of the New Democratic Party, which I am honoured to be, I can, with my colleagues, work in co-operation with the rest of this House where co-operation is indicated, in opposition where opposition is indicated, and ultimately in power to bring about the "Good Earth" presaged in the Budget Speech of March 4, 1969.

Mr. Speaker: The member for Perth.

Mr. H. Edighoffer (Perth): Mr. Speaker, I am very pleased to be able to follow the member for Middlesex South and I congratullate him on this, his maiden speech, in this House.

It is a considerable time, Mr. Speaker, since we have had Budget Speeches, and it is easy to forget that, aside from voting supply and enacting legislation, there are at least three other important functions which are porformed by members in this Chamber.

We have seen how the new and revitalized question period serves the interests of the people of Ontario in matters of urgent importance. Then there is the Throne Debate, which serves to focus attention on all the corners of the province, as well as affording an opportunity to members to pay tribute and extend courtesies in a manner which is sorely needed in this age, which is in danger of losing so many of the graces which our fathers had the time to enjoy.

But today I have a strong theme running through this speech of mine, and that is the relevance of the Budget itself to the realities of life in Ontario today. So fast have events moved that the sterling performance of the Treasurer on the boob tube, better known as television, which must have achieved an all-time record in terms of its critical acclaim, seems like something out of the distant past.

The script of that broadcast—the Budget Paper—is, however, preserved for posterity, and, as the days and months wear on, it is becoming something of a collectors' item, so quaint are its provisions in the light of what has happened since.

We must recall that the Budget was presented in an atmosphere of crisis. The fiscal nightmare was a very real thing as we sat expectantly at our desks. But then came the magician's great trick—the balanced Budget, achieved by what sleight-of-hand we mortals could only guess at.

A balanced Budget in the face of a fiscal nightmare—this, indeed, was something new, something to make the world marvel at, the performance of the hon. Treasurer.

But, alas, the magic was to fade, and the cause of the disaster was the county school board system which had been implemented by the Minister of Education (Mr. Davis) in advance of, and quite independently of, the promised millennium of regional government.

Later, there would be a slowdown in the pace at which regional government was to be advanced, but even now, the fact that county school boards had come into being like mushrooms overnight, was something that we on this side of the House recognized as portending disaster for the all-too-easily balanced Budget.

And, of course, the $50 million truth finally came out, after months of stalling on the part of the Minister of Education. Now all hope of a balanced Budget disappeared, and we now learn that the basic shelter exemption will end so that the county board equalization can be paid for.

Also, it seems, federal money for Medicare will displace provincial moneys earmarked for training and expansion of facilities, and that these released funds will also help to pay the costs of education.

So, in the end, the local people will be no better off than if their property taxes had continued to carry 55 per cent of the educational burden. When the government gives back with one hand it takes away with the other.

The Treasurer, in the course of that memorable performance, stated that, and I quote from Budget paper B:

> The Ontario government intends to establish its own personal income tax system within two years.

On one occasion previously—in the Throne Debate—I placed before the Legislature the concern of my constituents in regard to the imposition of such a tax, and here I feel I can do no better than quote from *Hansard* for this current session, page 1582:

> Mr. Speaker, I am blessed with constituents who are not easily fooled by high-pressure sales and advertising agency techniques. They see through the sham and the smoke-screen very quickly.
>
> I have a very good example of this skepticism at work. I sent out a questionnaire at the end of 1968 to my Perth constituents. And of those returning the form, 82 per cent answered with a resounding "no" to the question of whether or not the province should collect its own income tax. They just could not see the sense in setting up double collection machinery, double bureaucracy, just so that the Premier and the Treasurer could stand on a higher pedestal.
>
> In letters that came with their replies, they indicated that we, as taxpayers, cannot afford to set up more departments and that rather than standing on a pedestal, the Premier and the Treasurer would be standing on the shoulders of the people.

Now, just less than a week ago I received a letter from one of my constituents. Every few months this gentleman takes the time to write to me and states many comments concerning many subjects. This is the way he started out this letter:

> From time to time, leaders in political life express the desire to hear from the grass roots, their opinions and their ideas. Well, here we go.

Then he went on and listed many concerns which he has; the concern for the county board of education; provincial assessment; the high OHSIP premiums; and eventually he made a comment on provincial income tax, and this is briefly what he said:

> I think the only fair tax is one based on ability to pay, income tax. Furthermore, income tax could be collected by the federal government. They have all the facilities required to do this. This would cut out all the costly administration and this certainly could be worked out with the provinces and Ottawa to eliminate unnecessary overhead, and Canada would be administered for the benefit of all Canadians.

This is the view of the grass roots of Ontario and I feel that the Provincial Treasurer should give some consideration to this point of view.

Mr. Speaker, My second quote from the Treasurer occurs on page 64 of the Budget document, again in paper B, where he said:

> The Ontario government has decided to assume full responsibility for the administration of property assessment.

Now that is a statement that defies distortion. It is a bad statement. And it is one that rejects all the possible alternatives. The alternative that we on this side of the House believe in is the equalization of standards through rigorous training and seminars, so that every assessor in the province works by and understands the manual.

But we say that this can safely be left in the regions, in the hands of the larger municipalities and the counties at any rate. We are

against centralization of assessment which takes away from the autonomy and dignity of the municipalities.

The Treasurer and the Minister of Municipal Affairs (Mr. McKeough), who spent so much time this summer going up and down the province trying to sell their ideas to the people of Ontario, would have been much farther ahead had they, instead, called in the assessors to a summer school and made sure that equalized assessment would be undertaken on a fair basis which would end local favouritism and abuses where these practices existed, yet which would not have caused all the heart-searching and bitterness that characterizes every mail that we get these days.

There was an obvious lack of leadership in such matters as defining market value, and there are clear anomalies and loopholes. Most of us are getting letters with two photographs enclosed, and the letters are all of the same content. They say: "This is my house, assessed at a market value of so-and-so, and here is another house, obviously much more lavish assessed ever so much less." Now these discrepancies should not be, Mr. Speaker, and yet we are all getting mail like that.

The county assessment scheme, which was promoted so lavishly, and which indeed seemed so full of promise, was never given the chance to get off the ground. New buildings were built and the machinery was just being oiled when along came the new proposal. There was a tremendous waste in one scheme following so closely on the heels of the first, and as yet untried, county scheme.

One consequence of the changeover is that many of these buildings are now in the wrong place. For example, Goderich, which is in the riding of the hon. Treasurer, and it has an elaborate assessment building which has just been built, which was built to serve assessment in Huron county. Now this building must serve Huron county, Perth county, which includes Stratford.

It is interesting to note that there were 34,000 assessment notices sent out for the whole of Huron county. Yet the city of Stratford required 11,000 notices to be mailed out. Stratford, being a city, more use will be made of assessment records.

It is obvious that for the new type of assessment, the assessment office must logically be located in Stratford in the heart of the region, and not in Goderich, where one side of the catchment area is under water which is not noted as yielding much revenue other than from the sale of fish!

In passing, I wonder whether the Treasurer had any inkling of the new assessment proposal by the Minister of Municipal Affairs when he allowed that county assessment building to go up in Goderich.

Another point, Mr. Speaker, is it good planning to have the MODA office in Stratford, the Perth-Huron Regional School of Nursing in Stratford, and the assessment office in Goderich? Are all the departments of government pulling together or are they at cross-purposes? I think the latter is the case. At any rate, the evidence suggests it.

Some of the evidence of a lack of co-ordination between government departments came from the Minister of Highways. In his estimates for 1968-1969, he said that the road to serve Waterloo generally, Perth and Huron, and link it with the main street of Ontario, the 401, via the Kitchener-Waterloo expressway, would be a two-lane affair.

Now in the 1969-1970 highway programme this proposed highway link has disappeared. So to two Ministers, Stratford was at the centre. To a third, it was on the fringe. To a fourth, it was of no importance at all—not enough to warrant a decent connection to the 401, at any rate.

So you see, there is no common purpose or philosophy to this government. All the departments are going their own ways.

When you get down to it, the government is working to a programme—a programme to get itself re-elected, come what may. It is apparently planning to make all its mistakes in its first three years, and save all its plums for the election year.

Sometimes, however, somebody gives the game away, and, in this instance, it was none other than the illustrious hon. Treasurer himself, who captured on videotape and in the form of a bound Budget statement, said this, and I quote from Budget paper B once more:

> As the process of reassessment proceeds, the province will consider the need for measures to cushion its impact. Present practices vary so widely that the move to a modern and equitable base is bound to involve financial hardships in some instances.
>
> While such hardships must eventually be borne if equity is to be achieved, temporary cushioning would smooth and ease these painful adjustments.

"Cushioning." That is quite a word! Quite a significant word. And when you add the word

"temporary," you see that "temporary cushioning" can only have one meaning in the harsh word of political reality.

This government plans temporary cushioning of the full impact of its re-assessment upon the hard-pressed people of Ontario until after the next election. The "painful adjustments" referred to are to come later, when the government is safely ensconced in power for another five years. At least, that is their idea.

But the people of Ontario cannot be fooled any more and they will see through the ruse once it is pointed out to them.

So, Mr. Speaker, with these few comments I can only say that I support the motion placed before this House by the hon. leader of the Opposition on March 10 of this year.

Mr. E. A. Winkler (Grey South): Mr. Speaker, I am pleased now to participate again in this Budget Debate. You may recall that on the previous occasion I had, approximately, ten minutes on a Friday before the House rose, and that is the reason I rise once again.

I want to congratulate the member for Middlesex South, if not for the content of his speech, certainly for making his initial presentation today. It is always a welcome event to have a new member present his views in regard to the experience he has had, and such we have heard from him this morning.

I think, initially, too, Mr. Speaker, that I would like to say a word about the rules committee and the accomplishment that it achieved in the course of the summer months and which is apparent now. I would, as a humble member of that committee, want to thank the chairman and every member of that committee for the co-operation that we experienced, and for the end result which, of course, accrued to the benefit of the Legislature by the efforts of all concerned and no one in particular. We had a lot of dialogue and we benefited from several visits that we made—just two, as a matter of fact—in that committee.

It was a memorable occasion when we visited the House of Commons in Ottawa and then returned to realize that we had, indeed, a very democratic institution here in the Ontario Legislature in comparison to that which they now have in Ottawa. It is a sad commentary to see a government tie up a democratic institution such as the House of Commons by rules, not allowing the freedom of speech that existed before, for which I suggest to you there was some political motive. This has not been done here and I certainly say once again that this is to the credit of every member who sat on that committee and of course, more properly, of the chairman.

Mr. Speaker, as a result of some of the things that have been said here this morning, particularly by the hon. gentleman that preceded me—he made several references to the Budget and to the circumstances that he said existed at the time the Budget was brought down and the inadequacies that occurred. He referred to it as brought down at a time of fiscal crisis. Mr. Speaker, I may be reiterating here, I am not sure, but I would go back to an article in the *Globe and Mail* on Thursday, August 29, 1968, a press release by the leader of the Liberal Party as he emerged from a meeting with the Prime Minister in Ottawa, predicting that the provincial government will try to blame Ottawa for tax increases and other matters arising out of expenditures, and yet we hear this morning—

Mr. Singer: That was an unusual thing for him to say.

Mr. Winkler: —the member rising in his place and criticizing the government of Ontario for balancing their Budget. Now, this is symptomatic—

Mr. Singer: What balanced Budget?

Mr. Winkler: —this is characteristic of the Liberal Party, Mr. Speaker; they know well how to speak out of both sides of their mouth.

Mr. R. F. Nixon (Leader of the Opposition): Is the Budget balanced now?

Mr. Winkler: And I would say further, quoting from another editorial in the *Globe and Mail,* March 13, 1969:

> Mr. Nixon accused the Ontario government of being selfish in its unco-operative approach to its dealings with the federal government, of paying lip-service to the concept of a strong federal government, while eroding Ottawa's powers and building a fiscal wall around this province.

Let me say, if one follows that, and I do not wish to quote the whole thing, it goes on to say:

> A chorus of federal voices told the provinces to "go out and raise your own taxes". That was a very blunt and uncompromising rejoinder to all provincial appeals for a better share of the tax pie.

Mr. Speaker, let me say this, we recognize, and I too recognize, that a strong and responsible federal government in our system is necessary, but the basis and the origin of all taxes in this country come from the federal government. There is not a provincial government in this country that does not have to do in the final analysis the bidding of the federal government in this regard.

When the Provincial Treasurer makes suggestions on how the fiscal requirements of the province are to be met, it certainly behooves the members of the Liberal Party, after their action and after their knowledge of what was happening at the federal level, to sit back and pay a little respect, in my humble opinion.

Interjections by hon. members.

Mr. Winkler: It may be. I will have a word to say about the member in a moment, if he will possess his soul with a little patience.

Mr. D. C. MacDonald (York South): The Budget is in the worst shambles since the Walter Gordon Budget.

Mr. Winkler: Mr. Speaker, consistent with what I have said before—and I think the leader of the Liberal Party knows full well that I have a great respect for him in a personal way, but when we are in this political arena, it becomes somewhat different.

Mr. Singer: He always makes fun of the member, too, in a personal way.

Mr. Winkler: Yes, and as far as the member for Downsview is concerned, I have told him before, I will compare my mandate to his any time.

Mr. Speaker, I would like to refer now to an article that appeared in the Toronto *Telegram* at the time of the Liberal leadership convention in Niagara Falls—or Hamilton, rather. If anyone can say that the attitude of the provincial government leaves something to be desired, which they have been doing regularly, I would like to quote from this article.

> Anyone who thinks Mr. Nixon is going to be Premier in 1971 at the present rate must think he can walk on air, or walk on paper. When the Liberals come to take stock of their chances this week, they must realize the party has to improve radically to stand even a ghost of a chance of forming any government in the years to come.

Interjections by hon. members.

Mr. Winkler: That too, Mr. Speaker, represents, in my humble opinion, the responsibility that that party represents in this House and to the people of this province.

Interjections by hon. members.

Mr. Winkler: I would also have a word to say, Mr. Speaker, in relation to other positions that they take.

When the member first mentioned several matters that have occurred in this past year, he mentioned OHSIP and a number of others. I would like to make a couple of references myself to things that have occurred recently, as far as the Liberal Party is concerned.

I do not say there is not some merit in what they do, but I question the motives. That is important when one wants to appear responsible to the people of this province.

Interjections by hon. members.

Mr. Winkler: For instance, I have heard, in the last two days, of the member for Waterloo North (Mr. Good) being critical of the government in regards to the regional government plan. I have here this morning, and let me read from it, a press release of 1966 by the member for Downsview, when he said:

> The government not only has no programme for regional development, but has no thought of one and no idea how to start it.

He said—

> A revolutionary approach was needed. The government should get rid of the broken-down, horse-and-buggy municipal system of government—

Listen to that. Listen to that.

> —and plan from there.

Mr. Singer: Give me the exact reference, I will give that speech again.

Mr. Winkler: Quoting further:

> Economics and Development Minister Stanley Randall, said the government was planning a strongly based programme for regional development, but it would not be ready for about one year.

Now that has been started and I was fascinated to see the member for Downsview stand in his place and vote against the regional government bill for Niagara Falls.

Mr. Singer: I did not vote against regional government for Niagara Falls.

Mr. Nixon: You are wrong again.

Mr. Winkler: They have no sense of responsibility whatsoever and he cannot get out of that statement, it is here. It is here, clear.

Interjections by hon. members.

Mr. Speaker: Order! Order!

Mr. Singer: Point of order, Mr. Speaker. We did not vote against, nor did I vote against, the regional government bill for Niagara Falls. We suggested that it be postponed for a period of time, so it could be more carefully considered—

Mr. J. W. Snow (Halton East): What is the difference?

Mr. Singer: —and I would think that the member who is now speaking would want the record to be absolutely correct.

Mr. Winkler: I would say, Mr. Speaker, that such political naivete only represents further the irresponsibility of that party.

Mr. Singer: What next devastating thought have you got?

Mr. Winkler: Well now, I would like now to—

Mr. Singer: We enjoy this.

Mr. Winkler: I am going to endeavour to stay within the limits that have been agreed upon by the Whips, which curtails me no end, Mr. Speaker, but I will endeavour to do exactly that.

I want now to say a word about the final and concluding remarks of the member for Middlesex South about his party maybe coming to power sometime—I have forgotten when it was.

Some time ago, when I made a reference in this House, or made a statement of fact, in regard to the NDP in the province of Saskatchewan, the leader of that party arose immediately to criticize and to deny what I said. I then went and looked for the facts and figures as they exist.

Mr. MacDonald: Why does he not deal with current history?

Mr. Nixon: Why does he not deal with the hospital situation?

Hon. A. Grossman (Minister of Correctional Services): Why do the members not give him a chance?

Mr. Winkler: I want the people of Ontario to know what lies in store for them if they think any more of supporting that party that sits over there. That is what I want them to know.

Interjections by hon. members.

Mr. Winkler: Does the member want the floor? Does anybody over there want the floor? Mr. Speaker, I am willing to yield.

Mr. MacDonald: How many seats have you got in Saskatchewan? How many have you got in B.C.?

Mr. Winkler: Listen to the figures, will you please? I have here the figures regarding the evacuation from the province of Saskatchewan by the young people between the years of 1944 and 1960; 240,000 young people left the province of Saskatchewan to seek opportunity elsewhere. Most of them went to Ontario, with a large number of them going to the United States.

Interjections by hon. members.

Mr. Winkler: Now I say to you, Mr. Speaker, what does that speak for the type of government that they think they can institute in this great province? Nothing. Nothing whatsoever.

Interjections by hon. members.

Mr. Winkler: Mr. Speaker, it was also very interesting, last week in Winnipeg or the week before, to realize that these fellows finally jounced socialism and have become free enterprisers. That was a great thing.

I am well acquainted with the leader in Saskatchewan and I think he is a very fine fellow. He is going to administer that province on a free enterprise system, if it is the last thing he does. And where does he come for money? To the province of Ontario—and we welcome him.

Interjections by hon. members.

Mr. Winkler: Let us have a look at the record in Saskatchewan in regard to industry. This is the one I could not quote, for which I was sorry, at that time, but I have laid my hands on it since. It is very worthy, I think, Mr. Speaker, to put it on the record.

It is headed, "How Have They Fared? How Did They Fare? Has Their So-Called Plan for a Socialist Economy Been Successful?" Now I am going to quote a few things No. 1:

> The first industry to be set up by a socialist government in Saskatchewan was

in Regina. Its purpose was to tan cowhide. It operated for about two years. It lost $73,000, then closed down.

About the only hides it tanned were the hides of the taxpayers. No. 2, Mr. Speaker:

The second plant established was a shoe factory, also in Regina. The socialist Premier boasted in a speech that the plant should manufacture shoes for $2.75 a pair and still make money. But, despite his verbosity, within several years the plant was bankrupt and closed down with a loss of $83,000.

That is great profit-making, that is good administration.

Interjections by hon. members.

Mr. J. E. Stokes (Thunder Bay): This government has given three times that much to the breeding of race horses.

Mr. Winkler: Now, Mr. Speaker, if the member for Thunder Bay has a speech, I will sit down for a few minutes.

Mr. M. Makarchuk (Brantford): I am not sure horses could not make a better speech.

Mr. Winkler: No. 3, Mr. Speaker:

A paint spray company was formed whose purpose it was to paint the rural buildings in Saskatchewan at cut-rate prices. Unfortunately, the farmers did not buy that service, so the company ceased its operations forthwith.

No. 4:

A woollen mill was set up at Moose Jaw. This company was in difficulties from the day it opened. When it was finally forced to close, it had accumulated a deficit of $830,000.

Mr. Stokes: That is just about what this government lost at Douglas Point.

Mr. Winkler: No. 5:

A housing corporation was set up after the war to convert military huts into housing accommodation that could be rented. And a short time after losing $42,000, it went out of business.

Mr. MacDonald: He means the Boer war.

Hon. Mr. Grossman: There is a great housing programme for you.

Mr. Winkler: This next, I understand, was a very personal thing for the NDP in Saskatchewan:

A box factory in Prince Albert was expropriated from a private company, under drastic legislation. The government ran it for more than a decade, it ran up deficits of $352,000 and then closed the company down.

A sodium sulphate plant was taken over, after the use of considerable pressure, from private enterprise. More than $350,000 of taxpayers' funds were invested in this company but after a few months of socialist ownership, the company was closed down.

Today, as a result, the town of Bishopric stands lonely and deserted, one more ghost town of the prairies, and fostered by our friends.

No. 8:

A fishing board was established and over considerable areas fishermen were compelled to deliver their catches to this port. Five fish-packing plants were built, which were to revolutionize the economy of the north. This venture accumulated losses of $364,000. Eventually, the whole operation was sold to the co-ops.

Private enterprise, again.

Well, Mr. Speaker, I could go on and on. Virtually those—without exception—who have had to compete with private enterprise on equal terms have lost large sums of money regularly and consistently. Now, we would like to know if that is the sort of thing we can expect in the future in the province of Ontario. We would like to know.

We have heard this morning complaints—and I have a word to say about this, because I have my own personal feelings—about the welfare programme in the province of Ontario. I will be even so daring as to mention the OHSIP programme. I am of the opinion, Mr. Speaker, that as a result of the programme that was laid down by the federal government through the forcing of OHSIP onto the people of the province of Ontario, the province of Ontario will be, in the end, the loser. There is no other way. When you have the federal government imposing a tax such as they have on the taxpayers—

Mr. MacDonald: But you will not use it for the purpose for which it is intended.

Mr. Winkler: I will come to that, give me an opportunity—

Hon. Mr. Grossman: Who said it was for the purpose of reducing rates?

Mr. Winkler: —the federal government taking out of the pockets of the ratepayers of

the province of Ontario the money to sponsor this for other provinces. This is what we must realize. Had I been in the position of authority in the province of Ontario at that time, I would have called this fedicare, not OHSIP. It would have been fedicare because it is a plan imposed by the federal government.

Now, it is much more harsh than anybody in the province of Ontario can realize. I am well aware that the welfare programme for the people of this province has been so thwarted that, instead of implementing a vast new programme of nursing home care for senior citizens, this has had to be deferred because of this imposition by the federal government. There is no question about that. You cannot deny it.

Mr. MacDonald: This government has the poor Liberals in Ottawa as an excuse for all its failures.

Mr. Winkler: Well, they are my excuse for most of them, that is right. That is absolutely quite right.

Interjections by hon. members.

Mr. Speaker: Order! While I realize that the address being given by the hon. member is one that does attract a certain amount of comment, I would think that the hon. members on my left are not being fair. They are not giving him a hearing, two or three of them, and I would ask that they give the hon. member a hearing. They have their chance in due course to rebut and to re-question, but this is not the time for quite so much disturbance. The hon. member has the floor.

Mr. Winkler: Mr. Speaker, you are a very kind and considerate man.

Mr. MacDonald: It is not what the member usually says.

Mr. Winkler: Now, I want to say further, in regard to what has been foisted on the people of Ontario, and the regrettable part of it is the withdrawal from the health resources scheme. This is the one that in the long term I regret more than anything else. In regard to medical coverage itself, I have my own philosophy about that. I will say openly that I think the government should consider paying 100 per cent of the accounts. I also think it should be considered that the government should provide some relief in the area of premium payments. I do not hesitate to say that, and I say it without consultation or knowledge of whatever the government might be thinking. I say it in my own regard, with my own authority here as a private member of the House.

Now, Mr. Speaker, I realize that I am going beyond the limit which I promised to stick to, so I will conclude with one more point. I have before me here a very interesting book that I have been reading and I have a 1938 quote from Sir Winston Churchill. I thought it was very appropriate in this day of change in our society and I quote:

> One may put this question in the largest form: Has any benefit or progress ever been achieved by the human race by submission to organized and calculated violence?

I think, Mr. Speaker, that is a very, very appropriate quote today as we prepare ourselves for the celebration, or whatever one wishes to term it, of Remembrance Day next Tuesday. I think of the sacrifices that have been made from this province and from this country for the maintenance of the institutions that we have and for the preservation of the democracy which we appreciate in the western world. I deplore those, who in this day, take any sort of action to eradicate, or in any way impair, the institutions of the country for the good of the people whether it be from the university campus to those who would destroy here in this legislative assembly or in any other body of government. I have noted over the past—I do not make a very direct reference here because the member is not present—and I also deplore what has been accepted by the government in regard to the method of operation by the member for High Park (Mr. Shulman), when he sends his snoops into the institutions of this country. There should be sufficient respect for this Legislature and for the institutions of this province that every member of this Legislature should—regardless of what the government is—honour and respect that which has been given to us at a very, very great price.

Thank you.

Mr. MacDonald: That was a resounding platitude to conclude with.

Mr. F. Young (Yorkview): Mr. Speaker, I too would congratulate the member for Middlesex South on his initial speech in this Legislature. And I would say to him that not only was it a good speech, but the content was extremely good and very, very pertinent.

I was a bit saddened, though, to hear the last speaker drag out the old propaganda clichés which have been answered time after time in this Legislature and other places, and the kind of half truths and sheer outright falsehoods which have been written by various anti-Saskatchewan, anti-New Democrat writers from time to time. This idea of people leaving Saskatchewan: Sure, young people left Saskatchewan. I do not dispute that, but if he studies his figures he will find that the population of Saskatchewan was going steadily downward until 1945, a year after the New Democrats or CCF took power. Then the curve started upward and was consistently upward during the period when Tommy Douglas was the Prime Minister.

If he is interested, he can get those figures and put them on the record. But the other thing which is contemptible in an argument like this is that the fact that the population of Saskatchewan went down during those depression years had nothing to do with the government that was there—even though it was a Liberal government at that time—any more than the denuding of the people from eastern Ontario had anything to do with the Conservative government being in power in this province.

The fact was due to a revolution in agriculture, with one man being able to farm more and more acreage. The young people and the farmers started towards the cities, the industrialized centres, eastern and western, and then as Tommy Douglas began a programme of building industry within the province, that exodus was halted and reversed. Saskatchewan being the agricultural province it is, even though industry is built, certainly you are never going to get the growth of population that you do in highly industrialized and highly populated areas adjacent to the big populations we have here in Ontario.

I was very interested to hear the fact that the speaker admired the present Premier and that is quite understandable, because the present Premier of Ontario is more Tory even than the speaker himself—Saskatchewan, I am sorry—the Premier of Saskatchewan is more Tory than the speaker himself and the affinity is obvious and quite understandable. He mentioned these plants that have closed down. Sure—

Mr. MacDonald: Political soulmates.

Mr. Young: Yes, political soulmates. But about these plants that have closed down, what the hon. member did not say was that some of these plants were put there, and some of these marketing devices, as a service to the people to bring the level of income up and to beat out some of the monopoly power that was crushing some of the primary producers in that province. I think of the shoe factory—

Hon. Mr. Grossman: Does the member mean that was as bad?

Mr. Young: That is the thing that has been thrown at the New Democratic Party time after time. The fact is during that period at the end of the war work boots were very hard to find, very hard to get for the farmers. The government built work boots, but then when the boots were available again from the other manufacturers they said to the retailers, "Either you take our work boots or you do not get the fine shoes." This was why this business was closed down. I think of the box factory—

Mr. Winkler: The only ones that succeeded were the government.

Mr. Young: All right, the box factory, taken over under legislation—yes, legislation designed to show the owners of industry that the labour legislation had teeth. When the owners of factories refused to bargain in good faith, the government established its credentials. From that time on the government had little trouble with bargaining in that province, a lesson which perhaps somebody here could learn. Also the fact that this box factory began to lose money later, and was finally closed down in the light of technological changes, was not mentioned. The boxes that were made were being replaced by cardboard cartons.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, I wonder if the member would permit a question? May I ask him a question on this box factory?

Mr. Young: Okay.

Mr. Trotter: How does a government help labour when, by its actions, it causes a company to go bankrupt?

Mr. MacDonald: It did not. That is nonsense.

Mr. Young: Let me come to that. If the member had waited two minutes or half a minute he would have had the answer. The fact is that the boxes that were being made, were being replaced by cardboard cartons, not the kind of cartons we have in the House, but cardboard cartons. So, after all

is said and done, the change in technology brings changes in manufacturing and it makes common sense that the industry should close. The employees of that factory were assisted to find other jobs and were integrated into the economy. This is the difference.

Mr. Trotter: They probably moved to Ontario.

Mr. Young: They may have. I do not know.

Hon. Mr. Grossman: I will spell that out for him.

Mr. Young: The fact is that those men were looked after is part of the loss of that factory.

Hon. Mr. Grossman: How were they looked after?

Mr. Trotter: Sounds pretty weak.

Mr. Young: The other thing that was so interesting to me, was the fact that the speaker ignores the fact that there is such a thing as technological change in this province. He mentions ghost towns as if we have no ghost towns in Ontario? When resources run out, we have. So this kind of half-truth is inexcusable.

If he had gone into the management of oil, for example, in Saskatchewan and seen the difference there in handling the oil leases, if he had gone into the management of the gas resources when they were discovered and had told how they were managed for the people, if he had talked about the bus service, the electric power—and I could name plenty of others—the fact is, that in the public industry, including what was done with these industries he mentioned over those periods, even by the capitalists, the measure of dividends was highly successful.

The average dividend, the average amount paid back into the public Treasury by these industries was about nine per cent. Now the fact is, we do not want half-truths, we want to see the whole picture and as I remember the editorials at the time when the Conservative and Liberal and Social Credit parties united to defeat the New Democrats that year, with a bigger vote than they had before, but with a united front against them—

Mr. Winkler: Who defeats the government? The people defeat governments.

Mr. MacDonald: This government was defeated in the last election by 58 per cent of the popular vote.

Mr. Young: He would see what I mean if he had read the editorials of the *Financial Post*. I have them in my files upstairs. Also those of the Toronto *Star*, and many papers across this country eulogizing the success that this government had been on the Canadian scene and the innovations it brought. Medicare, which the member does not like, started there, and so did the hospital services plan which spread across Canada; services which were needed.

Mr. E. Dunlop (York-Forest Hill): That was a long time ago.

Mr. MacDonald: Sure, it started a long time ago, but—

Mr. Young: That government pioneered in the fields which now we accept—the things which at that time were thought to be far out, yet we accept them as part of our life and because Tommy Douglas had the guts to get in there and innovate, the Canadian people are a great deal better off today.

Hon. Mr. Grossman: He only took advantage of—

Mr. Young: Mr. Speaker, I want to turn my attention to a subject which has been much in the news over recent years and I want to present to the House two documents which should be required reading for all parliamentarians in Canada. These are, first of all, the report of the world conference on smoking, held in New York in September 1967, on which there was a report put out about a year ago; and secondly, the brief presented by the Canadian Medical Association to the Commons committee on health, welfare and social affairs on February 27, 1969.

These documents, once read, should galvanize this and other legislative bodies into immediate action to speed up the educational and legislative process, in order to save at least the burgeoning postwar generation from massive suffering and needless self destruction.

Only a few short years ago, none of us knew much about the lethal power which lurked in the smoke coming from an increasing number of cigarettes being consumed around the world. During the sixties, however, massive evidence has piled up, demonstrating that young people being hooked on the cigarette habit today, are starting a process which is certain to mean physical impairment and premature death for all too many of them. The facts are clear for all

who want to read. We developed over the past half-century a suicidal cult bent on self destruction, linked with excruciating terminal pain.

The Canadian Medical Association pointed out that the law of averages says that each cigarette smoked shortens life by 7.4 minutes. That is about the time it takes for the smoke. If it were not for the attendant suffering on the part of the smoker's family, maybe it is a good swap—equal time off the tail end of life for the time spent now in the satisfying experience of smoke inhalation. But this is not the whole story, not by a long way.

Most of us have heard a great deal about lung cancer in recent days. This disease is ten times as high among smokers compared with non-smokers, and 20 times as high for heavy smokers—two packs a day and more.

The lung cancer death-rate among men today is ten times what it was in 1931, and 2½ times as high among women. The women are not so badly affected; perhaps they do not smoke as much on average. And lung cancer is usually not detected until it is too late for effective treatment. Then there is emphysema, the smoker's disease; it is physically debilitating and growing fast as a cause of premature death.

Twenty years ago the death rate from emphysema was two in 100,000. Today it is 15; over seven times as high. The death rate among men smokers is twelve times as high as among non-smokers. The doctor's brief says: "There is no doubt that the increasing number of people suffering from chronic bronchitis and emphysema, is an additional factor in our increasing heart disease death rate".

Heart disease has become a number one killer. It is significant that the rise in heart disease from 1920 on, parallels the rise in cigarette consumption. Recently the upward curve has been halted, due to more efficient medical procedures and because after one coronary, doctors advise that smoking be stopped and this generally happens because the smoker gets the scare which motivates him to stop.

Research has shown that for men over 40, the risk of a heart attack for non-smokers is 10 per cent; for those smoking one pack a day, it is 35 per cent—three times as high. The risk of men dying suddenly from the first heart attack is five times as high for smokers. It is interesting to note that smokers who quit have fewer heart attacks during the following eight years than those who do not.

The advantage to those quitting from the age of 35 to 54 is very marked. It is definite, but smaller, from men aged 55 to 74. Then there is new evidence crowding in during recent months; women who smoke have smaller babies with more health problems, and they have a higher incidence of prematurity. Smokers are more prone to ulcers, mouth cancer, and gum disease leading to the necessity for false teeth. The person with high blood pressure increases his risk of death by 200 per cent if he smokes.

Mr. Haggerty: Better get rid of that cigar.

Mr. Young: That is right.

Air pollution injures smokers far more than non-smokers. And so the story goes. The earlier one begins smoking, the more one smokes, the more one inhales; and the longer one smokes, the greater are the risks. Former Senator Robert Kennedy put it this way:

> Each year cigarettes kill five times more Americans than traffic accidents. Lung cancer kills as many as die on the roads. The cigarette industry is peddling a deadly weapon; it is dealing in people's lives for financial gain.

The fact is that disease caused by cigarette-smoking constitutes the biggest single health problem in this century. We get excited about marijuana and banish its use even though its long-term result is not clearly established. But we do know the result of cigarettes, in suffering and premature death. So far we have done little to counter its deadly grip on our people.

A century from now our descendants will look back and wonder how we could have been so blind as to give complete freedom to this industry to hook our young people on this destructive habit. They will marvel at the way we open all our public space in our periodicals to promote this crippling and deadly activity. Everywhere, on television, radio, newspapers, magazines and tabloids, the cigarette is associated with beauty, good times and virility. The young people are bombarded with the message that smoking is smart; that this is the "in" thing to do and that they had better get at it, or they will miss out on what life is all about.

We let this happen in spite of all we have learned. We let this deadly habit be eulogized and paraded as a virtue, across the land, when at the same time we know the deceptive nature of the advertising and this deadly sting of the activity upon which thousands of our youngsters embark every week.

Hearings on this problem have been held in Ottawa. The CBC has announced that when present cigarette advertisement contracts expire, they will not be renewed. That is a good start, but in addition, there must be a powerful and concentrated campaign fought across national and provincial fronts to persuade our people to kick this catastrophic mid-twentieth century habit, and to institute measures to curb the power of the industry promoting it.

Part of that educational programme could perhaps be to point out the fact that the cigar smoker and the pipe smoker do not seem to be taking nearly as great a risk. The risk is still there, but it is not nearly as great as for the cigarette smoker. I thought at one time it might be realistic to write off smokers over 25 and concentrate on the young, particularly for those in Grade 5 and up. It is still important to my mind to give our boys and girls the true story of the cigarette, and to motivate them not to use it. But recent studies have demonstrated that what parents and teachers do, in this field, counts far more than what they say.

Families where both parents are regular smokers produce far more smoking children than the families where the parents do not smoke. If the people that a child admires and depends upon smoke, that action counts far more than all the courses we offer, in school or out. Sir George Godber, a chief medical officer for the British Ministry of Health said this:

> One thing that is made abundantly clear is that the influence of adults, specially of parents, who smoke is real. This seems to me to be the worst problem that faces the adult smoker. He can take risks himself, but he ought to face the fact that smoking affects not only him. It may of course be offensive to the non-smoker, like me, who happens to be in the same room, but that matters little compared with the evil example to which he exposes the children with whom the adult is connected in one way or another. It is never too late to stop smoking for oneself; it is never to early to stop smoking for those one may influence in favour of it.

Dr. Ira Gordon of the University of Florida said this:

> We need to educate parents as to the effect they are having on their children, when they continue to smoke. In this society, doing things for one's children is an extremely powerful motivating force. We need to mount a campaign to teach parents that their behaviour is emulated by their children, and that their smoking behaviour will probably lead the child to be more susceptible to taking up the habit himself.

So there it is, we cannnot write off parents and teachers and say, "Let them go," and concentrate on the youngsters. In the educational process, the example of these groups is powerful; they must be made to understand this and to act accordingly.

But there is another group which has a profound influence on the child. He tends to emulate his heroes on the TV screen, and on the movies—Jackie Gleason, for example, habitually after the first few words of his programme, awkwardly lights a cigarette and puffs like a blowfish. I understand Jackie has taken off a lot of pounds recently so perhaps the word blowfish is not as apt today as it was a while ago.

Too many others, in the same way, leave the idea with impressionable minds that success on the screen, and cigarettes are inseparable. If TV and movie personalities could be persuaded to quit, or at least to do their smoking off-stage, it would go a long way in building a new attitude towards the cigarette in our younger generation. I think this is something that our TV personalities should consider, and consider very carefully.

And of course the whole advertising emphasis needs to be reversed. A complete ban on cigarette advertising has not yet been attempted here, although the idea has been toyed with in some other jurisdictions. It should come, and with it, curbs on free coupons and other sales gimmicks of like nature.

In Britain today, where there is a partial ban on advertising, the companies are making up for that ban by spending three times as much on the coupon gimmick, to boost sales, as they are on direct advertising. The logical sequence for a ban on advertising, of course, would be an all-out campaign through the media to persuade people to quit, or not to start, smoking. Dr. Ira Gordon puts it this way:

> We need to separate the positive concepts of virility, beauty, and sexual powers of the smoker and apply them to the non-smoker. How about figuring out experiments which pit smoker against non-smoker and in which the non-smoker wins? How about surfing, which I understand is the

"in" thing, showing how it is the non-smoker who gets the kicks because he has got the lungs and the legs? How about emphasizing that the real appreciation for beauty, which is a psychedelic experience, comes through heightened awareness when your eyes and lungs are clear?

How about showing your non-smoker getting the girl without having to use special anti-mouth odour products because his breath is clear? Maybe we could show the girl getting the boy because, not only are her hands lovely from Lux, but also there is no nicotine stain on them?

Hon. Mr. Grossman: Girls are going after the boys today.

Mr. Young: Well, I suppose that is why the speaker puts it this way:

These suggestions may strike you as facetious but I assure you they are not. They are based upon the principles of learning, as I understand them. They will build direct proof concepts that non-smoking is good and smoking is bad.

So says Dr. Ira Gordon.

A few years ago, the United States cigarette industry agreed to put a warning on each package. Surveys since that time show clearly that it has had no deterrent effect. The Canadian experiment of listing the nicotine and tar content of various makes of cigarettes seems to have had not much more success. There has been some shifting from a high content to a low content cigarette. A legal limitation of nicotine and tar content would help, and it has been suggested, as would the banning of king-size cigarettes to cut down on the volume of smoking. Another suggestion has been the placing of an aluminum band around the cigarette to kill it at a 30 millemeter butt, before the concentrated tar and nicotine content near the butt is inhaled.

But the big job, of course, is to change attitudes through putting a stop to the industry's false and attractive advertising campaign by using that time and space to build a concept of clean living, apart from the smoke, and to persuade our youth that there is more to life than a habit which can sicken and destroy.

I know there is the argument of the industry and all the employment it gives, from the farm right down to the advertiser. The farms which grow tobacco can in time be converted to other crops. The industry is already diversifying, looking ahead, and investing in other lines in addition to tobacco. No matter how effective our campaign might be in persuading young people not to smoke, there will be those already hooked, and others who will start, who will continue to smoke until the grim reaper harvests them earlier or later.

The business will be there a long, long time. Long enough to allow the industry to make whatever adjustments are necessary. We have seen plenty of changes of this nature over the past half century. Whole industries have disappeared, and the necessary adjustments have been made. It could happen again in this case, to the immeasurable advantage of the health and longevity of our population.

In closing, I would like to bring to the attention of the House a slogan which the Maryland Tuberculosis Association has been using on its posters. It has wide appeal and has caught the fancy of a very wide audience. We are all familiar with the appeal to stop smoking and live longer. Well, Maryland changed one letter in the slogan and it came out, "Stop Smoking and Love Longer."

For what it is worth, I pass that on to the smokers of this Legislature.

Mr. Speaker: The member for York Centre.

Hon. Mr. Grossman: That last point got me.

Mr. Young: Good.

Mr. I. Deans (Wentworth): It is too late for him.

Mr. D. M. Deacon (York Centre): Mr. Speaker, I am pleased to rise to support the no-confidence motion in this government's Budget for several reasons. First of all, the Budget shows a failure on the part of this government to grasp the proper role of the province in the government of our people. Secondly, it fails to efficiently utilize the tremendous resources we have available to us. Thirdly, it shows a lack of co-ordination between the various bulging departmental empires. Fourthly, it shows that government's failure to recognize the important role which we, as a province, have to play in bringing control of our country, our province and control of its industry back into our own hands; our own control.

With regard to the true role of a provincial government, I suggest we are trying to take too much power unto ourselves. The Budget indicates the continued erosion of authority from local communities from the county boards of education; the erosion of authority through this proposal to have provincial

assessment; the various moves that are made to get larger and larger units of government that are far more difficult for local people to become involved in, to reflect their own needs and wishes, which are not resulting in better value or great efficiencies as they were supposed to achieve.

First of all, I would indicate that a survey of the people in my riding, to which I have now had 1,500 responses, indicates that despite the fact that they are next door to Metro Toronto, the overwhelming wish of the people is not to be part of Metro Toronto. Some 20 per cent, less than 20 per cent—I have not the final figures here but it is in the order of around 17 per cent of the total to date—are opposed to any union with Metro. Over half of them want to have a greater degree of local autonomy and local community involvement and participation than our present form of government, and approximately 20 per cent want to remain as is.

It is interesting, therefore, to look at the trend of our legislation with its removal of authority from local responsibility and what it is doing to our people; the way it is wasting the tax dollars we are collecting in such great amounts from them; also, to compare what businesses have been doing in similar conditions and circumstances when they have been facing problems of adjusting to changing needs.

Business has recognized that in order to best attract customers, to give them the best service, the local business must be responsible and sensible and operate in such a way that it can adjust to the varying tastes of varying communities across this province. They recognize that there has to be a uniformity of standards available to the customers so that when a customer goes into a store from one end of the province to the other, under the same name, he can expect to get a similar quality of products. But he does not necessarily get the same product. There is a lot of difference because tastes are different.

For example, the Independent Grocers Association, IGA co-operative, is an organization with independent owners who decide how their employees will be paid, what hours they will be open to meet local needs and what types of goods will be on the shelves. But there is a standard that people know when they enter an IGA store in any part of this province. They can expect to find a high standard of merchandise available and exceptionally good service. In addition, to having that high standard, the method of local autonomy that they have achieved in the operation of their business has also meant that the local owner or local operator knows his customers, is personally interested in their needs, and meets their needs.

Compare that to these huge centralized governmental structures we have been setting up; governmental structures where the people that are elected to represent their local community are so involved with huge reports of our overall area problems that they do not have the time to deal with local needs because the vastness of the business coming before them is of a scope and on a scale far more than the time they have available. They can only deal with what the hired people, the professional people, submit before them that is required.

In the county school board, several of the trustees have told me of their frustration, that they are finding it impossible to really satisfy the local demands of the people they are supposed to represent, because when they go to a meeting, they are involved with reports for a vast area. Dealing with those reports on the basis that they have to rely completely on the professional people's opinions, they do not have an intimate knowledge of these reports and they should not really even be involved with dealing with such vast areas themselves.

There are other methods of co-ordinating our educational structure that do not require us to have a vast centralized organization. The same is true in regional government. We do not have the authority for almost all the local government functions placed in the hands of the regions in order to have co-ordination and a high standard of service, but this governmnt has insisted, through its various types of grants, that large units are the way to get high standards, without recognizing that there is a much better, much less costly, a much more flexible, a much more responsive way of satisfying the changing demands of government.

Small units are more efficient if modern technology and modern management techniques are made available to government. If they are available to business why does this government not get busy and not try to say to the people, "You are not doing a job well, we will therefore take over the job from you"? Why do they not go to the municipalities and say, "What are your problems?" In the case of regional government, they would find these are some of the problems because this is what local government

people across the province have been saying are their problems.

First of all, they have inadequate financial resources. This is what we hear everywhere. This is not strange. It is an understandable thing to hear from them, but they say that the property tax base is not adequate, nor a fair base to provide for needs that the province is dictating they must supply.

The province is saying, "You must provide this standard of service," and puts requirements in it that the communities are told they must maintain. But they are not given the tax resources, the financial base, to provide those resources.

If we are going to assist them we must be sure that the standards we have set give the local communities the opportunity, through unconditional grants, to spend the money in the way that they consider best to meet these standards suggested by the government in their own local communities.

The role of the provincial government in this case is one of measuring how well these communities are meeting these standards, not one of saying, "You are not doing the job, we will take the authority away from you." The role of the provincial government should be one of going into every community, every local government area, in this province and reporting as to how well these communities are doing in the performance of their local responsibilities. They would see, as they got into these areas of measuring performances, where there were problem areas, such as the financial ones that I mentioned.

The second area which I am told is making it difficult for local government to do its job well, lies in the fact that the local municipal boundaries are the same as they were 100 years ago. I commend the hon. Minister of Municipal Affairs for the Niagara regional government structure where he did change local boundaries to much more meaningful boundaries in relation to present-day needs. He did not just leave them the traditional boundaries, as in the Ottawa-Carleton reorganization, but he reorganized it on a basis that enabled those in similar communities—communities being identified as those places to which people from an area go for their shopping, doctors, and where their recreational needs are met—to have some authority.

My only argument is they do not give enough authority to these local communities, these restructured local government areas. I hope that the trend that is being demanded by the people, to have more authority in their community level, will result in the government changing the policy that has been seen in the current regional government bills to date—the policy of having too much authority and too much responsibility placed at the regional level, the higher level, rather than the local community level.

The third area that they say provides them with a great deal of difficulty is that of providing services. The Ontario Water Resources Commission was incorporated some 15 years ago, or 14 years ago, with the high hopes on the part of municipal councils all over this province. But it has failed to do the job because it has not looked upon the matter of providing water and sewage facilities on a province-wide basis.

It has done a real patchwork here, and a little patchwork there, for this municipality and for that municipality. But it has not recognized the obligation it has to provide a province-wide plan, an integrated plan—one that is going to mean that the rates for water and sewage service that are available to the municipalities across this province bear some relationship to each other.

So you do not have this fantastic problem that was put before the citizens of St. Thomas, when they were instructed that they were going to have to pay about three times as much for their water as the people of the neighbouring city of London.

This is not a sensible approach and the approach is due to this government taking a piecemeal approach to the provision of services. Doing it municipality by municipality, instead of on a province-wide plan. Recognizing that the economics, the logic, mean one municipality near another one must have water and sewage facilities available to it at a cost that, within reason, one may bring to another.

Also, when services are put in and made available, they should not be restricted only to the municipality that first applied to them. The OWRC should move on its own, without requiring agreements with municipalities. It should operate like Ontario Hydro does in providing the wholesale supply of power to municipalities, not worrying—as Ontario Hydro does not worry. Ontario Hydro goes ahead and builds the transmission lines, and then has the local municipalities buy on a wholesale basis and do their own distribution.

If this were the approach, if the approach were one where the province said: "We will make it available to anybody where there is a need in our view, and where The Department of Municipal Affairs and where the provincial planners say they want to have development

go in, we will provide the sewage and water facilities at a rate that is comparable within reason to rates in neighbouring municipalities". If this were done we would eliminate an awful lot of the bickering and delays and frustrations that have faced municipalities across this province in recent years.

It certainly will not hurt us to lose a little money in the operation of the Ontario Water Resources Commission if it would eliminate the costly delays that have caused land prices to soar in areas of demand all across this province wherever the areas of demand have been very strong.

The fourth area where the municipal councillors, the local government people, tell me that they have problems with is the fact that they do not have an organized method of exchanging know-how and information as to how other local governments are operating and providing service to their communities. What a wonderful thing it would be if the Attorney General sent his Ontario Police Commission into every police force in this province, so that no one would feel that they were being singled out, but to every police force and do an appraisal of how well that police force was operating. There are many measuring guides that could be presented.

Would it not be great if The Department of Highways assumed a role of having their engineers go in and make an assessment, comparative measurements on how well roads are being maintained, how well they are being constructed, or provided for, depending on traffic conditions and other means in comparable municipalities across this province. Then, each of these could come out with a report, so that members of the local councils, the people who are employed by the local councils, the citizens in the municipalities, could compare how well their council, how well their staff and their municipality are operating their respective departments compared to similar municipalities in other parts of the province.

Such facts would stimulate an exchange of knowledge and know-how on a practical basis. They would not have to depend upon the seminars and theoretical meetings, where so much theory is discussed, but on a really meaningful, gut-deep approach to management problems. And management in operation in municipalities is a very key place where government should be carried.

I emphasized that people want to have the major responsibility for the major things in their life, so they can have some control and interest in them, such as welfare, public health, and education. They want to have these matters close to where they can reflect their own local needs, their own local tastes and satisfy their individuality and their desire for individuality in that way.

Another problem is the fact they do not have authority over the way they spend their money to any degree at all. Most of the money is controlled by some other body, whether it be an educational body, or health unit, or highways department; these grants are subject to provincial control. And I suggest that much more of the grants we send out, in fact virtually every grant, should be on an unconditional basis, leaving it to the discretion of the people elected to represent the municipality—namely, the local government members—to spend the money wisely or unwisely. The voters then have been given the comparative statistics as to how well the local councils have operated, so at the next election they can take the appropriate action to elect them or toss them out.

It is very frustrating for men who have experience and are competent representatives in councils, to find that they come to conclusions as to actions they should take after a great deal of study, and then to find that some person employed here at Queen's Park says, "No, we will not give you a grant on that because in our view it is an unwise expenditure". I do not think this is any way to develop a sense of responsibility or initiative on the part of local communities. And unless we give them every encouragement to take responsibility, we are not really operating a democratic form of government in this province; we are operating a bureaucratic form of government.

With regard to the utilization of our resources, I point out several areas that I think we are really wasting our money on. One of the first areas is the way you are financing our entire Ontario Water Resources Commission. In my view, that commission should be given its own powers and instructed to raise the money it requires for the projects it undertakes, the same way as Ontario Hydro raises its own money. It should also be allowed to use the credit of the province at this stage to raise its money. Ontario Hydro is at a stage in its history where it could readily be free of a provincial guarantee in the raising of money.

The State of New York does not have its credit impaired one iota by Consolidated Edison when it goes out to borrow money to provide or direct the facilities for that state;

there is no guarantee of the state required for it to borrow money.

There should be no guarantee required of the province of Ontario, no impairment of our credit, no spreading of our credit base, required for the Ontario Hydro. I have discussed the matter with two or three executives of leading institutions and they have said that, after a matter of a year and a half or so, there would be no difficulty in developing an instrument, a borrowing instrument, whereby Ontario Hydro could borrow without any provincial guarantee. And, although the additional cost to Ontario Hydro might be in the order of one quarter of one per cent, it also could have the additional benefit to the province of Ontario, of improving its borrowing rate by one quarter of one per cent because the volume of borrowing by the province would effectively be cut in half.

Ontario Hydro, at this time, is borrowing as much money as the province on the open market, and to that extent is diluting the province's ability to borrow because all Ontario Hydro's borrowings at the present time are guaranteed by the province. If we were to release that substantial guarantee burden that we are now imposing unnecessarily on the province, and transfer that guarantee privilege to Ontario Water Resources Commission for the next period of 20 or 30 years, or whatever—I guess it was about 40 years ago that Hydro began to get the assistance of the province in this form—in 40 years' time I am sure Ontario Water Resources Commission would be on its own feet and be able to operate and be able to borrow money without any provincial guarantee.

It would have a broad enough base by that time, an integrated system of sewage and water supply across the province and enough revenue from the municipalities that would be purchasing its services, that it would be able to do its own financing without any dependence upon the province, or certainly a very minimum dependence upon the province.

I look at another aspect of where the province is failing to utilize, in a sensible way, the resources it has, and this is in The Department of Highways. Here we see $55 million being expended on one interchange—an interchange that is only required for rush hour needs in this city—and we know that there is a much more sensible, a much sounder way of solving the rush hour needs, and that is to plan proper public transportation. An integration of local transportation through the Toronto Transit Commission, with commuter service and with local bus services in the communities that are within commuting distance of this city. And yet we have the province saying: "Well, we are studying super trains that will whisk us at 120 miles an hour, or 250 miles an hour from the suburbs into the city."

This is not where we need the time savings. We can run our own trains at a mile a minute if we utilize the present rail system adequately. The time delay is the discouraging item for people who would be using public transportation from the suburbs to the centre of the city at the present time is the fact that it takes so much longer by public transportation means than by private automobile. If we could concentrate on making the time factor for public transportation faster than by private transportation, then we could let the people sit in their traffic jams because there would be an alternative better means of moving back and forth to work.

It is really incomprehensible to me how we can allow these railways to have their rights-of-way sitting virtually idle at the times when our highways are, in this city, being jammed with commuter traffic and we are spending $55 million on one interchange. Fifty-five million dollars in northern Ontario would build a lot of highway and do a lot to open up the development of that part of this province. There are other interchanges that are being built at a similar sort of cost and we are wasting our Department of Highways money by spending it the wrong way.

Mr. Deans: Would you put in a good word for the extension of GO to Hamilton while you are about it?

Mr. Deacon: To my mind, good rail service is not a thing of the past. Our difficulty is that we have been isolating one form of public transportation from another and we have not been analyzing real commuter needs through careful market studies.

Mr. W. Hodgson (York North): Be patient. It will come.

Mr. Deacon: Oh, I should say we would need a lot of patience all right. We have been waiting for about 40 years—certainly 25 years, since we had this government in power here.

Hon. Mr. Grossman: That makes it a little safer.

Mr. Deacon: Well, we did not have the traffic jams then that we have today, but certainly we are getting worse traffic jams now than ever before. You look at our Don Valley Parkway—a masterpiece of construction now that it has been corrected. Some of the faults have been corrected a little bit, but that highway is jammed from top to bottom. For two hours in the morning and two hours at night it is stop-and-go traffic, yet there is no possible way of our expanding the volume of traffic space for the growing needs of that area.

Mr. Deans: One accident on the Gardiner Expressway ties it up for three hours.

Mr. Deacon: That is right, and we still have these empty rail lines we are not using. Of course, the sad part of the whole situation is that we have an agreement that is so atrocious with the CNR that we are paying several times the proper cost of operating our existing commuter service because we have given them a *carte blanche* for the cost of its operation. The railways know when they are well off and they can charge anything they want for the rights of way.

Mr. Deans: They are now contemplating removing passenger trains.

Mr. Deacon: That is right. It is a wonderful way to discourage any taxpayer when they see that we are paying so much for this service, having to subsidize it, and the Minister of Highways suggests that I should not compare the operation with a successful one. I should compare it with some operation that loses two or three times, or four times, the amount of money. I think it is time this government looked at those that are doing a job successfully instead of always looking at those that are making a worse mess even than they are.

Mr. Deans: It would not be a bad idea if some government Minister rode it.

Mr. Deacon: One of the great experiences of anyone who wants to get an idea of how you deal with this government is to have someone ask you to whom they should go if they want to get a community centre organized in their community. You have to tell them that they go to The Department of Agriculture and Food to get a grant for the building. You go to The Department of Labour to see about sports equipment. You go to The Department of Education to see about library services. You go to The Department of Education's youth and recreation branch to see about sports and the recreational director for help in that type of operation.

There are seven different places you go to, and not one of them knows what the other one is doing. There is no system of co-ordination. Talk about red tape and frustrating experiences!

I got a letter from one of my constituents who had been trying to get some help for the Thornhill area. They just gave up because they could not seem to get any sort of integrated assistance from this government. I am sorry to see these people give up in this type of situation because community organizations are essential for people to be able to either get some sense of identity which is so vital in a life that is becoming so complicated.

There has to be some place that they feel they belong and community organizations of that type are very important to improving our way of life in this province. Yet this government puts the responsibility on all sorts of non-integrated departments and no one knows what the other is doing.

The last area I want to speak to is this area of foreign ownership and the control we have over it.

Mr. Speaker: Perhaps if the hon. member's last area will be more than five minutes, we might adjourn the debate so that he can continue uninterrupted another time for the last portion of his speech.

Mr. Deacon moves the adjournment of the debate.

Motion agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on Monday we will be returning to committee of supply and estimates of The Department of Municipal Affairs.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

House adjourned at 1.00 o'clock, p.m.

No. 210

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 10, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 10, 1969

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, our guests in the east gallery are students from Downsview Secondary School in Downsview, and in both galleries from Royal York Collegiate Institute in Toronto and Delta Secondary School in Hamilton. This evening, we will have scout troops from the 14th Etobicoke Troop in Toronto, the 7th Agincourt Troop in Agincourt, the 12th Agincourt Troop in Agincourt and the 9th Scarborough Troop from Scarborough.

Statements by the Ministry.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, I am pleased this afternoon to table the report of the committee on farm assessment and taxation. I read the report over the weekend and I think, when the members have had a chance to read it, they will agree that the committee has recommended a reasonable solution to the problem of farm assessment and taxation —a very difficult problem indeed.

I intend to have my assessment division test the recommendations on a county or counties before I make my final decision about amending The Assessment Act to incorporate the committee's recommendations. Depending on the results of the testing—which will probably take one or two months, I would think, if the results are favourable—action could be taken by the Legislature to implement the report early in 1970.

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, in our budgetary white paper of March 4 this year, Ontario asserted that fundamental tax reforms are necessary and urgent. We therefore welcome federal proposals for major improvements in income taxation, which has the greatest direct impact on the individual taxpayer and is the most important source of revenue to senior governments of the Canadian federation.

Ontario is determined to make a constructive contribution toward the development of a fairer system of taxation for the people of Canada. This statement will emphasize our desire to negotiate harmoniously with Ottawa and other provincial governments to achieve this goal.

Our initial assessment of the federal programme indicates that Ontario can support with some enthusiasm many of the proposals advanced by Ottawa. The principles underlying the recommended changes conform largely to those advocated by Ontario in its own reform paper.

I personally must commend the Minister of Finance, the Hon. E. J. Benson, for his concern to develop much greater equity in income taxation. I believe his proposals, on balance, will be applauded by the majority of Ontario people.

Let me stress, however, that this immediate reaction must be subject to more comprehensive review. The federal proposals constitute an elegant statement of equity objectives in tax reform but they are necessarily brief and supported with a minimum of statistical background. Ontario wants to examine the proposals intensively in close consultation with federal officials and other interested groups.

I do not intend, therefore, to attempt a definitive statement on our position at this time. I want to provide some general reactions, offer some constructive suggestions and outline some of our reservations to contribute to early discussion of the federal paper. These will be divided into two areas—the principles of equity and the intergovernmental implications.

I am pleased, of course, that the federal objectives of tax reform parallel those set out in Ontario's white paper. This is not surprising since both plans result from the same body of research and recommendations provided by federal and provincial tax commissions, as well as a common appreciation of the problems faced by individuals and industries under existing tax systems.

The proposed revisions to the personal income tax base will produce a much-improved measure of ability-to-pay. Ontario endorses the deductions for child care costs, working expenses for wage earners and moving expenses, along with the inclusion of previously exempt earnings in the tax base, such as unemployment insurance benefits, grants and

fellowships. In addition, in the corporate area, we commend the tightening of expense account deductions as long as legitimate business expenses are recognized.

We also commend the objectives behind the increase in basic deductions for single and married taxpayers but we have some reservations as to whether this is the most effective way to provide relief to those in greatest need. The larger across-the-board exemptions are costly in terms of revenue and of no value to persons whose incomes fall below the level of exemptions. For example, pensioners over 70 who rely solely on the old age pension and supplement get absolutely no benefit from the proposed increase in exemptions.

In a constructive way, Ontario plans to discuss with Ottawa some alternative mechanisms through which selective relief can be provided to those groups who need it most. Tax credits might complement personal exemptions, as our white paper proposed. Consideration should be given to the low income allowance being discussed in the United States. Other suggestions include a refund of the portion by which exemption exceeds income or the removal from tax rolls of all persons below the poverty level.

Some of these proposals, we believe, more directly relieve the burden of income taxation on those least able to pay and proceed in the direction of a positive income supplement. We welcome, however, the indication in the white paper that Ottawa is prepared to discuss our tax credit proposals.

The inclusion of capital gains in taxable income is a significant reform which relates directly to Ontario's earlier proposals. The present tax-free status of capital gains is an obvious source of inequity and distortion. The federal proposals appear to achieve a reasonable balance between the need for greater equity and the desire to maintain economic growth through encouragement of private investment.

The success of reform in income taxation depends on the ability of the resulting system to provide a viable basis for intergovernmental finance and for further tax reform measures at provincial and municipal levels. Ontario's white paper laid great emphasis on these broader objectives which are critical to an effective federalism.

The problem of developing a reasonable division of tax revenues to accommodate provincial and municipal responsibilities has been debated vigorously for several years. Ontario believes that the key to a workable system of intergovernmental finance and the containment of total tax burdens is increased provincial access to the personal income tax field.

If the structure and upper limit of income tax rates are to be fixed, as proposed, this accommodation of provincial-municipal needs must be achieved through a reduction in federal rates. We believe this is not only possible but essential. It is interesting to note that the United States tax reform proposals involve a substantial reduction in federal income tax revenues, which provides implicit room for increased use by state governments without raising total tax burdens. We are disappointed not only that the white paper plans to increase federal revenues from the income tax fields but also that these gains will accrue almost entirely to Ottawa.

We are concerned, therefore, that the white paper did not deal more fully with the way in which federal and provincial use of the income tax is to be changed to reflect differences in expenditure pressures. Here we would point to the considerable effort and resources which have been devoted to such studies under the auspices of the intergovernmental tax structure committee with direct encouragement and participation of the federal government. We believe that the work of this committee provides a reasonable basis for changes in federal-provincial tax sharing.

Ontario has consistently stressed that federal and provincial tax reforms should be closely co-ordinated. Since it is the combined weight and distribution of all taxes together which determine tax burdens and equity among individuals, our mutual goal must be maximum overall tax reform. Now that the federal proposals have been set out, we would re-emphasize the priority of provincial-municipal tax reform over certain aspects of federal income tax reform. We believe that increased income tax revenues should be available to offset property and other regressive forms of taxation, particularly for those groups who have not shared fully in the economic advance of recent years. Ontario regrets that the federal white paper has not recognized these requirements, although we appreciate that their proposals relate specifically to the structure of income taxes themselves.

It is critically important that the the federal tax proposals in no way inhibit the extension of tax reform across the wider spectrum of taxes. Otherwise, the achievement of improved equity in the income tax area might well be offset or completely negated by developments in other tax areas. These problems of tax sharing and comprehensive tax reform em-

phasize the necessity of full participation by the provinces in determining the final form and structure of not only personal and corporate income taxes but also gift and death taxes.

Ontario notes with satisfaction that the federal white paper makes specific references to the Ontario reform programme. We are convinced that the federal and Ontario white papers provide a substantive base for positive and constructive negotiations toward the development of a better system of public finance and harmonized tax reform. We are looking forward to joining with Ottawa in an intensive programme of discussions leading to the joint implementation of federal and provincial reform programmes. I can assure the federal government that Ontario will participate in a spirit of full co-operation.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have two questions I would like to put to the Treasurer following the statement he has just read to us. I felt that the general tenor was a very positive one, particularly the last few sentences. But, I wonder if he is prepared to say to the House definitely whether the government would, at his urging, pursue the policy announced in the Budget this spring that we would inaugurate a system of separate income taxes in the province within two years.

Hon. Mr. MacNaughton: Mr. Speaker, I do not think it would be either fair or appropriate for me to say that that policy or that programme has, as yet, been abandoned. I would hope that, in the framework of the Minister of Finance's invitation for intensive discussions over the period between now and when the legislation will be enacted to implement the federal government's proposals, Ontario can still be an effective partner in one properly reformed taxation system all across Canada.

Mr. Nixon: A further supplementary question. It goes without saying that we agree with the proposal that was put forward that we should have a single tax system, but as a matter of clarification, am I to understand from the Treasurer's statement that there would have to be further abatement room in whatever the final federal position is, rather than leaving the responsibility to the Treasurer to bring forward a tax bill in this House which would then be applied by the federal-provincial collection agreement? Can I draw this as the basic objection that does not permit the Treasurer to go ahead and say we are now going to renounce any possibility of a provincial income tax?

Hon. Mr. MacNaughton: I do not want to be obtuse, Mr. Speaker. I think the answer to the hon. leader of the Opposition's question was implicit in my answer to his first question. I really do not know how to pursue it any more than that. I would hope that there is still room in the discussion and the negotiation stages offered by the federal Minister of Finance, quite frankly, to make it unnecessary to impose a provincial income tax.

Mr. Nixon: Right! A further supplementary: but we are to assume it would simply mean an increase in the abatement without action on the part of this Legislature to ask the federal government to collect more for it?

Hon. Mr. MacNaughton: No, Mr. Speaker, it is not as simple as that. I cannot really elaborate on what I have already said to the hon. leader of the Opposition.

Mr. Nixon: Pursuing this statement one step further: There are two things to draw from it, by way of a supplementary question, Mr. Speaker.

The first: Are we to expect a further statement of government policy before the Budget perhaps in February? Secondly, is there going to be any attempt made by the government of Ontario to approach the government of Canada at a conference for the purpose of tax negotiation before the Budget which we can expect during next February?

Hon. Mr. MacNaughton: Mr. Speaker, first and foremost, I am sure the hon. leader of the Opposition will recognize that Mr. Benson is going to travel across this country for discussions with each provincial government. I believe the tax structure committee is to meet again in December.

To say which format will lead to final decisions that will have an effect on the decision of the Ontario government is premature, in my opinion. We do not know what the nature of these discussions with the Minister himself will be. His white paper said that he hoped those discussions would take place. Those of you who watched him on television will recall the stress on the importance of this type of discussion across Canada. The usual conference format will become available. Now, whether all of these factors will put the government of Ontario in a position to make any statement before the Budget itself, I have to

say to you, Mr. Speaker, I am unaware at the moment.

Mr. Speaker: A supplementary question?

Mr. D. C. MacDonald (York South): Supplementary question on this. I wonder if the Provincial Treasurer will indicate the government's view on whether they would make representations on two points. The first is against the proposed imposition of taxation on co-ops and credit unions to put them on the same basis as business. Since you have just now foregone that in your Assessment Act, will you make representations against that kind of move in Ottawa? Secondly, what is the government's view, and would you make representations against the ceiling of 51 per cent on income and corporation taxes, since that simply means that the burden will be shifted away from the lower income groups and fixed it on the middle income groups—there will not be an equitable sharing in accordance with the ability to pay by the higher income group?

Hon. Mr. MacNaughton: Mr. Speaker, again I would have to ask the hon. member for York South to rely on the observations in the statement I just made, to indicate to him some of the thinking of the government at the moment.

Mr. MacDonald: What about these two specific points?

Hon. Mr. MacNaughton: I would have to say, Mr. Speaker, that the policy of the government in these or many related matters will still be subjected, as I said in the statement I just made, to intensive scrutiny. I think it is premature at this moment to make definitive or explicit statements on anything affecting the policy of the government as it may develop over this period of time.

Mr. MacDonald: A further supplementary. Is the Provincial Treasurer in a position to indicate what he believes to be the time-tabling—either for the federal and/or the provincial tax reform programme—in the wake of the white paper?

Hon. Mr. MacNaughton: Mr. Speaker, it becomes almost apparent that the time-tabling is almost identical. The time factor becomes very important. We would hope to engage in these discussions as quickly as possible and for that purpose, the Minister of Finance will be here to discuss these matters shortly. This does not mean that there cannot be further pursuits along the proposed discussion lines and I think it is fair, Mr. Speaker, for me to assure the House on behalf of the government, that these discussions will take place in an intensive fashion. But again, I would have to say that any comment on the policies that will develop from these discussions or conferences is a little premature at the moment.

Mr. MacDonald: As a supplementary question, Mr. Speaker, to the Provincial Treasurer or the Prime Minister. Would the government consider re-scheduling the business of the House so as to permit a debate on this issue, to muster legislative support and give voice to as much public support as possible for the government's position and representation to Ottawa?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I would say that the time-table for this particular session is running down for the conduct of business that is already before the House. There will be discussion between ourselves and the federal government covering this whole matter, and flowing from that there is bound to be discussion here, and we will make sure that there is. But to be able to tell you now that this discussion could take place two weeks from now in this House, or three weeks or four weeks, is just impossible because we do not know what the time-table will be with the federal government.

I could give you the broad assurance that certainly there will be time made available here for discussion. We have a white paper that we put forward, and there is one by the federal government that is to be debated publicly; there is, I gather, a committee of the Parliament of Canada to deal with it.

There is bound to be, in my opinion, a lot of discussion about these matters. There is bound to be some right here in this House, but it is impossible for us to give the precise dates as of now.

Mr. MacDonald: There have been two or three interjections which seem to be very pertinent. By way of another supplementary question: Would the Prime Minister consider establishing essentially the same kind of machinery here—namely, a committee—to examine the Ontario white paper and the federal white paper, either in the later stages of this session or in the early stages of a new session—which I would hope would begin early in the new year—so that we can get on top of this topic?

Hon. Mr. Robarts: I would be prepared to consider that, but I am just saying at the

moment, until things develop a little further, it is impossible for us to tell exactly what form this will take. But I would be quite happy to consider what the member suggests, yes.

Mr. H. Peacock (Windsor West): Mr. Speaker, may I ask a supplementary question of the Treasurer? Does he now feel it less likely that Ontario will be able to move forward to the use of the provincial income tax to ease the burden on municipal property taxpayers and those whom he referred to in the statement as paying regressive taxes.

Hon. Mr. MacNaughton: Mr. Speaker, I would not like to say it is less likely; I hope it will be less necessary.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, may I ask a supplementary?

Mr. Speaker: Yes, indeed.

Mr. Lawlor: The great division between the government and Ottawa seems to me to lie in the field of capital gains—

Mr. Speaker: The hon. member was going to ask a supplementary please, not make a statement.

Mr. Lawlor: The question is: Does the Minister give full accord, in view of the American model, to the deeply revised model of the federal government in capital gains taxation?

Mr. MacDonald: That is a good question.

Hon. Mr. MacNaughton: Mr. Speaker, I would say to the hon. member that we support the philosophy. We see some element of fairness in what has been proposed by the federal Minister and the form in which it has been proposed. Again, it is something we are going to have to examine. At this point in time I do not propose to be critical of their proposal until we have had a chance to evaluate its impact.

Mr. MacDonald: It goes beyond this government.

Mr. Lawlor: Away beyond.

Hon. Mr. MacNaughton: That is a fair statement. But let me put it this way, Mr. Speaker, through you to the hon. gentlemen who are pursuing this important matter. Beyond the statement that has been made, and the answer to the questions that I have given, I come back to the position I took earlier; it is premature at this time, from our point of view to make any form of policy decision until we learn more from the discussion process that will take place with Ottawa.

Mr. Speaker: Are there any further supplementaries on this important matter? If not, the hon. leader of the Opposition.

Mr. Nixon: Thank you, Mr. Speaker. I want to ask a question of the Minister of Energy and Resources Management concerning the announcement of a six per cent increase in the wholesale cost of power. Perhaps he might give us the government's justification for this increase. We have heard reports of what the chairman of Hydro has said, and we would like to know how this is associated with government policy and if, in fact, the decision for these increases comes from the Minister and how he supports them.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, as the article in this morning's paper indicates, these interim rates are based on estimated costs to the commission for next year. Last year, for example, the commission had an increase in operating maintenance and administrative expenses of over $15 million.

As the hon. member knows, I am sure, under The Power Commission Act, the rates must cover operating costs because of inflation and the other things that are attributed to inflation such as property prices, labour costs, coal and other supplies, and increases in these and new equipment costs. As I have indicated, Mr. Speaker, it is estimated that the interim increase will just cover those estimated and projected costs.

Mr. Nixon: A supplementary question: Is the Minister aware that since 1966, and including the increase announced today, the power rates have gone up almost 25 per cent in that four-year period? Does he think that this is defensible?

Hon. Mr. Kerr: Not quite 25 per cent, Mr. Speaker. My information is that between 1966 and 1969 the wholesale rates have only increased to something around 12 per cent.

Mr. Nixon: Since the figures do not jibe I would send over the information which we got from the Hydro office which must surely be available to the Minister as well, and the total is 23.6 per cent between 1966 and 1970.

Mr. Speaker: Is the hon. leader making a supplementary?

Mr. MacDonald: Mr. Speaker, by way of supplementary question: In view of the conflict in the evidence that has just arisen between the Minister and the leader of the Opposition, and in view of the legitimacy of some agency of this Legislature having an opportunity to hear the justification for such a rate increase, would the Minister have Hydro come before the committee on government commissions and present their case, along with that of the government to provide the evidence for the legitimacy of its rate increase with general government policy?

Hon. Mr. Kerr: Certainly, Mr. Speaker, if the standing committee on government commissions requires any commission, including Ontario Hydro, to appear before it, it will. I am not aware of the timetable of that standing committee, but if it is meeting regularly that certainly can be arranged.

Mr. M. Shulman (High Park): It has not met in months.

Mr. MacDonald: Perhaps the Minister might have a word with the chairman of that committee and express the wish of some of us that Hydro should come before that committee to let us hear in full detail its justification for this rate increase.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of a supplementary: In view of the fact that the government feels it is important, insofar as the supply of natural gas is concerned, that any rate change be justified first by a hearing before the energy board and subsequently confirmed insofar as takeovers or changes in management are concerned by the Lieutenant-Governor-in-Council, would it not be wise if whatever kind of investigation might be pursued was done before the increase became effective and not an explanation offered after it has been done?

Hon. Mr. Kerr: All I would want to say, Mr. Speaker, is that it is a matter of government policy.

Mr. Singer: Mr. Speaker, may I ask whether the government policy presently is to allow an increase in Hydro rates without any possibility of any enquiry by the members of the Legislature?

Mr. Speaker: I would point out to the hon. member for Downsview that according to the rules of this House, questions on government policy are not allowed. We do not follow that strictly, but I would point out that the original rules—which have not as yet been changed in that regard—do so provide. The hon. Minister is quite at liberty to answer or not as he wishes. Any other supplementary question? Yes.

Mr. Lawlor: Would the Minister consider, then, making it obligatory upon Hydro and all energy sources, to go before the energy board in future in order to justify increased rates?

Hon. Mr. Kerr: This would be considered, Mr. Speaker.

Mr. Speaker: The leader of the Opposition. Any further questions?

Mr. Nixon: I have a question for the Minister of Health. Based on complaints that have come from medical practitioners that they are treating a substantial number of patients who as yet do not have an OHSIP identification card, can the Minister say how many people of Ontario are enrolled and how many are presently receiving or have the right to go to a doctor for treatment without having an OHSIP identification card?

Hon. T. L. Wells (Minister of Health): Mr. Speaker, I could not give you those figures out of my head. We know how many people have OHSIP in the province. It is over seven million. If they have not got a number, they merely tell the doctor and he writes "applied" where the number should go and claims are handled that way.

Mr. Nixon: A supplementary question. A doctor then can put in his bill and simply refer to the name of the patient—no number is required—and it would be processed by the OHSIP?

Hon. Mr. Wells: That is right, Mr. Speaker. If the form is filled out properly they might send it back for a variety of other reasons, but not if it is filled out properly and with "applied" marked on it. We have sent out a memo—I think I indicated to the House quite a while ago—to doctors informing them how to handle this and if they are handled properly they are processed.

Mr. Nixon: Mr. Speaker, a supplementary question associated with this. Are doctors who complain that they are a month to six weeks behind in receiving payment from OHSIP or its predecessor, unjustified in making a complaint like this, or is there in fact this much of a lag between the time the bills are sent in and the time the money is received by the doctor?

Hon. Mr. Wells: Mr. Speaker, there could be, in some individual cases. We have to take a look at the doctor's name and have it checked out and see. There are a variety of reasons why claims get held up, by and large they are trying to do their best up there. Their staff is working awfully hard and they are trying to do their best to get them out. Even our own operations, as I said before, have increased from two million to 4.5 million people covered under the government-operated OHSIP direct operation, and this presents certain problems which they are trying to get ironed out as quickly as possible.

Mr. Nixon: By way of supplementary, then, it is not true to say that the payment is lagging six weeks behind the application in general, only in specific cases.

Hon. Mr. Wells: No, I do not think it is in general, Mr. Speaker, but that does not mean that there are not any doctors who are behind, because they may be for a variety of reasons.

Mr. Speaker: The member for High Park has a supplementary.

Mr. Shulman: Yes sir, as a supplementary: Is the Minister aware that last month when OHSIP came in, it sent a letter to every doctor in the province saying that if the patient did not have an OHSIP number, to send in the account with the word "applied" on it and that they would be honoured, and yet in that last week all of the private insurance companies involved in the scheme returned all such claims refusing to honour them?

Hon. Mr. Wells: No, I am not aware of that, Mr. Speaker. I am quite aware that we sent out the letter, or the memo; this was discussed in this House. I personally saw the memo. We asked that this be the way it be handled. If the private insurance companies did handle it in this manner, they have been remiss in carrying out their instructions under this plan because we have instructed everyone that this was the way it was to be handled.

Mr. Shulman: As a further supplementary. If I send copies of these letters from the private insurance companies over to the Minister, will he take suitable action against those insurance companies?

Hon. Mr. Wells: I will be happy to look into it.

Mr. MacDonald: Could the Minister indicate what progress is being made in sending out the registration forms? Are half of them out or three-quarters of them out? When do you expect all citizens of Ontario will have their registration forms?

Hon. Mr. Wells: I am told, Mr. Speaker, as I said, that our people are working, figuratively speaking, night and day up there trying to handle all these matters and I will try to get a definite answer on that. I know that they are behind in this because I am still waiting for my own form. I have not got my own OHSIP card yet.

Mr. MacDonald: Do not get sick.

Mr. Nixon: A supplementary question, as far as further information is concerned, on this topic. I have not got my own card either, but I did get a bill which said, "Send a cheque to the Treasurer of Ontario." Why do we not pay the money to HIRB as we do in the case of hospitalization?

Hon. Mr. Wells: The ruling was made when the plan was evolved that all payments to this would be made out to the Treasurer of Ontario.

Mr. MacDonald: He is short of money. He needs a little.

Hon. Mr. Wells: I am not sure what the difference is, it is probably just—

Mr. Nixon: Hospitalization payments go to The Department of Health.

Hon. A. F. Lawrence (Minister of Mines): He is not worried about white paper, he is worried about green paper.

Hon. Mr. Wells: This may be, Mr. Speaker; again, I am not absolutely sure. This may be because of the difference in organization. The Health Insurance Registration Board and the hospital insurance programme is under a commission, whereas the Medical Insurance Plan is directly under our department and, as such, I guess the Treasurer's people, in their wisdom, decided this was the way it should be handled with the cheques made out to the Treasurer of Ontario.

Mr. Speaker: Has the leader of the Opposition completed his questions? The member for York South.

Mr. MacDonald: I have a number of questions of the Minister of Health. First, is it the government's intention to make public the earnings of physicians under the Medicare scheme, as has been done in British Columbia and many of the States?

Hon. Mr. Wells: We have noticed that, Mr. Speaker. I would say that at the present time, it is not our intention to do that, however, if a good and just cause can be made as to why this should be done, we would be happy to look at it, but we read the report of what has been done in British Columbia and could not see any useful purpose served in that.

Mr. MacDonald: My second question to the Minister is: Are the rumours correct that the government is planning to extend hospital insurance coverage, to include that of nursing homes, and if so, when?

Hon. Mr. Wells: That is definitely a question of policy and—

Mr. MacDonald: May I ask, by way of a supplementary question of the Minister: Was the member for Grey South (Mr. Winkler) correct in stating in the Budget Speech on Friday, that the possibility of action here had been proposed because of the dire consequences flowing into Ontario from the imposition of Medicare by the awful Liberal government in Ottawa?

Hon. Mr. Wells: Mr. Speaker, as I said, this whole matter is a question of government policy and any private member of this House is entitled to make speeches on his own. I think that the member is making some good observations, but as far as the attitude of the government towards this problem is concerned, it will become known in due course.

Mr. MacDonald: A final question of the Minister of Health. In view of flip-flop in the Benson white paper which now says that employers' contributions to Medicare will be taxable, can the Minister assure us that, at least for this year, they will remain untaxable as was the decision of Ottawa no more than two or three weeks ago?

Hon. Mr. Wells: Mr. Speaker, I would like to be able to assure everyone including the hon. member of the NDP—

Mr. MacDonald: Has the Minister sought clarification?

Hon. Mr. Wells: We would have to approach Ottawa on this. We certainly have no control over this, as it was quite readily pointed out when we got into the controversy before. I would certainly think that unless they are going to take some interim action on that white paper, that what is in effect now, will stay in effect until they implement those portions of that white paper.

Mr. MacDonald: Would the Minister seek confirmation of that so that everybody will know exactly where he stands for this year?

Hon. Mr. Wells: Yes, he will.

Mr. MacDonald: My question is of the Minister of Mines. Is the Minister of Mines in a position to report on the investigation he promised he would make as to whether ACR is up to date in the payment of mine tax?

Hon. A. F. Lawrence: Yes, they are up to date.

Mr. MacDonald: And finally of the Minister of Financial and Commercial Affairs: Since we are now well into November, can the Minister report on the information he got from the medical insurers and carriers, as to the size of the reserves that they had when OHSIP came into effect on October 1 and what probable distribution or dispersal of them is going to be made?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, we are in the process of preparing a report on that matter and it will be ready, I would think, in about a week.

Mr. Speaker: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question of the Prime Minister. Was the recent statement of the Minister of Energy and Resources Management, which was made to the members of the Hamilton city council that they might now apply to the province of Ontario for $2 million of assistance in regard to the theatre auditorium, an indication of a change in government policy?

Hon. Mr. Robarts: Mr. Speaker, I am not aware of what the hon. Minister said and I have not seen any press report of this nor has this been drawn to my attention. Perhaps the Minister of Energy and Resources Management might have some comment to make. I simply have no comment because I do not know the incident to which the member is referring.

Mr. Speaker: Perhaps the Minister might wish to reply if the hon. member would allow him?

Hon. Mr. Kerr: Mr. Speaker, the hon. member knows this matter was discussed during

a panel discussion on a television programme which was shown last week, I believe, and where the civic auditorium in Hamilton was discussed. The fact that the federal government up to this point had not seen fit to make its contribution of approximately $2 million. Also that the provincial government's contribution of the same amount was conditional upon the federal government making its contribution was discussed. I did not indicate that the province had changed its mind, or that the province has now decided to give $4 million, or even its $2 million to the city of Hamilton. I said that if the city of Hamilton wanted the conditions changed, it should approach the provincial government to see if it would change its position. There was no unequivocal or definite statement by me that the province is now willing to make its contribution without the federal government doing so.

Mr. Deans: A supplementary question. May I now ask the Prime Minister, in view of the invitation of the Minister of Energy and Resources Management and in view of the statement of the Prime Minister, earlier this year, that he was not prepared to make the $2 million available unconditionally, has this situation now changed and will an approach by the city of Hamilton be, at least, looked upon favourably, considering the difficulties now confronting the city?

Hon. Mr. Robarts: I have not made any change in my position, but let us get the request from the city of Hamilton before we deal with this. I have not heard from them either. But, as far as I am concerned, the government's position remains unchanged.

Mr. R. Gisborn (Hamilton East): Does he know what this is about?

Mr. Speaker: The member for Downsview.

Mr. Singer: Mr. Speaker, I have a question for the Premier. Last week, when the Premier undertook to table certain documents in relation to the Algoma Central Railway agreement, did he imply that he would advise at the same time, or table documents at the same time, which would let us know what alternatives were available to the government other than the agreements actually entered into?

Hon. Mr. Robarts: Mr. Speaker, I cannot recall that I undertook to table anything. I will check *Hansard* and see precisely what I did say. I said that I would make a statement in the House. That is in the process of preparation, and I will do so.

Mr. Nixon: A supplementary question, if you will permit, Mr. Speaker. Surely the Premier did undertake to make the relevant documents available? That is what I understood.

Hon. Mr. Robarts: I do not know whether I did or not. I will read *Hansard* and see, but the hon. member gets up and says that I did. I am not aware that I did, but I will check *Hansard* to see. Whatever commitment I made, I will carry out, but as I recall the discussion—and I think I recall it pretty clearly—I wanted to clear up any misconception that there might be about the whole transaction. That is what I propose to do.

Mr. Singer: Mr. Speaker, by way of a supplementary, when the Premier—in whatever way he has committed himself to do—clears up whatever doubts that are involved in that whole transaction, will he advise us what alternatives were available to the province in lieu of entering into the agreement which it did, in fact, enter into?

Hon. Mr. Robarts: There are too many "whereases" and "might be's" and "what's its" in that. I will do whatever I undertook to do. I just do not follow that line of questioning, Mr. Speaker. This boils down to a form a cross examination which I do not think is the purpose of the question period. I gave an undertaking to make these facts clear to the House and I will so do. In the meantime, this constant effort of juggling around and trying to get commitments which the members can read out of *Hansard* some time later does not seem to me to really be in keeping with what we are after in the oral question period.

Mr. Singer: Mr. Speaker, by way of further supplementary, will the Premier tell us what alternatives were available to the province?

Mr. Speaker: I would think that the Prime Minister has answered the member's question.

Mr. Singer: Not very well.

Mr. Speaker: He said he will look up *Hansard* and will produce what he wishes, and I think we will have to take that as an answer. The member for High Park.

Mr. Shulman: I have a question of the Minister of Health. Has the Minister's department given an assurance to the Ontario Pharmacists' Association that in return for holding their mark-up on prescriptions to $1.95 he will subsequently bring in legislation preventing prescription advertising as to price?

Hon. Mr. Wells: I am not aware of any assurance, Mr. Speaker. I know that we are working on this whole drug pricing programme. Various negotiations are going on, but I, as Minister, am not aware of any assurance. All I know is that we have got an assurance from the Ontario Pharmacists' Association in regard to maximum dispensing fees. That is all I am aware of.

Mr. Shulman: Would the Minister be aware of the legislation coming up in his department? Or, in other words, if an assurance has been given, can I say it has been given without the authority of the Minister?

Hon. Mr. Wells: Yes, that can be definitely said. I am aware of legislation in my department when it is presented to me by the various people that work it out in the department, and as far as my recollection goes, no legislation in this regard has come before me.

Mr. Speaker: The member for Parkdale.

Mr. J. B. Trotter (Parkdale): Mr. Speaker, I have a question for the Minister of Health. In view of the fact that a new vaccine has been put on the market in the United States in order to prevent retarded children being born as a result of the mother having German measles, is the Minister making any effort to have this drug available in Ontario? Secondly, if a licence is established for the use of the drug in Ontario, would the Minister make any effort that the licence be given to the Connaught Laboratories?

Hon. Mr. Wells: Mr. Speaker, in answer to the first part of the question, we are urging the federal Food and Drug Directorate to approve this drug for use in Canada. As I understand, it is not approved yet, but we hope this will be done very soon. Now, as far as the licence being given to the Connaught Laboratories, I am not aware that they have asked for a licence in this regard. I am not sure which firm has presently made application for the use of this drug, but I think our primary concern, right here, is to get the drug approved—or agreement to sell or use it in Canada given by the FDD—so that we can use it. Then we can look into the arrangements for the Connaught Laboratories after that.

Mr. Trotter: I would just like to say, Mr. Speaker, by way of—

Mr. Speaker: If the member has a supplementary he may ask it, but this is not a place for statements.

Mr. Trotter: By way of supplementary question, is the Minister aware of the tremendous difference in price of the drug when it is marketed through the Connaught Laboratories and when it is marketed by a private firm?

Hon. Mr. Wells: I am not aware of that, Mr. Speaker. As I say, I would have to look into it and see. My only concern is to try and make sure it is available here as quickly as possible so we can use it in the very extensive programme that we have developed for immunization against measles.

Mr. Trotter: The Minister had better find out. There is quite a difference.

Mr. Deans: Mr. Speaker, a question of the Minister of Energy and Resources Management. Do the present OWRC specifications regarding the building of sewage treatment plants have within them provision to eliminate nutrient pollution?

Hon. Mr. Kerr: I assume the member is referring to provincially constructed and operated plants. All municipal plants are not constructed with the specific idea of eliminating a particular pollutant. I will also assume that the hon. member is talking about the recent lime precipitation process as a result of experiments at Richmond Hill. Our experiments are still not completed.

We are still experimenting, for example, at the plant at Sault Ste Marie, and also under different conditions. When these are completed, which we hope will be very shortly, and we are satisfied that the process can be operated in the plants effectively—and with some degree of economy as well—we will then require that they be installed.

Mr. Deans: If I may, by way of supplementary question, ask the Minister, is he aware of the statement of Roderick Anderson of the University of Toronto, who has indicated that the present lime process does not eliminate nutrients and that nutrients in themselves are one of the greatest causes of pollution in terms of the growth of algae?

Hon. Mr. Kerr: OWRC does not agree with the statement of Dr. Anderson as reported. He also indicated some percentage figures that the commission does not agree with. Although nutrients are a great cause of pollution, particularly as a cause of algae, his percentage figure, for example, in respect to phosphates and detergents does not agree with that of the commission or the findings of the commission.

Mr. Speaker: The member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): A question of the Minister of Justice and Attorney General: Will the Minister look into the complaint of Judge Stewart in Windsor as to the abuse of the legal aid plan by some lawyers?

Hon. A. A. Wishart (Minister of Justice): We are looking into these matters continuously, all the time. I do not know what Mr. Justice Stewart particularly referred to, but all of these matters come to our attention in the administration of legal aid. We look into all of them; I will check this one which the member mentions.

Mr. Speaker: The member for High Park.

Mr. Shulman: I have a question of the Minister of Health, Mr. Speaker. Is the Minister aware that the Ontario Pharmacists Association made a study of the mark-up on prescriptions before making their deal with the Minister and before agreeing to cut the fee to $1.95? Their studies show that the average mark-up in all of Ontario is only $1.97, so the price saving to the consumer is going to be less than one per cent with this new schedule?

Hon. Mr. Wells: I am sure, Mr. Speaker, that all aspects of this were gone into when the department went into this problem. I draw the member's attention to the fact that the $1.95 is a maximum dispensing fee. They are quite at liberty to use any fee below that. It is just that there cannot be anything above $1.95.

However, this whole matter is presently in the hands of a task force made up of all the people involved in either providing or being connected with the drug pricing programme, and these things are still all being looked into.

Mr. Shulman: Is the Minister aware that his department said this will result in a saving of 10 to 20 per cent and that Mr. Coulson, the ex-president of the Ontario Pharmacists Association, said in his speech to the pharmacists that this $1.95 fee did not preclude them from charging for deliveries, which they have never done in the past, on prescriptions?

Hon. Mr. Wells: I have read that speech, Mr. Speaker, and I am aware of this material. We still feel that when the whole programme is presented, it will result in a saving to the people of this province.

Mr. Speaker: The member for Essex-Kent.

Mr. Ruston: A question of the Minister of Financial and Commercial Affairs. Is the Minister aware of the wide price differential of gas in some areas of Ontario? I speak now of the London to Hamilton area where it sells for about 41 cents while throughout the rest of Ontario and western Ontario it costs 51 cents. Does he have any explanation as to why there should be so much difference?

Hon. Mr. Rowntree: I am not familiar with specific details of the area to which the hon. member makes reference, but investigations we have made into other areas of the price difference indicated that the transportation factor was relatively minor and the main difference has to do with the mark-up that the local retailer insisted upon obtaining.

Mr. Speaker: The member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Speaker, a question of the Minister of Agriculture and Food. Would the Minister intervene with the management of the Royal Winter Fair to ensure that children will not be prohibited from attending the fair as he agreed in the agricultural estimates?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I made no such undertaking, as I recall it, in the estimates of our department when they were before committee. I did mention the fact that the arrangements which had been made with the directors of the Royal Winter Fair and the executive had been worked out with the education officials of the city of Toronto, as I understand it, as to how many would be allowed to come and under what auspices they would come.

The action that was taken by the directors was worked out in full co-ordination with them, and in agreement with them. I think it is quite unfair to suggest that the Royal Winter Fair directors, and all associated with the Royal Winter Fair, do not want children in attendance. Very definitely the children are welcome at the fair, but it was thought to be in the best interest, Mr. Speaker, of not only the children but those who bring very expensive and extensive exhibits to the fair, that there should be some control exercised over the children, perhaps to a greater degree than that in the past. It has not always been possible for all of them to be kept under the kind of control that I think some of the exhibitors felt would be in the best interest of not only the children, but of their property.

I would emphasize again, Mr. Speaker, that special emphasis has been placed on children coming to the fair. They would be most welcome, but they would be especially welcome with their parents, who we think would help them understand the exhibits and get the most out of the Royal Winter Fair.

Mr. Speaker: The member for Essex-Kent.

Mr. Ruston: Mr. Speaker, I have a question of the Minister of Agriculture. Has the Minister of Agriculture had a meeting yet with representatives of the soya bean growers association as to the price that has been set for soya beans for 1969?

Hon. Mr. Stewart: No, Mr. Speaker, I have not.

Mr. Ruston: As a supplementary; have arrangements been made for one to be held?

Hon. Mr. Stewart: No, I have not even been asked to hold a meeting, Mr. Speaker. This is purely and simply a federal matter, Mr. Speaker. The province of Ontario has nothing to do with the setting of prices of soya beans. An arbitration board decision was reached during which the growers and the trade and the Farm Products Marketing Board were represented, and decisions made based on what might be described as the price of soya beans coming into Ontario duty-free from the United States. I understand this price was arrived at on this basis. Now, if the federal government were to favourably consider putting on some type of duty at the border for soya beans coming into Ontario, then that would automatically, I should think, increase the price of them coming into Canada. That is not the case as yet and it would seem their point—and it is a point well taken—is that the federal government should take some action in this regard to protect the growers of soya beans in Ontario.

Mr. Speaker: The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Could I ask this question of the Prime Minister? The mayor of Oshawa claims that they have not appointed a replacement as the chairman of the Oshawa housing authority, as a result of the province not making their appointee to the nominating committee, and this is the reason they have not set it up. I am wondering if the government is in a position to make that appointment?

Hon. Mr. Robarts: Mr. Speaker, I must confess I know nothing about this, but I will find out forthwith if there is a delay on our part. I see no reason why the appointment could not be made immediately. But this is the responsibility, I presume, of the Minister of Trade and Development (Mr. Randall). I will check with him and make sure it is done right away.

Mr. Speaker: The member for Hamilton East.

Mr. Gisborn: Mr. Speaker, my question is to the Minister of Health: In regard to the duplication of payment of OHSIP premiums and the refund entitlement, I understand that refund forms are now available. Will they be distributed across the province or are they available only upon request?

Hon. Mr. Wells: I will look into that, Mr. Speaker. I think we should make them available as widely as possible and I will see what we can do in that regard.

Mr. Speaker: The member for Essex-Kent.

Mr. Ruston: Mr. Speaker, I have a question of the Minister of Health, which actually should have been made as a supplementary a while ago. Is the Minister aware that the price of prescriptions ordered by a doctor for a pregnant girl who had contact with measles is $45? Should this not be a public health expense? It seems to me it is ordered by the doctor as a protection for the unborn child and should be an expense to the public.

Hon. Mr. Wells: I would be happy to look into it. If the hon. member could give me some details of this particular case, I would be happy to look into it and see what should have been done.

Mr. Speaker: The member for Wentworth.

Mr. Deans: Thank you, Mr. Speaker. To the Minister of Health: Is the Minister aware of the dangers to eyesight which predicated the introduction of legislation in the House of Commons dealing with radiation-emitting devices and that these devices are easily manufactured within the high school system of the province of Ontario and are in fact being manufactured? Will the Minister take action to make sure that the manufacture of these devices in the high school laboratories is eliminated or at least restricted?

Hon. Mr. Wells: I am sorry, Mr. Speaker. Which devices are these?

Mr. Deans: They are laser-emitting devices—laser beams which they manufacture and use and they are hard on the eyesight.

Hon. Mr. Wells: Yes, I will look into that.

An hon. member: Do not get near it when you look into it.

Mr. Speaker: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, a question of the Minister of Health, who seems to be getting all the action today. In the case of a problem initiated under the old OMSIP plan and where, because of circumstances beyond control of the patient, treatment was carried over until the new OHSIP plan came in, will, in effect, the original conditions under OMSIP prevail? In one case in which I am interested the payment conditions have changed.

Hon. Mr. Wells: Mr. Speaker, I would suggest that if the member or the constituent on behalf of whom he is talking, could put this very briefly in writing, we will be happy to send it to the health service's return accounts and look into the matter.

Mr. Speaker: The member for High Park.

Mr. Shulman: A question of the Minister of Health, Mr. Speaker. Is the Minister aware that the Ontario Pharmacists' Association made a study of what the cost mark-up on a prescription should be—including profit and all costs, direct and indirect—and the figure which they arrived at was $1.89? Yet in the letter which was sent to the Minister's department, this figure was jacked up to $1.95 for no reason whatsoever.

Hon. Mr. Wells: I am not aware of that, Mr. Speaker. Obviously the member has some information from the pharmacists' association that I have not got, and if he would like to make it available to me, again I would be most happy to look into it.

Mr. Shulman: I shall send it over to the Minister immediately.

Mr. Speaker: The hon. member for High Park still has the floor.

Mr. Shulman: I have a question of the Attorney General, Mr. Speaker. Did the Attorney General look into complaints that were sent to him in reference to Ontario police making investigations as to the background of individuals in Ontario at the request of an American police department, and sending these reports to the American police? I am referring specifically to a letter which he received, or which was sent to him, on October 25, 1969, and another one which was sent to him on July 31, 1969, referring to a matter which occurred in Hamilton. The Hamilton City Police chief, Leonard Lawrence, investigated a resident of that city and sent the report to the Pennsylvania police.

Hon. Mr. Wishart: Mr. Speaker, I will take the question as notice as to this specific matter.

Mr. Speaker: Are there any further questions? If not, this concludes the oral question period.

Presenting reports.

Motions.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, I move that when this House adjourns today, it stands adjourned until Wednesday next.

Mr. Speaker: Mr. Welch moves that when this House adjourns today it do stand adjourned until Wednesday next. Is it the pleasure of the House that the motion carry?

Motion agreed to.

Mr. Speaker: Introduction of bills.

Orders of the day.

Clerk of the House: The 26th order, House in committee of supply; Mr. R. D. Rowe in the Chair.

ESTIMATES, THE DEPARTMENT OF MUNICIPAL AFFAIRS
(continued)

On vote 1403.

Mr. Chairman: The member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Chairman, several very interesting observations and discussions must arise out of the speeches made by the Premier (Mr. Robarts) and the Minister of Municipal Affairs about a year ago in the Throne Debate.

I know it is a technique of the Minister of Municipal Affairs to pretend he does not listen to anyone who is speaking. The other evening when I was addressing some remarks that I thought had some importance, he insisted on carrying on an uproarious and hilarious conversation with his colleague next to him. The Minister does not want to listen to the remarks made on this debate and wants to be rude and selfish about the whole thing; well,

that is up to him, but I hope it would be well noted for the record, and while the remarks are made, at least in the Minister's estimates, I think he owes the other members of the House at least the courtesy of appearing to listen.

Mr. D. C. MacDonald (York South): Here endeth the first lesson of the afternoon.

Mr. Singer: Mr. Chairman, I would say that these two speeches that were made in the Throne Debate a year ago in November have some substantial significance insofar as the future of Metropolitan Toronto is concerned, and particularly in view of the very substantial criticism that has been levelled at many of the ideas contained in that.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Chairman, perhaps just to indicate how closely I am listening to the member I shall tell him that I think matters of regional government or reform of the Metropolitan Toronto government would best come under "Municipal Research" under the next vote 1404.

Mr. Singer: Mr. Chairman, the Minister's reply is wrong as usual, because in these two speeches to which I am referring, the one at least by the Premier seemed to deal with Phase 2 of this report of his Design for Development. Design for Development would have some similarity, I would think, to the heading in vote 1403, "Planned Development of Municipalities," and I would think, Mr. Chairman, that notwithstanding the silly remark of the Minister, we can rely on the Premier's title to his own speech and carry on in that manner.

I wonder if the Minister, since he is so aware of what is going on, might first of all care to comment about what Professor A. J. Dakin, who is chairman of the department of urban and regional planning of the University of Toronto, had to say in connection with the Minister's statement? If the Minister is not aware of what Professor Dakin had to say, I will be glad to read him the whole of Professor Dakin's remarks as they were reported in the Toronto *Globe and Mail* on December 6. But, since they are rather long and since the Minister is so alert, I am sure he can comment on them without my reading them in full. If he is not aware, I have no hesitation about reading them in.

Hon. Mr. McKeough: I seem to have forgotten specifically what he had to say.

Mr. Singer: Then if the Minister insists, I will have to read Professor Dakin's remarks here.

Professor Dakin was commenting on an editorial that appeared in the *Globe and Mail* in connection with the Minister's statement and the Premier's statement, and he wrote this letter to the editor and it is a full letter, and I think it is worthy of substantial attention because Professor Dakin is certainly a leading authority in the field of planning and the University of Toronto thinks enough of him to have made him chairman of the urban and regional planning department. He said:

> Your issue of December 4 carried a news item concerning the current reports that the Minister of Municipal Affairs has under consideration the establishment of enlarged municipalities around Metro Toronto.
>
> Your editorial of the same date noted that "these governments will be both planning and government entities, thus ending Metro's undemocratic control of planning over 480 square miles beyond these boundaries," and expressed the opinion that such a proposal would be acceptable as Metro is now big enough.
>
> Whatever may be the political merits of dealing with the larger urbanizing area of southern Ontario by means of a group of metropolitan areas it is certain that from an urban planning point of view the idea must give very serious cause for concern.
>
> Since the 1930s this area has struggled toward the concept and achievement of an overall urban planning jurisdiction large enough to take care of the urban mass as a whole and allow room for expansion. In order to do this, The Metropolitan Toronto Act of 1953 gave to the council of Metropolitan Toronto the responsibility for overall planning matters over a fringe area one township deep beyond its political boundaries. This means that while Metro's boundary to the north, for example, stops at Steeles Avenue, its planning jurisdiction extends a further ten miles to the northern boundaries of the townships of Markham and Vaughan.
>
> This arrangement grew out of the late 1940s planning area of the county of York and Toronto, which was the responsibility of the Toronto and York Planning Board—the immediate predecessor of Metro Toronto in planning matters. It is also worth noting that by the 1920s the city of Toronto had

a jurisdiction for planning purposes extending five miles beyond its political boundaries.

The purpose of these planning efforts has been to control the growing edge of the urban mass so as to avoid sporadic development, bankruptcy of local authorities, premature development of services, inefficient public investment, and so on.

It is essential that a growing urban area of this magnitude have within its planning jurisdiction adequate space for expansion so that the whole can be planned together. If we have a group of metropolitan municipalities contiguous with each other, but none having an overall planning role, we shall be putting the clock back again to the position of the city of Toronto in the 1940s —a deadlock situation which moved the city council to ask for the amalgamation with its 12 adjacent neighbours. This was refused by the Ontario Municipal Board for political reasons. Out of the refusal came the municipality of Metropolitan Toronto with special emphasis in its Act for taking care of overall planning matters.

If the present concept is a group of metropolitan municipalities, then we are designed to work our way through the same problems all over again, but at a very much larger scale. There would appear to be only two ways out of the dilemma. On would be to set up a truly regional authority for an area at least 100 miles radius around Toronto. This would imply, if its planning is to be at all effective, a genuine regional government with council and powers of taxation. Or, alternatively, the provincial government itself must produce and implement a plan for urban development for this part of the province.

The Metropolitan Toronto and Region Transportation Study suggests several alternative patterns for future urban development in southern Ontario. The study group has, however, been unfortunately disbanded, and it would take several years of technical and political effort to convert its work into an official plan for the greater Toronto region.

It is instructive to compare ourselves with other places. Sydney, Australia, with a slightly larger population than Metro, recently enlarged its regional planning area to 6,000 square miles. Metro has a planning area of 720 square miles.

In 1947, Copenhagen, with a population estimated to reach 2.5 million by the year 2000, adopted a plan controlling the fringe pattern of urban growth. It has successfully held to a policy of controlled "finger" development in the early 1960s—the population then was 1.5 million—enlarging its planning jurisdiction from about 400 to 1,300 square miles.

The all-important issue is whether our Metropolitan area is to develop simply by adding more round its edges or whether the pattern of growth at the edge is now to be modified in the interests of minimizing air pollution, preserving wedges of green space, so planning the future development of our communities that long commuting distances with high economic and human costs are reduced, and providing open space and contact with the countryside within reasonable distance of all urban residents.

Such targets cannot be realistically considered as achievable if the planning is to be left to voluntary agreement within competing metropolitan municipalities.

Now that, Mr. Chairman, emanates from the speech made by the Minister, I think, on November 28. In any event, it followed immediately on the Premier's speech which was made on November 28 last year. In the text of that speech there are a couple of paragraphs, here stated by the Minister, which seem to fly directly in the face of Professor Dakin's comments. The Minister said, and this is a mimeographed copy that probably emanated from his own office, at the top of page 31:

> It is my expectation that following the establishment of regional municipalities around Metro Toronto, the present boundaries of the Metro Toronto planning area will be revised to bring about an exact relationship with regional government boundaries. When Metro Toronto brings forward an official plan, this will permit the delegation of certain planning powers which Metro does not presently enjoy.
>
> I expect to enter into discussions with Metropolitan Toronto on these matters within the next two months.

So by way of preliminary, Mr. Chairman, I would like to know how the Minister can reconcile these specific remarks with the general remarks made by the Premier in his earlier speech when he laid down the various criteria that he thought should be required before a regional system of planning and government was set up.

Secondly, how he accepts or agrees with—or disagrees with—the remarks of Professor

Dakin. I think we could use that as a preliminary and then I have some more remarks to make on the same point.

Hon. Mr. McKeough: Mr. Chairman, this is tied in with the regional government issue, although the member for Downsview does not want to tie it in.

If we are talking about Design for Development, which was a statement on regional government, one of the whole thrusts of that speech was the creation of regional government to the north, east and west of Metropolitan Toronto. This would necessitate a redesign and redrawing of the metropolitan planning area to make it coincidental with the political boundaries of Metropolitan Toronto.

It ties in further with what we call the regional government programme and Design for Development in that in this process—as the member has pointed out, and has read, I think, relevant portions—we would be turning back to a local government, in particular the government of Metropolitan Toronto and certain planning approvals now exercised by the Minister. That was part of making the planning area and the political jurisdiction coincident. It is not possible in my view until the two jurisdictions are coincident and until such time as an official plan has been approved.

Now that the member has read Professor Dakin's remarks, I think it is fair to say that his remarks were the first remarks following Design for Development Phase 2. Subsequent to that, we met with him, had quite a chat with him. I was very interested in his remarks, and I think there has been a very good dialogue since November 28 and December 2 last, not only participated in by Professor Dakin, but such other informed and responsible people as the chief planner for Metropolitan Toronto, Mr. Wronski—who I know has something to say in the press today—Mr. Gardiner, and various other people, both for and against what we have suggested. I have found the dialogue most helpful indeed.

I have had some discussions with the executive committee of Metropolitan Toronto and with others in Metropolitan Toronto. Our staff presently are working with their staff to develop a plan whereby the statements which were contained in Design and Development Phase 2 can be implemented—and, from our point of view, the sooner the better. We are not anxious to have the approval and disapproval function which we presently exercise. We think Metro can do this as well as we can—if not better—and we are anxious to turn these matters over to them on a progressive basis.

Professor Dakin advanced what, in my mind, has become known as "the Fred Gardiner view". I have nothing but the highest respect for what Mr. Gardiner did in bringing this municipality together, Metropolitan Toronto, and in large measure creating the administrative and policy making structure which has made it the vibrant place which it is today to live, to work, to play and to generally enjoy life.

My colleague, the Minister of Correctional Services (Mr. Grossman) wants me to leave some of the credit for him, and I am delighted to do that, of course.

The Gardiner viewpoint, which was very well expressed and very eloquently expressed by him in an article in the Toronto *Daily Star*, I think about two or three weeks ago, is not that different from what Professor Dakin and others have had to say. What those articles and those viewpoints represent is an inevitability—if I can put it that way.

Mr. Gardiner feels that it is necessary for Metropolitan Toronto to expand up to the height of land and to go through Markham and Vaughan and on up to King and Whitchurch. There is little consideration of what the people of King, Whitchurch, Markham and Vaughan feel may be good for them in some of the articles which are written.

Pickering is sometimes embraced and at other times not, and Mississauga seldom, which is interesting. Of course, if you can make an argument that you should take in Markham and Vaughan, you can make just as good an argument that Mississauga should come in as well. But these arguments vary depending on the points of view. But they point particularly to the north where there is an air of inevitability which I find disturbing. This is where people are going to live.

We are going to have so many millions of people and the progression is going to be outwards as it has been in the last 10 or 15 years since Mr. Gardiner first took office. Population growth will move outward and northward, concession by concession. The services will be extended, and some day the map will appear with the four or five million people which Mr. Gardiner described as coming under this area and will inevitably flow outward in that pattern and up to the height of land.

Now, I think we reject that inevitability and I think this is where there is a great deal of difference between what Mr. Gardiner

advances or Professor Dakin advances and the position which is held by the government.

We do not think that there has to be that inevitability. We think that there may well be better ways in which to locate people, in which to plan an orderly development, which may not necessarily be progressive step by step, lot by lot, going northward.

I am sure the member would agree that within his own party there is a discussion going on, and a very healthy discussion I think, concerning the William R. Allen Expressway. Well if there is the inevitability about the growth of Metro, which Mr. Allen for one and Mr. Gardiner for another seem to think is going to happen, then, good lord, we are going to need ten William R. Allen Expressways. And they are going to cut through ten times 1,000 backyards and ruin ten times how many homes. Whether they are expressways, for that matter, or whether they are rapid transit lines or extensions of rail lines, they are still going to chew up many channels through this downtown area, through the central core of the city. As I say, we do not accept the inevitability. We think that there is a better way to do it. Now this comes back to the MTARTS programme, which as the member is aware, started off as a transportation study some four years ago and was ultimately concluded. Along the way, the transportation people realized what some other people perhaps had realized before they started, that you could not isolate the components of transportation from everything else; from sewers, from water, from the environmental factors, from the pollution problems, from the whole quality of living, if you will, as to how people are going to live and how they would like to live and what compromise can be found in between. And this ended up in our "Choices for a Growing Region", which was presented about a year ago last summer to the municipalities and to all government departments at the Queen Elizabeth Theatre. We asked for a response from the municipalities and from anyone who wanted to respond. This should really come from the Treasurer (Mr. MacNaughton) but I am reasonably close to it, so I speak for him.

Those responses were in by February or March of this year and the government is now in the process of evaluating the responses. I would hope that within the next two or three months we will be in a position to put a paper before the whole area as to where they think the growth of the greater Metropolitan region should be. And by greater, of course, I do not just include the Markham boundary or up to the height of land. Included I suppose, is a 50-mile radius arc covering an enormous area of the central part of the province.

I recognize, along with Professor Dakin and others, that it is an enormously complex problem, but what we are trying to plan is the correct governmental structure to fit in with these development patterns. I think I will have to say that there has to be a place of beginning. It is interesting on the west that a great number of people—not from the planning point of view, but perhaps from a political power point of view if you will—have accepted the Etobicoke Creek, and they sort of kept their hands off Mississauga most of the time.

To the north, I do not say that the line there is necessarily the most sensible line. But if you move a mile north to satisfy some of this point in time, you immediately take, I suppose, another 20,000 or 30,000 people out of York county and you start York county off on its own two feet, or try to start them off, with that much less population and that much less assessment.

It is difficult. Wherever the border would be there would be problems. We chose, in the case of Metropolitan Toronto, to accept what was there now and make that the place of beginning. Yes, the member from York endorses that too. I think that perhaps answers some of your questions and gives some of my thinking. Perhaps there are some other questions that I can answer?

Mr. Singer: Mr. Chairman, it gives me some better clue to the Minister's thinking which I am afraid I must conclude is inconsistent, since he and his leader, through two consecutive speeches, do not really move in a pattern. We are confused. We have to be confused here in this Metropolitan region because what the Premier says in one speech is not followed by the Minister in another speech. What the MTART study says about regional planning does not seem to fit in with the Minister's thinking. What his colleague, the Minister of Economics and Treasurer, does about regional development seems to be another part; and none of them seem to meld together at all.

He mentioned Mr. Wronski and I have on my desk here a report that Mr. Wronski prepared for the Metropolitan Toronto Planning board. It sums up, perhaps better than I can, some of the joke that comes into the

minds of such as Mr. Wronski, the professional adviser to the Metropolitan Toronto Planning Board.

And these are some of the things that he says. He wrote a memo in response to his reaction to the Premier's speech and to the speech made by the Minister of Municipal Affairs. And then he comments very briefly on both of those and then he goes on, and he refers particularly to this paragraph on page 31 that I read earlier, and he says this:

> It is the Minister' first statement which is by far the most important in the context of the Metropolitan plan and the suggested reform of governmental structure in this area may have serious effects on the effectiveness of Metropolitan programmes directed towards the accommodation of growth.
>
> It seems obvious to me that, if there were a provincial planning framework and a comprehensive development policy for this region—the Metropolitan region—any system of local government would have been capable of implementing it and of preparing satisfactory conditions for accommodating of the inevitable growth which will continue in this area. However, in the absence of the framework or in the absence of a regional plan, it appears to be illogical, to say the least, to weaken the only existing regional planning agency, that is Metropolitan Toronto, instead of enlarging its planning responsibilities, its political jurisdiction and its economic capability of coping with the rational development of the area.

In other words, what Wronski is in fact saying to his board—and I think most fairly and most properly—is that the only existing agency that you had available to try and cope with planning of the broad region, which I am trying to identify, which your regional development studies identified, and which the regional concept of Metro identified, was the Metropolitan Toronto Planning Board.

Hon. Mr. McKeough: I do not want to interrupt the member, but of course that is one of the complete fallacies in the argument of the Metropolitan Toronto Planning Board. I would have a greater respect for the viewpoint they put forward. There are the three arguments: The 240 square miles which is the position I guess I will take, which is now Metro; the 720 square-mile area, which is the Metropolitan Planning Board position, which is also Mr. Gardiner's position—

Mr. Singer: Which was the government's position until this speech?

Hon. Mr. McKeough: —and then there is the wider framework of the MTARTS area, which is about 5,000 square miles. Now, if Mr. Wronski or Mr. Gardiner or any of the other critics had said what we are suggesting —and I do not want to start a fight here because this has been a most healthy dialogue which has been going on between Mr. Wronski, the Metropolitan planning board, myself, and all kinds of people, politicians included—had they said, "Look, the 740 square miles is for the birds"—which it is—and looked at the complete area which is something, I am told, in the neighbourhood of 5,000 square miles, which is the MTARTS area, that argument would be much more justified than the 740-square-mile area, because the 740-square-mile area, for example, does not include the townships of King and Whitchurch.

There are more people in King, as a percentage, or in Whitchurch, working in Metropolitan Toronto than there are in Vaughan and Markham. Vaughan and Markham have generated their own employment—King and Whitchurch, to this date, have very little employment. But no, let us stop there. Let us look at the 740 square miles. That, to my way of thinking, has been one of the errors which the Metropolitan Toronto Planning Board has fallen into and said: "You know, let us just compartmentalize in that small area," and that small area is not the real planning area of this city of Toronto.

Mr. Singer: Well, this is Wronski's point, and this is my point, Mr. Chairman. The Minister, having proscribed the area to 740 square miles—which he did in his speech in those paragraphs I read—leaves a vacuum. Has he ever wandered along Steeles Avenue and looked on the north side of Steele's Avenue and seen what is happening there, or a little further north? Is he not aware that Scarborough, Etobicoke or North York are all full? Is he not aware of the price of land? Is he not aware that there is a vacuum in planning, in government, existing beyond the boundaries on the north of Metro, beyond the boundaries on the east of Metro? To the west to some extent the Mississauga regional government is beginning to fill that in, but certainly to the north and certainly to the east, nothing is happening. You have prevented Metro—

Hon. Mr. McKeough: But why is it not then, that is part of—

Mr. Singer: Because of the Minister's speech, that is why it is.

Hon. Mr. McKeough: Do you really think that the situation has changed, north of Steeles Avenue, just because of my speech? If there was no development there a year ago, do not blame it on my speech that there is not any development there today.

Mr. Singer: Not only is there no development to the north of Steeles Avenue now, Mr. Chairman, but it seems to be postponed for an indefinite period. At least prior to McKeough, there was a planning area, there was some sort of study that was going on between the Metropolitan Toronto engineering department and the engineering departments of Markham and Vaughan immediately northward.

I know that because when I was reading we were planning in that way, both in North York and Metropolitan Toronto—both our engineers, Sanderson, in North York, and Clarke, in Metro, were planning and building pipes out that way—but now, when you close off this area, who knows what is going to happen, and you closed it off over a year ago, and the situation gets worse, the price of land gets more expensive, and the ability to cope seems to be less and less, because the Minister has left everything hanging in limbo.

I am not suggesting, Mr. Chairman, that the original plan worked out since 1953, when the legislation became effective and Metro was first created, was the be-all and the end-all, but at least it extended for 720 square miles. Now the Minister has cut back to 240 square miles and he has put nothing there in its stead.

What we are trying to figure out, Mr. Chairman, and what I think is the most important thing, really, insofar as the core of Ontario is concerned, the heartland of the province, the industrial centre of the province, is: What does this government have in mind? And I think, Mr. Chairman, one must conclude it has nothing in mind. It has nothing in mind than one more speech and one more study. We had a speech in November of 1958 and a speech in December of 1958 and we have more studies, and the Minister says that MTARTS is 5,000 square miles, and the region is something less, and the original Metro planning area was 720 square miles, and he is cutting it back to 240, and nothing really is happening.

Unfortunately, Mr. Chairman, that is the problem. Nothing really is happening. Surely, if this government is entrusted with the responsibility for planning, in the core of the province of Ontario, in its capital city, in the area where the industrial development takes place to a larger extent than any other part of the province, in the area where most of the taxes come from, surely, then, Mr. Chairman, one has to expect something more than the Minister saying, "I really did not do anything, I did not make this worse than it was a year ago."

But I am suggesting, Mr. Chairman, and I think what Professor Dakin was suggesting, and I think what Mr. Wronski is suggesting, and I think what those interested in planning in the Metropolitan Toronto area are suggesting is, for goodness sake, let the government make up its mind, what is it going to do with the Metropolitan area, because planning in the Metropolitan area, beyond the boundaries of Steeles on the north, and the easterly limit of Scarborough on its easterly boundary, cannot take place until the province makes up its mind.

Those lands are just about full and their future development is pretty well indicated in the plans in the three municipalities, Scarborough, North York and Etobicoke. So how long do we mark time, how much longer? You see, Wronski says:

> However, in the absence of such a framework or regional plan, it appears to be illogical, to say the least, to weaken the only existing regional planning agency, Metropolitan Toronto, instead of enlarging it.

The Minister says he is not sure that he wants to enlarge it and if he does enlarge it, how far should he enlarge it? I say, sir, those are the responsibilities of government, and surely government must make up its mind, not just mark time, not just say, "We are not going to go any farther than the 240 square miles, that Steeles is the be-all and end-all in the north". And what is the easterly limit, the east boundary of Scarborough. I have forgotten how that is identifiable geographically, but those are the limits.

And then there is a reference to Professor Dakin's letter, which I read, and a reference to London, Tokyo, Paris, Melbourne, where all these cities have gone off on a different tack; and the Minister says, "Is that not terrible?" But if the Minister really believes it is terrible, if it is government policy that that kind of regional planning is terrible over that large an area, let it become a part of government policy.

What is he putting in its stead—that is what we want to know in Metro. And that is what the Minister is not telling us. I think it is important that we get the rest of Wronski's comments on the record and I am going to read them:

> It is therefore, in my opinion, of utmost importance that the Executive Committee and the board consider a position statement which could be submitted to the provincial government and which would outline its views on the proposed governmental reform, stress its weaknesses and suggest the board's counter proposals.

The Minister was a little concerned that there might be a fight going on between his opinion and the opinion of his departmental officials, and Wronski's, and so on. I say, this is not a fight, sir, this is an intelligent discussion and a series of enquiries as to the direction in which we are going to go, and that is why I think it is important that these suggestions form a part of the record.

Hon. Mr. McKeough: You might look at the date on that.

Mr. Singer: Yes, this report is dated January 8, 1969.

Hon. Mr. McKeough: The reason I say that, is because it should be on the record that Metro, as yet, have not come forward with that brief.

Mr. Singer: If they have not, they have had it for ten months, so that it is that old in any event. Wronski continues:

> The following points briefly summarize the present planning position in the Metropolitan planning area, the inconsistencies in the Premier's and the Minister's statements, and the weaknesses of the proposed regional organization in this area.
>
> 1. In 1966, the Metropolitan planning board and council adopted a plan outlining the Metropolitan principles and policies which govern urban development in that part of the region within the Metropolitan planning area.
>
> This plan did not contain any new or original land use concepts for the area —being superimposed over the official plans of the municipalities in the planning area which were continued when the Metropolitan corporation was erected—but was:
>
> (a) a consolidation of the pragmatic development policies developed by the Metropolitan corporation since 1954;
>
> (b) an attempt to define the local-Metro division of planning responsibility in the absence of any direction to this effect in either The Planning Act or The Municipality of Metropolitan Toronto Act;
>
> (c) a long-range plan for the major transportation facilities required to support urban development in the planning area until 1980.
>
> Since the plan was adopted, it has been amended in a material way only three times; each consistent with the essential nature of such a plan:
>
> (a) to incorporate a policy for the development of the Metropolitan waterfront which is considered to be a regional amenity;
>
> (b) to redefine Metropolitan responsibility in urban renewal and to state the principles of renewal which the Metropolitan corporation requires any local municipality to observe in order to secure Metropolitan financial participation in local renewal schemes;
>
> (c) to incorporate policies for control of apartment distribution and density as corollaries of the standing policies for control of population distribution and density.
>
> For the purposes for which it is intended, the Metropolitan plan has been effective. It considers the entire area of the region to which it applies and takes into account the financial resources for development of the municipalities in the planning area; and the distinction it makes between urban and rural development areas has proven to be valid, all circumstances considered.
>
> The plan's effectiveness is limited, however, because:
>
> (a) it does not apply to the entire region within the influence of Metropolitan Toronto and therefore it is not known if its development policies are valid in such a context; (b) it was prepared in a vacuum of provincial development policy which, if available, could have proven or disproven the validity of Metropolitan department development policy; (c) it has been virtually completely implemented within Metro, and there is no provincial direction as to where the next phase of urban development should go or how to relieve the pressures for urban development already being felt in properly rural areas of a planning area.
>
> The plan, therefore, is incapable of any major change in the context of existing municipal structure or without direction

from the provincial government, particularly with respect to the financing of major changes to the present planned urban configuration within the planning area.

Indeed, the inability of the Metropolitan government to co-ordinate and properly phase the servicing of the whole of the planning area is because two thirds of this area is outside its political jurisdiction and, therefore, without the benefit of its economic base.

Those four criticisms, Mr. Chairman, are what I was summarizing in my interchange with the Minister a few moments ago. What Wronski is, in effect, saying is: "We have planned and used our land, and our planning principles are known to the province and seem sensible and no one has objected, but we are limited insofar as we can go further; we are limited in trying to know what the province is going to do with the rest of the area." Who has the responsibility? Who is going to call the tune? What form is additional planning, beyond these boundaries, going to take?

So Wronski's plea is a simple one. My plea is a simple one. Dakin's plea is a simple one. For goodness sake, let the province get off its rear end and let it make up its mind as to how the Metropolitan Toronto area is going to develop. That is all.

We draw nothing but a blank, Mr. Chairman, nothing but a blank from the responsible Minister. And we get nothing more than fine speeches from the Premier and from the Minister, which have nice titles to them, but which really do not say anything; all they indicate is that we are marking time. And we get other studies which do not correspond and do not fit in one with the other.

Mr. Chairman, to go on with Wronski's remarks, he says this:

When the Metropolitan plan was adopted, it recognized that ultimately the responsibility for overcoming its limitation rested with the province and with provincial policy; and the Metropolitan corporation therefore encouraged and participated in provincial planning projects which would help establish such policies and particularly in the Metropolitan Toronto and Region Transportation Study.

While the MTARTS proposals were found by this board to be generally consistent with those of the Metropolitan plan and for the most part appear to confirm the development principles and policies of the Metropolitan plan insofar as the Metropolitan area is concerned, they are inconclusive by virtue of having recommended a large number of alternative schemes for accommodating future urban growth when the new land potential of the Metropolitan planning area is exhausted. The dilemma for adopting a provincial regional development policy was therefore thrown back into the lap of the provincial government.

What he is saying in very simple language is, "For goodness sake, province of Ontario, make up your mind."

From the Metropolitan point of view, it is essential that some provincial policy be adopted to give direction to municipal planning and perhaps even more importantly to co-ordinate the various conflicting plans and programmes of the OWRC, DHO, the regional economic councils, the housing and urban development activities of The Department of Economics and Development, and others whose independent programmes tend to conflict with and confuse local municipal programmes.

Mr. Chairman, this is the sort of thing that we, on this side of the House, have been saying year after year. With all of these various government bodies having various phases of development to report on—and with no apparent co-ordination—how then do we get on with the job? That is the question that Wronski puts to the Metropolitan Toronto Planning Board. And, as yet, there are no answers. The Premier makes speeches, the Minister makes speeches, his colleagues on the front bench make speeches, but we do not have the answer. And Wronski again asks the question.

The Premier's request for this board's comments on the MTARTS was understood to be a first step towards resolution of the provincial dilemma, and it was believed that all comments received on the study would be read in the light of the findings of the Cabinet committee on policy development and the advisory committee on regional development when their deliberations were concluded. Instead, the Premier—

I do not think this is unfair at all—

Instead, the Premier appears already to have adopted and expanded upon the taxation committee's five criteria for regional government, unfortunately retaining the "shoulds" instead of substituting "shalls" and thereby perpetuating the vagueness of motherhood phrases and emasculating these criteria as a strong foundation upon which to build policy—assuming that the criteria

are proper and applicable to new forms of regional government without proper study of them.

He is assuming that the Minister of Revenue (Mr. White) was right, at least that the Minister of Revenue would agree with that assumption. Now, whether his colleagues in the Cabinet agree with him or not, I do not know. But the Premier, as Wronski says, has substituted the word "should" for "shall" and then Wronski goes on to set out the criteria:

A region should exhibit a sense of community; a region should have a balance of interests; there must be an adequate financial base; the region should be large enough so that local responsibilities can be performed efficiently; and regional boundaries should make possible maximum co-operation between regions.

The Minister of Municipal Affairs has gone further in determining actual regional government areas and responsibilities which in large part are inconsistent—

And note that, "are inconsistent".

—with the Premier's criteria insofar as the proposed Metropolitan Toronto region is concerned: (a) by excluding the fringe municipalities of the planning area—particularly those in York and Ontario counties—

I would like the Minister to explain how he is not inconsistent in the paragraph he read and the criteria that the Premier set out in his speech.

Hon. Mr. McKeough: I have said that all through the piece, if you followed those criteria you would include in the Metropolitan Toronto region something in the neighbourhood of an arc of 50 miles, something in the neighbourhood of about 5,000 square miles. You would not just include 720 square miles.

Mr. Singer: Then, Mr. Chairman, is our plea for consistency going to continue to fall on deaf ears? The Minister has just confirmed it. He says his leader gave a speech on November 28 and he gave one a few days later and the two of them are inconsistent insofar as they apply to Metro. Well, which one do you believe? Which one do you accept? That is the point we are all trying to make. If the Premier is laying down criteria, one would think that the Premier—being the leader of government—says what is going to happen. The Minister comes along a few days later and says "Really, that is not quite what is going to happen, it may happen elsewhere but it is not going to happen in Metro," and the Minister repeats that today.

Mr. Chairman, surely the people of Metro, the two million people who live in this area, are entitled to know what government has in mind for the future development of this area. We cannot get anything from the Premier because the Minister of Municipal Affairs says he is incorrect insofar as Metro is concerned. So I say simply, Mr. Chairman, who do we believe?

Hon. Mr. McKeough: I just want to be clear on this. Is the member advocating that we should follow those criteria and we should have a regional government encompassing some 5,000 square miles, encompassing the counties of Peel, Halton, probably Dufferin, York, Ontario and most of Northumberland and Durham? Is that what the member is advocating?

Mr. Singer: No, Mr. Chairman, that is not what I am advocating.

Hon. Mr. McKeough: Well, is that Liberal policy?

Mr. Singer: Mr. Chairman, the Minister has asked me what I am advocating and I will tell him what I am advocating. I am part of the Gardiner school and I agree that the northerly boundary should go as high as the height of land and I have said that consistently over the last ten years. That is what I am advocating. I am not advocating that we pull our horns in and that we stop, the way the Minister says in his speech delivered last December—

Hon. Mr. McKeough: Is this Liberal policy?

Mr. Singer: —nor that we apparently go on with the vague and meaningless criteria that his leader put out a few days earlier. What I am saying is this, sir—and it is very simple, and even to this obtuse Minister should get through—let us find out once and for all what the government has in mind for Metropolitan Toronto.

Mr. J. B. Trotter (Parkdale): Right.

Mr. Singer: We have said what we believe, we have said it many times. I have said it in this House many times, about the planning area in Metro. The Minister just attempts to draw a red herring across the trail and he is not going to get away with it. What I am suggesting is that every additional series of pronouncements that comes forward—whether it be in MTARTS or whether it be in regional

economic studies, or whether it be in highways or whether it be in housing or whether it be from the Minister or whether it be from the Premier—is inconsistent, one with the other.

There is no pattern. The government flounders, flops, is indecisive, is weak and gives no leadership and no guidance at all. How can we expect to know? The Minister says it is an interesting study and that a useful discussion is going on between segments of the Liberal Party as to the extension of the Spadina Expressway. I agree, but it is difficult to have that discussion go forth in the face of the lack of information and direction that emanates from the province.

What, for instance, Mr. Chairman, is going to happen down at the lakeshore? Do we believe the statement made by the Minister of Economics that he is going to have 60,000 to 70,000 people living on a new island down there within a year or a year and a half? That is what he said in his estimates. Is that what we believe? Is that government policy? Is that going to happen? Because, if that is going to happen, then there has got to be one—

Hon. Mr. McKeough: Let me ask you: Would that be inconsistent with the waterfront plan which was developed by the Metropolitan Toronto Planning Board?

Mr. Singer: Mr. Chairman, if the moving of the airport from one part to another is going to happen by provincial direction without municipal consultation—

Hon. Mr. McKeough: That is not the question I asked.

Mr. Singer: If the island is going to be destroyed and all the millions of dollars that went into it are going to be destroyed; if there is going to have to be new transportation access—road and rail and rapid transit—directed to that new development; if suddenly there are going to be between 60,000 and 70,000 people living in a new section of Metropolitan Toronto where they have never before lived, then surely somebody should tell the people who live in Metropolitan Toronto who are going to have to provide services for that kind of development.

What do we get? We get an off-the-top-of-the head remark by the Minister of Economics who does not know what in the heck he is talking about—to put it kindly—and we are supposed to know what the province has in its mind for the future development of Metropolitan Toronto. We do not know, Mr. Chairman, that is what this is all about. I wish somebody on the front bench could control the direction in which we are moving, but we have no control. We have one Minister who talks about new development for 60,000 or 70,000 people, we have the Premier who makes speeches, we have the Minister of Municipal Affairs who gets up and says that the Premier really is wrong and that is not what he meant. How does anyone know, Mr. Chairman, least of all the people responsible for planning on the Metropolitan Toronto council?

Wronski says:

> 7. The Minister of Municipal Affairs has gone further in determining actual regional government areas and responsibilities, which in large part are inconsistent with the Premier's criteria insofar as the proposed Metropolitan Toronto region is concerned:
>
> (a) By excluding the fringe municipalities of the planning area—particularly those in York and Ontario—

In case the Minister is interested, I did not extend it to Halton, I did not extend it to Northumberland, I extended it to the watershed on the north and I would say certainly part or half of Ontario county. This is my opinion and that is the opinion I put forward. If the Minister looks at my speeches in *Hansard* he will see that that is there over several years.

Hon. Mr. McKeough: You would not think that Peel, for example, would come within the community of interest.

Mr. Singer: There seems at least to be some decision insofar as what is going on in the west. There is a new regional government being set up there and another set of responsibility. There is a government called the government of Mississauga which appears, to me at least, to be a regional government, and they are going on and doing certain things. That appears to take up part of the vacuum. But, Mr. Chairman, those decisions have to be made here at Queen's Park and they have to be made by the—

Hon. Mr. McKeough: Let the record show that Mississauga—

Mr. Singer: I wish the Minister would—

Hon. Mr. McKeough: Well, it is not a regional government.

Mr. Singer: If the Minister wants to answer I will be through in just a few

minutes and he can have the rest of the afternoon to answer me. In the meantime, now, I would like not to be interrupted.

Wronski says:

7. The Minister of Municipal Affairs has gone further in determining actual regional government areas and responsibilities which in large part are inconsistent with the Premier's criteria insofar as the proposed Metropoitan Toronto region is concerned:

(a) By excluding the fringe municipalities —particularly those of York and Ontario— from the Toronto regional government. The required sense of community is broken and certain municipalities are politically alienated from the existing social, cultural and employment milieu.

(b) The financial base of many of the municipalities excluded from the Toronto regional government is too weak to permit the implementation of the development currently planned for them, and their proposed new political association is in no better position to pay for this development or to introduce any significant changes to the proposed urban pattern.

I am sorry, Mr. Chairman, that the Minister was not here when by crisis legislation this province had to create Metropolitan Toronto because those were the days, if you will remember, when we in North York had no water supply, when babies were literally being bathed in ginger ale because the water did not run out of the taps, and when you flushed the toilets, the toilets did not flush. Those municipalities — North York, Scarborough and Etobicoke—were unable to do anything because there were no financial resources.

The Minister does not seem to understand that. Some of his predecessors did understand that and at least when that emergency came about Mr. Frost in those days acted. Well, the Minister does not seem to learn anything by experience—he wants the same kind of crisis to develop again.

(c) The interests of many municipalities to be severed from the Metropolitan area lie within Metropolitan Toronto, and the proposed political alliance with other regions is inconsistent with the direction of their interest.

(d) Many local responsibilities cannot be properly discharged without either the support and economic strength of Metropolitan Toronto or extensive assistance from the province as a whole, which also depends heavily upon Metropolitan Toronto's resources.

(e) Many of the proposed regional boundaries cut the urban fringe from the Metropolitan urban development area and associate it with rural or semi-rural regional government divorced in interest and space from such fringe.

(f) The regional government proposals are, in significant areas, inconsistent with the declared wishes of the municipalities to be joined politically as well as socially, culturally and physically with Metropolitan Toronto.

And does the Minister pay no attention to the voice that has emanated from Pickering. What is going to happen to Pickering? They have expressed their view. Is the Minister not concerned about the view that they express? Apparently not.

8. It appears that both the strengths and weaknesses of Metropolitan Toronto government have been used as a model for the Minister of Municipal Affairs' description of regional government responsibilities, but they are used negatively, to weaken the Metropolitan Toronto government from its present position and do not apply to the proposed Metropolitan regional government itself.

And you could compare that with the Ottawa-Carleton development.

(a) Regional government is to be urban-centred with a rural hinterland in every case but Metropolitan Toronto, which is to be limited to a political area smaller than its presently developed urban and its urban growth area.

Now there is one difference between Toronto and Ottawa-Carleton.

(b) Regional governments are to cover areas which share social, economic and physical services in every case but Metropolitan Toronto which is the source of many of these services to areas which are to be severed politically and included in other regional governments.

9. While the Minister of Municipal Affairs rejects the recommendations of the Peel-Halton local government review respecting separation of urban and rural areas for government purposes, he appears to advance similar recommendations himself for Metropolitan Toronto and the York and Ontario counties — municipalities presently within the Metropolitan planning area.

And again compare that to his approach on Ottawa-Carleton.

10. The decision to relieve Metropolitan Toronto of control over urban development in its rural hinterland instead of extending and strengthening it is inconsistent with the statements of both the Premier and the Minister himself respecting regional government criteria and its objectives, and again with the conclusions of MTARTS and all four of its alternative development proposals.

11. Regional government consistent with the Premier's regional government criteria and the Minister's description of regional government responsibilities would be a major step forward in the regional planning in south-central Ontario, but are not applied in that region. Hence, the proposals for four regional governments in the area, inconsistent with stated criteria and objectives, are retroactive and will tend to recreate in this area problems that faced it in 1953—

I made some reference to those just a few moments ago, Mr. Chairman.

—which metropolitan government was designed to overcome. But those problems will be present very shortly on a much, much larger scale.

12. In the absence of provincial development policy to co-ordinate the activities of such juxtaposed regional governments and provincial government departments, regional government is itself premature because it fails to provide a context for regional development activities and encourages each part of the region to go its own way irrespective of the interests and the problems of others.

Those are the comments in full of Mr. Wronski in his report and I think they speak for themselves.

Finally, Mr. Chairman, in summary and in conclusion, I say that regional government, government planning, government determination, government decision in this area is woefully weak, inept, mixed-up—there is none—and when the Premier and his Minister who apparently is responsible in this field make contradictory statements within a few days of each other, then I say it is obvious, it must be obvious, the state of confusion into which this government has fallen.

When you add to that the asinine remarks of the Minister of Trade and Development, who glibly announces off the top of his head, to relieve proper Opposition pressure and criticism of the department, that within a year to 18 months we are going to have 60,000 to 70,000 people living down on a new piece of land that does not even exist, then I say where can we look for some decisiveness and some intelligence insofar as the planning and development of the core of this province of Ontario is concerned? Where can we look for the development of the capital city and the area that surrounds it?

Mr. Chairman: The member for Yorkview.

Hon. Mr. McKeough: Mr. Chairman, perhaps you would just let me answer some of these, if I may.

I do not think any person who has studied Design for Development, Phase 2, would conclude that there is an attempt on our part to fit Metropolitan Toronto into the criteria which we have laid down for regional government. Metropolitan Toronto is a metropolitan form of government serving a particular area. We hope that regional governments will follow more or less the criteria which are outlined, but they will not follow all of those criteria. They cannot possibly. Everything cannot fit into nice neat compartments. But in areas outside Metropolitan Toronto most of them probably will, although I do not discount the possibility of there being perhaps metropolitan areas in terms of Windsor or London, or even Hamilton. That remains to be seen.

The simple fact of the matter is that if you attempt to fit the Design for Development criteria, or fit Metropolitan Toronto, into those criteria, then you come back to this 50-mile arc, an enormous area. Where is the community of interest, the broad community of interest, for a place like Georgetown or Orangeville? Where is the focal point? Downtown Toronto. Where do people come to work from King and Whitchurch? Probably some place in Toronto. I pointed this out to the member before, I think, that there are people commuting from Niagara-on-the-Lake every day into the city of Toronto.

If you try to adapt the criteria which we have adopted in terms of regional government for what is truly the metropolitan government area, you encompass an area which is obviously much too large to realistically think of at this point in time in terms of a full regional government. I have said this before, wondering out loud, I am not going to be around to worry about it, and neither is the hon. member. However, there is a possibility in my mind that if, as and when,

there are regional governments set up and functioning smoothly in the Metropolitan Toronto area, if you will, in Peel, Halton, York and in Ontario, the day may well come when those four governments might become one.

I think that is probably 25 years away, but I think if you really want to look at the community of interest, the common problems in that area—GO transit for example, water and sewers—the broad problems that there are within the community of interest which is Metropolitan Toronto, you are looking at a very large area. Just to go on nibbling two or three townships at a time—Markham, Vaughan and Pickering—is not the answer to the problem at all because you never start anything new.

If you take Markham and Vaughan out of York county, York county is decimated once again as it was 15 years ago. There is no chance to start off with a viable base; to say to them: "You can have your own health unit, you can have your own road system, you can hire damn good engineers, you can hire competent planners to look at the county as a whole, you can develop recreational areas." You should have a tax base sufficient to carry this. You have 150,000 people who will provide the kind of a school system. That is about the bottom number, really, according to The Department of Education.

If you take Markham and Vaughan out of that, you may have added something to Metropolitan Toronto—and I am not sure that you have added all that much except a lot of problems—and you have left York county and thrown it to the wolves at this point in time. You set back for another ten years the starting of something worthwhile there.

I am wondering, really, whether the member has cleared his thought about going to the height of land with the member for York Centre (Mr. Deacon). I doubt that he has.

Mr. Singer: Could the Minister tell me what he is going to do with Markham and Vaughan? Are you just going to let them develop into another crisis area as North York, Etobicoke and Scarborough were in 1953?

Hon. Mr. McKeough: I do not see that the solution to the problems of Markham and Vaughan is necessarily bringing them into Metropolitan Toronto.

Mr. Singer: What is your solution?

Hon. Mr. McKeough: I do not see that Metropolitan Toronto, for example, can cope with some of the problems which it now has within Metropolitan Toronto and, at the same time, tackle new problems. The member saw the press reports of the proposed south York pipeline scheme—which is very much in the talking and investigative stage—to serve Richmond Hill, Woodbridge and Markham Village costing, I guess, $45 million.

It occurs to me, as a layman in this and as a person looking a little bit from the outside, that Metropolitan Toronto has its hands full with its own problems: With trying to finish, or not finish, the William R. Allen Expressway; with trying to get on with the extension of the Gardiner Expressway; with, heaven knows, extending rapid transit throughout this metropolitan area, without suddenly taking on its shoulders the problems of a $45 million sewer line in Markham and Vaughan. This surely, at this point in time, has to be a provincial responsibility.

Mr. G. Ben (Humber): Why do you not take it on?

Mr. Singer: Why do you not accept it, then?

Hon. Mr. McKeough: In terms of Markham and Vaughan?

Mr. Singer: Is the Minister's solution to allow the political overruling of a decision by the Ontario Water Resources Commission against further package plants by the former Minister of Energy and Resources Management and destroy all the planning that had gone into the elimination of package plants from this whole area? Is he prepared to allow that to continue? That is what happened. Let him ask his colleagues who know about the functioning of the Ontario Water Resources Commission. Wait until we get into those estimates, we will have that one back again.

Hon. Mr. McKeough: Well do not confuse the issue, though. Surely—

Mr. Singer: That is what is happening.

Hon. Mr. McKeough: No, but do not confuse the issue. This is the reason that the water resources commission presented a $45 million plan for trunk facilities.

Mr. Singer: What is the reason they were overruled?

Hon. Mr. McKeough: They have not been overruled. They only presented—

Mr. Singer: Certainly they were.

Hon. Mr. McKeough: They presented this plan to the municipalities of York and to Metro three weeks ago. Nobody has overruled them.

Mr. Singer: They were overruled when they refused to sanction a package plant.

Hon. Mr. McKeough: You had better question the Ministers responsible.

Mr. Singer: That Minister has gone, somebody saw the light there. That Minister is gone and you know he is gone and you know what happened there.

Hon. Mr. McKeough: That is really drawing in a red herring.

Mr. Singer: That is no red herring.

Hon. Mr. McKeough: It certainly is. It is talking about something that happened a year ago when I am talking about—

Mr. Singer: Oh, that is a red herring? If it happened a year ago it is a red herring.

Hon. Mr. McKeough: What we were discussing a moment ago was something which was presented by the commission to those municipalities, I would think, two or three weeks ago. Let us try and get them up to date.

Mr. Singer: Then how can you expect those municipalities, tiny in assessment, to possibly even begin to nibble at a scheme that is going to cost $45 million? You know it is impractical, as it was impractical before Metro for North York, Scarborough and Etobicoke to bring in water and to build schools and to handle their sewage. You know that.

Hon. Mr. McKeough: This will be a provincially owned plan, as you know, a provincially run plan. Metropolitan Toronto would not be. I do not think it is possible for Metro to consider an expenditure of that size. You do, apparently.

Mr. Singer: The fact is you have no plans, that is the criticism. You have no plans at all.

Hon. Mr. McKeough: If the member would just calm himself for a moment, the fundamental problem—and I come back to this—the member is on record now. I am sure the people in York Centre, for example, will be delighted to know that the member for Downsview is on record as being in favour of extending Metropolitan Toronto to the height of land.

Mr. Singer: And I have been for ten years.

Hon. Mr. McKeough: That is good news.

Mr. Singer: For ten years I have been on record. I share that opinion with no less a person than Fred Gardiner.

Hon. Mr. McKeough: We think, and I say this again, that if you are going to look at the community of interest, the 740 square miles to the height of land is not the answer. That in itself puts Metropolitan Toronto in a different ball game entirely than regional governments generally throughout the province. We are talking about two different things entirely and I think the statement makes that quite clear.

You are talking about provincial planning that is developing. I have run through this already—I would hope within two or three months we would be able to indicate plans to the member, as a result of "Choices for A Growing Region," as a result of reaction by municipalities — including the Metropolitan Toronto Planning Board—up to about last February or March, as a result—and I am sure the member questioned the Treasurer about this during his estimates on the basis of intensive work which is going on on a task force basis between various government departments including Highways, Ontario Water Resources Commission, Municipal Affairs, and The Department of the Treasury. The goals planning task force has now reported to the advisory committee on regional development and I would expect that they will be reporting and recommending to the government within the next two or three months. There will be the kind of planning which the member is talking about.

Let me agree with the member, I think that one of the things which concerns Mr. Wronski, concerns perhaps—

Mr. Singer: Professor Dakin?

Hon. Mr. McKeough: Dakin, perhaps—Mr. Gardiner—some of the arguments which come to us are based on the inevitability theory which I have tried to put aside. That inevitability theory has been raised on the fact that the province, in the past—and I say this frankly to the hon. member—has not assumed the kind of provincial planning role which you and I are talking about now.

I think we are, obviously, talking about something which has not been done in North

America. As you know, it has been done in very few places in the world. We are willing to come to grips with a plan which will provide the best possible environment, the best quality of living, which is going to take a great deal away from some people—hopefully to the greater advantage of all.

It is an immensely complicated task as the plans are being assessed and looked at. I am sure the hon. member is aware that the world does not stand still. Further events go on which, in some part and in some way, complicate the thinking of the people who are studying this and trying to find a plan which is practical and which will provide the quality of life which we are looking for.

This is not just confined specifically to Treasury. There is, of course, the study going on as far as Ontario county is concerned. I do not accept the proposition that the growth within the MTARTS area be it inevitable or not, is necessarily best done by Metro planning board. I think in some ways, that it may be the province consulting with the municipalities is more appropriate. Working with them, we may be able to do a more objective and a better job.

Looking at this 50-mile arc in area and deciding what is good for a city which has historically gone out this way, it may be that we can do a better job than the planning board of a particular municipality. They have immensely practical experience. Mr. Wronski knows I said this. We have the highest regard for him. He is a very fine planner. He happens to be working for Metropolitan Toronto.

Mr. Singer: Of course.

Hon. Mr. McKeough: I am not sure that the fate of Richmond Hill or the fate of Pickering—let alone the fate of Orangeville, Georgetown, Mississauga or Milton—is best left to the Metropolitan Toronto Planning Board. I have some doubts about that. I think that we as a province, working together with those municipalities, may be able to—with the advice, consent, help, encouragement and discouragement we will inevitably get from Metropolitan Toronto and all these municipalities—I think the province is perhaps in a better position to be the co-ordinator, the supervisor, to develop, a provincial plan and not allow the Metropolitan Toronto Planning Board to develop a provincial plan for us. I think we can do that job. I realize the frustration of the member that it is not here in front of him. I would love to see it in front of me right now. I can only say to you that, for this part of the province, I think you will see that kind of plan within the next two or three months.

A couple of other things perhaps are interesting. I do not know whether the member saw in today's Toronto *Daily Star*, what Mr. Wronski had to say. Professor Murray agreed with him. He talked about the small town superiority myth that prevented a healthy attitude towards Metro on the part of this Legislature and the government. We have heard this before. And then it goes on. Professor Rose, who all of us, I think, have some regard for, takes the other point of view—I have never talked to him about this—suggesting that Metro rebuild the city from within and concentrate on "an improved quality of life within Metro". It may be that the Metropolitan government is going to have its hands very full doing that. Together I hope we can work out some sort of a plan, a good plan which will provide for that better quality of living. I suppose the only other thing that should be added is that the member's own municipality, North York, did quite a study on this. A committee of their council—the council has now approved the report in principle—said that Metro should not expand to their height of land, or the 740 square miles, or anywhere. Keep the same boundary at Steeles, I guess.

Mr. Singer: I have that report on my desk. I do not think it said that.

Hon. Mr. McKeough: Well, it does. It does. I have read it very carefully several times.

Mr. Singer: I have read it carefully too.

Hon. Mr. McKeough: It says Metro should not expand—giving some reasons—there is no need for Metro to co-ordinate the planning if the province should do so. That is a big "if", but I think that if the province will do it, and North York's study committee came to the conclusion that they believed me where Metro does not—

Mr. Singer: Oh well, they do not know you as well as I do.

Hon. Mr. McKeough: They point out that services, of course, can be supplied without necessarily becoming a part of Metro and North York. Interestingly enough the committee suggested that there was a need to reorganize internally within Metro before

looking outward. Those were the main conclusions. I am sorry, I do not think I have the report here. I intended to bring it over—

Mr. Singer: No, I have not got it here either.

Hon. Mr. McKeough: It is a good report. It is a viewpoint. It happens to be the viewpoint of the member's own council, but I know the member will look at it.

Mr. R. F. Nixon (Leader of the Opposition): You do not agree with Chatham council on everything, do you?

Mr. Singer: Well, Mr. Chairman, the Minister is getting better and better at debating things that were not even stated. First of all, that North York report that he is referring to has its main thrust directed to the argument that three of the Toronto newspapers have been putting up for some years that there must be amalgamation, or otherwise everything is going to be wrong.

Hon. Mr. McKeough: The member should read the report.

Mr. Singer: That was the purpose of that report. The purpose of that report was to negate that idea, and that was a substantial thrust of it. The second point is that the Minister knows full well that I was not suggesting that the MTARTS area, the 5,000 square miles that he was talking about, should be incorporated within the Metropolitan Toronto region. What I was suggesting, and I say it again, Mr. Chairman, as convincingly as I know how, is that it is time that the decision was made. The decision now is being tossed about like a football, between various Cabinet Ministers and various government investigatory bodies and no one knows from one minute to the next what any of them means, or intends to do. The best example of that—and it was confirmed during the course of my remarks, the Minister has confirmed it again—is that he cannot find himself in agreement with the broad statements of principle made by the Premier a few days before his speech, insofar as those broad statements of principle applied to Metropolitan Toronto.

Now, if the Premier had intended them not to apply to Metropolitan Toronto, surely one could expect that the Premier would have been able to say so for himself and would not have to depend upon the Minister to clear up that little doubt. I do not think that the Premier needs the Minister to explain away his *faux pas*. Now, if that is what the Minister is implying, I am sure that the Premier will be very interested to know that the Minister from Chatham is running around cleaning up after him. I think that is a very important thing to be a part of the record, and the second thing I would like to know, Mr. Chairman, is what does the government propose to do about the Minister of Trade and Development, who glibly, off the top of his head, throws us into—

Mr. J. Renwick (Riverdale): He is getting repetitious.

Mr. Singer: Yes, certainly, I am getting repetitious because the point was not answered and I am sure even the member for Riverdale is concerned. The Minister throws into a debate a suggested development which is going to house between 60,000 and 70,000 people, when nobody has even been told about it before and nobody can do any planning about it.

Thirdly, Mr. Chairman, I would like to know—and these are the points I would like the Minister to meet head on; I would not like him to continue to skirt around these arguments—what he is going to do about the elimination of political interference insofar as the decisions of the Ontario Water Resources Commission are concerned, when they say it is not in the interest of the general Metropolitan region that there be more sewage disposal plants.

I am sorry, Mr. Chairman, as I said at the beginning, I have such trouble attracting the Minister's attention, but those are three points that he avoided and in the absence of answers to those three, we must conclude that the complaints of many of us, including my own, are, in fact, correct and the government continues to flounder.

Mr. F. Young (Yorkview): Mr. Chairman, in this whole matter of planning the metropolitan region, some of us have ideas and I think a great many people have no ideas at all. I think some of those latter people are to be found on the front benches of the Cabinet of this province. The Minister has assured us that we are going to have a plan some time within the next few months, and I think he means business when he says this. Again I say that I have a feeling that this Minister does know something about planning and is concerned about getting something done. But he certainly is handicapped, as the hon. member for Downsview has just said, by some of his confreres in the Cabinet.

I do not think, Mr. Chairman, that what the member for Downsview said is absolutely accurate, that the speech that the Minister made last year stopped development at Steeles Avenue. That may be an exaggeration of what the member said. But the fact is that the plan of Metropolitan Toronto for some years back has been to, sort of, hold development at Steeles Avenue. Servicing of the area to the north was kept in mind to some extent, but the idea was to fill the Metro area before development went too hog-wild to the north, and so we have the sewer lines and the water lines built up to the boundary, with capacity there for some expansion. So you have that expansion taking place up the Bayview line, and the Humber line, over north of Scarborough, along Markham, the town of Markham, places like this, where there is capacity. The other thing that I think all of us recognize when that development was going forward is that there must not be any more packaged plans along the Don River, and this decision, I think, was made a long time ago, and so development was pretty deliberately held. While there was some overspill, development was pretty well held at that Steeles Avenue line. We are coming to the place today, though, we are coming to the place now where that development is pretty well complete, where Steeles Avenue is now the line which divides development from open fields in large measure.

I could not help but wonder, as I heard this discussion between the two members of the House this afternoon, whether or not the real purpose of planning was being kept in mind. The bureau of municipal research put it this way, and this was also evidenced in some of the discussion in this House lately: "The province should first determine the type of development it prefers, then allow the boundaries of the regional governments to emerge from there."

That is the first thing. What kind of development do we want north, east and west of Metro? Do we want open space? Do we want clusters of cities here and there? Which plan of MTARTS do we want or do we want this other plan which the joint planning board of central Ontario outlined with all the cities put at the lake level? Where do we want to go? I think this has been one of the great difficulties. When the MTARTS study was completed, it said—

Mr. Singer: Could I ask the member a question? He referred to the bureau of municipal research. What date would that be?

Mr. Young: The date is August, 1969.

Mr. Singer: Would you read recommendation number one?

Mr. Young: The page is 14.

Mr. Singer: On page one, recommendation number one, would you read that?

Mr. Young: We will deal with that in a moment. I think it has been dealt with to some extent by the Minister. When the MTARTS study was completed, the basic problem there was that they made four suggestions, not one. If one suggestion had been made then we would have had something into which we could bite, something to put before the municipalities and say to them, now give us your reaction. But with the four, that whole discussion was dissipated. Nobody knew what the government's policy was, nobody knew what the group studying MTARTS—or responsible for MTARTS—wanted, because they left it up in the air, in limbo.

The question comes that this government has to face. Which one of these MTARTS conclusions is the one that the government really feels is most important? Are we going to keep development close to the lake and build these large cities along the waterfront of Lake Ontario? Or, are we going to have the second tier, are we going up into Orangeville and the other places and put the big cities there? Now, I think this is a fundamental decision, what do we want to do? Where are we going to direct population and how are we going to do it?

If we decide that we are going to have a reasonable green belt around Metro, that we are not going to let this city sprawl beyond its present boundaries or very little beyond that, that is one decision. Or, are we going to decide that Metro can go to the height of land—and I have advocated that, too, or very close to it in this House in times past.

It may be that the height of land is a little far north, but in any case, in that area. If we are going to let it go there that is another decision. But, I think, first of all, that we have to make up our minds whether we are going to keep major developments according to plan one, or whether we are going to let it sprawl. Now, in the meantime, something else is happening which is making up the Minister's mind for him. That is, the kind of thing which the hon. member for Downsview mentions on the waterfront, that is, within Metro itself. But outside Metro, very large land assemblies are now taking place and have taken place, in

the Brantford area, the Uxbridge area and up along Yonge Street at various places.

It is not going to be too long before these people are going to be able to say to the Minister and to his department, the time has passed when you can stop us developing major urban centres on the land which we have assembled. I think this is something that the Minister has to face, that planning is now being done and it may soon reach the point of no return.

The OWRC has estimated the cost of a water line up to Vaughan and Markham. Does this mean, then, that the decision has already been made that Vaughan and Markham are to be the areas of major urban development? Certainly, OWRC has determined that Peel county is going to have large numbers of people there because the water line is already determined beyond the western areas of Metro.

But, what does this new line mean? Is it that Markham and Vaughan are to be now new extensions of Metro whether they are to be incorporated into a new municipality to the north, or incorporated into Metro itself? What does this mean?

I think many of us are quite willing to wait, as far as Pickering is concerned, for the study—which we ought to have, I hope, before too many months—that is now going on around the Oshawa area. Pickering is a real problem because so many of the people work in Metropolitan Toronto.

Yet, to make the Oshawa area a viable one, they may need all, or a good section of Pickering itself. So, I think we are willing to wait to see what happens there. Certainly, the people of Pickering have some ideas of what they want to do and already the Minister has said that the development of Pickering has to stay at a standstill until we know what is happening. There are only about 100 building permits issued there during the year—or something like that—but a very small number, anyway. And so—300? During this past year? All right, the original intention of 100, then, has been tripled.

Hon. Mr. McKeough: It is not the Minister, either, it is the Ontario Municipal Board.

Mr. Young: Well, all right, the Ontario Municipal Board, the department which is responsible to the Minister. Anyway, the OMB has determined this cut-off of development in Pickering, and so, Pickering is at a standstill. We want to know how soon this freeze is to be lifted and some development allowed to take place. It cannot take place until such time as we know where we are going. I join with the member for Downsview in saying that this government has abrogated its responsibility even though this Minister, now, may be off and running. The fact is, that it is a decade late in getting started. This has always been the problem with this government. They do things, but they do them so late that events catch up with them. Then the problem becomes infinitely more difficult because of the procrastination.

Mr. MacDonald: They react to crises.

Mr. Young: The problem always has been with this government that they wait until a crisis, and then act in the face of the crisis instead of seeing the crisis coming years ahead and planning so that crisis can be met at the time, so that perhaps no crisis will really emerge because proper planning can be done to overcome it before it does happen.

Mr. Chairman, I think the Minister has to take real responsibility here. I said the other day that lines should be drawn. We must determine what we want to do, the direction in which we want development to take place, whether or not we are going to keep greenbelts around the Metro area, whether we are going to let Metropolitan Toronto expand a bit to the north and therefore have some control over its fringe areas, whether it goes to the east and has control there. Then we draw lines and say: "These are the suggested new Metropolitan areas, the new municipalities, the new regional governments" and then let that go out for discussion among the people concerned.

Until we do that, we are going to be uncertain, people are going to be frustrated, we are going to be in a position where nothing is going to happen and more and more developers are going to set the pattern for the government. Then, if you can muzzle your own Minister of Trade and Development and stop him determining where development is going to be, perhaps that too is a job that the Minister must face up to and face up to very, very quickly.

He more than any other Minister in this Cabinet, has been planning the future of Ontario. And this is wrong because the planning should come right from this Minister concerned today, this is where it should come from.

Mr. MacDonald: He is planning like the way the bull planned the china shop.

Mr. Young: And he is going to have to take the bull by the horns and wrestle with this problem, and this Cabinet, until his department has the responsibility it ought to have and they get down to brass tacks and do some real planning.

But again we say to the Minister, let us have that planning, let us see those lines drawn, let us see a basis for genuine discussion, because MTARTS have not given it and so far we have not seen that basis. I do agree with the Minister that there has to be a limit to the size of municipalities. This first item, which the hon. member for Downsview mentioned, is going to be a very, very difficult one to apply, it just cannot be done in an area the size of Metropolitan Toronto. In other words, that community of interest is too big, people are coming in here to work from too great a distance. As a matter of fact, Metropolitan Toronto people are going to Hamilton, to Georgetown, to Collingwood, all these places, to work.

Interjection by an hon. member.

Mr. Young: All right, but the fact is that when a municipality gets so big, then lines must be drawn, and that is what I am asking the Minister to do and I think that is what the member for Downsview was asking him to do. Where are those lines? Where is the limit beyond which this community of interest cannot be allowed to operate in the determining of boundaries? These are the questions that must be answered and I hope the Minister will answer them before too many moons have passed.

Mr. Singer: Mr. Chairman, could I just add one bit to the record, on this? The hon. member for Yorkview quoted from certain references in the August bulletin of the bureau of municipal research. I have that here and while he quoted from that, that was one of the considerations, and I would think perhaps he quoted it just a bit out of context because on page one, the bureau had this to say:

> In the government's white paper "Design for Development" Phase 2, released in 1968—

And that is really what we have been talking about this afternoon—

> —the province announced its intention to begin a major programme of municipal organization.

Then it goes on to say, "The area in Metro is most important," followed by a series of recommendations, there are six in number, they are very brief and I am just going to read them. I thought the member for Yorkview would like to have them all on the record:

> 1. The present boundaries of Metropolitan Toronto should be expanded to the north and the east to include the areas now bounded by the townships of Pickering, Markham and Vaughan and the towns and villages within them.

So there is at least one more authority that joins the list.

> 2. Provincial plans and policies regarding development should be co-ordinated and consolidated prior to the formulation of official plans by any new regional government.

And I think that is what the member for Yorkview and I have been saying.

> 3. The province should undertake a major organizational study of provincial departments and agencies with a view to streamlining that part of the administrative structure involved in development programmes and indicating a suitable agency to be charged with the responsibility of the ongoing co-ordination of provincial and regional development plans and policies.

And certainly, Mr. Chairman, that is what the Liberal Opposition has been saying every year, for the ten years I have been here, and what my colleague, the member from Waterloo, said in his introductory remarks. I mean, that must be obvious and there is no point in repeating, again, the reasons why it must be so obvious.

> 4. The province should formulate a comprehensive provincial development plan designed to encourage growth in various urban centres and lessen the pressures on Metro.
>
> 5. Provision should be made to formally include relevant federal agencies at some point in the formulation of the regional plans.
>
> 6. The present planning legislation should be amended where necessary so that regional officials' plans, once approved by the province, will be binding on provincial departments—

I suppose that might mean the Minister of Trade and Development.

> —and agencies as well as local authorities.

Mr. Chairman: The member for York North.

Mr. W. Hodgson (York North): Mr. Chairman, something has been bothering me for some time and being as the hon. member for Downsview has, this afternoon, connected himself with the Fred Gardiner plan, I thought perhaps this would be as good a time as any to deal with it.

He said he agreed with the Fred Gardiner plan for Metro to move north to the height of land, but not going west. In a statement of August 2, 1969, in the *Telegram,* the reason Mr. Gardiner gave for not going west was that he felt the logical, natural expansion of Metropolitan Toronto would be to the north.

> In Peel and Halton counties they have very good municipal governments and there is no necessity for Metropolitan Toronto to make a grand descent to the west.

I want to inform the hon. member for Downsview and Mr. Gardiner and the members of this House that we have as good a municipal government, as good municipal people connected with those governments, north of Toronto here, as any place else in Ontario So if the hon. member connects himself with Mr. Gardiner, he is connecting himself to this report.

I would like to take the hon. member to 1954 when Bill 80 was passed and Metropolitan Toronto was formed. I happened to be around at that time in municipal government and at that time York county lost 92 per cent of its assessment to Metropolitan Toronto. We scraped along in York county and we have gotten to the position now where we have a healthy assessment base, a good population base, and now Metropolitan Toronto is casting its eyes again to the north, to take in that good part of York county that has a good industrial base started in Vaughan and Markham townships, to use the boundary up to the highlands of King township and Whitchurch township. As the hon. Minister says, throw the rest of York county to the wolves again. I am glad the Minister stood on his feet this afternoon and said the boundary shall be at Steeles as far as your county is concerned.

Mr. Singer: Is that what he said? Now he is putting words in your mouth. The Minister carefully said nothing.

Mr. W. Hodgson: This is what I took from it. If the member is so interested in the height of land, why would not Metropolitan Toronto be setting its eyes on the whole Metropolitan conservation area, the whole base is arranged through Metropolitan Toronto, not just on that choice piece of land in York county?

The member for Downsview also said what co-operation there was during his time as head of the municipality in York North as a member of the Metropolitan council. I agree with him, I agree with him 100 per cent, there was very good co-operation at that time.

But in the last three years, that co-operation has all gone out the window on account of Metropolitan Toronto; they want to have control over the planning of the area of six other southern municipalities in York county but they are not willing to pay the bill. This is the reason we have not got co-operation.

For instance, for the last three years Metropolitan Toronto has refused to pay the levy as far as the suburban roads system is concerned and this year they had to be threatened by a case in the courts before they would pay it. This is why co-operation is gone down the stream, because they have planning over the area, but they are not willing to pay their bills.

My feeling is that if a municipality should have the planning of this area, it has to pay the bill. Unless some other municipality has paid part of the bill, they should not have anything at all to say in the planning. On overall planning, as long as they stay with the overall plan of the province, why there is no need of Metropolitan Toronto telling us to the north what you should do or what you should not do.

Thank you very much, Mr. Chairman.

Mr. Nixon: I do not know whether the Minister wants to comment on what the hon. member has just said. He indicated that the Minister had set some definite lines here. Do you want to comment on that, Mr. Minister?

Hon. Mr. McKeough: There is no change from what was said in Design for Development, Phase 2, in terms of York county.

Mr. Singer: Give him a little help.

Hon. Mr. McKeough: It does not specifically state the present boundary, but that is what we have been talking about all along and that is where the boundary is.

Mr. Nixon: Mr. Chairman, I thought we might move the discussion a bit further afield, although it has been a useful afternoon, I think, in hearing views about the future of Metropolitan Toronto and the surrounding area. But I would like to make a couple of comments, and ask one or two questions of the Minister with regard to his

planning responsibilities beyond the Metropolitan area.

I feel, and I have already put this point to his colleague, that he comes in conflict with the responsibility of one or two other departments in the government, and this is becoming number one, obvious; number two, probably expensive; and number three, it is going to hold up what we would desire as far as planning across the province is concerned.

Now I want to refer to two specific cases and I will not go into much detail, because I know the Minister is very familiar with them. The first has to do with the responsibility of Mr. Richardson who has been assigned by the Minister to make some recommendations on possible regional government in the Haldimand-Norfolk area. I gather that Mr. Richardson is being well accepted in the area, that he is approaching his responsibilities in a very capable way, and is going even beyond the boundaries of the original area in order to get views that may have some impact on Haldimand-Norfolk.

But at the same time, it must be very clear to anyone who is observing the situation that the Minister's colleague, the Treasurer and Minister of Economics, is administering another kind of planning. Admittedly, it is economic planning rather than community planning, but I for one do not feel the two can be essentially divorced. Right down the centre of the area which is the jurisdiction of Mr. Richardson in his commission from the Minister of Municipal Affairs, lies the boundary between the Niagara Regional Development Council and the Lake Erie region. It seems strange, indeed, that the one department of government should be assigning its top staff with as much assistance as is needed to plan for the future of the communities in one region, which is deeply divided by boundary lines—lines of demarcation set by a colleague of the Minister who sits only three seats away.

Now when I raised this in the estimates of The Department of Economics, the Treasurer, of course, did not agree. He said that there is full co-operation between the two Ministers, and that may be so. I still do not see how planning for economic development and planning responsibility for community development can be so divorced that their specific, basic boundary lines intersect each other in the way that is characteristic in the Haldimand-Norfolk situation.

Without going into it further with any great detail, I would just say that it appears to me that the responsibility of The Department of Economics is becoming *passé*, and that in fact this responsibility is passing more and more to the Minister of Municipal Affairs, where in my view it should be.

Now this is not the only conflict, but it is the one that concerns me more than any other. Admittedly, some department of government must be aware of where large industries intend to develop in the immediate future. It is unfortunate that no department of the government was aware of the programmes of Stelco or Dofasco and that they learned about them only at the time that the knowledge became public, according to the information that has been made available. I cannot blame the Minister of Municipal Affairs for that matter, but surely this whole area of conflicting responsibilities is bound to be of great concern to everyone, including the Minister and certainly to the members of this House who are in the Opposition.

We do not have access to all of the information that is available to the Minister and his colleagues, but from our point of view, and from looking at what is going on in those areas, the government is not fulfilling its responsibilities, largely for the reason that their responsibilities are divided, unco-ordinated, and in fact in the Haldimand-Norfolk area, completely incoherent.

Now there is another area of conflict that has already been mentioned by the member for Downsview, but it involves the Minister of Trade and Development. Now in his capacity, he has to make certain decisions as to what areas of the province it is intended will grow, and that means what communities will grow, and these—

Hon. Mr. McKeough: I think the leader of the Opposition would want to be fair. That is not the criterion, at this moment in time, for the EIO programme. It might well become the criterion for the EIO programme. The criterion for the municipalities now is the fact that they have unemployment and that they do not have a proper industrial basis; not necessarily that they are municipalities which are to grow. That, I think, is something—

Mr. Nixon: I can certainly accept that. There has been no designation of the areas which are going to receive grants and forgivable loans under the EIO programme as growth points. But the fact remains that over $30 million of provincial funds are directed towards the programmes which have a very deep-seated effect on the rate of growth of

the communities that are selected by that Minister, the Minister of Trade and Development—not by the Minister of Economics and not by the Minister of Municipal Affairs.

There is one other area of conflict involving the same Minister of Trade and Development, and that is in his responsibility as the Minister in charge of the provincial housing programme. Now the Minister of Municipal Affairs must surely have drawn in his breath rapidly when he heard that the Minister of Trade and Development had undertaken to acquire a large tract of land in Waterloo county for the purposes of a housing development—a new community development. I suppose it would be impossible for us to find out from the Minister how much consultation had taken place between the Minister of Municipal Affairs and his colleague the Minister in charge of housing, before that decision was made. But certainly there was no consultation with those on the scene who have some responsibility for local planning; and I submit, some expertise, in making decisions in the local situation.

So I am not prepared to say who is specifically at fault. If the Premier was here we might be able to accuse him of running an unco-ordinated front bench. A bench made up of at least three Ministers who have overlapping responsibilities; responsibilities which I do not believe fit into any Design for Development at any phase whatsoever.

My own view is that as long as The Department of Municipal Affairs stays with its present responsibilities, it should have the chief decision to make as far as what is going to happen to the communities in this province. We regret again that there is no overall plan, although the Ministers indicated that within three months there may be something approaching that for the area right around Metropolitan Toronto although not necessarily right across the province. But at the same time, the Minister of Economics is promising that with all the inputs that are going into his regional development branch, that he is going to come forward with some sort of overall economic plan. And of course, the Minister of Trade and Development must be himself concerned with the same sort of responsibility.

Now frankly, I think that this overlapping is one of the serious drawbacks that the Minister of Municipal Affairs should not be subjected to for very much longer. He has a lot of problems that he is as aware of as we are in consulting with citizens at the local level as to what their municipal futures, their community futures should be and will be. But I would like him to tell us specifically how, in the Haldimand-Norfolk area, he can square his responsibilities with the entirely different approach taken by his colleague, the Minister of Economics.

Secondly, when it comes to the decisions made by the Minister of Trade and Development concerning the EIO programme, and also the grants for housing and the lands acquired for housing, how this is co-ordinated with the Minister of Municipal Affairs' main responsibility for community development and the planning of a people centred economy?

Hon. Mr. McKeough: I appreciate the remarks of the leader of the Opposition. I heard part of them the other night on the Treasurer's estimates and took the liberty of reading them all. I could agree with much of what the member has just said. I want to be frank about this: We are exploring new areas; new avenues. We talk about North America. It is a fact that the only place in North America where this kind of regional planning is going on is here in the province of Ontario.

Mr. Nixon: Are you talking about community or economic?

Hon. Mr. McKeough: Economic. One of the confusing things, I suppose, is the word "regional" itself. It is probably unfortunate, in terms of regional government that somebody pinned that label on it. That goes back, I guess, 10 years when people started to talk about regional government. There are all kinds of regions, and I think I told the members this summer that the director of the Community Planning Branch and I met. Mr. Sametz, who is now Deputy Minister of The Department of Community and Social Development in Newfoundland. I have forgotten his full title. A very interesting man.

Mr. MacDonald: Is he still there?

Hon. Mr. McKeough: He is still there as far as I know. Well, you mean—

Mr. MacDonald: Are you sure? The empire is being dismantled hourly.

Hon. Mr. McKeough: He was the person, or one of the persons, who in 1944 or 1945 worked on the plan which developed the ten economic regions of the province for the Dominion Bureau of Statistics, among others, with some help and advice from the province of Ontario. I would not stand here and tell you that the ten economic regions make sense and I do not think anyone should. They have

been used for convenience because they were there. We had some discussion, I was told by one of the staff this morning about moving Norfolk into the same economic region as Haldimand because of the implications in the Haldimand-Norfolk study.

What I am trying to say is: There are many economists who say the ten regions are too many. I have heard a number of eminent economists expound on the theory that there are really only four regions in the province of Ontario—central Ontario, eastern, western and northern Ontario and they might separate northern Ontario into two parts. How ten fits into that I do not know. My guess would be that we would end up in southern Ontario with 20 or 25 regional governments which again is a different combination and variety.

Into this state of confusion of terms, has been interjected, in addition to the confusion over the term "regional", a great deal of confusion over what the term "planning" means. There is obviously economic planning and there is obviously physical planning and the two cannot readily be separated. They can in part, but in most ways they must be intertwined and I think there is an increasing realization on the part of the planners, in the broadest sense, that the two fields do go hand-in-hand together.

There is a lot of jargon that goes with this. Technical jargon which people use—I do not use it—but the terms are "micro and macro" planning. Micro being the small-scale planning, macro being the large-scale planning. In summary I would say that the Treasury through the Regional Development Branch, are doing the macro planning. We in turn are doing the micro planning, or the municipalities—or the regional municipalities are. But the provincial planning, if you will, on the broad scale—the macro planning—is being done in part by the Regional Development Branch.

Now obviously it just is not easy to compartmentalize the two things. I think that the Haldimand-Norfolk study, for example, came about by a bit of a coincidence in that the steel mill location happened to be right on the boundaries of two townships which was also the boundary between two counties.

Mr. Nixon: The boundaries of two counties or the boundaries of two regions?

Hon. Mr. McKeough: Which was also the boundary of two regions. The whole issue is somewhat complicated. We were chosen by Cabinet, agreed to by Treasury Board, as the appropriate agency to try to develop the physical plan as quickly as we could. The latest figures for Haldimand-Norfolk show about 80,000 people there now. The best projection that we have is that there will be another 230,000 to 250,000 people in that area by the year 2000. Over 300,000 by the year 2000?

This could obviously be a very large city, the size of the city of London for example, or Windsor, dumped down in the middle or perhaps dispersed over a great area. There is a great urgency to get on in Haldimand-Norfolk with the particular task.

I think perhaps this was the reason that we were chosen. There was something happening there and we should get on with it as quickly as possible. The municipalities have indicated to us a fair lack of expertise, I think it is fair to say. In some way there is bewilderment. Bewilderment at what they were being confronted with. Jointly with the municipalities, Mr. Richardson's study is trying to work this out.

Now I am trying to compartmentalize what Treasury is doing on a broad scale to what we are doing on the Haldimand-Norfolk scale. I do not think it is as simple as that. I think that the point that the leader of the Opposition makes has a great deal of validity. In this particular case of Haldimand-Norfolk, which has a local government component and a component of the physical planning of a number of towns to bring them from the 3,000 level to the 6,000 level, we will say. The infra-structure that goes with all that is perhaps the normal "bread and butter" in our department. We have gone farther than that and assumed a co-ordinating role between highways, between the Ontario Water Resources Commission or between ourselves and themselves, between other government departments.

I am told that the liaison group comprises representatives of 13 provincial government departments and agencies. What all the 13 are I do not know, but there are 13 different departments and we have a liaison committee consisting of those departments. There is a joint study committee established by the county councils of Norfolk and Haldimand. We are providing financial assistance for this. We hope to create a broad plan, designate an area or areas for growth which will handle these 230,000 people and then gradually get out of the picture and leave it to what should then be a strengthened local government.

I admit that in Haldimand and Norfolk we may have gone beyond what we have normally done and I see no great harm in this.

In the next situation that comes along, it may well be The Department of Highways or perhaps the OWRC that will assume the role of the key department and appoint the study director and bring the co-ordination together. Mr. Richardson happens to have been appointed by us and works through our department. I think it is working very well but it may not necessarily be the pattern for the future.

We were chosen, I think, for several reasons; we have some experience with townsites—this is perhaps an enormous townsite—perhaps we have used some of our knowledge of our mistakes in the past in terms of townsites and the experience we have gained to go over a larger area.

I can assure the members that there is the closest co-operation between departments. In fact, sometimes co-operating drives you up the wall because you cannot get your staff to do anything because they are too busy co-operating with other departments. Sometimes this becomes a frustrating experience when they are spending as much time as they are at joint meetings with other departments. I do not see any way around this particularly but there is a great deal of co-operation going on. There is a certain amount—at all times—of very healthy discussions, debates if you will, going on, in an attempt to come up with co-ordinated plans. All the departments, I think it is fair to say, do not necessarily agree or have the same point of view.

The member mentioned the co-ordinating agency. Of course, there is the advisory committee on regional development which is composed of about ten departments and chaired by the Deputy Provincial Treasurer. It is composed of some Deputy Ministers and senior people from the department. Then there is the Cabinet committee on policy development. Then many of the things we have been talking about here, I can say fairly without breaking any oath of secrecy, have been before the whole Cabinet on a number of occasions because really every department often seems to have interest in a plan such as for Halidmand and Norfolk.

The leader of the Opposition mentioned Kitchener. No, I was not shocked when I heard about the 3,000 acres. The Minister of Trade and Development did what any developer can do—go out and purchase land. He did what Mr. Hellyer and everyone else has been urging governments to do, which is to purchase land and land bank it. This came at a point in time when there was a study going on, and it was a confusing input to that study I think.

Mr. J. Renwick: How can you possibly plan if that happened?

Interjection by an hon. member.

Hon. Mr. McKeough: Somebody over there said I had suffered apoplexy over this matter. I have not really seemed to have suffered from apoplexy or lack of sleep or anything. I seem to go ahead all right, physically, without concerning myself.

I think, to the municipalities, it was a confusing input into the Fyfe report, if you want to put it that way. Now since that time, people have cooled off, they have sorted the thing out, the Waterloo Planning Board have taken the whole thing under their wing and are working closely with Ontario Housing Corporation. As you know, TRW, I think that is the name of the firm engaged by the Ontario Housing Corporation, has been made part of the Waterloo South-Wellington counties study. I had a letter the other day from the chairman of the Waterloo area planning board. I think that the whole thing has sorted itself out. We will all be very grateful to have those 3,000 acres in government ownership, as opposed to being in the hands of the "big bad developer," the way things are going to be at Moosonee, I say to my friend from Riverdale.

Mr. H. Peacock (Windsor West): Well, they were before the Minister bought them out.

Mr. Nixon: Mr. Chairman, surely if the planning is going to be anything, there are two serious flaws in what the Minister has just said.

Let us begin with the Haldimand-Norfolk situation. When government hears that Stelco is going to locate next to where Ontario Hydro has a major installation being built, and then some months later we hear that Dofasco is going to be, what—15 miles down the Lakeshore—then it means that government, in fact has no responsibility or has taken no responsibility for planning whatsoever, that you are informed about it and then you simply put marks on your planning maps following the fact. I think this is a very serious abdication of responsibility on your part or the part of the Premier. If he cannot co-ordinate the three members or the three Cabinet Ministers who have this responsibility into some sort of a planning responsibility. Now, the same is precisely true, if you will permit—

Hon. Mr. McKeough: Listen, let us be fair about this.

Mr. Nixon: Just hold on, you can be fair in a minute.

Hon. Mr. McKeough: None of us is responsible for co-ordinating Dofasco. None of us is responsible—

Mr. MacDonald: Why not?

Mr. Nixon: I would think that the responsibility should have begun when Ontario Hydro first decided to go down to Nanticoke. You would say: "We are going to be building pumps here, we are going to have sewage disposal here, and here are three townships, maybe, that are going to be the centre of new industrial development away from the present centres. Now, we could send a great salesman out to Stelco, Dofasco, Chrysler and anybody else and say: Here is this land and we are going to provide the industrial services for you but you are going to pay for them. But we are not going to permit you to go in at Nanticoke and somebody else further along at Port Rowan or Port Ryerse, wherever it is. Surely, this is something that you people in government are guilty of, that you talk about planning but you do not do any planning.

An hon. member: Right.

Mr. Nixon: The same is true up in Waterloo. It is fine to say that the people there have accommodated themselves to the decision of the banking of the land and that the federal government want you to do that. But why did you not plan to do it? Why did you not pick an area which might very well have been not too far from the industrial area down near Nanticoke? You would say: This is where we think there should be growth.

We are actually going to make this decision before the decision is made for us by somebody else. And then, as I say, you take your maps, you put your pins on them and say yes, this is planning. But, it is after the fact. Your job then becomes to accommodate local government and local communities with the tremendous decisions that have been made, not in the public interest particularly but in the business interest. This is why we are critical of what you have failed to do in the jurisdiction in this particular vote, planned development of municipalities. You are no more guilty than the Minister of Trade and Development or the Minister of Economics. You are all guilty together and of course the government has to stand or fall on this basis. But for you—in a very mild tone and when it becomes you—to try and put a veil over this—it just cannot be done.

Mr. MacDonald: Not always.

Mr. Nixon: Because it has been a serious abdication of your authority as one of the chief planners and one which we will have to live with for many, many years. I think that you have made a mess of it. I think that you three Cabinet Ministers have really been guilty of a serious error in judgment in permitting this to be done without at least the public interest being a part of the main decision.

Mr. MacDonald: Mr. Speaker, are we on this same topic or is the hon.—

Mr. E. R. Good (Waterloo North): We are on the same topic.

Hon. Mr. McKeough: Yes. Same topic.

Mr. MacDonald: May I pursue this, because I think we are getting fairly close to the whole nub of the problem here. I want to isolate a question for the Minister. Does the Minister feel—he cannot answer a question if he is not listening.

Hon. Mr. McKeough: I want to say this before this discussion goes too far. I am enjoying the discussion thoroughly, but we are now talking about provincial economic planning and really, the location—

Mr. MacDonald: No, I am not.

Hon. Mr. McKeough: —of a steel mill as to whether it will go at Nanticoke or whether it will go in—it was Port Rowan, I think—is not within my purview. Those are matters which should properly have been discussed—

Mr. J. Renwick: That is the problem, that is the very problem.

Hon. Mr. McKeough: —in terms of provincial economic planning under the regional development votes the other night. I do not think we can go on talking about them under every vote, really.

Mr. MacDonald: Mr. Chairman, I grant you that there is an overlap. I do not know how one can keep one from the other. Indeed, our problem is to try to find how we get them together and not debate economic planning here and municipal planning over here. We must discover what, if anything, this government is doing to co-ordinate them because

we all agree that they must be co-ordinated. This is our fundamental problem. Just to show you that it is four square within these estimates, when we had that very illuminating and useful session with your community development branch, we discovered—and I do not think this is particularly new, I do not think that this is going to be embarrassing for the people involved—that they did not know that Stelco was going to move into Haldimand-Norfolk. They did not know that Dofasco was going to move in there.

As I said the other night, they do not even know when EIO is giving a loan for any new industrial developments.

Mr. Chairman, it may be bad enough not to know when private enterprise is exercising its right to unilateral action, but, surely, it becomes a bit ludicrous when one arm of the government does not tell the other arm of the government and even argues that it is part of the private agreement with business. This is the old privacy argument again. They do not divulge information at some stage so that there can be meaningful planning.

I come back to the point of how you are going to get these three Ministers together, the point that the leader of the Opposition raised. Professor Krueger was talking about this a few years ago, and writing about the almost laughable degree of chaos in the departmental conflict, and overlapping. He talked in terms of Cabinet committees for important issues like this, Cabinet committees that would be directly under the Prime Minister. He would have an executive officer, to carry on the work of the Cabinet committee who would have the status of a Deputy Minister responsible directly to the Prime Minister.

It is the Prime Minister who has to knock heads together, either directly or through his deputy in charge of the Cabinet committee who has to, in effect, be the work-a-day man in the field operating on behalf of the Prime Minister. He alone, or whenever it is necessary, with the support of the Prime Minister, knocks the heads together.

It is idle for the Minister to get up and protest economic planning is really not in his department. It is idle for the Minister to get up and say that he has direction only over community planning. If in fact, another arm of the government through an EIO loan is going in and reshaping community planning after the event, and you are arranging it, as I said earlier, like the bull arranged the china shop—or alternatively, that the Minister has absolutely no indication at all when private enterprise is going to move in, then I concede the Minister has difficulties. He will always have difficulties once he accepts the context in which private enterprise operates. But I submit we are getting past the stage where private enterprise should have the right to do as they darn well please in terms of land use. In a municipality, we already have zoning; we say industry can go there, residential development here, commercial development there. Industry cannot just suddenly start building in a residential area—we would consider that to be ludicrous.

When is this government going to move towards a land use plan for the province, so that you would have essentially those same principles applied across the board in the province. Then you might have some control over the kind of development before the event instead of after the event. Until you are willing to do that, it seems to me that you might as well quit kidding yourself, or anybody else, that you are doing anything other than trying to rationalize the situation after a lot of developments—many of them unfavourable, undesirable—have taken place and you tried to make the best of the bad job.

That brings me back to the point that I wanted to get in on earlier. The Minister suggested that the development with the study in Haldimand-Norfolk, came under his jurisdiction, almost by accident, so to speak. He said next time it may be the Minister of Highways (Mr. Gomme); it may be anybody else. I want to suggest—and indeed, I want to ask the Minister for his comments—why is it not appropriate that this kind of a study should always be under The Department of Municipal Affairs, even when it includes basically an economic study of a nature that normally would fall under the regional economic development in The Department of Trade and Development. I suggest that most of the studies that have gone on under the regional development councils have been, to a very great extent, a waste of time and money.

They have created endless frustration because they get nowhere. They get nowhere because they have been relatively meaningless operations, pot-boiling previous studies with a bit of new information. They are meaningless, primarily because there is no political base for the economic development. It seems to me that when you do the kind of thing you are doing in Haldimand-Norfolk —a basic regional government study—you are considering a political base for the regional economic development. When you have got that political base then you have

some prospect that the economic development is going to be meaningful and not just some sort of idle whistling in the wind that is going to result in no hard and fast development in succeeding years.

One of the problems when economic development is isolated without relationship to the political base, is that economic development has never really been implemented. They have never been meaningful enough to be implemented, only if they are tied in with the study of regional development, is there some possibility.

Furthermore, another of the characteristics of the economic studies is that some expert comes in, picks the brains of various people, and goes off into his ivory tower to come up with a blueprint for economic development. On some occasions, the blueprint is so astounding to the people whom he originally talked with that it is immediately set on the shelf and starts to gather dust.

Once again, it seems to me—and I said this the other night in the estimates of The Department of Trade and Development—that when you have an approach such as the Minister's study in Haldimand-Norfolk now represents, an approach in which investigators go in and talk to the people, developing proposals for regional government and regional economic development, all the people who have to live with whatever emerges from it are involved in the whole dialogue, in the whole process and the likelihood is that when the study is completed these people are going to say: "Fine, I was part of that, I recognize what has happened, I recognize the validity of the conclusions, therefore I am willing to move". The local people do not consider it as almost a foreign document, foisted on them by some expert who really does not understand the local situation.

So, I come back to my question that I wanted to put to the Minister. In its effort to co-ordinate all these unco-ordinated things, why is the government not going to fix upon the proposition of studies on the pattern of Haldimand-Norfolk as the common pattern, not as an accidental pattern in Haldimand-Norfolk, but as a regular pattern, a permanent pattern, so to speak. Then, it seems to me, you have got some real prospects of it being meaningful planning with a political base and with the economic factors related to it. Why is it not going to become a permanent pattern?

Hon. Mr. McKeough: I think it is fair to say we have not given it that much thought at this point in time.

Mr. MacDonald: Why not?

Hon. Mr. McKeough: Because this was the first one where we felt it was necessary for us to co-ordinate our thinking in this particular way.

Mr. MacDonald: That is the most revealing indication of . . . .

Hon. Mr. McKeough: Where specifically would you have suggested it before?

Mr. MacDonald: Krueger's report came out five or six years ago, documenting the absolutely incredible, laughable, confusion—

Hon. Mr. McKeough: Where would the member have suggested this sort of approach was as necessary as it was in Haldimand-Norfolk?

Mr. MacDonald: I agree that this may be a classic case in terms of getting in, but surely the basic proposition of needing to co-ordinate both, of having a political base for any economic planning, has been evident for a long time. Otherwise, you are kidding yourself, as indeed the Minister of Trade and Development or the Provincial Treasurer are kidding themselves about the meaningful nature of the plans that have been dreamed up on $5,000 per regional development council last year.

Those reports are just a bit of pot-boiling, there is nothing new or fundamental in them. Nobody for a moment thinks that there is. They went through the exercise to satisfy Dr. Thoman and his new branch, to persuade themselves and to try to persuade the general public that something real was happening there. All we have got are these 12 little boxes that you are going to have to go through.

Hon. Mr. McKeough: Ten.

Mr. MacDonald: Ten? Ten boxes. Thank heaven, we have got two fewer.

Hon. Mr. McKeough: I just want to answer the member's question. Let us review things. Design for Development was a radical change, I think, in the philosophy of government at that point in time in 1966. The Regional Development Branch was subsequently set up. The first time that this really came to a head in a big way was when we adopted, in 1966, the principle of

developing regional plans, or provincial planning if you will. We ultimately get to the point in time where it is recognized by a particular industry, be it the steel industry or whoever, that this is an appropriate place to go and that is not an appropriate place to go.

We do not have that plan yet. I think there was some considerable discussion during the Treasurer's estimates on the status of those various plans. When Stelco came to a head at Nanticoke, the plan was not yet available. Stelco had purchased the property.

We were the logical department at that point in time to take on this programme because it also happened to fit in, as you have pointed out, with the municipal study. Who should do this in the future when there is a provincial plan, I just do not know at this point. Whether that sort of follow-up work is best done by the regional development branch or us, after there is a provincial plan, I do not know.

Perhaps it is done by a permanent secretariat of some kind. If everybody put everything in the Prime Minister's office which people suggest should be there, it would be an enormous department—I do not think that is the answer either. I said that, casually, it might not end up in our department. We tend to think, because we have had the approval and the co-ordinating function for a long time—plans of subdivision and official plans, although at a lower level—that we have learned something about bringing together views of government departments and private interests and the municipalities, trying to reconcile them and getting on with the growth of that particular community.

We have developed that procedure and perhaps it can be expanded or perhaps a brand-new approach is necessary, I am just not sure at this point. I think after the provincial plans are available there may well have to be some new techniques. Stelco sort of stands out alone at this point in time. I hope we do not have too many more before we have a provincial plan and an agreed-on procedure, if you will, as to what may or may not happen. I will tell you another one that we are somewhat involved in at this moment that is going to take some of this kind of pulling together. That is the Douglas Point proposition where the work force will go to 2,000 or 3,000. There will be something in the neighbourhood of 1,500—I have forgotten the figure—permanent employees. Now this obviously has a considerable impact on at least three or four towns and townships. Nothing on the scale of Stelco with, I suppose, an eventual work force bigger than Hamilton.

Mr. Nixon: How do you know—

Hon. Mr. McKeough: You are right back to this point that we need provincial plans which will indicate to Chrysler, if you will, that this would be an appropriate place to locate that kind of a plant and these are places which are not appropriate. We do not yet have that type of provincial planning. You are saying we need it. I am agreeing.

Mr. Nixon: Might I ask the Minister if one of his colleagues or one department has been designated to have general oversight in the planned expansion of the Douglas Point area which is a case he raised himself? This could very well be just like Nanticoke where Hydro went in there and announced that there was going to be a substantial development, but I do not think anybody thought that it was going to be followed by the very important decisions taken unilaterally by industry in the year or 18 months following.

With this Douglas Point complex thing, for all the problems that they are having up there, this is going to be a tremendous growth centre.

This is obviously another area where progressive-looking industry would be saying: Well how about there? That is on the Great Lakes, there is going to be power right there, there is going to be plenty of area of cheap land to be acquired if we do it on the QT without anybody knowing about it. So we get the land all bought up ahead of time but there are all these possibilities. What department is looking into that?

Hon. Mr. McKeough: We are. We had staff up there this summer surveying—we used students, and some of our staff to determine what growth, what were the problems in each one of the municipalities—Walkerton, Wingham, I think that there are about six or eight on the list as I recall. Whether they had sewers, whether they did not, what growth they could expect, what kind of financial position they were in, all that material is in front of me now. I had a meeting with the township of Bruce the end of last week. I think the next step, as suggested by the staff, is that I will call a meeting of the six or eight municipalities involved and, with them, go forward together. We do not look at it as being of the same magnitude as the steel company at Nanticoke.

Mr. Nixon: You did not look at that with any expectation before it happened?

Hon. Mr. McKeough: I do not want to put words in the leader of the Opposition's mouth, but I think that you are inferring that the steel company location at Nanticoke followed naturally from the decision of Ontario Hydro to locate there. I do not think that necessarily follows.

Mr. Nixon: Not necessarily, but there certainly is a close association.

Hon. Mr. McKeough: Had that been the reason, then Dofasco presumably would have located there as well.

Mr. Good: Mr. Chairman, I would like to say a few words that have not been perhaps covered in the interesting discussions we had on the metro area and now on the planning in the Lake Erie area. First of all, I was amazed and shocked to see the few areas designated as planning areas in the province. Looking at the maps in the community planning branch, there is a great portion of our province which we all know is not under any type of planning board at all. In my own area, of course, the planning board was set up originally back in 1925 so we have been used to this type of thing. Perhaps areas such as Douglas Point reflect this point very clearly: the need for encouragement to set up area planning boards when expected growth comes into a county and it might well come into a county next to Waterloo county as it has into our county. In the years to come provision must be made well in advance that there be area planning boards in those areas. Cities, towns, have their planning boards and they maybe go out into the fringe areas around. There is only $40,000 allocated here for planning board help. I think that when one looks at the maps in the department and sees the huge areas of our province in which there is absolutely no planning done on a municipal level or on an area level, and the province is just now beginning to show signs of waking up to the fact that planning on a overall basis is of vital importance, I think that a closer look should be taken at this.

The function of planning in any area should be something which is going to improve the quality of life for people. It should be an advocacy type of planning where the planning board and the planners act as advocates between the people and the establishment—whether it be the establishment of big business or the establishment of government. The people must have the quality of their life improved through good planning and this, I think, is something that has not been done.

In most cases, the dollar bill has been doing the planning in the province of Ontario, and until some of the measures are taken, this will continue to be the fact. I am very much interested in The Department of Agriculture and Food estimates. The other day we confronted the Minister as to his role in planning in the rural areas. In no way, he said, would we in The Department of Agriculture and Food enter into any kind of co-operation or agreement where we will tell farmers when or what and to whom they can sell their farms. Now I asked if he was aware that the Niagara regional government will submit an official plan for their area within the next two years according to the bill, and I asked what role the department would play in the approving of the rural areas of that official plan. I would like to ask the Minister now what consultation he has with The Department of Agriculture and Food for rural areas of the province when an official plan or a proposed plan of an area is brought forth? And in the same regard, I think too, we could have a lot more plans of areas available at the present time if the department was willing to accept planning in the long-term sense on a less rigid basis.

Many municipalities fear the filing of an official plan because they feel they are going to be locked in. Now I would like you to comment specifically on the plan that was submitted for Guelph which is very vague in its proposals. They say somewhere on this side, some day, we may have a by-pass. This area up over here, we would like to designate as industrial. This, in my view, is the major flaw in official plans in that they are locking municipalities in and they hesitate very much to do this. Planning, in the long-term sense, will never be accomplished unless you are willing to accept vague forms for the plans. One other point I would like to ask and that has to do with another one of these projects that is suddenly announced by private developers for a new city, and that is Centennial City in the Uxbridge-Stouffville area.

Here we have a huge acreage of land which is going to house a large number of people over the next number of years, and my understanding was that the developers want to set this area up as an improvement district so that they would not come under any of the local municipal councils for direction. I would like to comment—I would like a comment from the Minister on this, whether this type

of thing is viable or allowable and just what their thoughts are on this.

Hon. Mr. McKeough: The hon. member raises the point about area planning boards and the amount of money which we make available generally. I think that it is fair to say that The Department of Municipal Affairs probably, at some point in the past, has considered grants to planning boards. I think, to be meaningful and worthwhile, to treat them the same, we would have to ask for some—I do not know, perhaps $5 million or $10 million—to put them on some sort of a fair basis. That would run counter to what we believe to be one of the first functions of local government, which is to plan, and if they cannot afford to do that and cannot do it on their own two feet, then maybe they are not really a functioning municipality at all.

One of their first charges on their own taxpayers should be to plan and look ahead. They should not look to us for planning grants. To my way of thinking, a planning grant which would be a relatively small grant to any single municipality, although a considerable amount of money to the province, would be one of the kinds of grant which I would reject. Those kind of grants, hopefully, are the kind of grants we get rid of and replace with unconditional—and will come out of unconditional grants or out of general tax revenues.

Now, as far as area planning boards are concerned, I would have to say to the member for York South—that they have not worked all that well. They have not been all that much of a great success. The Elgin planning board, as the member knows, which is an area planning board on a county basis, fell apart after a year.

Mr. Good: They have no authority. That is why.

Hon. Mr. McKeough: Well, the member for York South put this very well when he said that—he did not just put it this way—the planning area must be related to a political base. To set up planning areas without setting up a political base, to our way of thinking, is not necessarily a good thing. I do not want you to take from that that all joint planning areas have not been successful. There have been a number of very successful ones. Waterloo, I think, is coming along very nicely. We have, in several instances, assisted municipalities in this endeavour. Waterloo county in particular, has been assisted. But I do not think it is the ultimate answer. We think the political jurisdiction should match the planning jurisdiction. Whether the planning should be done by the citizen planning board, or council committee, or by a combination of the two I do not know at this point in time, but we do think the political unit and the planning unit should be more closely aligned.

I am not familiar with the Guelph official plan. The note that has been sent to me is that we are discussing this with Guelph. Our people believe it is too general to be of any real assistance. It has not been presented to me for approval as yet. This is another area of considerable discussion as to whether the official plans should be general. There is a school of thought that holds that official plans should not contain any maps at all. They should say, for example, that the city of Guelph, in the next 20 or 30 years, is going to grow to be a city of 100,000 people; they are going to provide so many acres of parkland; they are going to add to the university; they are going to provide one new hospital, ten new schools, and so on down the line, but not, necessarily, tie it down to a map, not necessarily include a map with it—a statement of purpose, rather than boiling it down. We have not, as yet, in the department, accepted that concept. We have asked for maps, but not maps that tended to become terribly rigid. We are trying to find some way around this and there are the no-map people and the map people. I am sorry, I am not familiar with the Guelph one, specifically.

The other point the member raised, I think, concerned official plans and agriculture. Most of the official plans we have, I think you will realize, come in from cities such as Guelph. I do not know how many official plans we have, about 170 official plans in the province now—and I suppose 99 per cent of those, approximately, most of them at any rate, would be from urban areas or urbanizing areas. The saving of agricultural land has not been of that great a concern in these official plans. We are moving very quickly—

Mr. Good: It is the Niagara area, specifically that area.

Hon. Mr. McKeough: The Niagara area? We are moving very quickly there too. Not as quickly as we would like, but we are moving to official plans on a number of townships and the staff tell me that they have been having discussions with Agriculture to the point where we hope that The Department of Agriculture and Food will start taking serious looks at these plans when they come in and decide which land in an agricultural

township is most worthy of retention in agriculture, and perhaps which is not.

Mr. Good: Better let the Minister know, because he did not know it last week.

Hon. Mr. McKeough: Oh yes, he is aware of these discussions.

Mr. R. F. Ruston (Essex-Kent): He did not know last week.

Hon. Mr. McKeough: He is aware of these discussions, but remember this is a township which is submitting an official plan, which is going through this process. I am aware of some of the problems which I understand you discussed in the Agriculture estimates in relation to the Niagara escarpment. There is no easy answer to this. Every one is for saving the fruitland, except the people who own the fruitlands.

An hon. member: And The Department of Highways?

Hon. Mr. McKeough: I run into this in my own part of Ontario, as the member for Kent (Mr. Spence) well knows. It is worse in Niagara because the people in most of those townships have been on the land even longer than our people have in the county of Kent. In my county they bitterly resent, and certainly in Niagara, anyone suggesting to them that Queen's Park, or a local planning board for that matter, is going to tell them that they cannot sell their own land. This is a problem that we have not easily solved. We are making a certain amount of progress. In making that progress, perhaps not as quickly as we would like to see it happen, a certain amount of undesirable development may take place. But I have to suggest to you that if it did not take place, we would never bring those people with us. It becomes obvious, in some parts of the province now, that too much urban development has taken place in an unplanned way. Not all of it is that serious but certainly some of it is.

Those good people then realize that perhaps they should have taken steps, but I say to the members quite frankly, that what has happened in the area south of Peterborough has caused some concern. I do not know whether it will cause all that many problems, but I think it has been a good lesson to some of the other municipalities in that immediate area, that they have to take steps to control their own future.

But for us simply to say, "Thou shalt" or "Thou shalt not", from Toronto, with the best of goodwill, will not bring those people who have owned land, have lived on land, for many, many years to share our views. This is particularly a problem in the fruitlands of Niagara.

The agricultural representative and former agricultural representative in Kent county told me, and told others, that if the fruitlands, and the grapelands in particular, disappeared in Niagara, no great harm would be done because you could grow all the grapes you wanted, and they would be of a better quality, on Pelee Island. That would be a great case of regional development because Pelee Island needs an industry. I do not know whether that is completely true or not.

Mr. MacDonald: You might need a hovercraft for that.

Hon. Mr. McKeough: With grapes, they would be able to afford the hovercraft.

Mr. Chairman: The member for Waterloo North wishes to continue.

Mr. Good: My question regards Centennial City.

Hon. Mr. McKeough: Centennial City is not before us at the present time as an amendment to an official plan.

Mr. Good: Is it going to be set up as an improvement district?

Hon. Mr. McKeough: That application has been withdrawn by the company, as I understand it. It never was heard by the Ontario Municipal Board.

Mr. Chairman: The member for York South.

Mr. MacDonald: Mr. Chairman, I want to move to another topic, and perhaps in doing so—

Mr. E. W. Sopha (Sudbury): I want to say something about this.

Mr. Chairman: On this particular point?

Mr. Sopha: Oh yes, on this.

Mr. MacDonald: Unfortunately, I cannot be here this evening and there are a lot of other people who want to move on to the other topic, so I am afraid we are going to have to revert back to it. I thought it might be useful at this point, Mr. Chairman, to remind ourselves that ostensibly we are on vote 1403, which is the planned development of municipalities.

Mr. Chairman: Yes, we have been straying into 1404, regional government.

Mr. MacDonald: Right. I want to raise the question of the Spadina Expressway, certain aspects of it, but I want to raise it very definitely within the four corners of "the planned development of municipalities."

Mr. Sopha: Did you say 1404 was regional government?

Hon. Mr. McKeough: Under research.

Mr. Chairman: The political end of it comes under 1403. The member for York South has the floor.

Mr. MacDonald: I pose the following questions and then I will say a few things that will perhaps illuminate their significance. The question I want to put to the Minister is: What role, if any, does this government feel that it has in helping to shape a municipality, particularly when it ultimately is going to provide 50 per cent of the money for a major project such as the Spadina Expressway? Do you conceive that you have a positive role, or is it a purely rubber-stamp role in terms of the decision being made, good or bad, and you just come in and provide the money once that decision has been made?

That is the question that provides the framework within which I want to recall some of the things that have happened here.

I was rather interested, Mr. Chairman, in going as far back as March 27, 1961, believe it or not, in this Legislature—that is almost nine years ago—when I dealt with the question of the possible Spadina Expressway. I dealt with it rather feelingly because it involved the Cedarvale area in the eastern portion of the borough of York which, at that time, was in my constituency.

I would like to put on the record again two or three paragraphs that came from a brief presented by the Cedarvale ratepayers the year before, in the year 1960—almost ten years ago:

> It then came to light that in 1959 the Metropolitan council had approved of a capital expenditure of a sum in excess of $1 million to construct a cloverleaf at Highway 401, between Dufferin Street and Bathurst Street, to serve a giant new shopping centre to be constructed next year by the T. Eaton Company, in which would be large new department stores for the T. Eaton Company and the Robert Simpson Company Limited. The location of this cloverleaf is at the northern limit of the route that is now proposed for the Spadina Expressway. Reliable reports have indicated that assurances were given to these private interests that the Spadina Expressway would be constructed as soon as possible to assist in the development of this area, in spite of the fact that the cost of the project is not known, the Metropolitan council has not approved it, nor has the Ontario Municipal Board been asked to approve the financing of the rapid transit portion of the project.

I come back and repeat the question I am putting to the Minister: When a project like this is launched in such a manner, without approval, I would suggest the project was launched illegally.

It did not have the approval of the OMB, nobody knew what it was going to cost, it did not have the approval of the Metro council. What happened—to put it in blunt, unvarnished, terms—was that the Spadina Expressway, in the first instance, was conceived in a little conspiracy. The main conspirators were Fred Gardiner, the T. Eaton Company and Simpson's and a few other people who wanted it. So what happened was that they started the process, moved by the commitment to build a cloverleaf.

Mr. Singer: No, that is wrong.

Mr. MacDonald: Well—

Mr. Singer: I was there and I know what—

Mr. MacDonald: The hon. member might have been there—he can come in and have his say a little bit later.

Having got themselves committed to a project that was going to go to great lengths and a great amount of money, they then were able to make the first step, bind the subsequent decisions of many people. Indeed, my own comment, a little later on that same day, was:

> In other words, we are committed in advance to meet the private interests of two big commercial concerns in this country, and sooner or later the government is going to have to fall in line, the Metropolitan council is going to have to fall in line, the Ontario municipal board is going to have to fall in line, and rubber stamp what is now a *fait accompli.*

In other words, a *fait accompli* because of the initial expenditure in building the cloverleaf just east of Dufferin on Highway 401.

I recall that bit of history ten years ago, because look at the situation today. Ten years have passed, but much of what I said right there, I suggest to the hon. member for Downsview, has been solidly documented by history, whatever he may wish to give as his version of the origins of the project.

In fact, I was interested a week or so ago to read a most illuminating article by Jane Jacobs in the *Globe and Mail,* "The city is getting hooked on the expressway drug". It went through all of the standard arguments that are used in favour of expressways, and

demolished each one of them. I am not going to take the time to read it. It can be found in the *Globe and Mail* of November 1, 1969. It demolished each one of them. Perhaps the best way to sum up my recalling of this history, and to sum up the point that was made by Jane Jacobs in her article was an editorial that was carried in the same issue of the *Globe and Mail.* It was entitled "Time to Stop":

> The most hopeful, the most healthy city in North America, is what Jane Jacobs calls Toronto in her article on the opposite page. It is hopeful because it has not yet lost its options; it is healthy because expressways have not yet triumphed.
>
> But some options have been lost. A key option—stopping the Spadina Expressway—has almost slipped out of reach. In the light of harsh, political realities, is this option lost?
>
> The answer is a resounding no. The Spadina can be stopped because a vast amount of property needed to take the expressway south of St. Clair Avenue to Bloor Street has not yet been acquired. Until recently we, like many others, were mesmerized into believing that most of the required property had been obtained. We tended to regard construction of the Spadina Expressway as a *fait accompli* and concentrated our attention on opposing an extension south of Bloor. North of St. Clair, the expressway would run mainly through ravine lands. There would be no loss, there would be a positive gain, if they were to remain ravine lands dedicated to park purposes.
>
> The expressway cannot be stopped north of Eglinton Avenue. Construction to that point is almost complete. Two blocks south of Eglinton, the expressway enters the ravine and follows it to Cedarvale Park. Homes have been demolished and excavation for the expressway is finished along this stretch.
>
> But south from Cedarvale Park—along the Nordheimer Ravine to where the expressway would cut off to join Spadina Road just south of St. Clair—all that has been finished is construction of a trunk sewer. The sewer was needed regardless of the expressway. It is designed to run underneath the road bed. If construction of the expressway is abandoned, the excavations for the sewer can be filled in and the ravine can be restored to its original condition.
>
> So, the Spadina can be stopped somewhere between Eglinton and Bloor with little real loss. The only questions are where to stop it and what to do with the traffic that spews out of its southernmost end.

Hon. A. Grossman (Minister of Correctional Services): That is the only question? Surely not a very unimportant one!

Mr. MacDonald: Quoting:

> On the answers, there is no unanimity. But there is unanimity on another point: if the expressway is built to Bloor Street, other expressways will have to be built, especially the proposed crosstown, to make the Spadina workable. Lose the option of stopping the Spadina and other options are lost.

I raise all of this, Mr. Chairman, and I come back to my original question in two or three parts. One, to what extent is the provincial department involved in community planning? I recognize the grants are going to come from The Department of Highways which creates another of these complexities, but to what extent do you feel that if, in your view, there has been bad community planning, it is legitimate to use other arms of government to influence that planning—by withholding grants or by sitting down and talking the question through?

The Minister shakes his head. Well, fine, that may be part of his answer. In short, are you just a rubber stamp, going along with bad community planning? What does the Minister feel on the question of expressways versus rapid transit in the context of community planning which is his responsibility? Or as this estimate says, "planned development of municipalities".

Hon. Mr. McKeough: If Metropolitan Toronto would submit an official plan to us which, in turn, would have to be submitted to other government departments—which would have to be looked at by us very closely—then I really would have to answer this question, I guess, and give an opinion. But Metropolitan Toronto has not as yet, as you know, submitted an official plan. An official plan—and I think this is the sort of thing we will insist on—would indicate where that traffic was going to end up, whether in fact there would be the need for a crosstown expressway or not. I think if we had something in front of us in terms of an official plan, then we would have to come to grips with some of those subjects.

Mr. Trotter: In the meantime, you just sit there.

Mr. Singer: George Grant has never shown you his plan?

Mr. Trotter: You just want to turn a blind eye.

Hon. Mr. McKeough: No, I do not want to turn a blind eye at all, because I count myself as a part-time citizen of this community. This is what really upsets me about people who talk about the inevitability of extending Metro from Steeles to the height of land. Do you realize that you could probably put three or four or five million people between Steeles and the height of land?

If we are concerned today, living in this city of Toronto—as a part-time resident in my case, full-time residents in your case—about the extension or the non-extension of the Spadina Expressway—and forget whether there should be rapid transit or not—we think there should be accommodation for all types of transportation. We think we are going to need them all even with some sort of control of growth rate. But, if you start putting in all the people to go in between Steeles and the height of land then the controversy which is going on over this one expressway would be just peanuts compared to the number of controversies which we would then have. This is what concerns me, when we accept the inevitability of Mr. Gardiner's argument —or the bureau of municipal research for that matter.

Mr. MacDonald: Do not open that argument again.

Hon. Mr. McKeough: All right, I will not get into that argument again. I am sorry.

Mr. Trotter: And you are into a big city whether you like it or not.

Hon. Mr. McKeough: I do not accept the inevitability of that kind of sprawl, I really do not. I think you and I part company there.

Mr. Singer: You would rather do nothing?

Hon. Mr. McKeough: Exactly. This is what we were talking about earlier before the member was here. However, to come back to the questions of the member for York South, we would have occasion to look at this in terms of an official plan, or an official plan amendment.

Mr. MacDonald: Does the Minister mean he has no obligation, then?

Hon. Mr. McKeough: I think that it is fair to say that we do not. Well, where do we stop? I realize this has serious implications, at this point in time, because—it takes out a ravine—it affects perhaps 1,000 homes.

Mr. Singer: It is not where do you stop; it is where do you start?

Hon. Mr. McKeough: Do we believe in local government or do we not believe in local government? Do you want the province looking over the shoulder of every decision that is made by metropolitan government?

Mr. Singer: I will give you the exact history.

Hon. Mr. McKeough: I do not see that as our role as a province. Surely, we cannot look at the construction of every street. We do not see looking over shoulders all the time as our role as a government.

Mr. Singer: Mr. Chairman, let me tell you what happened about Yorkdale. Let me tell you what happened about that cloverleaf.

Mr. MacDonald: Here comes the second lesson according to Singer.

Mr. Singer: No, I was there, and I was the head of the municipality and I think I know a little bit about it. When they came in with their plans to develop Yorkdale, early in 1957, and the municipal planning board had a look at it and the council had a look at it, they said: "Yes, it is a good idea."

Our staff had a look at it and recommended it to our planning board. I think the hon. member for Yorkview was there about that time. The planning board had a look at it and our council had a look at it and we all thought it was a great idea for development and it was in a proper location. At that point and after it had gone through the North York processes, then they went down to The Department of Highways and said: Now we have North York approval, or are about to get it, and we plan a huge shopping centre here. And their projections were reasonably accurate. They were anticipating perhaps 100,000 people per day visiting that shopping centre and those figures have been exceeded.

You, The Department of Highways, are about to widen Highway 401. There is in existence a road plan drawn and prepared by George Grant, the roads commissioner of Metropolitan Toronto, and George Grant, Mr. Chairman, was one of the best roads commissioners that any area in the province of

Ontario has ever had. He was trained in The Department of Highways. He had a scholarship to the University of Southern California. When Fred Gardiner was called upon to assemble a civil service to run Metro —and in my opinion, at least, he assembled one of the finest municipal civil services that have ever been put together—he got as his roads man George Grant.

Among all of the plans that George Grant did prepare was the plan that showed the Gardiner Expressway, the Don Valley Parkway and the Spadina Road extension. After 1957, Mr. Chairman, after the North York approval had been given, The Department of Highways for the province of Ontario knew full well and without any doubt what metro had in mind insofar as its road planners were concerned, insofar as its executive committee was concerned and insofar as its chairman was concerned, where the expressways were planned.

The Minister mentioned—might I say this in an aside—that he believes in a combination of expressways and rapid transit. If somebody had bothered to look at the plans that had been on file in The Department of Highways for over 12 years he would know that the median strip of the Spadina Road extension is planned and has always been planned for rapid transit. That is an important part of it.

For the Minister to say: "Where does my responsibility start and where does it stop?" Surely he cannot isolate himself. Surely he cannot put himself into a little hole and draw the lid over his head and say: "I do not know anything about it, The Department of Highways knew, but I did not." No, that is what he said. That was his reply to the hon. member for York South. Certainly, because an important part of the development of that area involved a full disclosure after the zoning approval had been given—the full disclosure to the province of Ontario of what was going on and what the developers would have liked. When provision was made, based on the plans that George Grant had prepared, and were approved by the Metro council and they took them to The Department of Highways, surely to goodness somebody might have whispered in the ear of the Minister of Municipal Affairs or the then Minister of Municipal Affairs.

Hon. Mr. McKeough: Good lord! This is 12 years ago.

Mr. Singer: Of course it is 12 years ago. That is when it started. So do not say that is not relevant. That is important. That is important, Mr. Chairman.

Hon. Mr. Grossman: What would the reeve of North York have said? That they were to stop it because they did not like it down below?

Mr. Singer: Well, if the province had said: "I am sorry, we are not going to put the cloverleaf into Highway 401, and we are not going to allow that to go ahead," that debate would have been argued at that time and a decision would have been made. But for the Minister to stand up and say he did not know about it or: "What would somebody else have said" is a bunch of darned nonsense. The fact is, nobody communicates from Highways to Municipal Affairs or backwards or forwards. One department does not know what the other is doing. The left hand does not know where the right is going. One eye does not see what the other eye sees. There is no planning there is no co-ordination, there is no method. And there is no way that you have to avoid your responsibility.

Hon. Mr. McKeough: Would you permit a question?

Mr. Singer: Sure. Go ahead.

Hon. Mr. McKeough: Do the North York Liberals know what the Toronto Liberals are doing and vice versa? And that was not 12 years ago.

Mr. Singer: I think that is a very good question. I think there is a substantial difference between groups of politicians having different opinions about what they will do if they have a chance to do it and people in power who do not know whether they are coming or going and whether it is Monday or Thursday.

Mr. Chairman: Order. The member for Hamilton East was on his feet a while ago, Do you still wish to speak? The member for Sudbury.

Mr. Sopha: Well, since it is 6.00 o'clock I want to revert to the overall planning function that the House was discussing before it got diverted on to the Spadina Expressway which, so far as I know, does not exist. I have come down that road and is there such a—! Well, it is very narrow indeed.

Mr. Singer: From Highway 401 to Lawrence—about two miles of it.

Mr. Sopha: In the minute or so that I have left let me read the headnote over vote 1403, which deals with the promotion of the concept of community planning law of the municipalities through publications, conferences, and meetings. I want to say, because somebody ought to say it, in the modern world that I would hope that some genius would initiate a proposal that we have a moratorium on conferences and meetings—that type of thing, for say a 12-month period, and instead of that, we get down to some solid thought—analytical thought—instead, and when that takes place in the world of planning, then perhaps we could resume the conferences and the meetings and have the exchange of ideas. But I just want to say that I am one of those —I hope part of a growing number—in the social fabric that is becoming quite fed up with conferences, meetings, panel discussions and that sort of thing. I think they are a bane of the modern world. There ought to be legislation to prohibit their taking place for ever. Now against that background, at 8.00 o'clock I will be here in my place and I will develop more fully my approach to the planning.

Mr. Chairman: We look forward to that.

It being 6 o'clock, p.m., the House took recess.

No. 211

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 10, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 10, 1969

The House resumed at 8 o'clock, p.m.

ESTIMATES, THE DEPARTMENT OF MUNICIPAL AFFAIRS
(continued)

On vote 1403.

Mr. Chairman: I believe the hon. member for Sudbury was on his feet at the recess hour.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, within the context of the request for $7,648,000 in this vote, I wish to make the same reference to the quandary that I am in about the planning function and the efficacy of its operation within this government as I did during the estimates of the Provincial Treasurer.

I am simply unable to understand, Mr. Chairman, how it comes about that the planning function in this government is fragmented. Put in another way, I am unable to comprehend how the planning function, as encompassed within the four corners of this branch of this department, can be kept separate from the economic implications of planning.

Surely in overall planning of our province, its social and economic life, an essential ingredient has to do with the location of industry and the economic development of communities. Yet on this side of the House, Mr. Chairman, we have in the past several years beheld the fact that the regional development branch, which presumably is concerned with economic planning, is looked upon as either a misfit or the poor cousin, and is unceremoniously booted out of the department of trade and industry. I do not think putting it that way is an exaggeration. It finds its way, from circumstances over which we neither have any control nor do we have any knowledge, into The Department of the Treasurer.

I would think, and I want to say from my place in the Legislature, that intelligent and rational government would demand that the conceptual approach to planning would involve an integration of all these various aspects. Let me say at an early time that I, for one, would have no objection whatsoever if the totality of the planning function was put under this Minister. He demonstrates energy and resourcefulness and vitality and not a little of ambition.

Mr. H. Peacock (Windsor West): There is nobody else to applaud for him.

Mr. Sopha: Which in government is not at all a quality that ought to be downgraded.

I want to look at it from another aspect and I want to point out to my fellow legislators something that I do not think will be too appealing to them. That is when you are dealing with such economic matters as the location of industry in various areas, then the decisions that are made in the board rooms located on Bay Street, University Avenue or St. James St., or, as is often the case, on Wall Street—those decisions in respect of the location of industry are legislative decisions.

They are just as penetrating, have just as great an effect upon the lives and wellbeing of our people in this province as do many of the decisions that are taken in this Chamber. It follows from that, of course, that as long as we give leave to private companies and the boards of directors to determine where an industry shall locate, whether an industry shall move, and so on, not only are we abdicating our function, we are allowing those decisions to be made in a manner that does not subject itself to public scrutiny or open itself to argument. To the extent that decisions are made we really are allowing another group of people, albeit non-elected, to make far-reaching decisions concerning the wellbeing of the people for whom we presume to legislate.

Mr. D. A. Evans (Simcoe Centre): I think you are out of order.

Mr. Sopha: In that regard, I suspect that half the Cabinet, if they are acquainted—no, half those acquainted with the issues involved—probably are against the location of the steel complex in Nanticoke. Probably half of them agree with me that that steel

mill would be better located perhaps at the Lakehead.

Hon. A. F. Lawrence (Minister of Mines): Pickering.

Mr. Sopha: Pardon?

Hon. A. F. Lawrence: Pickering.

Mr. Sopha: Pickering? It is a funny thing that I digress to point out the extreme munificence with which this province treated Cyrus Eaton and his colleagues at Atikokan in the exploitation of that vast deposit of iron ore in the district of Rainy River. Not only did we give them leave to take our iron ore outside the country to provide jobs in Pittsburgh and Cleveland, we subsidized them with hydro and in building a dock for the ships to come up to load it and to cart it away. So the munificence of Canadians probably is unexcelled by any other people in the world. And indeed—

Mr. R. Gisborn (Hamilton East): He was a great friend of MacKenzie King.

Mr. C. G. Pilkey (Oshawa): And Kosygin.

Interjections by hon. members.

Mr. Sopha: Well, now you see, well you see, I was going to make another thought. I was going to make another thought but in the realm of the intelligent economic planner, it is well that somebody on this side of the House made these observations, now that our quasi-socialist friends have retreated into the realm of respectable conservatism. This is the way—

Interjections by hon. members.

Mr. Sopha: This is the way they used to talk until the recent convention. And indeed, the member for Scarborough West (Mr. Lewis) is quoted in the public press as saying we ought to exercise no controls over American capital at all in our country because they were invited here.

Hon. W. D. McKeough (Minister of Municipal Affairs): I read that; shocking.

Mr. Singer: Yes, whatever happened to Mel Watkins?

Hon. A. F. Lawrence: He has gone where Walter Gordon went.

Mr. Sopha: The cardinal thing is the invitation—

Interjections by hon. members.

Mr. Sopha: It is awfully difficult to get a word in.

Mr. Chairman: I am sure it must be. The hon. member for Sudbury has the floor.

Mr. Sopha: Terribly difficult.

An hon. member: We heard this earlier.

Mr. Sopha: I wish he was here, if he says —the member for Scarborough West—

Mr. J. Renwick (Riverdale): The member for Scarborough West is dealing with the education estimates.

Mr. Sopha: He says the cardinal consideration is the invitation—Vietnam, the Dominican Republic, Lebanon; they were invited there, all those places too, and that is the prime consideration.

Hon. A. Grossman (Minister of Correctional Services): Lebanon never invited me.

Mr. Sopha: All right, now to get back to this; it follows, and it must be said, that there is no country of the North Atlantic triangle, that exercises fewer restraints in respect to economic life than does Canada.

We have a tremendous abhorrence against the direction of industry. And indeed we observed very recently in this Legislature, that if you seek to implement restraints of any direction or any plan, it catapults the president of the Montreal Stock Exchange —a very verbose fellow indeed—right into your forum, to tell you about the horrors and the implications of such interference. But we have almost none.

Now in England, there would not be a person in the Chamber that would say that there is less democracy, there is less freedom, in the United Kingdom than there is here. And yet, for many years, the United Kingdom has adopted a concept of planning where they have no inhibition at all about telling industry where to locate.

Did not they do that with the Ford Motor Company? They wanted to locate on the south bank of the Thames in London, and they were told they had to locate in the Liverpool area because it was an unemployment area.

Mr. Gisborn: Dictatorship no!

Mr. Sopha: I doubt if he said that, I doubt if he said that. This is good Liberal thinking.

Mr. Gisborn: That is direction by government.

Mr. Sopha: But my complaint made in this House is that we have no restraints or inhibitions at all.

Mr. Gisborn: Your leader does not agree with the British industrial commission.

Mr. Sopha: We are open to any form of graphy, any form under any job, and we hesitate against going into the boardrooms and making suggestions or exercising any form of influence.

Mr. Pilkey: You have always been left of your party.

Mr. Sopha: But these things are important and they will come. They will come. The point is that I see this department, and there is not an inconsiderable sum of money here, to have some meaning.

They are very good about telling you that you cannot make a conveyance in the township of Grover. You cannot make the transfer to build the house because, they are controlling urban sprawl, strip development, or that sort of thing. Those things are important; they are important. But it is of prime importance that at some point in our history, we begin to determine the economic development of this province, from the broad spectrum of the lives and well-being of our people. And that is why I say that there must be an integration of the planning and development function—regional government, the department of regional development and the planning function within this department.

Now I know in my heart, Mr. Chairman, that in five years, or a decade, these things will come about. And I speak now in order to hasten the date—to put aside for all time, the ability, the freedom to make decisions in places that are beyond our control. And I dare say, Mr. Chairman, that our unwillingness as legislators to come to grips with this problem, contributes to a conception of the irrelevancy of this place, in the economic life of the province.

Many of our young people no doubt are "turned off" precisely because they see that, in the important things, this is not the effective centre. This is not the nerve centre. This is the place where the marionettes are—people with whom strings are pulled, to do the bidding of the powerful, the influential. And our young people are intelligent enough to see the extent of irrelevance of this place in the economic life of the province.

I have said these things before, and I will never tire of making the plea that I do make, in that respect, in the hope that eventually this Legislature will conceive its duty in a democratic way to take hold of the responsibility of the proper planning of the economic development of this province in its totality.

I want to turn to a specific item within these estimates, and that has to do with urban renewal. Sudbury, Mr. Chairman, has the most advanced urban renewal scheme in operation in the province—

Mr. I. Deans (Wentworth): It cannot be as advanced as Hamilton.

Mr. Sopha: I beg your pardon?

Mr. Deans: Is it as advanced as Hamilton?

Mr. J. Renwick: Is it ahead of Trefann Court?

Mr. Sopha: Well, our city centre is cleared and they are in the process of building a Holiday Inn. Now, is that not a mark of progress?

Mr. J. Renwick: Yes, that certainly is.

Mr. Sopha: Need I cite any more evidence than that?

Mr. Deans: No, that is advanced enough.

Mr. Sopha: Well that is enough to throttle any complaint.

Now, the urban renewal scheme in Sudbury is causing the citizens of Sudbury a good deal of concern. I have in my hand, Mr. Chairman, a copy of the Sudbury *Star*—I do not really need my glasses—of November 4, 1969, and this will not be unfamiliar to the Minister because I know that he has a very good clipping service. He has a lieutenant, I assume, who does nothing else but scan the papers throughout the province, if not beyond, to extract for him the matters that are of concern in his department.

Hon. Mr. McKeough: It is not so.

Mr. Sopha: Well, his scanner would not have had any trouble in seeing the headline of the issue of Tuesday, November 4, 1969, and the headline says: "Urban Renewal Costs Climbing"—perhaps you can see it over there.

Hon. Mr. Grossman: You mean you need your glasses to read that?

Mr. Sopha: I do not really. And above that, in a smaller headline it says, in truncated quotes, "Nobody knows where we stand", and that, presumably, will include the Minister, who has—

An hon. member: That was a federal government statement.

Mr. Sopha: Oh no.

Mr. Deans: You are reading from the Hamilton *Spectator*.

Mr. Sopha: —who has a very close connection to the development of the urban renewal scheme in Sudbury.

Now as I say, to inform my colleagues in the House, the blighted centre of the city core has been razed in Sudbury, and I imagine some 15 acres has been totally razed in the process of putting up a shopping centre and, as I say, a hotel, and indeed, a church, a Ukrainian Catholic church.

I must confess that I wish my friend from York South (Mr. MacDonald) was here, but will someone tell him, in respect of the church that is being erected, that I act for the church; I act for the Ukrainian Roman Catholic parish. That is a matter of great pride to me.

Hon. Mr. Grossman: What have you got against the synagogue?

Mr. Sopha: Being a member of the United Church, such as I am, that is a matter of great pride. Now, I want to read part of the news story into the record, and I quote:

> Sudbury's urban renewal scheme is going to cost taxpayers more money than they bargained for.
>
> Costs have soared through the ceiling estimates previously placed upon the scheme by the urban renewal commission and its professional officers.
>
> Because of extensions to the original boundaries of the renewal zone, acquisition of additional buildings and "natural" increase in prices, none of the experts in the city staff can now accurately forecast final cost.
>
> "Nobody could say where urban renewal stands financially; not the city, the commission or the partners (federal and provincial governments)," T. L. Hennessy, city engineer, told the *Star*.
>
> Hennessy is chairman of the technical co-ordinating committee for the urban renewal commission. He said: "It will be several months before an intelligent projection of final cost can be made. But I don't think there's any doubt there's going to be an overage."
>
> The proposed cost, on which the increase is anticipated, was quoted as $15,900,000, by both Hennessy and city treasurer, Coleman Young. This is already $2,500,000 over the 1966 estimate of $13,275,405; and $800,000 more than the April, 1969, figure of $15,147,364—the figure under consideration when the city made its deal with Marchland Holdings the commercial developer.
>
> Nobody seems to know what increase can now be expected with guesses ranging from $1,000,000 to $5,000,000.

Now, Mr. Chairman, there is the nub of the thing. And in that regard, I want to inform the House that before the deal was completed with Marchland Holdings, which is the commercial developer, I wrote to the Minister and I asked him not to approve the deal, because I felt it was an improvident transaction and my views have not only not changed, but they have been reinforced that it was such.

As far as could be gathered from those with sophisticated information, that portion of the scheme which was set aside as the commercial development, the acquisition cost of the land was some $5,200,000, with the federal government paying 50 per cent, the provincial government 25 and the city paying the balance of one-quarter.

Now, some in the House may be surprised when I inform the House that some four acres of land set aside for the commercial development was sold to Marchland Holdings Limited, transferred in fee simple, for the sum of $221,625. Land that cost the three governments about $5,200,000.

Presumably if Dominion Stores, if the Bank of Montreal, if the National Trust Company, if Marathon Realty, the subsidiary of CPR, to choose some examples, if they want to locate in an urban setting, those companies, presumably and ordinarily have to buy the land, they have to acquire the land.

Land acquisition cost is one of the ordinary incidents of doing business. One observes in our economy that such institutions as I have just chosen out of the air as examples, that they are locating at various places within the province every day.

From that point of view, Mr. Chairman, I am utterly unable to comprehend why a public body or a group of them in partnership will, as in this case, make a gift to a private entrepreneur.

I am unable to conceive how we the public, or we representing the public, can possibly be concerned with the subsidization

of a private group of entrepreneurs. And that is what it amounted to.

Now, I want to enlighten the House in this regard, that before the land deal was dealt with, before the Minister and those who advise him, those who advised the then Minister in charge of CMHC, before the city fathers of Sudbury—the third element to the partnership—acting collectively had come to grips with the price to be paid for the land that issue was approached—I emphasize that because it is important—they had a contest to select the developer.

It seems to me to put the cart before the horse. Before they knew what kind of a deal they were entering into they eliminated all the competition. Their good business instincts would tell them that if you are going to make a deal of the sale of land you keep as much competition around as possible.

They did the reverse. They selected the developer, they had a contest, they chose Marchland Holdings, it being the only one in the field. Then they sat down around the table and proceeded to get down to the essential piece of business—that is, the price to be paid for the land.

Let me say, at this point, and I will take the responsibility for saying it and I will lower my voice to be much more quiet, I certainly look with great alarm on the lobbying that went on, the lobbying that went on among people who had the responsibility of making the decision; by people close to the situation.

I was lobbied myself. Approaches were made to me to attempt to keep me quiet because it was known that I was going to make public complaints about the deal.

At the council meeting where this matter was finally decided the lobbying was a disgrace. I viewed this with my own eyes. They had a recess and the civil service, the bureaucracy of the city, took advantage of the recess to lobby the elected members.

I want to take note of the fact also for the Minister that since the deal has been made, the chief agent of the urban Rideau commission has now been employed by Marchlands. He has got a job.

The Minister asks who is that? That is Robert Bateman who last week, it was announced in the Sudbury *Star*, had been employed by Marchlands.

That certainly is a questionable move. I can say here, with the assurance that I am correct because my senses told me, that Bateman was one of those who was most concerned that the deal with Marchlands be made and I saw that; I saw his lobbying going on.

The mayor wrote to the Minister and let us put in the records what I said to him. I will quote a portion of my letter:

> Mr. Minister, I wish to take this opportunity to declare to you that the offer made by Marchland Holdings Limited represents an improvident economic transaction from the point of view of the public interest. One need only to point to the fact that the company is paying approximately 51 cents a square foot in an area where similar land fetches in excess of $20 per square foot. It is true that Marchland Holdings would be obliged to pay more on the happening of certain contingencies, which occur only after Marchland is guaranteed something in excess of a reasonable rate of return upon its investment.
>
> Such a transaction, in my view as the member for Sudbury, is far short of that which the taxpayers might expect in the way of a fair price for the land. It strikes me that there is no justification for demonstrating extreme solicitude for a private entrepreneur, by alienating a public asset which cost the taxpayers $5,200,000 for the ridiculously low sum of $221,625.

And I stand by that. I stand by that. I do not know what it is about the operating of the bureaucracy in the government which allows it to be so solicitous for private entrepreneurs. The fact of the matter is, that at the very meeting of the Sudbury city council, where this deal was approved, there were other offers made to the city for the land. They were swept aside in a not too polite way by his worship the mayor, who seeks re-election at the polls come the snows of December.

The mayor made a nasty remark about citizens who are considered, by all who know them in Sudbury, to be very respectable people of high integrity and he made a very nasty and mean remark, but several came to the meeting somewhat surprised and shocked, by the whole figure at which this land was being sold to Marchland. Oh, yes, and how I noted, how I noticed all the new argot of the real estate profession. They have got a whole new dictionary now of phrases. In an age that writes new words, you are not with it if you do not use "meaningful" at least six times a day, you should say ten Hail Mary's before you go to sleep for not saying "meaningful" more often.

Hon. A. F. Lawrence: How about "dialogue"?

Mr. Sopha: Yes, "dialogue" is another one. It used to be "escalation", but it has disappeared. These people have such phrases as "negative land value". That was one that was being bounced around.

Hon. Mr. McKeough: How about, "infrastructure"?

Mr. Sopha: Yes. Other people came forward and made offers and I will put on the record, in case anybody reads this—it will be read in Sudbury—an offer from Edwards Sudbury Limited, dated May 8, 1969, and is addressed to Mayor Fabbro:

J. J. Fabbro,

City Hall,

Sudbury, Ontario.

Dear Mr. Mayor:

On behalf of Edwards Sudbury Limited, Mensour Furniture Limited, and other taxpayers in the city of Sudbury, we wish to submit an offer for the purchase of the lands of approximately 14 acres involved in the commercial area of the Urban Renewal Project in Sudbury. Edwards Sudbury Limited, as nominee of this local group, is prepared to pay the sum of $1,450,000 in cash for the outright purchase of the said lands, with closing to take place as soon as the city is able to convey good title and possession of the land. This is a net price to the city with no deductions for land development, etc.

Due to the fact that we, as taxpayers, have not been allowed to see any of the terms of the offer recommended by the Urban Renewal Commission, we are at a disadvantage in stipulating what conditions should be included in our offer. In these circumstances we therefore make our offer on the understanding that the city would carry out the same undertaking in favour of us as presently agreed to in favour of Marchland Holdings Limited. In other words, we are prepared to pay our price provided that the city carries out the same obligations as contained in the proposed agreement with Marchland. Edwards Sudbury Limited reserves the right to subdivide the lands, if necessary, and would ask for the same consideration as is given to Marchland Holdings Limited regarding parking requirements, building restrictions, etc.

There is a distinct possibility that further negotiations could result in the city having to undertake less expenditure than is presently contemplated in order to make the proposed redevelopment of this area beneficial to all parties concerned.

This offer of $1,450,000 cash is open for acceptance by your council on or before midnight, May 22, and we would be prepared to discuss the terms of our offer and any conditions relating thereto with your representatives at any time. Upon acceptance of our offer we would make a substantial deposit with the balance payable in cash on closing.

Yours truly,

Peter Edward

Mr. J. Renwick: Very meaningful.

Mr. Sopha: Yes, indeed. It was clear at that council meeting that they were not concerned, not interested, in anybody else's offer. The die was cast; it was cut and dried and hell bent for leather it was going to be Marchland Holdings. It ended up that the Minister could hardly restrain himself in the absolute headlong somersault that he made to give approval to the deal.

Mr. V. M. Singer (Downsview): Which Minister was that?

Mr. Sopha: This Minister.

Mr. Singer: This Minister? That is the one, yes.

Mr. Sopha: The deal is, was and always will be improvident. It was a terribly improvident transaction and the pity of it was, I say to my friend from Eglinton (Mr. Reilly) who has good business instincts, that had the partnership—this Minister, the city and the federal government—held out, they would have got a better price—

Mr. Singer: But not snarky Darcy.

Mr. Sopha: They would have got a better price. I am told on reliable authority—I do not want to cite the source, but a person very close to the deal—that it was intended at the outset to give the land worth $5,200,000 to Marchland for nothing. That was the original intention; they were going to give it to them for nothing.

Mr. F. Young (Yorkview): May I ask the hon. member a question? Was any consideration ever given to the city holding on to the land and giving a 99-year lease to the developer?

Mr. Sopha: I am glad my friend, the member for Yorkview, asked that question because it reminds me. I want to tell the House that in the earliest implementation of the urban renewal scheme the impression was always conveyed by the partnership that no land would be alienated. The impression was always given that land would be leased.

Mr. Young: That is the crux of this.

Mr. Sopha: And somewhere along the line that was changed. It came as a surprise to people in Sudbury who were watching the thing very closely to suddenly realize that there was an intention to convey; indeed the intention to convey only arose in the very last stages. Now it is apropos to tell my friend from Yorkview another thing about it.

In the earliest publicity given the emphasis was always put on the relocation of the people dispossessed in the same area. That is the way it was sold. They said to these business people' "Look, you will have the right of first refusal in locating in the same place." They do, but the rent is beyond their reach.

Mr. J. Renwick: You cannot find a single one of them there.

Hon. A. B. R. Lawrence: (Minister without Portfolio): What is the allegation?

Mr Singer: Be patient, it is coming.

Mr. Sopha: In that respect, as near as people can calculate, the rent is somewhere around $10 and $14 a square foot.

Mr. Young: After they got a steal on the land.

Mr. Sopha: Yes indeed, as is always the case, the rider is included in the lease that the developer will have a piece of the action. He is to get a piece of the action.

Hon. A. B. R. Lawrence: What is the allegation?

Mr. Young: Was the provincial government involved?

Mr Sopha: When was it? Does anyone know when the hon. Minister without Portfolio woke up so I will be able to bring him up to date?

Hon. A. B. R. Lawrence: I have been listening. I just do not know what the allegation is.

Mr. Sopha: The allegation is that the deal in respect of the urban renewal project in Sudbury, the Borgia area of urban renewal, was an improvident transaction from the public interest. Do you get it?

Mr. Singer: That is a pretty good allegation.

Mr. Sopha: Was improvident.

Mr. Singer: That is clear enough.

Mr. Sopha: I say to you, so that the figures will impress themselves upon your mind, that the acquisition cost was $5,200,000 and it was sold to a private entrepreneur for $221,625. That is the allegation.

Hon. A. B. R. Lawrence: Who are you blaming?

Mr. Sopha: The hon. Minister of Municipal Affairs.

Mr E. R. Good (Waterloo North): With friends like that you do not need enemies.

Mr. Deans: Tell us why you blame him.

Mr. Sopha: The only people, let me say, in the whole project who are relocating in the area is the church that I am acting for.

Mr. Young: That shows the influence the hon. member has.

Mr. Sopha: But we relocate free. We made a trade of our land with the Holiday Inn. The Holiday Inn is going up on the land we had, St. Mary's Ukrainian Roman Catholic Parish and—

Hon. Mr. McKeough: Who was the developer? Who is the owner of the Holiday Inn?

Mr. J. Renwick: The Ukrainian Church?

Mr. Sopha: No, they are not.

Hon. Mr. McKeough: No, it is under lease to the Holiday Inn.

Mr Sopha: Who owns it? The city. We just conveyed it to them. I drew the conveyance.

Hon. Mr. Grossman: You act for everybody. Is there not another lawyer up there?

Hon. Mr. McKeough: Who owns the Holiday Inn?

Mr. Sopha: Tell me, I do not know. I do not own it.

Hon. Mr. McKeough: After the remarks that you have made, I am amazed that you would be doing business with them.

Interjections by hon. members.

Mr. Sopha: Do not blur the issue. I act for the church.

Hon. Mr. McKeough: I should not blur the issue with your client.

Mr. Sopha: I act for the church.

Mr. Singer: That was a good red herring but that is not going to work either.

Interjections by hon. members.

Mr. Sopha: We conveyed to the city our land on the corner of Notre Dame and Beach Street. We get over on Yonge and Lily 1.1 acres.

Hon. Mr. McKeough: What did the city do with the land?

Mr. Sopha: They conveyed it to Marchland.

Hon. Mr. McKeough: So your hands are not tainted?

Mr. Sopha: Not at all.

Hon. Mr. McKeough: Pass him a bowl of water and a towel.

Mr. Sopha: You want to ask me another question? I will be delighted if somebody asked me that one.

Hon. Mr. McKeough: Yes. What is your fee?

Interjections by hon. members.

Mr. Sopha: I am not charging the church at all.

Mr. Singer: Come on, another question.

Mr. Sopha: All right. The point is that none of the people is relocating in the area because the rents are too prohibitive for them to locate. Take, for example, Melanson. For many years, two or three decades, he ran a fish market in the area and upon expropriation he was given the model sum of $37,000. Melanson told me that after making an exhaustive examination, he found that he could not possibly open a fish market any place else in the city, because he would need a great deal more capital than that in order to meet the sanitary and health requirements, and the equipment and so on, that a modern fish market had to have under the regulations. But that is illustrative of how people were driven out of business. And a great many of them—might it be recorded Mr. Chairman—are very bitter and very cynical about the handling that they got from the partnership.

The last thing that needs to be said about it is—and I have said it in public and I did not bring down the hell fires and damnation upon me from the outset—that, of course, the whole push, the whole verve, all the impetus of the thing was directed to the fact that we have to replace the urban course with the glossy new supermarket and all the gewgaws and all the gloss and the shine and so on. I said in public that if we were really intelligent about it we would create a park. An act of great courage in the modern world where it is considered to be a mark of progress to acquire a new supermarket.

That is felt to be the very epitome of success, and the use of all the rational faculties directed toward economic end. But I say here in this place, this very quintessence of intelligence would have been, in respect of that area, that a large portion of it would have been redeemed for a public park. Like most other cities, like most other cities including Toronto, the great megalopolis, we have not got a park down town. We have not got one. That would have been the ideal development and then we could have used a portion of the land as we do for—

Hon. Mr. Grossman: What is the matter with Queen's Park?

Mr. Sopha: —for senior citizens' housing. One hundred and seventy-six units are being constructed there. We could have used another portion of it for other types of urban dwelling. You know, I never found it very difficult to find a shopping centre to acquire anything that I set out to purchase. I always found a store to be very handy. There are lots of stores nowadays.

But the whole thing in this department, together with the federal government, was that we must, in raising that blighted area—and it certainly was a sorry sight, the Borgia area, yes indeed, although I do have a wistful nostalgia about it, to see the Paris Hotel, the Ramsay, the Queens Hotel, thousands of cockroaches made homeless. They were a part of the Sudbury story, a part of Sudbury's history and to see them go—of course, human excellence will once again have achieved its heights of Everest. We will have a new shopping centre right down town. You know, all the chrome and all the gewgaws—and that

phrase I used the other night that was widely quoted and quoted in Sudbury and met with such approval—all the things for the immature will be on sale, all ready, and they will go to the opening. The Minister went to the opening, he went and dug the spadeful—a great man with the fork, I noticed on the TV. He was there and, of course, that is another one of the syndromes of modern life: Whenever you go to an opening now they put those silly tin hats on you. The member for Nickel Belt does not like this deal, he thinks this deal is terrible. If he was here in his seat tonight he would jump up and say, "Attaboy, Elmer, that is what I think". You see—

Hon. Mr. McKeough: That is pushing your luck.

Mr. Sopha: He went, and others went, but I could not be a hypocrite. I could not go. I did not go. I got the gold-studded invitation—

Hon. Mr. Grossman: Where were you at the time?

Mr. Sopha: I was at home, sitting in my home. It was a Friday. The Minister was there. He made a speech which was widely reproduced in Sudbury but—

Mr. Good: He had his hat on—

Mr. Sopha: Oh yes. But it is really a terrible deal and I hope the people of Ontario learn something once and for all from the Sudbury experiment in urban renewal. I hope that never again will the public purse be attacked to that extent—$5.2 million was the gift they made to a very intelligent, a very shrewd private entrepreneur — Mr. Murray Webber—the man who hornswoggled them into the deal. I think I wanted to say that I thought the quality of advice the Minister got from his community planning branch, or whatever branch it was, was terrible. It was terrible in this regard.

They ought to be ashamed of themselves for advising him to go into a deal such as this. And, of course, the legacy is that headline in the Sudbury *Star* that it is going to cost millions more; they do not know how many more millions it is going to cost; the estimate in Sudbury starts at $1 million to $5 million; it is entirely possible because they have not settled with 50 per cent of the people expropriated. They have not. They are going to court, they are going to arbitration with them and they have not settled with one of the big ones. The only one they have settled with is the church for which I act.

Mr. Deans: And the fish store.

Mr. Sopha: And the fish store. But they have not settled with Mensour Furniture, they have not settled with Charles Davis who owns 13 per cent of the land in the area, I am told. They have not settled with the Ramsay Hotel, they have not settled with—

Hon. Mr. McKeough: The church must have been quite a pushover.

Mr. Sopha: The deal was very satisfactory. Very satisfactory. We traded land for land. Listen—

Mr. Peacock: Just think about the fee, the size of the fee.

Mr. Sopha: Listen, churches are not in the business to acquire this world's goods.

Mr. Good: Steady, Elmer.

Hon. Mr. McKeough: How about you, Elmer?

Interjections by hon. members.

Mr. Sopha: It is already in the records that I am not charging the church. I am not charging it—

Hon. Mr. McKeough: I asked for the fee you might have charged.

Mr. Sopha: I do not want anybody to treat this serious matter with levity. It is a very serious matter to the pocketbooks of the people of Sudbury. I would say, they have not settled with anyone who held property of any size in the business area. They are all going to court with them, because every one of them considers the offer made by the urban renewal commission, the agents of the partnership, the federal government, this Minister and the city council, to be unacceptable and to be too low. There are heads of damage that the lawyers assert, there are heads of damage that are not being taken into consideration by the partnership, and they are going to test that in the courts. This experiment in urban renewal could be, indeed, a gross distortion of costs to the public treasurer in all three levels of government. It could be, and if we are intelligent we will learn the lessons from this one.

But let me say before I sit down that the thing that grieves me the most about it,

was the gift of the land to Oshawa Wholesale.

Mr. Pilkey: Oshawa?

Mr. Sopha: That is who they are. That is what Marchland Holdings is, Oshawa Wholesale. If they located in Hamilton, if they located in Kenora—

Mr. Deans: Be careful.

Mr. Sopha: —if they located anywhere else, they would have to buy the land on which to put up their stores and their warehouses.

Mr. Deans: Not necessarily in Hamilton.

Mr. Sopha: Why should they come to Sudbury? Why should they come to Sudbury and the public give them a block of land to create their—

Mr. Good: Where else could they get a deal like that?

Mr. Sopha: That is why they came, because, when all is said and done, Mr. Webber was smarter than the urban renewal commission, he was smarter than the mayor of Sudbury, he was smarter than the Minister at that time in charge of CMHC—I believe it was Mr. Hellyer.

Mr. Pilkey: You have got to watch anything that comes out of Oshawa.

Mr. Sopha: And he was smarter than the Minister of Municipal Affairs—

Hon. Mr. Grossman: I cannot believe that. Smarter than Hellyer maybe, but not McKeough—

Mr. Sopha: And he put it over them, and he was really smiling when he pocketed the transfer in fee simple.

Now, there is one aspect to make the record complete. I have a great familiarity with this subject and there is one aspect that I have not treated of, but I must put it on the record before I sit down. This is the portion, that part of the agreement, made between the city and Marchland Holdings, whereby after a certain profit return was acquired by Marchland, then the city would begin to share the profits.

I forget the figures but the profit margin of Marchland is really astronomic, it is really monumental. They have to make a big profit before the city comes into the picture.

But I really question, in urban renewal schemes, as a matter of principle, whether the municipal government should be involved as a partner, I really question that.

Why should the municipal government be in businesses that compete with other ratepayers? The hotel business, the drug store business, the food business, and everything else that the shopping complex is going to contain.

A good many people, businessmen in Sudbury, questioned the involvement of the city in a profit-sharing structure with the development, because, to use an example, if the city is a partner in Holiday Inn, what is to prevent the clerk in answering the phone, an enquiry made about the holding of some convention, where should we go? Well the clerk says, "Go to our hotel".

Hon. J. H. White (London South): You behave yourself.

Mr. Sopha: Our hotel is the Holiday Inn. And so on, right down the line.

An hon. member: You are talking about Murphy and—

Mr. Sopha: Well, Murphy will not always be there, it may be someone else. But I think it is a matter of principle that is terribly questionable.

But, of course, it was part of the temptation held out by Marchland, part of the dealings. The partnership, the Minister, the city, they had a group—happily I forget the man's name—they hired a group of consultants to advise them. I listened to the consultants, I must say I did not think much of them—I would not have hired them to advise myself, but they had all the argot, all the phraseology and those consultants ended up recommending acceptance of the deal.

Well, sir, I have been against this deal since I first heard of it, since I first became aware of its ramifications. I have no other interest in it. I disclose it to the House. I act entirely in my capacity as the elected member, exercising my responsibility, except that I act for the church.

Hon. Mr. McKeough: At no fee.

Mr. Sopha: At no fee. It is a pleasure to act for the church. That does not put me in any conflict of interest whatsoever. There it is.

I do not expect an answer from the Minister, but I would be very pleased to hear the Minister's observations in respect of the headline in the Sudbury *Star* of November 3, because the people in Sudbury are very inter-

ested about expected additional costs in respect of this development.

Hon. Mr. McKeough: Perhaps I had better answer this. In the brief time that is remaining, perhaps I had better just comment briefly on the remarks of the member for Sudbury.

First of all, before we got into the urban renewal discussion, the member raised some points with regard to the location of industry. I wish to make a couple of points in this connection.

Also, he indicated that Ontario did not take a stand in connection with the location of industry and I think this is essentially correct. I think there are a couple of things that have to be remembered.

Further we compete, and no one competes more so than our steel industry with the republic to the south of us. I do not suppose anybody in the 50 States says where a steel mill shall be located or where it shall not be located. I know a little bit about the steel business, because we are in that business and I know that every year about April, we can start ordering steel from the Soo, and along about November we have to stop ordering steel from the Soo because water transportation has closed down, and quite frankly they are just not competitive.

Rail transport or truck transport from the Soo is not competitive to Chatham with water transport during navigation season, and it is unloaded either at Sarnia or the Windsor docks, and brought up to Chatham and that is competitive.

This is the problem with locating a steel mill either at the Lakehead or another one at Sault Ste. Marie, for that matter. I think we have to remember that we are a country that is trying to compete. Nowhere is this more true than in the steel industry. The imports that are coming into this country now from overseas, in terms of the steel industry, and again, I say this from what is now—

Mr. Gisborn: You are five years out of date.

Hon. Mr. McKeough: Well, I quite—

Mr. Gisborn: That is not a problem now in the steel industry.

Hon. Mr. McKeough: What I am saying is that I do not think we can compound the problem which is perhaps going on. I suppose the member for Hamilton is quite correct, it has been going on for several years. I do not know that we can willy-nilly compound the problem and say that a steel plant will not be built where they think they are going to be competitive, that they will build at the Head of the Lakes.

I would love to see a steel mill at the Head of the Lakes, but I must say that first and foremost I want to see our next steel mill and the one after that and the one after that in Ontario—whether it is at the Soo or at the Head of the Lakes or in Nanticoke.

What I want to see is the steel industry remain viable and competitive within the province of Ontario. I speak on this, not that I have any knowledge at all, except that I, in the business from which I came, used to be in and still have some little knowledge about it, I would have to say.

The member for the Soo is here now, and he would know this, that there are times of the year when that great mill Algoma is simply not competitive in southern Ontario because of transportation. And I do not think we should inflict on any segment of the steel industry who are competing now worldwide and with our neighbours to the south that a steel mill must be at the Lakehead, unless we are prepared to put our money where our mouth is and say we are going to subsidize transportation rates the year round.

Mr. Sopha: Who owns the iron ore?

Hon. Mr. McKeough: Who owns the ore? Well, all right, but you just do not get it back by saying the mill must go in at the Lakehead.

Mr. Sopha: That is exactly what to do.

Mr. J. Renwick: Did you know it was going to be at Nanticoke?

Hon. Mr. McKeough: Did we know? No, I never said we did.

Interjections by hon. members.

Hon. Mr. White: Who owns the land where your house stands?

Mr. Singer: Does the ONR know?

Hon. Mr. McKeough: ONR know what?

Mr. Singer: Where the mill was going?

Hon. Mr. McKeough: At Nanticoke? Why would the ONR know where the mill was going at Nanticoke?

Mr. Singer: They might be interested in—

Hon. Mr. McKeough: At Nanticoke? Will the member for Sudbury take the hon. member out and tell him where the ONR stops, which is somewhere up in the vicinity of North Bay. They do not go anywhere near Nanticoke, nowhere near.

Mr. Singer: How about Hydro?

Hon. Mr. McKeough: Yes, they have a plant next door.

Mr. Singer: Did they know—Hydro?

Hon. Mr. McKeough: No one has said the government knew, and no one in government says that Vernon Singer is going to open a law office in North York today and not in Scarborough. That is not the way we run our economy.

Interjections by hon. members.

Hon. Mr. McKeough: No, no one said they knew where they were going.

Mr. Singer: Hydro did not know?

Hon. Mr. McKeough: No. Not to my knowledge.

Mr. Singer: Did you ask them?

Hon. Mr. McKeough: Well, I believe that it was a complete surprise to the government. We have not hidden that fact.

Mr. Sopha: You were not mentioning whether my law office—

Hon. Mr. McKeough: No, no, it was your friend, the member for Downsview.

Mr. Sopha: Oh! I wanted to know.

Hon. Mr. McKeough: I am sure that with the amount of work you are doing for the church for free in Sudbury any government would feel you should stay there and continue with the good work.

Mr. Gisborn: Does the member for Sault Ste. Marie (Mr. Wishart) agree that the Algoma plant is in competition with other steel industries in Ontario?

Hon. A. A. Wishart (Minister of Justice): I would think there would be a certain amount of competition, surely.

Hon. Mr. White: Mr. Chairman, on a point of order: the hon. members are rude in the extreme; it is certainly against the rules for the member for Sudbury and the member for Hamilton East to sit down while speaking.

Hon. Mr. McKeough: The Attorney General said *sotto voce* that there really was not much competition because the steel from the Soo was of such superior quality. Something like that. Now, let us come to the Borgia Street urban renewal project in Sudbury.

Mr. J. Renwick: Perhaps the Minister, before he goes on with that, would just answer a simple question. Do I take it from what he has said that his government does not consider it to be of any significance where a basic industry decides to locate a new plant in the province—that they can make their plans many months in advance and that you as the government have no interest in that decision?

Hon. Mr. McKeough: I did not say that at all. I was asked the specific question with reference to the steel company works at Nanticoke, or for that matter the Dofasco proposed works which is some years away at Port Rowan, and I think we had no knowledge. We obviously have a great deal of concern and I think anyone who goes out and buys 2,000 acres, or in the case of the steel company, 5,000 acres, or at least takes up options or obtains options, runs the risk that this will not be a satisfactory location for a particular industry.

What I said this afternoon was that I hope, with provincial planning and provincial plans as described by the Treasurer during his estimates—and I touched on this this afternoon—we will get to the point in time—and I think this will come relatively soon, in the next few years—that government will determine that it is appropriate for steel mills to be in a number of locations in the province. I mentioned Pickering, for example, Pickering being one of the last sites in this immediate area where there is sufficient waterfront land which, of course, is essential for a steel mill. And it is my understanding there were some discussions about that.

I guess they did not come to fruition, but the thrust of the market in the steel industry is west rather than east. And I think this had something to do with the decision. I do not know. This is all hearsay and rumour; I have not discussed it with the steel company.

Now, I hope we get to the point and say that there are areas which we believe are suitable for heavy industry, perhaps for light industry, and I hope there will be a number of them. And then we indicate that the provincial government is prepared in those areas to supply the necessary—I will use the jargon —infra-structure to bring them into being. Certainly the steel company and Dofasco have

both run the risk that we might say, in Haldimand-Norfolk or Port Rowan, that the infra-structure would not be supplied.

Mr. J. Renwick: Not from this government. That is a negligible risk; I can imagine you saying no to that.

Hon. Mr. McKeough: Well, of course, the member would say no. Watkins would have his way and they would just move right out of Canada. That is what you would do over there.

Mr. J. Renwick: They cannot move out of Canada so long as the ore is in Canada.

Hon. Mr. McKeough: That is right. Produced in Canada.

Hon. Mr. White: Listen, you socialists had better get in line with the member for Scarborough West or you will really be in trouble.

Hon. Mr. McKeough: I have answered the member for Riverdale. May I go on to the Borgia Street urban renewal?

Mr. J. Renwick: May I just quote the remarks of the Prime Minister having to do with this very topic?

> The government of Ontario is responsible for the orderly development of the resources and wealth of the province and for carefully planning the use of our land. Here the possibility—

And you will note the great care with which the language is chosen; he does not even say that at this point in time it is a probability—

> Here the possibility remains of exercising substantial direction over the pressure of the people on the use of our rich farmland and the beauty of our landscape. We can still plan where our new communities can be located, whether to decentralize industry, how existing communities will be allowed to grow, where our recreation will be obtained and what forms of transportation, both public and private, will be used to enable our population to travel with ease and efficiency. We must not forfeit this opportunity through lack of initiative or lack of foresight.

Hon. Mr. Grossman: That is a good statement, who made that?

Mr. J. Renwick: All I am simply pointing out is that the way the Minister of Municipal Affairs has dealt with this question that maybe at some point in the future such decisions can be made by government that will affect the location of industries and the development of new communities within our province—is a much too casual approach.

I just happen to believe that a basic industry which plans its affairs months in advance and takes into account all of the factors related to the viability of its location in a particular area, should be required by government to make known its intentions. Otherwise the pattern of development of this province will fall within this other sentence of the Prime Minister's that in many jurisdictions, the pressures of population growth and the lack of elbow room have either proceeded beyond the point of recovery or are so far advanced that recovery will be difficult and extremely costly.

I think first of all it is a matter of concern to the government where basic industry locates its new plants; secondly, I happen to think that there is a degree of urgency which is at least expressed in words but which is not mirrored within the language, which this Minister has used in the course of his remarks about Nanticoke.

Hon. Mr. McKeough: Would the member not agree that a prerequisite to the government being able to say "thou shalt go here but thou shall not go there," is that we had better have a plan? First, a provincial plan, indicating where a certain type of industry—and I think we are talking about the heavy industry at this point—should go or should not go. Must that not come first?

Mr. Singer: Is that not what we have been talking about all afternoon?

Mr. J. Renwick: Mr. Chairman, bear in mind I am not going to argue about what should come first. Of course there should be a plan. But I think that it is quite laughable to stand up and suggest for one single moment that either Stelco or Dofasco are running any risk of being told by this government, "No, you cannot go ahead with your plan". I do not think a government could act in that way. I think if the government has established the policy by which basic industries are required to inform about when they determine to relocate or when they are opening a new plant or if they are shutting down a plant, these are matters to which the government should be privy; they affect the public interest. I think that the government should announce as a matter of policy that any company which makes its plans in neglect of that particular

obligation to inform government has to pay whatever the forfeit is that government may require in, if necessary, a law saying that if you fail to consult with government about your plans, the government can get an injunction against you to prohibit you from doing what you plan to do. I think that is only fair and reasonable and in the public interest.

Hon. Mr. McKeough: Other than the last few sentences, I think I can agree with what the member is saying, but I think that before you start taking action like that, you had better publish the rules of the ball game.

Mr. J. Renwick: Of course you do.

Hon. Mr. McKeough: Right. This is provincial planning. Planning on a regional basis. I beg your pardon?

Mr. J. Renwick: Specific rules to basic industry which will be effective, if they do not make their plans without consulting government.

Hon. Mr. McKeough: This is what you talked about with the Treasurer last week. And when those kind of provincial plans are available, we move ahead on that basis.

Mr. Peacock: He does not know when they will be available.

Hon. Mr. McKeough: Oh no, he gave you some timetables as to when they would be available.

Mr. Peacock: Ten boxes.

Hon. Mr. McKeough: He gave them to me. Perhaps you did not ask for them.

Mr. Singer: Mr. Chairman, I could not let the Minister's snarky remarks, which highly amused his civil servants, go by without some sort of a reply.

Hon. Mr. McKeough: Let the record show that I stood up to answer the member.

Mr. Singer: The Minister thought it was the uproarious suggestion. Would the Minister just sit down, I have listened to him long enough.

Hon. Mr. McKeough: No, well I think—

Mr. Singer: Now just sit down! I have the floor now and I am going to talk.

Hon. Mr. McKeough: No.

Mr. Singer: Mr. Chairman, I have the floor, and you recognized me. The Minister is insulting, he continues his insulting manner throughout all of his estimates and I, for one, am not going to put up with it.

Hon. Mr. McKeough: On a point of order, Mr. Chairman, the member for Sudbury spoke for exactly 58 minutes. Of that 58 minutes, I would guess that 50 minutes were about urban renewal in Sudbury, and I think probably, he would like an answer. If the member for Downsview wants to usurp all the time of the House and talk himself, that is fine and it could not matter less to me.

Mr. Singer: The Minister is carrying on in his usual insulting manner and just let me say this.

Hon. Mr. McKeough: Go ahead.

Mr. Singer: When he thought it was an uproarious joke that I should ask him if the ONR knew anything about this, I would like him to tell me how the iron pellets get out of the Sherman mine, other than on the ONR line which is the only line that goes in there? Could you explain that one, Mr. Minister?

Mr. J. Renwick: The Sherman mine at Nanticoke?

Mr. Singer: No, the Sherman mine in Temagami that goes down to Nanticoke. Tell us that, Mr. Minister. Could you tell us that? Other than killing yourself with your own stupid sense of humour, tell us.

An hon. member: That is unparliamentary, Mr. Chairman.

Mr. Singer: Come on, tell us. Now let the Minister answer this. Merely because the people who run the ONR tell him nothing, or because Hydro tells him nothing, or because The Department of Highways tells him nothing, this is no excuse, Mr. Chairman, for the Minister to pretend he has no responsibility. If the Minister would listen to the voice of the Opposition which suggests that there be some planning in this government, then the Minister would begin to make some sense. The Minister's stupid sense of humour makes no impression.

Interjections by hon. members.

Hon. Mr. Grossman: Very arrogant insults.

Mr. Singer: The arrogance is there and it is stupid arrogance.

Mr. Chairman: I do not think the hon. member should use the term stupid in referring to another hon. member, I think it is going just a little too far.

Mr. Singer: Well it deserves—

Mr. Sopha: The civil servants—

Mr. Singer: —just to join in that great sense of humour—

Mr. Sopha: We are serious people over here.

Mr. Chairman: I have never—

Interjections by hon. members.

Mr. Chairman: Vote 1403, the hon. member for Kent.

Mr. J. P. Spence (Kent): Summary of planned development of municipalities—

Mr. Deans: Is the Minister not going to answer? Because I wanted to deal with urban renewal.

Mr. Chairman: Does the hon. Minister wish to reply?

Hon. Mr. McKeough: Yes, now turning to the remarks of the member for Sudbury about the urban renewal project in Sudbury, I recognize the concern of the member for Sudbury. We have had some talks about this, he has been good enough to write me about it. It is a concern which we have shared, I have made a speech about this to some extent, as to what the alternatives were at this point in time. The former Minister in charge of housing, the Minister of Transport, Mr. Hellyer—I think it is fair to say that he has spoken about urban renewal—not about urban renewal in the broad sense—but on the particular project in Sudbury, the demolition of a hotel, the tearing down of a hotel in Sudbury. That has probably, reading his speeches and his pronouncements, had as much to do with the grinding to a halt of the whole urban renewal programme at the federal level as any single incident.

I think a number of municipalities wish he had never seen nor heard about that particular hotel. However, be that as it may, we are talking about a programme which was promoted mainly, I think, by Central Mortgage and the federal government which my predecessor, I believe, in 1964, indicated that we would support, and pass complementary amendments to our legislation to go along with it. Suddenly, out of the blue, things have ground to a halt.

There seem to be two reasons things have ground to a halt, one is money—and I am not sure of the emphasis as far as the federal government is concerned—and the other perhaps, is philosophy. I do not know that you can just turn off these programmes, which in the case of Sudbury, the study was done and the dates we have, were from 1956 to 1963. The scheme was developed in 1965 and 1966 and the project got under way, really, in 1967. In other words, we go back ten years anyway. Really thirteen years, to the beginning of this, and I do not just think you can turn it off.

The federal government are concerned, though, about the direction in which we are heading. I would agree. I have some qualms about this in terms of spending $15 or $16 million of the taxpayers' money in the core of Sudbury. I think this has to be said. What is a city? These are the sort of things we have to perhaps give some thought to. Do we need a core? Do we need a downtown? If we need a downtown, at least if we need a core, how do we achieve that kind of core?

I think we can compare it with the spending of $30 million by the city of Toronto on their new City Hall. I think there are many of us in this House, myself included, and as I remember reading about this, we thought that was probably twice as much money as should have been spent and probably still is. They could have built a very nice modern office building for half the amount of money which would have been terribly efficient. And you will remember the debate which raged over that for a number of years and there were—

Mr. Singer: Should the province have inserted itself into that debate?

Hon. Mr. McKeough: There were electorates then and there was a discussion about furniture, and so on and so forth. I remember reading this in the newspapers, long before I was here in this House.

Mr. Singer: Should the province have inserted itself into that debate?

Hon. Mr. McKeough: It was not an urban renewal scheme in any way, shape or form.

Mr. Singer: If you use it as an illustration—

Hon. Mr. McKeough: But then you look at what has happened, at least I look at what has happened, to downtown Toronto since the new City Hall was built, and I venture to say that if the figure was perhaps $15 million for the equivalent amount of office space, the extra $15 million in this case, of Toronto's money, not Metro's, the

extra $15 million, sir, has generated a tremendous amount of growth and enthusiasm, sparkle and light in downtown Toronto. I do not think that we should say that the City Hall is the sole cause of this, but it is a factor. The downtown core is as alive and awake as any that you will see in any North American city.

Mr. Singer: A major factor?

Hon. Mr. McKeough: A major factor. Yet it was the $15 million of public funds, perhaps, which were not spent as wisely as the member for Sudbury and I would spend our own money. It took a great deal of faith, I think, to spend, whether it was $15 million extra or $5 million.

Mr. Sopha: That is not my complaint.

Hon. Mr. McKeough: All right, but then we turn to Sudbury. Would it be fair to say that if we were redesigning Sudbury all over again, we might not have located the downtown in the area in which it is now located? The member knows far better than I do that the engineering and geological problems of Sudbury, horrible problems in terms of what that ground is or what it is not, and what you try and do to build things there, or now at this point rebuild.

I do not say this critically of the member's city, but I think that it would be fair to say that the downtown, for a city of a hundred thousand people, left a little bit to be desired—a great deal to be desired.

I would have to say to the member, and I am sure he agrees. I went there that day to use the fork or start to shovel, or whatever it was. The member's regrets were very eloquently made that day. If he was staying away deliberately, his regrets sounded terribly sincere to all those who were there.

Mr. Sopha: I did not send any.

Hon. Mr. McKeough: They were made anyway; not by me, I think it was your federal member who—

Mr. Sopha: He is a good buddy of mine.

Hon. Mr. McKeough: Yes, he expressed them beautifully. I think what is going on in downtown Sudbury right now has to be regarded as exciting, worthwhile, an attempt to restore a downtown which needed restoring. The amounts of money, I admit, throw me for a loop.

I think what concerns the member was that after the deal was well on its way to being negotiated, along came the CPR who had been asked five years ago, "Have you any interest in redeveloping your lands?" They said with great disdain, as they have done in other places, "Keep your cotton-picking hands off our lands. We are running a railroad and we are not interested in redevelopment." Then two or three years ago, the CPR woke up to the fact that they were sitting on some of the most valuable lands, I suppose, in Canada, in a number of locations. They formed a company, Marathon Realty, and decided that they should do something about it.

They went, among other places, to the city of Sudbury and said, "We want to develop our lands." The city of Sudbury said, "Sorry, you have come along a little late. We think it is a good idea, but we think on the basis of an economic survey that we can stand only one downtown development at this point in time."

Remembering that the CPR was proposing to develop its lands, there would unquestionably have been, or will be, when that time comes, great public expense to develop those lands in terms of getting sewers to the boundary lines, and perhaps, level crossings. I do not know how much of the railroad is to remain. There will undoubtedly be public expense. Still it will be owned by the CPR.

Mr. Sopha: We should keep that to a minimum. We should say to the CPR, when that day comes, "You pay the shot." In every ramification, including traffic problems, services, everything else, we should impose the burden upon them, because heaven knows that the public of this country and their ancestors have been very kind to the CPR.

Hon. Mr. McKeough: Now we come to the point. I want to bring the member up to date. Perhaps the members of this House should know that the Borgia Street renewal area includes 14 acres. It has been expanded. It includes a shopping centre, a motel complex—Holiday Inn—a residential component, new transportation and public service facilities. It is a rehabilitation and a revitalization at great expense, of Sudbury's core, which I think is important. I can only commend the people of Sudbury or the elected representatives—and there have been a succession of them—and the urban renewal committee for pressing ahead with this particular project. The member mentions the offer made by Edwards. Edwards, of course, did not enter the competition. After the deal had been made and the financing had been arranged

with Marchland, then Edwards wrote his letter. I do not know why he did not enter the competition in the first place. Why a group of local merchants did not.

There was another question as to the fact that it was originally supposed to be on a 99-year lease basis and was turned to a straight sale basis. What I am told is that they had run flat into the financing problems which are common to everyone today. The financing problems did not make the lease basis practical at that point in time.

I simply do not know, but I understand Marchland's offer was predicted originally on a straight sale and then was switched to a lease because that was the basis of the financing which they were able to line up.

Now with reference to the editorials and the stories which have just appeared in the Sudbury papers. I have some notes which perhaps will be of some interest:

> No formal request has been made by the city for additional funds as yet but we are aware through our representation on the co-ordinating committee that the originally estimated costs will be increased.

This is, of course, the tenor of the story that appeared in the paper on November 4, I think.

The reasons so far as we are able to determine are as follows—the acquisition of three additional buildings, not contemplated in the original acquisition plan, and a more detailed evaluation of the re-use proposals; it was found necessary to clear these buildings to promote a more comprehensive development of the site. There is a relocation of Nolin's Creek, the member will know that problem, which was recognized at an early stage but a decision to divert the creek was not possible until the engineering plans and soil tests had been completed.

Additional compensation — and I would think this is true in many parts of the province and it is a good thing—additional compensation was the result of the new Expropriation Procedures Act, which came into being last December, after the original estimates had long since been made, but causing an upward revision of acquisition costs. Inflationary factors in engineering and servicing also added to costs.

Now, in spite of the added costs, the benefits derived by the city from the additional taxes generated by the new development will be substantial. This will more than offset the city's portion of the costs. These are the financial implications. The recovery figure of $3,965,212 will be secured by the partnership over the 25-year period, the provincial government sharing in 25 per cent of this for making this land available for development. The city, the province and the federal government have shared in a cost of approximately $5,033,000, which has included the cost of the land, buildings, business disturbance and relocation allowances. The benefits to be derived from this project, once completed, far outweigh the write-down anticipated in this case.

For instance, the social benefits of eliminating substandard conditions has meant the relocation of families to improved housing conditions. The member mentioned that the city was sold a bill of goods, or not sold a bill of goods, but the discussion was about the relocation of the people who were living there, and that the things which he is now interested in were not brought out at that time. I can only say, and there are members here, for example, the member for Riverdale, who will be interested in this; the member for Sudbury would want to tell him—because of some of the problems that we have experienced here, in this city of Toronto—there were not those kind of problems in the city of Sudbury regardless of the financial implications of the whole scheme. Regardless of whether it makes good business sense or not, the very painful relocations, and problems and marches and disturbances and speeches and letters, which have resulted from some of the schemes here in the city of Toronto, which we are all aware of, simply did not happen in Sudbury. And I pay tribute, and I am sure the member does, to the urban renewal committee and the people responsible for avoiding those kinds of very unpleasant disruptions of the way people live and where they live in what must be a very disturbing circumstance in an urban renewal relocation such as was undertaken in Sudbury.

The traffic access and circulation to the downtown, of course, will be improved and in addition to those benefits are the relocation of people in better housing, and the improvement of the business district itself. In addition to these benefits, the city expects its taxes on the land in question to rise from $120,000 to $513,000 per annum, an increase of about $400,000 per year.

Other tax benefits to the city have also resulted from the improvement to businesses once they were relocated in new areas.

The city's reason for renewing the Borgia Street area was to rid the downtown of blighting influences and replace them with factors that would promote growth, not only in the commercial sector but to provide improved residential facilities. We are satisfied that, once built, the project will satisfy these aims and consolidate the position of the Sudbury downtown as the focal centre of the nickel basin region. We do not, it is true, at this point know the precise amount of the increase and I think it will be some months before we do.

The other perhaps disturbing thing in what the member has said, is that perhaps we should involve ourselves more in urban renewal projects. We are trying, I think, really to involve ourselves less, both the federal government and ourselves. We believe that a city the size of Sudbury, and many other cities for that matter, can make their own decisions, and make good decisions. We like to be kept informed of what they do. We would really prefer to be less involved than perhaps we have been in the past.

It is true that we are in for 25 per cent; the federal government are in for 50 per cent. On the other hand, in an urban renewal project the 25 per cent being raised by the local municipality is a very large and consequential sum, and I think that we can say that we can keep out of it as much as we can and still know that there is a large local concern in terms of the 25 cents on the dollar which they are raising and which they are spending and, therefore, have to raise by one means or another.

We think that our philosophy in this in trying to minimize our interference is completely in keeping with our white paper and in keeping with the thinking of all members of the House that we as a province should be turning over to the municipalities really more unconditional grants and stop involving ourselves in the nitty gritty of the day-to-day administration.

This is not always easy to achieve. There are times that we must interject ourselves. There are many times when we are asked for advice, for help, which is what we feel we are here for.

But if Sudbury has made a mistake along the way in this I think I would have to say "so be it." We run that risk because we do not want to be involved in every decision which a municipality is going to make. The only way that they will make ultimately the right decision, the only way we are going to have strong local government, is really if we give them their head and allow them to make the right decisions which occasionally is going to mean that they may make the wrong decisions.

I do not think they have in this case. That is my opinion, but the member for Sudbury may well be right.

Mr. Sopha: Let me add a footnote that just struck me that the Davey agreement was signed for the transfer of the land to Marchland. Webber was quoted as saying, "My feeling is one of exultation" and well may he have said it. It was a very appropriate word.

Nothing that the Minister has said has sought to justify the giving away of the land to Webber, Marchland Holdings and Oshawa Wholesale, one of the giants in the food business in this country. They have done the people of Sudbury and of this province in a land grab in Sudbury that will be marked by infamy.

And then one additional feature. The argument that increased taxation will result does not hold water. That is where the advisers to the Minister in that community planning branch and the city of Sudbury people were in the field of mysticism.

If that argument held water then municipal councillors should regularly go on a survey of the municipalities and every blighted building they see they should buy it and give it away in the expectation that somebody will put up a building that will fetch more taxes.

How ridiculous. I said at a meeting in Sudbury that it was irrelevant the taxes that would be paid. Everybody pays taxes. If you put in a paved driveway in your home the assessor comes along and increases the taxes.

But does the Minister of Municipal Affairs, does that community planning branch, do the city fathers of Sudbury, come and say, "Here Sopha, here is $200, pave your driveway?"

Indeed, they do not. Is there a reason that the public purse should be used to acquire that land and then hand it over to Webber and Oshawa Wholesale and say, "Here is your licence, here are the letters of mark we give you. You are a great fellow."

And is he not? He exudes charm. You should meet him. He could be an instructor in all the Dale Carnegie courses. He just exudes charm, that fetching smile, that warmth, the secretary at his elbow. I saw the mayor of Sudbury try to hand him a document and with that *lèse majestè*, that *noblesse oblige*, he said to the mayor, "Give it to my secretary."

Well, he sure had your officials hornswoggled. Well Webber, you have done us all in. Let November 10 be marked by raising this matter in the House. He did not do Sopha in, he did not fool me. I saw through the fellow right from the outset. He was not going to take the land for free without my protest, and I have made my protest here, not that it will ever count. But at least I will have the satisfaction of knowing that I never acceded to that land grant.

Hon. Mr. McKeough: Would the hon. member permit a question? I am just wondering what you see as alternatives to the sort of thing that was done in Sudbury?

Mr. Sopha: Two of them. Before the developer was selected, the deal for the land should have been included in the competition. One of the cardinal aspects of that competition should have been what will be paid for the land? What will each of you competing pay for the land? That was one.

The second was that even though you made the early mistake of selecting Webber, selecting him before the deal for the land, yet there was time and the city, the partnership could have then still put the land out on the open market to the highest bidder, and what would have been the expenses of doing that? The expenses calculated would have been $160,000 which were the cost of the plans that Webber had created.

All right. We would have had to pay him maybe $160,000, but we would have got the plans. We would have the benefit of the architects and the engineers. We would have had all that work and could have sold those plans to the successful competitor on the land.

What was the price Webber should have paid? I got out my pencil and I figured out the price he should have paid. I deducted the cost of land-use preparation and his fee, because as the Minister says, the land is very unsatisfactory, and the price that he should have had to pay was $1,500,000. That is what he should have had to put in the city coffers for it, instead of getting away on the run for $221,625.

Before I started to open my mouth, they were going to give it to him for nothing. They were going to give it to him for nothing. I think they were going to pay him to take it.

Then I started to raise hell and they had another look at it. I was busy writing letters to all of them, having them delivered by hand, saying, "What are you doing with a public asset?" Then, in order to assuage me a little bit, they got a mere pittance of $221,625.

Well look, I am going to say to them, this is the last statement I am going to make, we have not settled for the value of that church yet. All we have done is trade the land. The church has to be paid for, and when I go to bat for St. Mary's Ukrainian Roman Catholic Church, without fee, I am going to say to those smart guys across the table, just show us the same solicitude you showed Murray Webber. That is all we want from you.

Show us the same largesse, the munificence with the public money. After all, we are a non-profit organization. We are a church and just demonstrate that largesse to us that you showed to Oshawa Wholesale. $30 a share is it not? Am I am sure they will. I hope so.

Mr. Chairman: The hon. member for Kent.

Mr. Spence: Mr. Chairman, under 1403, planning and development of municipalities across the province of Ontario, I must say it makes me wonder after listening to all the discussion in this House, under The Department of Trade and Development, under the hon. Provincial Treasurer's estimates, and also under you Mr. Minister with the greatest of respect.

It is hard for me to understand why this planning and development is not under one department, under your department Mr. Minister where we could deal with and maybe reach some conclusions or some benefits for the planning and development across this province.

I have listened under three estimates, Mr. Minister, of the discussion of development and planning, and I must say I have listened to my colleague, the hon. member for Sudbury, regarding urban renewal. I listened to my colleague, the hon. member for Dovercourt and many other members of this hon. assembly in regards to urban renewal, in regards to industry, in regards to housing, and it makes me wonder, in the rural areas of the province of Ontario, just what is taking place.

Mr. Singer: Hear, hear.

Mr. Spence: It just makes me wonder if this planning is what it should be. I cannot believe it is Mr. Minister when I listened to the costs of lots, when I listened to the development that is taking place.

I just want to indicate to you, just one example, in the riding that I happen to represent. A lady came to me before this summer recess and she told me about a house up for sale. A relation of hers in one of the towns in

southwestern Ontario, which you know very well, Mr. Minister, was asking $8,500.

This municipality is a town with no sewage, or maybe not sufficient water, but the house was a nice frame house with bath. She was asking $8,500 and she got offered $8,000. She was so concerned, she drove to my place and she wanted me to help her to see if I knew anyone that might be interested so that she could get the $500 more.

Now this is something. When I listened to debates under these three estimates, to the cost of even a lot in the city of Toronto, for which I have the greatest respect, it seems to me that the plan is to leave the rural areas —that land for food—the way it is with no development whatsoever.

I feel that those who are doing the planning have forgotten that the agriculture industry, for nearly half of those in agriculture it has become a two-job industry.

I must say that in the agriculture industry there is less in it as the years go by, and, as we understand, there will be still less as the years go by.

Mr. N. Whitney (Prince Edward-Lennox): Without development.

Mr. Spence: Pardon?

Mr. Whitney: Without industrial development in agricultural areas.

Mr. Spence: That is right. With the greatest respect to you, Mr. Chairman, and the agriculture committee, I must say, Mr. Minister, we must have some development. The only encouragement that we got was a short time ago when the Minister of Energy and Resources Management stood up here and made an announcement of a programme that was being introduced that no home owner in any of those municipalities would have to pay over $100 or $120 per household for sewage and water, which was a great encouragement to me.

Then under the Minister of Trade and Development, EIO—Equalization of Industrial Opportunity—has helped the rural areas across the province of Ontario, but I say the planning up to now has been most discouraging when we listen to the hon. members here from the great city of Toronto, for which we have great respect. I think there has to be better planning.

I think we are going to create a great problem for the great city, just as we will if we leave no industry in our towns and villages across the province.

Even in this great city of Toronto we have cigarette companies manufacturing cigarettes. I cannot understand, Mr. Minister, why they could not produce those cigarettes in the areas in which the tobacco is produced.

Mr. Chairman, if there is not better planning, we are going to have greater problems in this great Metropolitan area. But Mr. Minister, we are also part of Ontario in the rural areas and agriculture, as I told you just a few minutes ago, has become to many a two-part job industry.

We must have some industry situated in those towns and villages to retain those in the agriculture industry who would leave there so we would not produce as much, and be employed in our towns and villages. This would relieve some of the problems of the great city and the problems that we hear of the city of Toronto.

I hope, Mr. Minister, that you will do some changing in the planning, give more consideration to the planning of rural Ontario. I think that with a new approach we could have more industries in the rural areas, in our towns and villages that we have already located. To the Minister I speak of a town very close to where he lives. One or two industries would make that town a very happy and prosperous town.

I hope Mr. Minister you will take a new approach to the planning and it will not only solve the problems of rural Ontario, but it will help to solve the problems of these great metropolitan areas across the province of Ontario.

Mr. Chairman. The hon. member for Wentworth.

Mr. Deans: Mr. Chairman, I was interested in the remarks and arguments between the Minister and the member for Sudbury in regard to urban renewal. I want to deal specifically with that topic for a few moments.

The Minister indicates that rather than exercising more control over the municipalities and urban renewal, he intends, or at least it is the intention of the government, to perhaps exercise less control by making unconditional grants available.

This may well be fine. I do not think we would quarrel with making unconditional grants available. The only problem right at the moment is that the grants are conditional and the department has to exercise some control over the use of the money for which the grants are made.

The Minister will recall that on October 28 I asked him in the House in regard to the present situation and the city of Hamilton, whether or not his legal department had studied the development agreement. The Minister answered, and I would like to read it into the record:

> I do not know, Mr. Speaker, that we have specifically seen the agreement. The agreement was to have been concluded by a certain date at which time it would come to us, October 15 I think.
>
> As I understand it, the agreement has not as yet been concluded, and if not concluded by that date then there is a 60-day extension. To my knowledge, we will not see the agreement until such time as there is an agreement and there is not one at the present time.

Now, I want to ask the Minister whether he meant by that that they would not see the agreement until such time as it was signed?

Mr. Whitney: After negotiations.

Mr. Deans: Did you mean by that that you would not see the agreement until such time as it had been signed?

Well fine. I do not believe, as I read the initial agreements that were signed between the municipality and the developer, that this was what was intended, and I do not believe that the province is living up to its responsibilities and obligations by leaving the municipality in the situation of having to make the decision on behalf of all three partners.

Let me read to the Minister the original agreement that was signed in 1967, the part pertaining to the province's involvement and it says:

> That the approvals of CMHC and Ontario will be required for the said development including the development agreement.

This was said in 1967 and I take that to mean that the approval of the province will be sought and had to be acquired before the development agreement is signed, not after it is signed, because the approval after it is signed is no approval at all.

There is no possible way of safeguarding the expenditures of this province if the province is not going to see the agreements until after the city has signed them and legally obliged themselves to fulfil them. How can you tell whether or not a situation similar to the one that has arisen in Sudbury is not presently taking place in the city of Hamilton unless you have at least viewed the agreement that the city is about to sign?

It seems to me, and I have looked at the agreement and as I said to the Minister at the time, we have made one available to him. Unfortunately, it is about 70 pages long and I was not able to get another.

Interjections by hon. members.

Mr. Deans: We will leave Sudbury alone and talk about Hamilton. What concerns me about it is this, that if this province is engaged in a programme in sharing to the tune of 25 per cent in a hundred million dollar project, then surely the province has an obligation to the people of this province to guarantee them that the money is going to be well spent, and that this time, unless they are prepared, and unless you are prepared through your legal department to take some part in the negotiations and to take some part in the actual approval and to finally have a say in the signing of the agreement, you have no say at all in whatever takes place.

The thing that amazes me is that nowhere in this agreement is there a place for the province of Ontario even to sign it. Their interest, obviously, is completely taken over by the city of Hamilton, or any other city for that matter, and nowhere is there anywhere for the province to sign the agreement. Now, surely if we are going to be spending millions of dollars—

Mr. Whitney: Surely if the member for Sudbury talked for an hour and a half, this repetition is unnecessary.

Mr. Chairman: Order.

Mr. Deans: You are aggravating me.

Mr. Pilkey: He did not say anything.

Mr. Chairman: The hon. member for Wentworth may proceed.

Mr. Deans: What I want to ask the Minister, if I can, is why it is he neglects the responsibility of the people of this province and permits the municipalities, with their limited resources—and I repeat that, with their limited resources—particularly in terms of legal and planning resources, to undertake the responsibility for a project as large as this?

Now, in the city of Hamilton, as the Minister well knows, we have the downtown core reduced to rubble, we have the developer unable to raise the money to date, we have the province sitting back and saying that the

responsibility for this is the city's. But we have to recognize somewhere along the way that part of the responsibility for the fact that the developer did not have the proper backing, rests with the province of Ontario. Surely, at the time of the signing of the agreement the province, in its own interests, should have checked out to make sure the developer could secure the financial backing, before the city of Hamilton tore down the centre of the city and before we were in a very jeopardized position.

I mean, it is very difficult for the city now to try and negotiate with a new developer, now that the downtown core is reduced to a parking lot. It is very difficult for them because their position is now disadvantaged. They are no longer able to sit and say, "We can wait a year or two years, or we can negotiate at our leisure, we can hold out for a better condition in the agreement," because they now sit there deriving no tax revenue from an area that previously provided tax revenue, little though it may have been. And they are now sitting there with the downtown core of the city looking as though it has been bombed out in an air raid.

Surely the Minister must feel some sense of responsibility in this matter. Surely, in the 1967 agreement, for example, there ought to have been provision to ensure that the developer had the financial resources. And if that was missed, surely in either the 1969 July or 1969 March amendments that were signed, there ought to have been some provision to assure that the developer had the financial resources to follow through on the project. That is why I say to the Minister that if, in the first paragraphs, or the opening paragraphs of the original agreement, it specifically states that the province of Ontario must approve the development agreements and any developments that take place, you cannot approve it until you have seen it and it should not be permitted to be signed until such time as this province has taken an active part in assuring that the clauses contained in it safeguard the finances of the people of this province. I would like to know what the Minister feels in this regard.

Hon. Mr. McKeough: I reject the proposition put forward by the member because it is not my conception of what we are trying to do in terms of developing municipalities which, as I have said many times, are capable of standing on their own two feet. We are not talking about a small municipality, we are talking about a municipality of some 300,000 people, a very strong municipality, a capable municipality that has demonstrated their ability in the past in a number of ways. I do not think it is my position to look over their shoulders and tell them that their lawyers are capable or not capable of negotiating a good agreement, or a poor agreement. That is their responsibility.

When the day comes that I have to look over the shoulders of Hamilton and tell them how to enter into an agreement with a developer, or not enter into an agreement with a developer, we might just as well wind up local government in this province and run it ourselves.

Mr. Deans: Let me just ask the Minister then, what this second clause in this contract means? What is the point of putting it in? This is the clause that gives the people the peace of mind that—no, that gives them the feeling that the province of Ontario is at least interested in what is taking place, other than just providing a grant. And it states quite clearly that the province of Ontario, represented by the Minister of Municipal Affairs, will do these things. And you have not done them. You just have not done them. To have a clause in there of that kind that gives people the impression that you are safeguarding, or at least, ensuring that the best interests of the municipality and of the province are being looked after, and then not to live up to it, is not to live up to your responsibility at all.

Hon. Mr. McKeough: It is not true to say we have not lived up to our responsibilities. Our responsibilities are ultimately to approve of the disposal of land. When the agreement comes to us we will look at it in that light and decide whether it is fair. But we do not interfere all through the negotiations and agreement stage. I should further point out that the public is protected, right down the line, by the Ontario Municipal Board who have held a number of public hearings, who have heard the evidence and heard the testimony, have examined these matters, and have come to certain conclusions from time to time. It is not as though the whole thing has been done in some sort of a vacuum.

Mr. Deans: No, but the Ontario Municipal Board have no bearing on whether or not the province was involved in the negotiations.

Hon. Mr. McKeough: They certainly do.

Mr. Deans: They do not. Who represented the Ontario Municipal Board at the various negotiations that took place?

Hon. Mr. McKeough: It was before the—

Mr. Deans: That is right, the hearing was to decide on whether the plan was feasible.

Hon. Mr. McKeough: Financially feasible.

Mr. Deans: Whether or not the plan was feasible, financially—

Hon. Mr. McKeough: Financially feasible.

Mr. Deans: The second hearing had nothing whatever to do with the financial feasibility; it was dealing with whether or not the buildings that were contained in the plan were in their rightful location. That is what it was about.

Mr. Whitney: What do you know about it?

Mr. Deans: And what I want to know—and I ask the Minister again, because it seems obvious that we are not getting through—what I want to know is what is the purpose of saying that the development agreement has to be approved by the Minister if that approval is made after the signing takes place. What possible way can you have of suggesting that some of the clauses—if they are indeed not the proper clauses, how can you possibly change them?

Mr. Whitney: It is being done.

Mr. Deans: Oh, be quiet.

Hon. Mr. McKeough: Every day of the week the municipalities enter into agreements—

Interjections by hon. members.

Mr. Deans: I am sorry, I cannot hear.

Hon. Mr. McKeough: Every day of the week, for example, municipalities enter into agreements subject to the approval of the Ontario Municipal Board and that is exactly what it means. It does not mean that the Ontario Municipal Board or the Ontario Minister of Municipal Affairs is involved in all the steps along the way. Surely, that is the responsibility of the municipality.

Mr. Deans: Surely, when you are spending 25 per cent—when you are putting in 25 per cent of a project of this size, and surely, when it says that the approval of Central Mortgage and Housing Corporation and Ontario, represented by the Minister, will be required for the said development, including the development agreement, surely it means just that: that before the development agreement is signed the Minister surely must approve of it. No—

Hon. Mr. McKeough: Before the agreement is operational the Minister must approve.

Mr. Deans: But damn it, it is operational; the minute it is signed it is operational.

Hon. Mr. McKeough: No it is not.

Mr. Deans: Why is it not?

Hon. Mr. McKeough: Because we or Central Mortgage may not have approved it.

Mr. Deans: So what becomes of it?

Hon. Mr. McKeough: It is not of any value until presumably we advance the moneys against it, so nothing becomes of it.

Mr. Deans: Does that make any sense, in your opinion? Does it make sense to permit negotiations to take place for 18 months, to permit a development agreement to be drawn up, to permit it to be signed and then to view it. Does it not make more sense that you should view it before it is signed?

Hon. Mr. McKeough: No. If that is your concept of how you would run local government, it is not mine.

Mr. Good: Two matters I would like to enquire about. First of all, continuing along the thought of urban renewal, we are quite aware of the fact that a great many schemes across the province have been developed over the past number of years in urban renewal. Some of them had a great deal to do with the commercial redevelopment of the downtown area; others were a combination of commercial and residential redevelopment to rid the downtown cores of blighted areas, where people were living above stores, in substandard houses. Other urban renewal projects dealt primarily with the redevelopment of residential sections.

It would seem that municipalities were very eager to get into these projects when they considered that they were spending 25 cent dollars along with the 50 cents from federal and 25 cents from the provincial government. With the result that the federal government, I believe, finally realized the fact, along with the high cost of all these urban renewal projects, that many communities were doing as the city of Sudbury did—redeveloping only the commercial aspects of their downtown area at the cost of only 25 cents on the dollar. I believe the philosophy of the federal government changed very drastically when money got scarce, of course, stating that they would promote and finance only urban renewal developments that dealt with the social aspects. That is, the relocation of people into other geared-to-income housing within the confines of the development area.

Many municipalities still have on their books urban renewal projects which deal with only the redevelopment of commercial downtown areas. My own view is that in the light of practices which had developed in the United States, where huge areas of cities were flattened—and I think this is spelled out very significantly in the article or booklet—"The Federal Bulldozer"—they are now beginning to wonder if huge areas of the cities had not been flattened needlessly and huge expense created.

I wonder if the philosophy of the provincial government has changed to any extent where they are taking a harder look at urban renewal projects so that they are not, in fact, subsidizing private industrial developers who, would go ahead anyway if the conditions were right for redeveloping these commercial buildings.

First, I would like an answer on that and then I would like the Minister to give me some idea of what they are doing in areas where peripheral developments, such as outlying shopping centres, are threatening to blight the downtown area of the city. Business is reduced to such an extent that a viable assessment base, because of the lack of business, is no longer available.

I think particularly at the present time this is a consideration in the city of Belleville and in Welland where the downtown cores of these municipalities are threatened to a great extent by the development of outlying shopping centres. Could the Minister comment on those two questions?

Hon. Mr. McKeough: Dealing with the second part first. For some number of years, we have indicated that we would not participate in an urban renewal scheme of the downtown area without an effective up-to-date official plan and often the two went hand in hand. Presumably one of the purposes of the official plan was to indicate—from an economic point of view—the amount of commercial area which could be developed both in the peripheral area and in the downtown core.

Obviously, and I think this is the point the member is making, there is no great point in spending a great deal of money rehabilitating the core if you are going to allow an excess of shopping centre development on the periphery which is going to destroy the economic vitality of the core, no matter how well built it is.

With regard to the first part of the question. I am sorry, I do not think I can answer the member really. We are awaiting the position of the federal government and we are simply not in a position to answer in the way we would like to answer as to what the ultimate disposal of a number of urban renewal programmes is going to be.

Mr. Chairman: The hon. member for Hamilton East had been on his feet before:

Mr. Gisborn: Mr. Chairman, in the last few hours we have moved from the steel company property in Nanticoke up to the lake about 15 miles to the Dofasco property. From there to Sudbury and then to Sault Ste. Marie. I want to go back again to the steel company property in Nanticoke. They have got their 6,600 acres there which covers about five miles of lake front and is about three miles deep.

I am a little concerned about the Minister's attitude because I think we will have to know exactly what the interest of the province is going to be in this great development on the Lakeshore, before it is too late. We have had some experience over the years since I have been in the House—some 14 years—of the lack of the government paying attention to developments. We find that with the lack of that attention we end up with poor development and bad situations.

The steel company, of course, have made their announcement of their intentions. I think they have been pretty straightforward in respect to their part of the deal. We know by the press releases that they are going to develop their hot and cold strip-rolling mills on their property. They are going to use either public or private rail line from Hamilton to their property there to transport their hot and cold irons to produce in their mills.

They have indicated that they are going to involve to the greatest degree the citizens and residents in the area. They have already set up a programme for citizen involvement—participatory involvement. They are going to help them develop in the proper manner the roads and streets and they are even going to the extent of talking about developing the green belt as a buffer zone. This sort of thing is all fine. I think the Steel Company of Canada will stick to their word. I think they really mean it.

They have even gone to the point now of almost guaranteeing that there will be no further pollution of the lake in that area. I think that they can say that because they know what kind of production they are going to carry on. I do not think, they are not going to develop the glass furnace type of

development and they are going to be able to carry on and keep their promises in this regard.

But the aspect that becomes a responsibility of this government that we are not sure of, is what is going to happen on the periphery of those areas? The papers, as well as explaining quite regularly the actions of the company, have told us also of the enormous amounts of lands that are being bought by developers. The people have indicated their fear about the speculative reason for this land grab. And here is where the nub comes in in that area.

If this government does not pay some attention to this sort of thing; if they do not start to develop the land banks that we have been talking about as being so necessary for land-use planning in that particular area; if they do not do it quickly or have some control over what is going on, we are going to end up with the worst kind of sprawl and speculative development around that property that we can imagine.

This is what I was waiting for the Minister to tell us about—what is going on. Has the department a regional office there? Are they keeping tab? Have they done any land buying; have they acquired any properties for road development? We understand there is quite a highway development going directly along the edge of that development. Highway 3 is going to be widened; there is going to be a lot of land acquired. If we do not watch it very closely, it is going to be spoiled and we will never be able to retrieve it and develop the kind of community that has to follow with this kind of industrial development.

I raised the question with the Prime Minister as to some discussion with the Steel Company of Canada and Dofasco about replacing the lakefront mileage that they have acquired. There is going to be no land for public use on that five miles of lakefront and they have some responsibility in that respect.

I think we have to watch this aspect of that development in both those areas, both at the Dofasco properties and at the Stelco property, on behalf of the communities in that district. Jarvis is handy, Cayuga, Dunnville and particularly Simcoe. I know there is great concern about the land speculative grabs in the Simcoe area. Some people are already talking about the development of a community airport, but I have not heard that this government has any interest in that at this point.

I would like to know just what the government is going to do to watch this development and make sure that, as well as the interest of Stelco carrying out their part of the programme, in their particular property rights, and what happens to the surrounding area?

Hon. Mr. McKeough: I am glad the member returned to this because there are a couple of things I think would probably be helpful if I put on the record.

First of all, he is concerned about unplanned development, if I can put it that way, or even planned development in the peripheral area, and I will come back to that.

We establish, as you know, a joint study group which is a small professional staff within the government including representatives of some 13 government departments and agencies. The two county councils have established a joint study committee to collaborate with the study group from the provincial departments. And they are working on two things, the physical development plan and regional government proposals.

The joint study committee, that is, the local committee, has equal representation from each county and is currently working through subcommittees. I think each of those committees have 15 people on them, roughly one from each municipality at least, for a total of 30. The study group, that is, the provincial group, so far has:

1. Undertaken a general appraisal of the long-term industrial and urban growth of the Windsor-London-Hamilton-Niagara-Lake Erie area. They have tried to look at what may happen along the whole north shore of Lake Erie.

2. Prepared employment, population and land-use forecasts for the study area—and I think I mentioned this to the House, that our best prognostication now, is about another quarter of a million people by the year 2000 in that area where there are now 80,000 people.

3. Examined the ability of existing communities in the study area to accommodate short term growth.

4. Examined the direct impact of the steel company's project in terms of transportation, services and utilities.

I have been a little bit involved in the transportation aspect of this particularly. Both rail lines want to run rail lines into the plant. They, of course, operate under a federal Act

and can ultimately, if they choose, expropriate. We have had discussions with them. We think that one rail line across the countryside would be more than enough—if you will, a transportation corridor.

The member would know that I think for many years that if one train a day goes out of that plant, that will be a big accomplishment and probably there is no need for two separate lines going into the plant, with the multiplicity of either level crossings or grade separations which ultimately may have to be built. We are trying to resolve that and I think having some success.

5. Initiated a major study of the physical and natural environment of the study areas as it will affect and be affected by future urban and industrial growth.

6. Prepared preliminary outline concepts for future urban growth in the study area.

7. Collaborated with the planning branch of the department in reviewing official plans, plans of subdivision and so on, which have been submitted to us.

8. Prepared a draft report on various items of these for review within the government itself.

Preliminary development and examination of alternative growth plans and selection of one or more for development in detail. Obviously, if we are talking about 250,000 people, either this is one brand-new city, or a combination of growth in a number of selected points.

Discussions with Ontario Housing Corporation regarding accommodation of short term housing needs.

Elaboration of the selective growth concept and the completion of an area plan which should be completely done by the end of 1970. We think before that time, the Director tells me, he will have a pretty good idea of the direction in which we are going and probably can start releasing some development.

Now, specifically—and the member is quite right, there have been all kinds of rumours, facts as a matter of fact, about people buying land all through that area for development purposes—to date, I think it is fair to say, we have not approved any of it. We feel that (a) there has not been that great a rush, and (b) that it should be a total look rather than a haphazard look, not just because somebody has 100 acres or 25 acres or 2,000 acres which they want to put on the market tomorrow. It must be a total look and all the various problems of transportation, sewage disposal, water supply—which ties in of course with the Brantford scheme, Grand River scheme, and has tremendous implications.

I want to make it abundantly clear, then, that the future of the Lake Erie area cannot and will not be allowed to be predetermined by the ventures of private developers and speculators in land. Much activity of this sort has already taken place particularly, of course, in the vicinity of the known major industrial site. The purchase of farms by developers is artificially inflating agricultural land values in a number of townships and thus creating serious problems for the majority of farmers who only want to continue in their chosen way of life. Yet it is very likely to turn out that much of the land so purchased will not be given over to urban development. Indeed, some of the would-be developers have already been warned that their plans may not be allowed to proceed.

I would like to take this opportunity to put all of them on notice that they are going to get their fingers burned if their plans are not consistent with what this government, in consultation with the municipal councils, believes to be in the best interests of the people who now live in the area and those who will live there in the future. I am glad the member asked the question because that was an opportunity to put that on the record. We have told several people in so many words, "No", but it takes a little while for the word to filter down to them.

Mr. Gisborn: Might I just ask two questions? Has the Minister's own department, or has he, any knowledge that any other department, in particular the Ontario Housing Corporation, have acquired any land for possible use of homebuilding or parks in the area?

Hon. Mr. McKeough: Not to my knowledge. This report is to October 31, dated November 5, and all it says is that they had discussions with OHC for the short term. To my knowledge, no, I am quite sure that they have not made any purchases as yet.

I think the point will come when this will be a desirable thing to do.

Mr. Chairman: The hon. member for Oshawa was attempting to gain the floor earlier.

Mr. Pilkey: Mr. Chairman, I would like to relate just a moment back to regional government as opposed to urban development renewal. In the issue of November 6, last Thursday, two articles appeared in the local newspaper quoting the member for Durham,

Mr. Alec Carruthers, who told a public meeting—this was in Bowmanville—

> He told a public meeting here Wednesday, regional government in the area is another five years away and the province will not press it on anyone.

The statement conflicted with the objectives of the Oshawa area's regional government study which calls for implementation within two or three years.

Mr. Chairman: With respect to the hon. member, is that not under the next vote?

Mr. Pilkey: They were talking about regional government earlier.

Hon. Mr. McKeough: Not really; regional government does come under the next vote. I was enjoying listening to the member.

Mr. Chairman: All right. Is the hon. member finished? I am sorry for interrupting him.

Mr. Pilkey: I am really not finished, I want to raise this whole question as it was related by the member for Durham but if I am in the wrong vote I will wait till the next one—

Mr. Sopha: Well let us carry 1403.

Mr. Chairman: I believe it should come under the next vote. Does the hon. Minister concur?

Mr. Singer: Mr. Chairman, on a point of order, I do not understand why it comes under vote 1404. If you read the note there at the top of 1403 it says "planned development of municipalities".

> This programme includes the promotion of the concept of community planning in all municipalities through publications, conferences and meetings; research to increase understanding of community planning; participation in provincial programmes relating to establishment of new communities.

Surely all that is regional government? And then you read the note to 1404 and it says:

> —financial and technical services made available through the programme to assist in providing effective local government.

Surely it is applicable under vote 1403?

Hon. Mr. McKeough: Mr. Chairman, I can only tell the member that it really is not, because the regional government programme is dealt with by the municipal organization and administration branch under 1404, and by the municipal research branch under 1404.

Mr. Chairman: Right.

Mr. Good: Mr. Chairman, on a point of order, I would suggest that where grants have been given and a commission is in the midst of a study, that rightly comes under 1404. But speaking of regional government in general in areas where it does not exist, or where no study is under review, I think that could come under 1403.

Mr. Singer: Certainly, Mr. Chairman. And to add to that point of order, if the Minister would take the trouble to look at this heading "Promotion of the Planning Function", it discusses planning grants, scholarships to planning schools, Community Planning Association of Canada, the seminar on civil design, planning boards—all these people talk about regional government.

Hon. Mr. McKeough: If I might say with respect, so do the finance people, under 1404.

Mr. Singer: Then let us combine them, Mr. Chairman.

Hon. Mr. McKeough: Well I am not agreeing to this.

Mr. Singer: He persists with this throughout the whole estimates. If there is a more picayune Minister in this House than this one I do not know who he is.

Mr. Chairman: It is my opinion that regional government should properly come under vote 1404. Vote 1403 specifically deals with planning and planning development of municipalities, not regional government. It is more properly under vote 1404. Now does the hon. member for Yorkview wish to talk on 1403?

Mr. Young: Right, Mr. Chairman. I would like to bring us back to this consideration of urban renewal and one particular aspect of it in the short period of time we have. I have several questions I would like to ask the Minister, but this one in particular. It is in respect to the financing of the urban renewal schemes. The federal government puts in the 50 per cent, the provincial government 25 per cent, and the municipalities 25 per cent. This means that once the land is assembled it is an asset to the municipality concerned and can be disposed of, I suppose, at the will of the municipality which now has title to it.

Mr. Sopha: With the approval of the partnership.

Mr. Young: With the approval of the partnership.

Mr. Deans: That is after it is disposed of.

Mr. Young: What I am saying is this: more and more across the world today—and this is particularly the European pattern—land, once achieved, once under the ownership of a municipality, stays there. Vested in the municipality in perpetuity.

Now many of the cities in Britain and in other countries have achieved very large ownership of the land within their boundaries. Coventry, for example, has about 75 per cent; Stockholm, 95 per cent; Hamburg and other cities, a very large percentage of the land. And much of this was achieved after the bombing and since that time. A policy of purchase has been undertaken so that the civic asset remains.

It just seems that this is the kind of policy that we in Ontario ought to be embarking upon. Rather than selling this to private developers once the title is achieved, this should remain in perpetuity for two reasons. First of all, the land inevitably must go up in value in the heart of our cities. The first big jump in value will be when the renewal takes place and that immediately will see great increment. That increment should be to the credit of the people of the city itself. And in the second place, the city can give 99-year leases to the developers if it wants to do it that way or it can, as an alternative, develop it itself to its own plan. But the first one perhaps, is the one that we should embark upon here immediately as a practical step. That land can be leased and those leases bring in rents. Those rents will more than compensate for what the Minister pointed out to be increased taxes in the case of Sudbury. This is an asset which many cities have found. The city of Coventry, for example, which expropriated land after the great blitz there, found that in eight years the rental from that land had paid the cost and from that time on, it was clear gain for the treasury of the city.

Now, this is the kind of thinking that is going on around the world, and the kind of thinking that we ought to be doing here. So that, if the Minister and his department could give some real impetus to this idea—this device—and urge upon our municipalities when this kind of urban renewal takes place, urge upon them that the land be held in perpetuity by the municipality concerned. Then I think, this could mean a great deal for the future. I would like to ask the Minister if there has been any serious thinking along this line in his department and whether he is willing to embark upon a programme of this kind.

Hon. Mr. McKeough: The south side of Queen Street, of course, is being done this way.

Mr. Young: Yes, but the south side of Queen is a very small section of the land which is being redeveloped in our municipalities. I wonder whether the Minister is starting to adopt any kind of policy within his department, of education along this line for municipalities. Is it not time that we began to do this and to do some serious thinking in this direction?

Mr. Chairman: Is there anything further on vote 1403? There will be further discussion. It is time for adjourning. Before we have a motion perhaps I might inform the committee members that up to this moment the time elapsed under the new procedure in committee of supply is 38 hours, 27 minutes, leaving 36 hours, 33 minutes available for discussion on the remaining estimates to this time. There will be 2 hours, 23 minutes left under the pre-arranged time for this department.

Mr. Sopha: Does that include the estimates in committee, coming back?

Mr. Chairman: No, the estimates coming back from the standing committees will be discussed while Mr. Speaker is in the Chair.

Hon. A. F. Lawrence moves the committee rise and report progress.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on Thursday evening last, I indicated that it was the government's intention to move into the order paper on Wednesday and Thursday, and that is still our intention. I think I indicated to the House, however, that I wanted to go through the bills on second reading, standing in the name of the Minister of Municipal Affairs. Unfortunately, I see tonight that these bills are

not yet printed. So that it will be the intention on Wednesday, to call a few of the other bills in the belief that probably, with the assessment included in those bills, it will probably take up all day on Wednesday. Then on Thursday we will go ahead with the other second reading. On Wednesday, it would be the intention of the government to move into the tenth order, the 17th order, the 16th order, the fourth order and then the fifth order.

And I think that will pretty well fill the bill. Then on Thursday we would move into the other bills standing in the name of the Minister of Municipal Affairs and also the two bills standing in the name of the Prime Minister. They should be printed, I would expect, by Thursday, and then hopefully they would not take too long and we will go back to committee of supply and the estimates.

Mr. V. M. Singer (Downsview): Mr. Speaker, before the motion to adjourn, as I understood the Minister of Mines, he suggested that the reason we would not go to the 18th order was that the bill was not printed.

Hon. A. F. Lawrence: No, the 18th order is printed.

Mr. Singer: And he had told us on Thursday evening, as I was able to elicit from him or as I thought I understood, that we would do Bill 205 and others on Wednesday. It was my impression and still is, Mr. Speaker, that if Bill 205 is in fact called, it is quite likely to take the whole of Wednesday afternoon. Now, as I understand him, even though Bill 205 is in fact printed, it is now intended to call almost everything except Bill 205 on Wednesday. Is that correct?

Hon. A. F. Lawrence: No, I am sorry if I misled the hon. member. It would be our intention to call Bill 205, but not necessarily first. We would call some of the other bills first. But I am sure we will get around to Bill 205.

Mr. Singer: Well, Mr. Speaker, I am still a little confused because the Minister is suggesting Bill 205 will be called first, it would be my assessment that that would take the substantial part of the afternoon. On the other hand, if he is going to call Bill 74 first, it would be my thought that it could well take the whole part of the afternoon, because that is a very controversial statute as well.

I think it would only be fair, Mr. Speaker, if we had some indication of what the government really intends to do, because it is difficult to prepare a proper debate for these bills.

Mr. H. Peacock (Windsor West): Mr. Speaker, if I may, if Bill 222, the 24th order, appears on tomorrow's order paper as printed, would it be the Minister's intention to call both The Assessment Act and Bill 222?

Hon. A. F. Lawrence: It is not printed yet. If it is printed by Wednesday, it would be the intention I think to call that particular bill on Thursday.

Mr. E. W. Sopha (Sudbury): The dogs and cats are entitled to know.

Hon. A. F. Lawrence: Well, it was thought that there is another bill being referred to the committee on health that day in any event.

Mr. Singer: Well, is Bill 74 being called on Thursday?

Hon. A. F. Lawrence: Yes.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.35 o'clock, p.m.

No. 212

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Wednesday, November 12, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 12, 1969

The House met at 2.00 o'clock, p.m.

Mr. Speaker: This afternoon in the east gallery we have students from Barton secondary school, in Hamilton; and in all the galleries there are guests of Her Majesty's representative, our Lieutenant-Governor.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, before you call the first order perhaps you will permit me to express a welcome to the guests in the gallery, who are not just ordinary guests of the Lieutenant-Governor, but citizens of Brantford and Brant county.

As you know, His Honour is a resident of Brant county. He has invited a good number of us from his own area down for lunch, and to watch the proceedings here this afternoon. I know, sir, you and the other members would join with me in extending a special welcome to these people.

Mr. M. Makarchuk (Brantford): Mr. Speaker, I would like to add my voice of welcome to the people of Brantford. In fact, there has been a half-day moratorium declared on all activities in Brantford so that the people can be here today, not only to visit the Lieutenant-Governor, but to see the functions in the House. I extend to them a welcome and I am sure that I speak for other members in the House.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, perhaps I could join with—

Mr. Nixon: Mr. Speaker, just before the hon. Minister proceeds, he might be interested to know that Mr. George Gordon is sitting under the gallery. He, too, is from Brantford.

Hon. Mr. Welch: Mr. Speaker, I would not want these special words of welcome to go by without a voice from the third party. As far as these two ridings are concerned I know that our party will be on top in both ridings.

Mr. Speaker: Statements by the Ministry.

Oral questions.

Mr. Nixon: Mr. Speaker, we find ourselves in some difficulty once more, in that the number of Ministers present is quite small.

However, by way of asking a question of some importance while we await the attendance of some of the other Ministerial members, I would ask the Minister of Revenue if he has received any communication from the Minister of Finance for Canada which would set up some sort of consultation for the review of the federal white paper in which the Minister of Revenue is expert?

Hon. J. H. White (Minister of Revenue): I appreciate my hon. friend's generous remarks. Such negotiations are entered into by the Treasurer of Ontario (Mr. MacNaughton), on behalf of the province, with the federal Minister of Finance.

Mr. Nixon: No arrangements have been made, as far as the Minister knows, to have Mr. Benson come to meet a Cabinet committee to discuss the ramifications of the white paper?

Hon. Mr. White: If there has been a firm date made, the Treasurer has not told me to this point. But as I say the letter would ordinarily go from Mr. Benson to our Treasurer.

Mr. Nixon: Mr. Speaker, I have a question that I wanted to put to the Premier, but perhaps the House leader, in his capacity as Minister of Citizenship, might be in a position to give me his views, if not the views of the government.

I would ask him first if he attended the Remembrance Day ceremony yesterday and further, if he, like me, was asked to attend such a ceremony in one of the local schools in his own area on Monday, November 10 which, as far as the schools are concerned, has become the day on which we observe Remembrance Day. Remembrance Day itself is a holiday and I was quite struck by the absence of young people from the ceremony in our community.

I would ask the Minister a third question; if, in his view, the government should not be considering doing away with the observance as a school holiday and, in fact, concentrating much more on observing it in the schools on November 11 in some suitable way appropriate to the importance of the occasion?

Hon. Mr. Welch: Mr. Speaker, yesterday, as most members of the Legislature did, I attended Remembrance Day services in several sections of the riding which I represent; I must say I was impressed by the attendance of young people at one particularly, in the town of Niagara-on-the-Lake. It was an indoor ceremony prior to the wreath-laying at which a large representation of young people was in attendance.

I think, too, and perhaps this is something which the Minister of Education (Mr. Davis) would be more competent to answer, so far as school holidays are concerned, there is some misunderstanding on the part of the public. As the leader of the Opposition has correctly pointed out, most of the schools have very meaningful ceremonies within the school programme, to mark Remembrance Day.

In fact, I would venture to say that most young people in the school system of Ontario would have far more appreciation of the meaning of Remembrance Day, than perhaps many of our adults.

Members of the Royal Canadian Legion, the local ministers and others go into the schools to give addresses and to impress the significance of this very special day with respect to our veterans.

However, as far as government policy is concerned, and any amendments which would be required to the educational bills to provide for the elimination of this as a school holiday, I would feel we will have to await some comments on the part of the Minister of Education.

Mr. Nixon: As a supplementary question, I do not know whether the hon. Minister could give me this information, but as I understand it, the civil service, the schools and the banks are closed, but other businesses proceed as usual. I think what is often found is that many citizens who might very well appreciate having an opportunity to take part in the ceremonies are, in fact, restricted because most businesses do not observe this as a holiday.

The Minister might be able to enlighten us further as to whether he believes that the school observances might better be held on November 11 rather than on November 10.

Hon. Mr. Welch: I read this morning, I think in one of the papers that maybe it would be better to hold these observances on Sunday when people were free to go to their particular places of worship to observe this day. I think in addition to the banks and civil service and the government offices, most legal offices closed as part of the observance as well. I think it becomes a matter of personal opinion; the important thing, and perhaps the hon. member will agree with me is that we not lose sight of the need for our annual day of remembrance. If, by virtue of changing customs, this can be more meaningfully observed in some other way, even actually by making a break in the day itself, is perhaps worthy of some follow-up.

Mr. Nixon: Mr. Speaker, in the absence of the Minister of Energy and Resources Management (Mr. Kerr), I would like to ask the Minister of Economics, who is also the Treasurer, if he believes that the price increase announced by Shell Canada in the wholesale price of petroleum products, should not be reviewed by the Energy Board before it goes into effect?

The Treasurer is aware of certain changes in legislation which affect other sources of energy, and I would like him to give an opinion as to whether this should be reviewed by some government agency, probably the Energy Board, so that there would be a parallel responsibility.

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, I think I would be obliged to say that I would prefer that question to be answered by the Minister responsible. He will be here at the appropriate time. I do not think it is proper for me to answer a question that obviously should be answered by the Minister involved.

Mr. E. Sargent (Grey-Bruce): What is the Minister being paid for?

Mr. Speaker: Order!

Mr. D. C. MacDonald (York South): By way of a supplementary question, as I understand it, The Energy Board Act excludes jurisdiction over gasoline prices. Therefore, if the question is going to be considered by the government, would it consider that it be reviewed by the standing committee of the Legislature, the one to which The Department of Financial and Commercial Affairs is responsible? It seems to me, Mr. Speaker, that that is the appropriate place for members of the Legislature to have an opportunity to examine it.

Mr. J. E. Bullbrook (Sarnia): The member's party would not support that. We tried to do that two weeks ago.

Mr. Speaker: The hon. member has a supplementary question? It has to be supplementary to the other question. Is the hon.

leader of the Opposition going to leave his questions? The hon. member for York South.

Mr. Nixon: No, the Minister of Energy and Resources Management has just taken his place, so perhaps we could pursue that question; with your permission, Mr. Speaker.

Mr. Speaker: By all means. The hon. leader of the Opposition has the floor.

Mr. Nixon: Thank you. To the Minister of Energy, who seems always to have a question just as he takes his seat in this House: I would like the Minister to tell me if he considers the unilateral increase in the wholesale price of petroleum products by Shell Canada, to be appropriate without review by the government or by this Legislature. There have been two proposals put forward—one that the Energy Board concern itself with this, if necessary by an amendment to The Energy Board Act; or secondly, that the appropriate standing committee of the House bring the company before it for a justification of this change.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I just read about this in today's paper. I was rather pleased that the increase is, in fact, only announced by one company, so that at this stage, at least, there would seem to be some choice left to the citizens of this province.

As the hon. member indicates, at the present time such increases by a company such as Shell do not require reference to any agency or board of our government. I think I would like to know something more about the reasons behind the increase and how it will affect the citizens of the province, really, before making any complete statement.

Mr. Nixon: As a supplementary question, would it be true to say, then, that the Minister believes, if the other companies follow suit, there would be some justification for bringing the whole industry before the appropriate board?

Hon. Mr. Kerr: There may be some justification, Mr. Speaker, but again, we are getting into the realm of public policy, and I seem to get in trouble when I make a remark on that; so I want to avoid it at this point. But certainly this would be all the more reason to look at it.

Mr. Nixon: A supplementary question: I appreciate the Minister's comments, but in view of the fact that his own legislation has brought the Energy Board into a position of responsibility, let us say, for the take-over of Union Gas Company by Consumers' Gas, and the fact that Ontario Hydro is to be called before the committee on commissions to justify the six per cent increase announced earlier this week, surely it would be logical to take similar action in the case that we have brought before him, would it not?

Hon. Mr. Kerr: Mr. Speaker, the member is comparing public utilities with private petroleum companies. There is some difference here and I think this is something we would have to study. It would be quite a different matter, for example, from requiring Consumers' Gas and Union Gas to appear before the Energy Board—or certainly Ontario Hydro, which is a commission of this government and has always been required to appear before a standing committee when called.

Mr. MacDonald: Mr. Speaker, by way of a supplementary question: In view of the fact that Shell was the company which led with the price increase that is already accepted in some places in the province of Ontario—and other companies followed its lead—would the Minister not feel that it is appropriate to take action for a review before the event rather than after the event?

Hon. Mr. Kerr: It is a hypothetical question.

Some hon. members: Oh, no.

Mr. MacDonald: Then the Minister will say he cannot do anything about it.

Mr. Speaker: Has the leader of the Opposition completed his questions?

Mr. MacDonald: Could I have an answer?

Mr. Speaker: The Minister is not obliged to answer any question; he has not answered it so the member will proceed with—

Hon. Mr. Kerr: Mr. Speaker, all I want to say is that this calls for a personal opinion, really, on a hypothetical question. It involves government policy, and as I have indicated to the leader of the Opposition, we will look into this matter.

Mr. MacDonald: Mr. Speaker, I have about six questions, but unfortunately they are all directed to the 50 per cent of the Cabinet who are not here. However—

Hon. Mr. MacNaughton: They will be here in a minute.

Mr. MacDonald: Why should we have to wait for a minute? The House began at 2.00 o'clock.

Hon. A. Grossman (Minister of Correctional Services): We have to wait for you fellows quite often.

Mr. MacDonald: However, Mr. Speaker, I will direct one of these questions to the Provincial Treasurer since it deals with the white paper and perhaps he will be in a position to indicate the government's reaction to it. In view of the drop in housing starts in Metropolitan Toronto and the likely downward effect on house building activity caused by the white paper proposals—because of the closure of loopholes that have been used by construction companies to evade taxes in the past—is the government making any plans to step up the government's house building programme in order to meet the grave housing crisis?

Hon. Mr. MacNaughton: I do not know, really, Mr. Speaker, why questions that should be directed to the appropriate Minister if he were here should be directed to me. I can say, and I will say, though, for the government, that the concern about the slowdown—

Interjection by an hon. member.

Hon. Mr. MacNaughton: May I start again, Mr. Speaker? The slowdown in housing construction starts is of very real concern to the Minister of Trade and Development (Mr. Randall) who is responsible for housing, and to myself, and I say this to you, Mr. Speaker, and to the House. We were in Ottawa a week ago yesterday and spent a good deal of the day with the Minister of Finance and the hon. Mr. Andras who is responsible for housing, on that very subject.

Mr. MacDonald: May I take it then that we might have a report on that topic from the Minister of Trade and Development rather than from the Provincial Treasurer?

Hon. Mr. MacNaughton: I rather think that could be fairly assumed. When the Minister is in the position to report I think he will do so as he usually does on this subject.

Mr. MacDonald: Very good. I have a question for the Prime Minister. Is the Prime Minister in a position to make any public statement with regard to the meeting that he and his Minister of Trade and Development had with the Prime Minister of Quebec—on what the newspapers said was "trade topics"?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, it was a very informal meeting; I would say it might even be termed a courtesy call. There was no prediscussion about what we would discuss; it was just simply a question of Mr. Bertrand being in town and coming in to see me, as I would call on him were I in Quebec City. We did not have any formal discussions at all.

Mr. Speaker: The member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, I have a question of the Prime Minister. In view of the fact that we have been getting a lot of double-talk on this nuclear programme from the Hydro and the government, I have four questions which are related and which I would like to ask the Prime Minister.

The first question is: Who recommended the process being used for the production of heavy water at Douglas Point—Hydro or Atomic Energy of Canada?

Secondly, is the Premier aware, Mr. Speaker, that following the experience of Atomic Energy of Canada Limited, General Electric switched to the safe and more efficient process of the Port Hawkesbury plant?

Thirdly, is the Premier aware that on November 24, 1950, the flame was blown out of an oxygen sulphite burner of an oil refinery at Puerto Rico, and within 20 minutes, 24 people were dead as a result of inhaling the unburnt gas of this process?

In summary, I would like to ask the Prime Minister, where along the line do we have in this whole setup, the people with the business background who, as I see in your directions to Ontario Hydro, have the right to spend $2.5 billion? What are the names of the people who can make this decision to spend $2.5 billion? I want to know, Mr. Speaker.

Mr. Speaker: I would rule that that question, while of public importance, is not urgent and the Prime Minister need not answer it, nor need any Minister answer questions like this.

Mr. Sargent: No one knows any answers over there; nobody in the whole bunch of them knows any answers.

Mr. Speaker: He said he would take it as notice.

Interjections by hon. members.

Mr. Sargent: Mr. Speaker, this is of importance here and no one knows any answers—

Mr. Speaker: Order. If the hon. member has a third part of his four-part, he will place it.

Mr. Sargent: I would like to ask the Prime Minister whether he or the Minister or the Provincial Treasurer or the member for Muskoka (Mr. Boyer) knows any answers. One of the four of them should know some answers on Hydro. No one knows any answers. Do they know whether Hydro consulted GE on this change of process?

Hon. Mr. Robarts: I will take that question as notice.

Mr. Sargent: And did they decide to go their own way? It is ridiculous that no one knows the answer about $2.5 billion.

Mr. Speaker: Order, order!

The hon. member has asked his questions and they have been taken as notice. A supplementary? The hon. member for Peterborough has the floor.

Mr. W. G. Pitman (Peterborough): Thank you. Mr. Speaker, I would like to direct a question to the Minister of Energy and Resources Management. First, has the Minister received information from a Mr. Stevenson indicating that sources of pollution in the Kawartha Lakes, which were identified and reported to the OWRC last spring, have not been acted upon? Secondly, is the Minister making a reply to the request for free legal aid on the part of the OWRC in prosecuting individuals who are polluting these lakes?

Hon. Mr. Kerr: Mr. Speaker, I was handed the letter to which the hon. member refers, just before coming up this afternoon. I have not had an opportunity to investigate the tampering, apparently with a septic tank in the Kawartha Lakes area. I will get that information for him. The letter is rather confusing.

Regarding the authorization of free legal aid, under The Ontario Water Resources Commission Act any citizen can arrange with the local Crown attorney to lay a charge under that Act without any cost to the citizen, so it is not required, really to have a private solicitor or to have free legal aid.

Mr. Pitman: If I may ask a supplementary question, is the local Crown attorney forced to take action on the request of the individuals within the jurisdiction?

Hon. Mr. Kerr: Yes, if the local Crown attorney feels there is sufficient evidence to lay a charge, he will do so.

Mr. Pitman: A further supplementary, Mr. Speaker: Will the OWRC intercede on behalf of the individual to the Crown attorney to ensure that such action is taken and to provide information in some cases?

Hon. Mr. Kerr: The commission will always provide information when requested to do so by a local Crown attorney as the result of a charge being laid by a private citizen.

Mr. Pitman: Thank you.

Mr. Speaker: The member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Attorney General: In view of the fact that there appears to now be an announcement that Dr. Cotnam will be conducting the inquest into the death that occurred as a result of the gas explosion at Malton, and in view of the fact that it would appear that the fire marshal is continuing his investigation, and the Mississauga police are continuing their investigation and the inspectors of the energy board or the proper people out of The Department of Energy and Resources Management are continuing their investigation, does that mean government policy is that there will be no co-ordinated investigation and no enquiry by way of a Royal commission that will tie together all facets of the investigation into this very serious explosion?

Hon. A. A. Wishart (Minister of Justice): No, it does not mean that at all, Mr. Speaker. The matter of a larger investigation has been discussed. Policy has not been determined awaiting certain information from the fire marshal's report and other investigations. But the matter of government policy as to a wider investigation has not yet been determined.

Mr. Singer: By way of a supplementary, Mr. Speaker: Could the Attorney General advise us whether any special arrangements are being made to provide Dr. Cotnam with expert engineering and other technical advice on the conduct of his inquest?

Hon. Mr. Wishart: Mr. Speaker, the chief coroner has not brought that matter to my attention. I believe he has those powers; certainly if he needs expert evidence, this is quite a common thing, it will be available for him to get it. I have not discussed this particular inquest with him as yet.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): I have a question of the Minister of Energy and Resources

Management: What action does the Minister contemplate taking to assure that the sewage treatment plant in the city of Hamilton will not be unduly delayed as a result of the information disclosed today that the cost will be one third higher than anticipated and that the federal government has still not committed itself to taking part in this particular project?

Hon. Mr. Kerr: Mr. Speaker, as I indicated to the hon. member before, I would be willing to assist the mayor and Hamilton council in making an approach to the federal government to get a definite answer as to whether or not money will be available by way of a CMHA loan or otherwise to the city of Hamilton for this plant. Now, I understand—and possibly the hon. member has also seen a report—that the mayor of Hamilton has in fact been in Ottawa, has met with Mr. Greene, I believe, and members of his department and has not received a firm yes or no. Mayor Copps indicated that the federal government will let him know definitely by the end of this year.

If this plant is unduly postponed, in other words if there are not plans for its construction underway in the new year, it is quite possible that the OWRC will have to become more involved than it is now. But this will depend on what Ottawa's decision is and, I would assume, depend on the tenders that are being considered, I believe, this week.

Mr. Deans: Can I, by way of supplementary question, ask the Minister if he is aware that the tenders were opened today?

Hon. Mr. Kerr: Oh, I did not know that.

Mr. Deans: The lowest bid, as I understand it, was one third higher than the amount allocated by the city for the project, and in view of this it appears there may be an undue delay. I would request the Minister to give consideration to moving in and insisting on this project being completed immediately because of the pollution difficulties in the city.

Mr. Speaker: The member for Kent.

Mr. J. P. Spence (Kent): A question of the Minister of Public Works, which comes in five parts:

1. What will be the total construction and equipment cost, including the land, of the new building of the Ontario Institute for Studies in Education?

2. Why was the lease-back method chosen for this building and not for the Frost, Hepburn, Ferguson and Macdonald buildings?

3. Will the building not be hopelessly outdated for educational use at the end of 30 years, by which time $60 million will have been paid?

4. How can the government justify expenditure of $2 million a year for a facility which could have been operated for a fraction of this cost elsewhere in the province of Ontario?

5. Will the Minister convey my concern to the hon. Treasurer as he contemplates a provincial income tax?

Mr. Speaker: This is not a question of urgency, and therefore need not be answered at this question period.

Mr. Sargent: $60 million a year is urgent and important!

Mr. Speaker: It is a matter of importance, but not of urgency. If the hon. Minister wishes to take it on the order paper he may do so; otherwise I will direct that if the member wishes to give it, it will go on the order paper.

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, I wonder if it might be placed on the order paper. It is going to take some time to find out the actual cost.

Mr. Speaker: The member for Brantford.

Mr. Makarchuk: Mr. Speaker, I have a question of the Minister of Energy and Resources Management.

In view of the statement made by Mr. Bauer, chairman of the Grand River Conservation Authority, regarding the urgency of building dams in the river in order to ensure an adequate supply of water for Brantford and the areas downstream, and in view of the fact that the federal Liberal government has opted out of any responsibility for this, what does the Minister's department intend to do in this particular situation?

Hon. Mr. Kerr: Mr. Speaker, as a result of discussions with Mr. Bauer recently in my office, and the urgency of this particular programme, we are preparing a report to be submitted for consideration to see if we can obtain approval of a 75 per cent grant on water control programmes such as the Grand River.

As the hon. member knows, and as the press report indicates, the amount of the grant is based on a formula. In other words the more money the authority spends, the larger the grant from the province.

However, to reach 75 per cent would make the cost really prohibitive as far as the sharing by member municipalities are concerned. It may be that we will have to change our formula so that the grants could be more or less on an unconditional basis like other grants. But this is being considered by the government.

Mr. Makarchuk: By way of a supplementary question, Mr. Speaker, would the Minister indicate when he would have the report or the approximate time or date the report would be available?

Hon. Mr. Kerr: I would hope, approximately two weeks.

Mr. Nixon: A supplementary question, Mr. Speaker: Might we expect a similar consideration to be made for the other conservation authorities on major works of this type?

Hon. Mr. Kerr: Yes. Major flood control programmes of the size of the Grand River, such as the one in Halton West, would be considered in any new formula.

Mr. Speaker: The member for Sarnia.

Mr. Bullbrook: Mr. Speaker, I have a question for the Attorney General. Having been informed that there was a meeting between the Attorney General and/or some members of his department at Ottawa last week, I wonder if the Minister of Justice could advise this House what the content of the meeting was; whether there were any problems of a constitutional nature resolved; or any discussion relative to such matters as off-track betting?

Hon. Mr. Wishart: I think, Mr. Speaker, I may reveal some of the content. It was a meeting that was held without publicity media present and we did not make any public announcements so I certainly could not state what conclusions on matters of policy were arrived at.

The meeting was a meeting of the Attorneys General of all the provinces with the Minister of Justice as a preliminary to the federal-provincial conference of the Prime Minister and Prime Ministers of the provinces which will be held in December.

We were discussing at that meeting under the chairmanship of the Minister of Justice certain matters relating to the constitution, particularly the question of the entrenchment of certain rights and the matter of the judiciary and the courts as they might be affected by any new constitution. That is as far as I would be able to inform the hon. member, because we agreed that our report would go to the Prime Ministers at their meeting which is in the early part of December.

Mr. Speaker: The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): My question is to the Minister of Energy and Resources Management. In view of the findings that the waters of Lake Ontario, which are being used by the city of Hamilton, are deteriorating, and it is the concern of the city engineer that if the water treatment facilities are not improved quickly there will be a serious shortage of water in the Hamilton area, the board of control has recommended a $114,000 survey to be taken to investigate the needed improvement in water facilities. My question to the Minister is: Does the water resources commission not have the technical engineers who could do this survey at less cost or without cost to the city of Hamilton, in relation to the poor financial position of that city?

Hon. Mr. Kerr: Mr. Speaker, I am sure that if the Hamilton city council or the Hamilton works department—whoever is concerned with this study—would approach OWRC, they would receive the assistance of the commission. I really do not know just what is involved in the proposed study, whether it would be something more than the data and information the commission now has at the present time regarding drinking water facilities in Hamilton. However, I am sure, if the city made application or approached OWRC, it is quite possible they could save some money as far as the study is concerned.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Welch: I beg leave to present to the House the annual report for 1968 of the Civil Service Commission of Ontario.

Mr. Speaker: Motions.

Mr. Sargent: Mr. Speaker, on a point of order, from time to time we have had questions of the Ministry and they say they will have the information for the Opposition in

due course. When do we get that information? Very seldom does it come back; the Attorney General has promised information, so has the Minister of Mines (Mr. A. F. Lawrence). These things do not flow back across this way at all. When do we get that information? Do you have to prod them in the question period or what happens?

Mr. Speaker: I would presume that when the Minister has the information which he wishes to give, he would give it during a question period. At that time he will advise the Speaker the name of the member whose question he is answering and in the turn for a question from that side of the House the answer will be given.

Mr. Sargent: You do not really believe this, do you?

Mr. Speaker: This would have happened if the question had been answered on the day it was asked. I regret to say that I have no control over what happens to questions once they are taken as notice or put on the order paper. Therefore Mr. Speaker cannot give you any further information.

Mr. Sargent: Somebody should have, Mr. Speaker—

Mr. Speaker: The hon. member might do me the courtesy of allowing me to complete what I have to say before he interrupts.

Introduction of bills.

Hon. Mr. Welch: Mr. Speaker, before the orders of the day, as a matter of some interest: There have been a number of enquiries in connection with the agenda tomorrow of the standing committee on health. The chairman of that standing committee has asked me to indicate—to clear up any public misunderstanding—that the committee agenda has already been established for tomorrow; but some time during the course of its discussions tomorrow it plans to discuss its timetable and agenda for the consideration of Bill 194.

He says there has been a tremendous number of telegrams and telephone calls wanting to know when these public representations should be made. The chairman of the committee indicates that he wants to consult with his committee first, naturally, to discuss this programme and then to give some notice to the schedule of meetings which the committee will decide upon.

Mr. Speaker: Orders of the day.

THE ONTARIO SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS ACT, 1955

Hon. A. A. Wishart (Minister of Justice): In moving second reading, Mr. Speaker, I would like to say briefly, for the benefit of the debate which might follow on the principle of the bill, that when the bill comes to committee I shall be moving a number of amendments to it. I felt it might be wise to inform members of the House that there will be amendments which will reduce very substantially the occasions on which a warrant is required by an inspector or agent, provision for appeal from decisions of the animal review board, and various other amendments which I think will modify the bill very greatly in this respect.

I should inform the House that these amendments have come about largely as a result of meetings and discussions which I have had with members and the executive of the Ontario Humane Society and others interested in this legislation. We have found it possible to have a number of meetings with them over the past three or four months since the bill was first introduced and to accept in our discussions several of the proposals which were put forward by way of amendment. I, of course, cannot move these on second reading but I will be moving them when the bill comes to committee.

Mr. Speaker: I wonder if I might point out to the hon. Minister and other Ministers that statements such as he has made might better come as his opening discussion of the bill after the motion has been put, because the Minister is always entitled to make opening remarks and to close the debate. I would ask the hon. leader of the Opposition to wait until I put the motion before he engages in debate. I think it would be much better if we just had the motion and then discussion after the motion has been put.

Hon. Mr. Wishart moves second reading of Bill 74, An Act to amend The Ontario Society for the Prevention of Cruelty to Animals Act, 1955.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I think that in the few remarks that the Attorney General put before the House on moving second reading, some of the problems associated with this whole matter were brought to the fore. He said that in negotiations over the last three or four

months he has decided on certain amendments which under our rules of course, cannot be put forward before we discuss it a second time and before we read it a second time.

You recall, sir, that the bill was originally introduced on February 19, which means, of course, that there was inadequate consultation before the bill was brought forward for first reading, in conjunction with the companion bill, which was put before the House by the Minister of Agriculture and Food (Mr. Stewart), and which has since been withdrawn. In both cases the lack of consultation has caused the withdrawal of the bill and its substitution by another one which is being considered by the standing committee on health later in this month and, secondly, the announcement by the Attorney General of extensive amendments to a bill to which we are called upon to give second reading and approval in principle without even knowing what the amendments are.

It might be possible that the hon. Minister in his discussions on this debate could indicate what his amendments were, but still we would be called upon to vote on the bill as it is in our books now. I cannot claim any great parliamentary experience—and there are people on both sides who are prepared to say "hear, hear" to that—but surely in this session more than any other, the Ministry has attempted to amend bills after first reading and before second reading much more so than was ever attempted in the past. I believe there is a lack of consultation, a lack of judgment associated with the introduction of bills, very characteristic of Bill 74, which is before us this afternoon.

The Attorney General is aware of the almost unprecedented motion made by the Minister of Agriculture and Food when he indicated that Bill 194 should go to the committee on health—not to the committee on agriculture—and be discussed there, not only by the members of the Legislature but by anybody else in the community who might be interested in it, such as farmers, doctors concerned with the supply of research animals, humane society representatives and others. I am not knocking that procedure. It is a procedure which I think is certainly good in this particular instance.

It is an example, in my view, of lack of consultation, and we are bending the rules of the House to accommodate a problem that the Minister, himself, has got himself into. But the same is true of this bill and this Minister. The Attorney General has now indicated that the bill will be extensively amended before it actually becomes law. I would submit to you, Mr. Speaker, that it is unfair and undemocratic, it is unreasonable to ask this House to consider the bill in its present form. The Minister has indicated that there has been much consultation in the last three or four months which is tantamount to admitting there was inadequate consultation before the bill was introduced.

For these reasons, Mr. Speaker, I would ask you to consider the problem that we face in Opposition. We are asked by you, sir, to consider the bill a second time, either to disapprove of its principle or approve of its principle, when, in fact, we do not know what the principle is. The Attorney General himself really should know better. The Attorney General, who should be the last one to put legislation like this before the House, is guilty of misusing the authority he has in the administration and as the Attorney General.

Surely he cannot consider it democratic to use the large majority which supports the government to bull this through on this occasion, and give it approval in principle.

For this reason, Mr. Speaker, I move, seconded by the member for Downsview (Mr. Singer), that Bill 74 be not now read a second time, but be referred to the standing committee on health for consideration with Bill 194 previously referred.

Mr. Speaker: Mr. Nixon moves, seconded by Mr. Singer, that Bill 74 be not now read a second time, but be referred to the standing committee on health for consideration with Bill 194 previously referred.

Mr. J. Renwick (Riverdale): Mr. Speaker, in the interests of the economy of time I simply say that this party associates itself with the position taken by the Liberal Party. We will support the motion.

Hon. Mr. Wishart: Mr. Speaker—

Mr. Speaker: Perhaps before the Minister speaks, we might ascertain if there is any other member who wishes to speak on the matter.

Mr. V. M. Singer (Downsview): Mr. Speaker, if the Attorney General is prepared to accede to the motion moved by my leader, it will be unnecessary for me, at least, to take part in this debate.

If he intends to press for second reading, then I have some extensive remarks I would

choose to make and, while it is not in accordance with the rules, I would be quite prepared to allow the Attorney General to speak a second time and conclude the debate solely for the purpose of clarifying his approach to my leader's motion.

Hon. Mr. Wishart: Not for a moment, Mr. Speaker, would I entertain the motion.

Mr. Nixon: That shames the Minister.

Hon. Mr. Wishart: The amendments which I indicated I would be moving, diminish the area in which a warrant was required. That does not change the principle of the use of a warrant, which is in line with Mr. McRuer's recommendations. The other thing I indicated was the provision of an appeal from the review board; that is not a change in principle, it is an extension.

Mr. J. E. Bullbrook (Sarnia): It is a very extensive change.

Hon. Mr. Wishart: It is an extension of protection, but it is no change in principle.

Mr. Speaker: Perhaps the hon. Minister, then, would retain his position as the closing speaker in the debate and the hon. member for Downsview could then take the floor knowing how the Minister proposes to deal with it.

Mr. Singer: Thank you, Mr. Speaker. In support of the motion made by my leader, let me say that it is very difficult for us members of the Opposition to really understand how the government attempts to run the business of this province.

For the third or fourth time in a row, and it always happens that the task falls to the Minister of Mines (Mr. A. F. Lawrence), last Thursday night he indicated to us a different order of business than in fact, we are carrying on this afternoon.

On Thursday, Mr. Speaker, as you know—

Hon. W. D. McKeough (Minister of Municipal Affairs): Oh, get on with it.

Mr. Singer: —a practice has arisen that we would be told what is going to happen. In fact, on Monday evening that was changed and we were told Bill 74 was going to be debated. Bill 74 involves some very important principles. So the government, without notice to us, indicated that this was the bill we were going to debate.

Then the Attorney General rises, Mr. Speaker, in his place at the beginning of the debate to indicate that there are going to be very substantial amendments which he will introduce in due course.

It is impossible, and I am sure any fair minded person will agree with me, it is impossible, Mr. Speaker, to reasonably prepare for the business of this House when the notice that we get about what it is going to be is changed 24 hours before it is about ready to take place.

Secondly, when we do get on to a specific bill, then the responsible Minister says the bill that we are going to pass is not really the bill that we have before us.

I do not know, and nobody really knows, Mr. Speaker, except the Attorney General, to whom he has shown copies of the amendments. He certainly has not shown any to us or indicated the extent to which, if at all, those amendments change the principle of the bill.

What we have here, Mr. Speaker, is a bill that allows seizure and search without a warrant, quite contrary to the various principles that Mr. McRuer set out in his report in volume 1, chapter 31, pages 410 to 426.

Hon. Mr. Wishart: The hon. member is confused. This bill does no such thing.

Mr. Singer: Yes it does. The Attorney General shakes his head and says, "No, no, no". Well, if the Attorney General shakes his head and says, "No, no, no", then there must be something in his amendments that is not in the bill, which enforces the point that I am trying to put forward.

All we can go on is what is here in this printed bill before us. We do not know what he has got in his amendments and he has not told us. He has not given us the courtesy of even sending a copy of those amendments—

Hon. Mr. Wishart: If the hon. member will permit. The bill, as it was, The Humane Society Act—

Hon. R. S. Welch (Provincial Secretary): Bill 74.

Hon. Mr. Wishart: —was a bill which did permit the widest search and seizure without warrant. What this bill does is provide for the use of the warrant, the very reverse of what the hon. member seems to have in his mind. I agree that it was February 19 that—

Hon. A. F. Lawrence (Minister of Mines): Resign!

Hon. A. Grossman (Minister of Correctional Services): The hon. member for Downsview should resign.

Mr. Nixon: It has been nine months on the order paper, if the Minister wants to make a point.

Hon. Mr. Wishart: Nine months.

Mr. Nixon: It is about time we got something out of nine months gestation.

Interjections by hon. members.

Mr. Singer: Are they all through?

Interjections by hon. members.

Mr. Singer: Mr. Speaker, if I may continue: Bill 74 is designed as a bill to amend The Ontario Society for the Prevention of Cruelty to Animals Act, 1955. Section 11-1 of the Act, the existing Act, gives inspectors and agents all powers of a police officer. The Attorney General bases his case for this amendment on chapter 31 of McRuer's report which appears at pages 410 to 426.

But I think, Mr. Speaker, that it must be noted that these recommendations relate to searches to gather evidence, to seize documents and chattels, and so on, and do not relate either to searches concerning human beings, or insofar as animals are concerned.

I think that important distinction has to be made when one looks at the recommendations made by Mr. Justice McRuer. I would suggest, Mr. Speaker, that the Attorney General has missed completely this very important distinction.

In view of all the catcalls that emanated from the front benches of the third party and from the government side, I would like to hear the views of the Provincial Secretary and certainly those of the member for York South (Mr. MacDonald) in connection with that very important point, Mr. Speaker, because that is the whole thrust of my argument against this bill.

I think it is a very important point, and I know both the member for York South and the Provincial Secretary have studied this very carefully, and I think in due course we should have the benefit of their considered opinion on this.

However, Mr. McRuer did not—and this is why I say—he did not mention children and cruelty to them, or cruelty to animals. Now the Attorney General, when he says he is adopting these recommendations, is comparing apples to oranges. The Attorney General must well know, Mr. Speaker, that it is the part of the law of this country and of this province that where a peace officer believes that an indictable offence is being committed he can enter without a warrant. If he believes a child is being abused, because cruelty to children is an offence under section 186 of the Criminal Code and an indictable offence, he can enter without a warrant.

Then insofar as cruelty to animals is concerned, Mr. Speaker, sections 387 to 390 of the code deal with those. I am sure the member for York South is familiar with those sections as is the Provincial Secretary, and can probably quote them from memory. However, they are there—sections 387 and 390—and interestingly enough, Mr. Speaker, as you well know, those are summary conviction offences and not indictable offences. The distinction is a very material distinction, because for summary conviction offences there is no such power given to peace officers.

That was why the power was given in the 1955 Ontario Act, the original Act that is now being amended, to allow inspectors and agents all the powers of a police officer, and it seemed to make some sense at that time. Even in the Criminal Code, noting particularly section 390, Mr. Speaker—and 390, as the member for Riverdale knows full well, refers to the powers of a peace officer who, believing on reasonable and probable grounds that a person has failed to comply with section 389 in respect of a vehicle or a vessel at any time, may enter the vehicle or go aboard the vessel—there is a distinction. A peace officer is given, in this unusual instance, the power to enter a vehicle or vessel, but in no other case is this given. So, Mr. Speaker, I do not see why this same principle, that has been a part of our law for such a considerable length of time, is not carried on here.

In other words, the Criminal Code gives a peace officer the power to enter where he believes an indictable offence is taking place. Under The Ontario Society for the Prevention of Cruelty to Animals Act an agent is made a peace officer, so that he has certain powers of a peace officer. Why that principle cannot be carried through and why the Attorney General resorts to these various recommendations that Mr. Justice McRuer made, I do not know. McRuer's recommendations about review and applications to a justice of the peace and the judicial criteria and so on, relate absolutely and only to the seizure of chattels, and the important distinction that has gone on, and has been continued in our criminal law for many, many years—

Hon. Mr. Wishart: An animal is a chattel, that is where the word comes from.

Mr. Singer: Well, it would seem to me, Mr. Speaker, that the Attorney General is just unable to follow the distinction. It would seem to me much more logical that you would compare cruelty to animals to cruelty to children rather than improper possession of chattels. It seems much more logical that we should be concerned in our law-enforcement process about stopping cruelty to animals than in comparing it to the holding of stolen goods or the improper holding of chattels, automobiles, television sets, and that sort of thing.

In looking for some sort of an excuse and something to hang his hat on, the Attorney General has improperly read McRuer and, as I say, he takes a series of recommendations that Mr. McRuer has made quite properly in relation to the rights of power of entry and seizure and so on relating to chattels, and tries to draw the parallel. It would seem to me that, if an animal is being abused, the powers presently existing by virtue of the provisions of the present section 11 of the existing Act are sufficient and we should be concerned here, Mr. Speaker, with allowing those people who are peace officers to stop cruelty to animals when it is going on, without the necessity of taking all of these safeguarding steps that McRuer recommends which relate only to chattels.

That is a substantial argument and I think that the Attorney General for some reason best known to himself, unless he has changed it in these secret amendments that he has not told us about, has completely and entirely missed the point. Here is a statute that sat on the statute books and seems to have been reasonably well administered over a period of years, at least since 1955; here is a statute that to my knowledge in any event has caused no one any great trouble. But in view of the first three versions of the statutes brought in by the Minister of Agriculture and Food, the Attorney General appears to want to show that something has to be done to keep certain people in their place.

I think you are going about it in the wrong way. What is the public interest in this? The public interest surely must dictate that we would like peace officers to have the power to stop animals being abused when a peace officer believes that that situation is going on, and there should not be the necessity of going through all these steps—the applying for a warrant, the criteria for a justice of the peace before he issues a warrant, and so on—if an animal is in fact being abused, or if a peace officer believes he has reasonable grounds to take action.

Why do you suddenly introduce this, unless you want to harass certain people? I see no reason. The very fascinating thing, Mr. Speaker, in this debate, is that the Minister of Agriculture and Food is much more concerned about the provisions of this bill than is the Attorney General. And I say, sir, again, and without having to bore the House and without having to take up unnecessarily the time of the House in reading everything that McRuer has to say through these pages, including all of his recommendations, that even someone as intelligent as the hon. member for Riverdale would agree with me if he has read this recently—I am sure he reads it every evening—that the recommendations numbered 1 to 10 on pages 422 and 423 of McRuer relate only to the seizure of chattels, and it is an improbable, illogical and unreasonable conclusion to draw that chattels are the same as animals.

We must be concerned, Mr. Speaker, with stopping cruelty to animals. I do not think any member of the House will disagree with that. Why they put all these safeguards and all these hurdles in the way of peace officers who for 14 years have apparently been looking after this reasonably, why they purport to do that now when there is no apparent incidence that I am aware of, or that the Attorney General has indicated to us, of these powers being abused, and there is no departure from McRuer's recommendations, escapes all reason.

It may be, sir, as I say, that the secret amendments change the whole thrust of the bill and this is a better justification. But for those reasons as well, sir, I urge the members of the House to support the amendment put forward by my leader. Certainly I think this bill is badly cast. The Attorney General has missed McRuer's point; he has acceded to the unfortunate urgings of his colleague, the Minister of Agriculture and Food, and neither of them really knows what they are trying to do in this except, apparently, they are out to punish a certain group of people who seem to have been carrying on a reasonable job in the province of Ontario.

Mr. Speaker: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, I, too, am a little aggrieved that the Attorney General should indicate to the House at this

late hour his intention to amend. How fundamental the amendments are is not really disclosed, but in any event we are not presented even now with what the amendments may consist of. We are asked to approve in principle something—because we do not know precisely what the principle is—that we cannot possibly accede to.

Some hon. members: Hear, hear.

Mr. Lawlor: Surely even the Attorney General, who in general and in most instances is a man of great suavity and reasonableness, must in this context feel that he is placing the Opposition at a disadvantage—at a severe disadvantage. This bill ought not, in my opinion, to go forward to the health committee or any other committee unless it goes in tandem with Bill 73 where the whole ramifications of the future treatment of animals in this province—who will have jurisdiction and who will not, who will be able to destroy animals and who will not, who really makes search and seizure and under what conditions and who may not—will be before us in an omnibus way, where we can look at the thing in its totality, because what machinations the government is going through over these pieces of legislation, as my friend from Scarborough West (Mr. Lewis) says, boggles the mind.

Interjections by hon. members.

Mr. Lawlor: No other piece of legislation in my experience has brought such an avalanche of public protest. At this late date, to subject us to, I would say, the ignominy of being asked to peruse and pass legislation—the full impact and the niceties of which are not known to us—is a dereliction of the democratic process; there is nothing less.

I have one other point to make on this Mr. Speaker, and that concerns the new animal-care review board. There may be justification in this instance for this review board, but I think I will take six months out to count up the number of new boards that we have brought into being through the auspices of this House. Soon, Mr. Speaker, there will not be a Conservative in the province out of work; the courts will be completely filled. Maybe as they reach the end of their tenure, they feel this closing in and they want to get the boys into a slot—

Mr. C. G. Pilkey (Oshawa): Even they are having trouble filling them.

Mr. Lawlor: It will only mean the return of the spoils system, because we will have to carry out a mass exodus from the various boards whose number I am beginning to lose track of. In any event it is most unfair that we should be presented in this way at this late hour with the forthcoming amendments. Could the Minister not have seen fit—in the case of The Assessment Act which we will discuss this afternoon, I trust, *ad nauseam*—to present to us a day or two before, at least, what he intends to change? It could have been placed on our desks, so that we would know what we have to contend with. But the Attorney General—much to my chagrin, and it redounds no credit on his head in this instance—does not see fit to do even that much for the Opposition.

Mr. D. C. MacDonald (York South): For the public, not just for the Opposition.

Mr. Speaker: The member for Sarnia.

Mr. Bullbrook: I rise in support of my leader's motion but collaterally invite you, sir, to concern yourself with and direct us as to the question of the propriety of the order of this matter before you at this time and before us for consideration. It deals with the comments by the hon. member for Lakeshore. I direct your attention, sir, if I might, to the summary of the rules of this House—"Parliamentary Procedure in Ontario by Alec Lewis"—and at page 56 dealing with second reading, if I might, it says:

> After the bill has been printed and distributed it stands on the order paper for second reading and the sponsor may then move for second reading when the order is read by the clerk at the table on an appropriate day.

I believe this to be the most significant part, sir. On the second reading it states:

> The sponsor must explain the principle of his bill and convince the House that it is a principle which should be approved.

The point I make is this, sir: How do we really know whether the principle of this bill has been changed or not?

I bring this to your attention if I might: We have the gratuitous comment from the Minister of Justice that there is going to be an appeal procedure enshrined in this bill for the beginning of a board called the animal care review board, and there is no provision in this legislation for an appeal from that board, sir. We have recorded in the deliberations of the House the comment by the Attorney General that such an appeal

procedure is going to be provided for. I suggest to you, sir, as the Speaker of this House, as someone extremely knowledgeable in the law, that the establishment of an appeal tribunal is an essential principle as far as the House deliberating a matter is concerned. It goes without saying that the hon. Mr. McRuer spent literally pages on the question of appeals from administrative tribunals.

The point I wish to make is this: I associate myself entirely with the comments made by the leader in connection with the motion that he made, but I invite your consideration, after listening to the Attorney General, on whether he has really carried the obligation incumbent upon him under the rules and whether he has in fact convinced the House that it is a principle which should be approved, when in point of fact we know that there is not enshrined in this bill presently on the order paper, any appeal provision whatsoever.

I suggest that as a matter of logic, sir, the insertion of an appeal provision is truly a question of principle, truly a question of whether we can vote for the bill or not in principle. Some of us are extremely concerned with the adequacy of the instant bill without any provision as to appeal. I suggest, as I said before, that the gratuitous comment that an appeal provision will be enshrined in the ultimate legislation is not satisfactory to the members of this House, and therefore, sir, I attempt to persuade you, in point of fact, that what is going on here is in effect out of order. There is really no necessity—I say this most respectfully, of course—for my leader's motion, that in effect second reading should not be given to this bill, because the proponent of this bill is not able to convince us as to the principles enshrined in it.

Mr. Speaker: Of course, the hon. member may have been reading from comments on Lewis, but the hon. member has not been considering what the facts of this House have been. As yet, the hon. Minister has not made the attempt to convince either Mr. Speaker or the House that the principle of the bill is correct. The procedure of this House agreed to some time ago is that the Minister may or may not, on second reading of the bill, make a statement or begin the debate. But he normally will close it, and I would anticipate that the hon. Minister, at the appropriate time, will endeavour to provide the support for the principle of the bill.

Therefore, so far as I am concerned, the proceedings are quite in order in the way they have been carried out in this House for many sessions. Secondly, may I say this, that so far as I am concerned the bill which is presently before the House to be debated on a matter of principle, is a bill which is printed, and it is a bill towards which the members have been and should be directing their remarks. If the Minister in charge does indicate that there is some change, that actually should not affect the consideration of the principle of the bill as submitted; I think that the members are entitled to debate the bill as it is printed. If they wish to take into account the suggestion that the Minister has made, or may have made on this occasion, of course, that is entirely up to them, and I will allow that to be part of the debate. But strictly speaking, the debate is on the principle of the bill as it is printed and before the House at the present time.

I do not know whether that deals with the problem of the member for Sarnia, but if he has anything further, I will be glad to hear about them.

Mr. Bullbrook: In connection with your first comment, my entire remarks premised a reply or the attempt by the hon. Attorney General to convince this Legislature that the principle contained in the bill, was an appropriate principle. As to the second remark, I say this to you: I envy you enlarging my knowledge, but if I might, Mr. Speaker, am I to understand then, that after we debate a bill on second reading on principle, in effect new principles can be brought in to that bill in committee, and then when we come back to debate it section by section, we are not then entitled to discuss the question of principle.

Mr. Lawlor: They have been doing it for years. That is how they get the legislation through.

Mr. Bullbrook: I am sorry, Mr. Speaker, I was directing the question to you, and obviously some—

Mr. Speaker: No. I suspect that the hon. member—

Mr. Bullbrook: Would you mind answering that for me, sir?

Mr. Speaker: I would prefer to say this because there is no need for the Speaker to enter into this debate—and on this I think the member for Sarnia will agree with me—that an order of the day was called after Mr. Speaker called the orders of the day. It was moved

and eventually placed by Mr. Speaker, although it should have been placed before there was any comment. The debate is on that order of the day. I bow to the hon. member's view that he was predicating his statement on the fact that the Minister would make a reply. Of course, I feel that the Minister will do that and therefore I feel that it is not for me to interfere in the debate.

Finally, it is my view that if it is not proper, the order of the day will not receive the approval of the House. Mr. Speaker does not decide that. It is decided by a vote of the House. Therefore, as far as I am concerned, the matter is properly before the House and is properly under debate. I would ask that the debate continue.

Mr. Bullbrook: Then you would so rule?

Mr. Speaker: I would so rule.

Mr. S. Lewis (Scarborough West): Mr. Speaker, I want to register a personal protest about the absurdity of the proceedings this afternoon. The Attorney General is engaging in something that does not become him. He is going to make fundamental alterations in the bill, things which many of us see will reflect on principle. It is ridiculous to engage in the charade in the Legislature, when amendments have been pre-announced. I am not interested in debating the unreality of the bill which is before us, and which may subsequently be amended. I would like to know what those amendments are.

This discussion of dogs and cats, Mr. Speaker, in this Legislature does very strange things to many members. It has affected the Minister of Justice psychologically; he is beginning to think he is Napoleon in "Animal Farm" being very much carried away, snorting gratuitously in the front benches. I suggest to him very strongly that it really does not fit. He will, of course, take the obvious position on second reading, but he might well have led off the debate, as he is entitled to do, and indicated to the members of the House what it is he intends to change.

Mr. Singer: And furnished copies of the proposed amendment.

Mr. Speaker: Are there any other members who wish to enter into this discussion before the hon. Minister has the opportunity to close the debate?

Mr. Bullbrook: I think discussions are redundant.

Mr. MacDonald: Mr. Speaker, I do not want to enter into the substance of the debate but I must say I have been listening to what has been going on here and I have become more and more baffled. I cannot understand why you, sir, as the man responsible for the direction of the business of this House, will tolerate the proposition of a Minister getting up and saying "There are going to be amendments but I am not going to tell you now".

It is idle for us to debate a bill that is going to be amended. How can you say that this is not in your jurisdiction?

This is a violation of the traditional procedures of the House. If you are not going to protect the traditional procedures of the House, who is going to? The Minister had an opportunity to get up and, in effect, taking us into his confidence. Quite frankly, if he is not willing to get up, you have the responsibility to say that the House cannot and should not debate a bill, the substance of which we do not know, and be faced afterwards with a change in the bill when we have lost the opportunity to debate second reading on the real bill.

If you think this is not your job, I do not know whose job it is. I will be curious to find out because it is somebody's job and I submit with all respect it is yours.

Mr. Speaker: The hon. member for York South has merely rephrased the comments of the member for Sarnia. I must say that I do not agree with him. I do not think that this is, in this case, the Speaker's responsibility to deal with a matter which is properly before the House for the members to deal with.

On the other hand it is a question of great interest and, perhaps, of some moment. I certainly will be glad to look into it and get some advice from the authorities and precedents of this House and those that we follow. If I find anything to the contrary, I will certainly report to the House and in future we will be guided accordingly.

Meantime, as far as I am concerned at this time, I rule that the matter is in order, and is proceeding on a normal course and according to the precedents and customs of this House. Unless any other member wishes to engage in the debate, the Minister may now have the opportunity to do what so many members of the Opposition have been mentioning he should do. Any further member?

Mr. G. Ben (Humber): The Minister is making a mockery out of it.

Hon. Mr. Wishart: Mr. Speaker, Bill 74 was one of those pieces of legislation which was introduced early in this session. By force of various circumstances, it was left along with several others which I introduced on the order paper and they are still there. We have been dealing with some of them in the past week or so at various stages of their progress through the House. This bill has been untouched as it comes here after its introduction and first reading. I am prepared to carry the principle of this bill before this House as it appears in the printed bill before you.

Perhaps I should not have done the members of the House the courtesy of indicating that I was prepared to make certain amendments. I thought that was a proper thing to do, Mr. Speaker. I thought it might save some time of the House. I thought time was an element of concern to us and getting on with the business of this House; so I did it as a courtesy—and perhaps it was a gratuitous comment, as the hon. member for Sarnia calls it. Let me say to him, he may rely upon it. It may be gratuitous, but when I say there will be an amendment there will be an amendment. When I indicate, Mr. Speaker, that there will be an appeal procedure, I mean it.

I am prepared, however, to carry the principle of this bill and to vote on this motion on the principle of this bill as it is before you. Because, I say, the principle is not changed.

Mr. Ben: It sounds so elliptical.

Hon. Mr. Wishart: To change the areas in which an inspector can act, with or without a warrant, with certain conditions to modify those, is not a change in the principle. The inspector of the humane society, when he takes certain steps of seizure and possession and entry, must have a warrant. To modify those conditions, this is no change in principle.

The principle is, as Mr. McRuer stated, that there must be some protection; the section of the repealed former Act—12, 13 and 14—provided none at all. Those sections said that an inspector of the society, if there is reasonable ground for believing that an animal has been confined in any place without food, water, and so on goes on through three sections, and all three of them, 12, 13 and 14, start: "If there is reasonable ground for believing . . ." and ends ". . . the animal will be seized and taken and removed therefrom." An inspector may take possession of it in any place for the purpose of having an examination, and may destroy it. By the repeal of those sections, we throw around the person who owns the animal, and around the animal to a degree, a protection that can only be dealt with by the obtaining of a warrant.

Mr. Singer: You hang that on to a section relating to chattels.

Hon. Mr. Wishart: The hon. member for Downsview interjects. In his remarks he was urging that we should make the provisions of this provincial statute equivalent to the requirements—at least, to the non-requirements—of the obtaining of a warrant in those sections in the Criminal Code concerning indictable offences. That is what the—

Mr. Singer: Relating to children, that is right—the way it has been for 14 years.

Hon. Mr. Wishart: The hon. member for Downsview is saying that we should make this provincial statute in this area equivalent to the requirements, or to the non-requirements, of an indictable offence under the Criminal Code.

Mr. Singer: The way they have had it for 14 years.

Hon. Mr. Wishart: Yes. Let me tell him one of the reasons for this legislation is that there have been so many complaints about the way this power has been used. I have great respect and great admiration for the functions and the performance of the humane society and the many great things that it has done. But that is not to blink one's eyes, and to say that some of its inspectors—poorly trained, many of them, with little knowledge, little instruction, many of them with little knowledge of law or of rights—have abused their powers. This is something one might expect occasionally of officials appointed in that way. Many of them are poorly paid; and I am not being critical of them when I say that. They are part-time, very poorly paid, and they have abused their powers in many cases of which we have knowledge.

Mr. Singer: How many written complaints has the Minister had? One? Ten?

Hon. Mr. Wishart: I could give the hon. member quite a story, quite a serial, of the complaints that have been received.

Mr. Singer: How many have you had over the 14 years?

Hon. Mr. Wishart: I cannot specifically say—

Mr. Singer: No, I did not think you could.

Hon. Mr. Wishart: I cannot say if there are 100, or 150, or 50 to the hon. member at the moment.

Mr. Singer: Might even have been three or four.

Hon. Mr. Wishart: I can say that there have been many. For that reason, it was felt wise to bring forward this legislation and to throw some protection around this area. To simply say that I am proposing, that I will propose, an amendment to modify those conditions is in no way to change the principle of the bill. I reiterate that.

When we come to the Land Review Board I agree, I heartily agree, with the hon. member for Sarnia that one of the things that the Act should have provided when we drafted it was the appeal procedure. We overlooked it. To indicate surely to hon. members that we are carrying that procedure further is not a change in principle.

Mr. Bullbrook: Well, now you say it is not.

Hon. Mr. Wishart: I say it is not.

Mr. Bullbrook: The provision of an appeal is not a change of principle.

Hon. Mr. Wishart: In any event, if it is I do not think it should give the hon. member concern. If I were moving in the other direction, removing an appeal—

Mr. Singer: How can we know whether to be concerned or not—

Mr. Bullbrook: May I rise on a point of order, the point of order being that the Attorney General has addressed himself to an admission that it is a change in principle—

Hon. Mr. Wishart: No.

Mr. Bullbrook: —that it is not a question of which way it goes, that it is a question of the rules of this House?

Hon. Mr. Wishart: Mr. Speaker, let me say again if it was not clear to the hon. member, I say there is no change in principle. To extend a judicial procedure beyond the area where it is originally as shown in this bill is not a change.

It is an extension of the principle if anything—of procedure, of review, of hearing. I will take this bill forward as it is printed before you, but the motion that the bill be not read is nonsensical, Mr. Speaker, in my view, if I may so term it, and I would oppose it.

I think this debate is in large part a waste of time because I do not think some of the hon. members who have spoken—certainly the hon. member for Downsview—

Mr. MacDonald: We agree with the Minister, it is a total waste of time.

Hon. Mr. Wishart: The hon. member for Downsview scarcely knew what he was discussing when he first stood up.

Mr. Singer: The Minister never knew what McRuer said on those pages and I will read them to him if he wants. The Attorney General does not know the difference between chattels and animals.

Hon. Mr. Wishart: He thought the bill that we were proposing was one to put further restrictions on—

Mr. Nixon: Well, what about the amendment? Why should it be coupled with the other bill as they have been right from the beginning?

Mr. Singer: Will the Minister tell us why he suddenly has to change this procedure after 14 years?

Hon. Mr. Wishart: Because there have been many complaints. Because there have been abuses—

Mr. Singer: The Minister has not established that at all.

Hon. Mr. Wishart: The hon. member, because he does not know the facts, does not think it important.

Mr. Singer: Why does the Minister not bring them before the House?

Hon. Mr. Wishart: I tell the hon. member that because he does not know the facts is no reason to say they are not so.

Hon. Mr. Grossman: He does not want to be confused by the facts.

Hon. Mr. Wishart: Mr. Speaker, I have brought many pieces of legislation before this House and debate has taken place on second reading. At the time, I well knew that I would perhaps be presenting 15 or 20 amendments as a bill went through committee, and to simply say on this occasion I will be presenting amendments is certainly surely not a discourtesy, but I thought a courtesy to the House.

I say, what I have in mind to do will not change the principle of this bill. Vote on the bill as it is before you. That is the way I propose to submit it to this House and I oppose the motion, Mr. Speaker.

Mr. Singer: It is a bad bill as it is before us.

Mr. Nixon: You have not given any indication to oppose the motion at all. Not at all.

Mr. Speaker: The member will recall that in this type of a motion the first question to be decided is shall the word "now" and the other words sought to be struck out stand as part of the motion.

The House divided on the question "shall the word now stand as part of the motion," which question was decided in the affirmative on the following vote:

Ayes	Nays
Allan	Ben
Apps	Bolton
Auld	Braithwaite
Bales	Bukator
Belanger	Bullbrook
Boyer	Burr
Carruthers	Deacon
Connell	Deans
Davis	Edighoffer
Downer	Ferrier
Dymond	Gaunt
Evans	Gisborn
Gilbertson	Good
Gomme	Innes
Grossman	Lawlor
Haskett	MacDonald
Henderson	Makarchuk
Hodgson (York North)	Martel
Johnston (Parry Sound)	Newman (Windsor-Walkerville)
Johnston (Carleton)	Nixon
Kennedy	Paterson
Kerr	Peacock
Lawrence (Carleton East)	Pilkey
Lawrence (St. George)	Pitman
MacNaughton	Reid (Rainy Reid)
Morningstar	Reid (Scarborough East)
McKeough	Renwick (Mrs.) (Scarborough Centre)
McNeil	Ruston
Newman (Ontario South)	Sargent
Potter	Singer
Pritchard (Mrs.)	Smith (Nipissing)
Reilly	Spence
Robarts	Worton
Rollins	Young—34.
Root	
Rowe	
Rowntree	
Simonett	
Smith (Hamilton Mountain)	
Snow	
Stewart	
Villeneuve	
Welch	
Wells	
Whitney	
Winkler	
Wishart	
Yakabuski	
Yaremko—49.	

Clerk of the House: Mr. Speaker, the "ayes" are 49, the "nays" 34.

Mr. Speaker: I declare the motion for second reading of Bill 74 carried.

Motion agreed to, second reading of the bill.

Hon. Mr. Welch: Mr. Speaker, may I ask the concurrence of the House to return to motions.

Mr. Speaker: I believe it is a motion to replace a member on a committee sitting tomorrow, and I would hope the House would approve us going back to the order of motions.

Mr. Reilly moves that Mr. Snow be substituted for Mr. Rowe on the standing health committee.

Motion agreed to.

FARMS ON WHICH PREGNANT MARES ARE KEPT FOR URINE

Hon. W. A. Stewart (Minister of Agriculture and Food) moves second reading of Bill 196, An Act to regulate farms on which pregnant mares are kept for the collection of urine.

Mr. Speaker: The hon. member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Speaker, this matter of the care and safety in the handling of pregnant mares was raised in the agricultural estimates about two years ago. At that time we were assured by the Minister that everything was perfect in the

field; in fact, he gave us an example of how his own mare was kept on one of these farms and was returned in excellent condition. Possibly this year it did not come back in exactly the same condition, and now we have a bill. Actually, in principle, we will support the bill. I think it is a good bill, it has a considerable amount of merit and I think it was necessary. It also, at this time at least, acknowledges—or the Minister acknowledges —that there was a considerable amount of abuse by certain people in the way that the animals, or the pregnant mares, were handled by them.

The other factor in this bill that I think should be considered—I would ask the Minister to give this great consideration when the bill comes into committee—is to introduce an amendment which would prohibit drug companies or any manufacturing companies who are processing, manufacturing or handling the derivatives from the urine, from owning, operating or having any particular kind of interest in these farms. The reason for this, of course, is that the Minister himself has raised the alarm regarding vertical integration in the agricultural sector.

This is something that was mentioned in the 1967-1968 estimates, and this would be one very tangible way of preserving this principle of protecting the farmer from various forms of vertical integration. I think the Minister is aware of the fact that you do not have to control a great portion of the market or provide a great portion of the supply; but the fact that you can control a certain percentage of the market places a company in a position to manipulate prices to a good extent, and in most cases where the corporations have the advantage or have been in the position to manipulate prices, the result was that the farmers suffered in the end.

So I would suggest to the Minister that when the bill comes up for reading in committee, we include an amendment in the bill prohibiting corporations or the companies who are processing the material from handling or operating these farms. If the Minister does not bring in that amendment, then we shall certainly introduce an amendment at that time.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, my comments are going to be very brief. We, in this party, support the principle of the bill. I think there are a number of principles embraced in the bill: for instance, the licensing of the farm operators, the licensing of the contractors, the review board and the provision for inspection of these farms. All these things we support. Undoubtedly there have been abuses in the past. I think we have all read about them. In some cases we have read with amazement about the abuses that have taken place from time to time, but presumably this will be corrected. I understand that the inspection will be done under the veterinary services branch of the department, and I presume that this will be done on a regular basis.

Certainly this is the branch which should have the function of inspection, in my opinion. They are well qualified people and they should be able to do a very commendable job in this area. This is a type of operation that has mushroomed in the last number of years. There are many operators across this province, some of whom are fairly large operators. They have a good many foals and mares and they produce large quantities of urine for the manufacture of drugs. We are happy to see this legislation, Mr. Speaker, and we endorse it.

Mr. Speaker: Any other member who wishes to speak to this bill? Does the Minister wish to make any comment?

Hon. Mr. Stewart: Not really, Mr. Speaker. I appreciate the support the hon. members have indicated.

Mr. Speaker: The motion is for second reading of Bill 196.

Motion agreed to; second reading of the bill.

Mr. Speaker: May I ask the House, shall this bill be ordered for third reading? Remember the new procedure.

An hon. member: No.

Mr. Speaker: Shall it be referred to committee of the whole House?

Some hon. members: Yes.

Mr. Speaker: Perhaps the hon. members will allow me to do the same with Bill 74 because I must confess it had slipped my mind.

Mr. Nixon: In that case, I think the bill should go to the standing committee since there will be amendments submitted.

Hon. Mr. Welch: Is it then agreed that it should go to the standing committee on agriculture and food, rather than legal bills?

Mr. Nixon: What is the purpose of that?

Hon. Mr. Stewart: Mr. Speaker, the suggestion was made concerning Bill 196 that it be referred to the committee of the whole House. I see no reason why Bill 74 should not be dealt with in a similar way when amendments could be made there, the same as is proposed by the hon. member for Brantford, who suggests he wishes to make an amendment to Bill 196 at committee stage. I would think the hon. Attorney General might wish to do the same thing.

Mr. Speaker: The procedure, as I understand it and as I was advised some time ago in consultation with the Clerk and the Chairman, is that Mr. Speaker enquires first if it goes to third reading and if that is not agreeable, then if it goes to the committee of the whole House. If there is objection to that then it goes to a standing committee, but which standing committee? I think the House has determined it should go to—or at least there is a discussion as to whether it should go to the committee of the whole House or a standing committee. So I shall ask, shall this be referred to the committee of the whole House?

Mr. Nixon: No.

Mr. Speaker: Shall it be referred to a standing committee?

Mr. Nixon: Yes.

Mr. Speaker: Now, which standing committee, is the next question Mr. Speaker should put. And I think the Minister should have the right of direction, subject to the approval of the House.

Hon. Mr. McKeough: Well, he is not here, Mr. Speaker, but—

Mr. Speaker: He was when we started.

Hon. Mr. McKeough: He was here, but he is not here now. It was his intention to suggest that it should be referred to the committee on agriculture.

Mr. MacDonald: Mr. Speaker, may I draw to your attention that the situation is getting curiouser and curiouser. One bill is introduced by the Attorney General and goes to the standing committee on agriculture. The Minister of Agriculture introduced the bill on animal research, Bill 194, and it is going to the committee on health. It is a perfect symbol of the confusion of the government. You are going in all directions at once.

Hon. Mr. Stewart: Mr. Speaker, the hon. member suggested terminology that I cannot get my tongue around.

Mr. MacDonald: Curiouser and curiouser.

Hon. Mr. Stewart: I thank the member. There is no such problem at all. I suggest that the bill, Bill 74, should go to the committee on agriculture. This bill does affect the livestock people of the province to a very great degree.

In fact, the hon. member for Huron-Bruce, who asked me when we would be proceeding with this legislation last winter, I know would agree it has a very wide and broad effect on rural Ontario, and he would be the first to suggest that it should go to that committee, I am sure.

I know it was the intent of the Attorney General and Minister of Justice, who is not in the House now, but who did say it was his intention the bill should go there. The only reason it was introduced under his auspices was that the SPCA Act falls within the purview of his department.

Mr. Speaker: Is it agreeable to the House that this Bill 74 should be referred to the standing committee on agriculture and food?

Motion agreed to.

THE PUBLIC SERVICE SUPERANNUATION ACT

Hon. C. S. MacNaughton (Provincial Treasurer) moves second reading of Bill 192, An Act to amend The Public Service Superannuation Act.

Mr. Nixon: Mr. Speaker, the bill contains a number of amendments of varying degrees of importance. One area is basically the principle having to do with the approach to the change in The Public Service Superannuation Act that is going to give continuing problems and is one that crops up whenever pensions are established as they are in this province.

As inflation takes hold of the economy, the usefulness of a pension established—as they have been established in this province for so long—is difficult to maintain, where the contributions of an individual are matched by payments from the employers, in this case the government of Ontario.

The actuarial basis is continued over a period of time and is really the only responsible way to do it. We find that those people who retire at a certain period often live into

a time when inflation has eaten up the usefulness of the pension that is available to them and they live in some precarious want.

From time to time it comes to us, as members of the Legislature, as it certainly must to the government, that our responsibilities are not acquitted sufficiently by simply having a Public Service Superannuation Act which is amended from time to time.

It is difficult for me to suggest what the changes might be in areas of serious want, having to do with pensions based on workmen's compensation and some of the fringe pensions for the teachers superannuation situation.

There have been specific payments made by government to cover extensions, but the problem we have with any kind of a pension situation, particularly when the economy is expanding under the pressures of inflation at the rate at which ours is expanding, is bound to force a principle upon us which is difficult to accept.

That is that the government must make some accommodation on a basis of fairness, if not humanity, for those who have served the community for long periods of time who are not dealt fairly with under The Superannuation Act of this province, particularly if they live in retirement for a considerable period of time.

Other jurisdictions have wrestled with this. They have come up with solutions, associating pensions with the payment for a certain grade of employment at the specific period of time, not when the individual was retired, perhaps 10, 15, 20 years ago, but what is paid at the present time for a similar service.

This would obviously be difficult to apply, and yet it does give a specific application which might be considered by the jurisdiction of the province of Ontario when we see this problem becoming more and more acute.

I saw the Treasurer nodding a minute ago; I do not know what the implication of that was, other than that surely he would agree—

Hon. Mr. MacNaughton: It means I agree.

Mr. Nixon: —that surely this is a situation with which we must come to grips before so many of our citizens are going to be trying to maintain themselves in dignity, with some agreeable living situations after having served the province for many years, and then finding that the pensions they contributed to for all those years are not sufficient to keep them in dignity in their old age.

This is something I feel must be referred to when we discuss the principle of Bill 192. I admit it is not directly indicated in the bill itself, and this omissoin is something that must worry us all. In the next few years we must come to grips with the problem in some fair and equitable way, and it is a matter I would like to hear the Treasurer comment upon in his remarks.

Mr. Singer: Mr. Speaker, in line with the remarks just delivered by my leader, there is a question that touches on the same principle and is dealt with in section 5 of this bill. It is a matter which the Treasurer and I have discussed by correspondence and in his last letter to me, the Treasurer indicated that he has some sympathy for the position that was put forward and the matter is under review. I think I am paraphrasing his letter pretty exactly.

The situation is this, and I think it is significant enough to relate it very briefly. It came to my attention when a gentleman who had been an employee of the liquor control board retired on pension. I do not know how large his pension would be, I would imagine it would not be overly large. He found that he could acquire employment from time to time as a courtroom attendant, and up until a year ago he was employed as a courtroom attendant by the municipality of Metropolitan Toronto, which had the responsibility for the administration of justice.

Up to that point in time, there was no problem, because it did not interfere with his pension entitlement which he had earned and which he was being paid. However, the province took over the whole cost of the administration of justice, and then the hiring of courtroom attendants became a provincial function rather than a municipal function.

At that point, the provisions of the predecessor of this Act or the predecessor of subsection 1 of section 16 which section 5 purports to amend came into play. That provided that he could only take 30 days employment without affecting his pension and titlement.

If he worked for more than 30 days, then his pension would be reduced by the additional amount or some formula that was arrived at.

This amendment proposes to extend that period to 100 days and certainly it is an improvement. But the whole thing, Mr. Speaker, is grossly unfair in my opinion. Let us look at this particular gentleman's position. Had he gone to Ontario Hydro instead of to the

court and got supplementary employment after his retirement period, his pension would not have been affected at all. Had he gone to anybody else and got supplementary employment, his pension would not have been affected at all.

We have great gaps in our community. Bank managers who retire—the bank retirement ages are fairly early—and who go out after their period of service has been completed, after they have earned their pensions, and get other employment and earn money, do not have their pension entitlements affected. For instance, I think it is 20 years entitlement for a pension in the armed services, and thousands of young men came out of our services after having given 20 years of service in their late thirties or early forties and embark on a second career. Everyone thinks that is a great thing for the country and no one says it is going to affect their pension entitlement.

One little group happened to get caught up in this regulation—I do not know what the genesis of it is; I suppose the rationale, Mr. Speaker, is that a person having worked for the province and earned a retirement pension, when that begins to drop, should not then go and get another job. Well, look at the other courtroom attendants who are being employed presently. Many of them—most of them, perhaps—are retired policemen. They are getting a pension, they are getting a municipal pension or a municipally organized pension—so they can draw their pension and get their $14 a day for every day that they work. To my mind, Mr. Speaker, we are applying a double standard, and in many, many cases it is grossly unfair. It would seem to me that the gentleman involved and others who may well be involved—and there are perhaps many thousands who are involved, who have left the provincial civil service after the required period of service, with their pensions—have earned every penny of their pension.

Their pensions are too low, I agree, and they are not adjusted upwards as the cost of living increases. That is the point that my leader was making and I subscribe to that, but certainly, they have earned every penny of their pension. Now they are able to go out and get some sort of alternative employment. Whether it be with another branch of the government of Ontario or not, should not make any difference. I just cannot see why it really makes any difference at all. This is a point, as I say, Mr. Speaker, that I have discussed with the Treasurer and I do not think the Treasurer is in substantial disagreement with me. But I would hope that by the time this comes back to committee, he will have some sort of an amendment.

It would be my thought that the logical thing is to take away this criterion completely. I do not think it makes any sense in this day and age. I am not saying that once a man has retired on pension that should automatically entitle him to go and get another job. He has to be able to sell something that somebody wants to buy; he has got to be able to provide some service that somebody wants to pay him for. If he can do that, why not? Whom is he hurting? I suggest, in the particular case I brought to the Minister's attention, that this kind of a provision in our statute seriously hurts someone who has given good service to one arm of this government, and who is now being prevented from earning a small supplement to his pension which is going to enable him to live.

Mr. Speaker: The member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Speaker, I would just like to join with the member for Downsview in his request that we drop this reference in section 5. I would assume from reading it over, Mr. Speaker, that where a person is re-employed in the same or other departments of the government in which he has earned his pension and it is suspended during that period of entitlement, he would be again making contribution to build a further equity in the superannuation scheme.

While that does not appear to be a part of his amending Act, I would assume that it is part of the original or fundamental Act which this is amending. If re-employment occurs, that employee once again begins to contribute towards the acquisition of an additional amount of pension, even though he may have passed the normal retirement age established under the Act. Now, that should not be, Mr. Speaker. Once the normal retirement age has been achieved—if it is in terms of age, or perhaps in terms of service—the employee should have entitlement to that pension which he has earned for either reason, age or service or a combination of both, without reduction for any earnings which he may have by virtue of his re-employment with the government service.

He should not be placed in a position of having the pension—to which he has contributed over the years of service prior to reaching normal retirement—in any way regarded as

a supplement to earnings that he might make in casual employment following his normal reirement under this plan. I would hope the Treasurer would find the means of amending the Act. I do not think it will alter the principles that we are discussing here on second reading. If he does so when the bill reaches committee, it would be for the Attorney General to propose just a narrowing of the principle somewhat, rather than a change in its direction. Perhaps it would require in association with such an amendment though, an alternative provision that the employee, the person re-employed, would not be required to make contributions on account of his service in re-employment following his termination.

Mr. Speaker: The member for Wellington South.

Mr. H. Worton (Wellington South): Mr. Speaker, there is one area—and I am not too sure which section it would come under in this bill—but some of the civil servants who retired some five or ten years ago are now faced with incomes of, say, approximately $200 to $300 a month in pensions rights, and on the death of one or the other, this pension is reduced to 50 per cent. What I would like the Minister to consider is whether he would accept or bring into this bill a section that would permit the widow or the widower to retain the full amount of that pension; say, up to $250 or $300 a month. Receiving 50 per cent of the pension automatically rejects them from obtaining this old age security supplement. So, by and large, they are not much farther ahead when they become single pensioners.

Mr. Speaker: The member for Oshawa.

Mr. Pilkey: Mr. Speaker, I think we come to a situation again where the government is perpetuating a double standard—one in the private sector and another in the public sector —where there is no provision for those people who are presently retired or about to retire and whose pensions are being eroded by the increase in the cost of living through inflation. There is no protection for those people as far as their pension is concerned. It seems to me that it is incumbent upon this government to make those kinds of provisions so that people in the public service are not treated any differently from many people in the private sector.

Here we have another situation where the government is failing to provide the necessary legislation to guarantee that the people who have made a substantial and major contribution to the welfare of this province are given their equity in our society. This is historically this government's position, that they just seem to fall short in this area. And I want to urge upon the Minister—because many of these items do come within his jurisdiction and he is the one person who can provide in a meaningful way equity for the people in the public service. Again, as I raised the question the other day, again they have failed the civil servants in this province. I just happen to think that this double standard which is so prevalent, just has to be eliminated if they are going to provide the same equity for government employees—

Hon. J. H. White (Minister of Revenue): Why, when your party was in power in Saskatchewan—

Mr. Pilkey: —as for those in the private sector.

Interjections by hon. members.

Mr. Pilkey: This is Ontario. I do not know what the Minister is talking about; this is Ontario.

Mr. Speaker: Are there any other members who wish to speak before the Minister sums up? The hon. Minister.

Hon. Mr. MacNaughton: Mr. Speaker, first of all I agree that there are some anomalies in the whole field of pensions in the public service of Ontario. Let me deal first, if I may, with the comments of the member for Downsview. If I could even refer to a portion of the correspondence that was exchanged between us, it might clarify my position, at least, in this matter. When I received his letter, having some awareness of the study that has been under way for some time, I referred it to the secretary of the Treasury board who replied:

> Discussions have been held informally with the chairman of both the civil service commission and the public service superannuation board on this matter.

This is the matter that the hon. member referred to me; and the secretary said further:

> It is anticipated that a joint recommendation to Treasury Board will be submitted by these agencies in due course, subject to prior review and approval by you and the hon. Mr. Welch, who is also responsible in this area.

So I go on further, and I quote from the letter I wrote the hon. member when I simply

stated to him that, "I expect that these agencies will submit a report to the government," and so on.

Now, having said that I can go a little further and say that the hon. member's letter to me reinforced something that we had already agreed was an anomaly. The study process is fairly well advanced, so that in this particular situation I ask the members, through you, Mr. Speaker, to consider the acceptance of section 5 of the bill, because it is a substantial improvement over what exists now, in order to give us the time to do this overall job properly and thoroughly because it must be examined in its total light.

I am quite prepared to say the hon. member for Wellington South made a good point. I think it is a good point. I think it should be considered in the total study. It is not difficult to recognize situations where the survivor pension of 50 per cent can be in many circumstances little enough to survive on. These things are recognized.

The reasons for the present restrictions on earnings after retirement I do not agree with any more. There were reasons why they were put in; there were situations where people having achieved retirement age, or sometimes before retirement age, found it possible to retire, take their pension, leave the public service in advance of full retirement age, and get into an earning capacity outside, the combination of which was substanially in excess of what their salary would be at that point when they chose to retire. In some of those circumstances there was a drain of staff because of the anomaly that existed. This was what prompted the limitation to ensure that the combination of pension and earnings within the public service in another area would not exceed the salary in effect at the time of retirement. It was done to remove the incentive which existed to leave the public service.

It is a bit of a negative way of doing it, I confess, because the same person can leave the public service and go into the private sector and it does not matter—

Mr. Singer: Or even any government agency.

Hon. Mr. MacNaughton: —so there is an anomaly and I admit it; that is part of the bill. This amendment was put in, or proposed to be, by the public service superannuation board, as an interim measure to give us time to study the whole thing, the whole aspect of pensions. And this gets me back to the comments of the hon. leader of the Opposition with reference to keeping pace with inflation: Of course they do not keep pace. Just how that should be done in relationship to the present policy as far as pensions are concerned at the moment I am not properly equipped to say.

Mr. Pilkey: Lots of precedents in the private sector.

Hon. Mr. MacNaughton: It involves such processes as—well, I listened to the hon. member rather carefully and I appreciate what he had to say. Let me explain my position if you will.

First of all the actuarial soundness of the plan itself requires some careful study. Secondly, it should be determined whether the funding process that now exists is a sensible means of pursuing pensions in the future and I have some doubts about this. These are two important aspects, I think, that have to be looked at and these are the things that are being looked at. It is complicated business for a layman to explain, but nevertheless the government has supported the study that I have proposed in this field. I simply would like to reassure the House that we think the same way about it as those who have expressed themselves here today.

Rather than hold up this interim advantage that we can give by raising from 30 days to 100 days the allowances that can be paid, the only thing I could say is that if that amendment is withdrawn we are right back to where we stand now, and I cannot promise the House, in all honesty, because of the complicated nature of what we are doing, that I can introduce any amendments to this bill on third reading that will be meaningful.

Mr. Singer: I wonder, Mr. Speaker, before the motion is put, if I can address a question to the Treasurer?

In view of what he has said, would he consent to an amendment at the appropriate time, moving the 100 days, say, to 150 or 200 days, as an interim measure? This is not going to forestall the eventual implementation of the study but I think it would be more fair in a number of cases. Mr. Speaker, may we get an immediate answer, but we can discuss it again when the bill comes to committee.

Hon. Mr. MacNaughton: I think the answer to that, Mr. Speaker, would be that I would want to refer it back to the members of the superannuation board itself and the other

people that advise us in these affairs. I will commit myself to do that.

Mr. Singer: Good, we will discuss it in committee.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Some hon. members: No.

Mr. Speaker: Shall this bill be referred to the committee of the whole House?

Some hon. members: Agreed.

Motion agreed to.

THE ASSESSMENT ACT, 1968-1969

Hon. Mr. McKeough moves second reading of Bill 205, The Assessment Act, 1968-1969.

Mr. Speaker: The hon. leader of the Opposition.

Mr. Nixon: Mr. Speaker, I know that the hon. Minister and his staff have worked long and diligently in the preparation of this bill which is, I believe, a departure that is not in the best interests of the province, but is nevertheless an important departure from the *status quo* as far as assessment across the province is concerned.

Having myself taken over the responsibility for paying the taxes on one piece of real estate some place between here and London in 1954, I have had an opportunity to follow the changes in policy on a very direct basis as they relate to a typical farm, and I well recall the agonies that were experienced by local assessors when the Minister's predecessor threatened to put over his decision, a uniform manual which would have brought the assessment somewhere into line in our township with other townships in the county and in the surrounding area.

There was feeling of severe inequity in the assessment, that the various tax rates reflecting the tax at the assessment base were far different from one municipality to the next. And, of course, that the changes in the tax rate accounted for the efforts of the local councils to treat all taxpayers as fairly as possible but were giving as much advantage to their own people as was possible.

There were some changes at that time, between 1954 and about 1961, in which The Department of Municipal Affairs attempted, not very valiantly, not very effectively, to bring about some uniformity on the basis of township assessment. But then the great breakthrough was the decision, made as a matter of policy, that the government would support assessment on a county basis by urging those people with municipal responsibilities to come together for county assessment. And they supported it financially by paying a large share of the cost, or a substantial share of any increased cost, associated with county assessment. Most, if not all of the counties were, in fact, moving towards this sort of a rationalization of a difficult position. There was some disagreement on the part of some townships but, frankly, the counties that I am familiar with all went towards the county commissioner of assessment set-up, and the bills that we have been receiving for assessment and actually the tax bills in this last year, have come out from the county commissioner's office with his responsibility.

It is interesting to note that the assessment and the bills have never been as late as they have been this year, but that is another matter.

Hon. Mr. McKeough: Higher or lower?

Mr. Nixon: The bills were higher. This is another matter of some concern, not directly attributable to the Minister of Municipal Affairs, although his hand on the spending lever seems to be getting heavier and heavier. But I wanted to bring this to your attention, Mr. Speaker, to point out the fact that there have been changes in policy over the last ten years which have been more or less effective in bringing about some measure of uniformity in assessment.

I still believe that this Minister has not followed up on those parts of the machinery of government that the powers of his office make available to him, which actually he does not hesitate to use on some occasions, which could have brought about a much greater measure of uniformity without continuing to rely as greatly as the government does on those factors which are calculated by the Minister's regional offices and which are designed to allow the government to view with mathematical uniformity the assessment and taxation position in the various counties and municipalities of the province.

So, we agree on this side that there has to be more uniformity in assessment. We believe that it can be achieved through the co-operation of the Minister's rather extensive regional

offices—not to be confused with regional government—which already are available to consult with those assessment commissioners that have been established on a county basis. We believe further that in those areas where regional government has been imposed, if I may use that word, that obviously the assessment should be a function of this regional government, and this, of course, has been a part of the Minister's views in the past before he was convinced by his advisers that he should take the responsibility for assessment into his own hands and centralize it through his regional offices across the province.

We believe, on this side, that insufficient use has been made of those structures of government, including an up-to-date assessment manual, which might very well have been applied through the Minister's regional offices and made available on a mandatory basis to the assessment commissioners at the county level.

The costs associated with the change that the bill before us has implicit in it are going to be high. The Minister, no doubt, has seen what has happened when a change of, let us say, administrative responsibility occurred not only in education, but in those regional governments which have already been established.

There is a definite upward trend to salaries being paid, and I think if you were to—I will not use the word assess—if you were to examine the salaries—I am sure he has examined the salaries paid to assessment commissioners and those working as assessors at the county level—he would find that they, while perhaps not at the top of any salary list, particularly in comparison with those people who work for the county boards of education, are in the main, reasonably well satisfied and have received substantial increments in their salaries when they stepped up from the township responsibility and began to work on the county basis.

There are some areas where special facilities have already been provided to house the new county assessment administration. I believe Huron county is an outstanding example where a substantial building costing $130,000, as my hon. friend from Huron-Bruce informs me, has been built in the expectation that county assessment was a good step forward and it was here to be used for more than the one year that it has had some application in most counties.

Now we find, of course, that the Minister, in trying to rationalize his decision to administer assessment on a provincial basis, is reassuring the taxpayers in Huron county that he will be able to make use of all of these facilities that they have provided.

I have no reason to doubt that through the good offices of the member for Huron that the Minister of Municipal Affairs is prepared perhaps, to go out of his way to see that the county does not lose too much on the transfer. But, I do not know whether every county will have the advantage—

Hon. Mr. McKeough: That it would be supported by the member for Huron-Bruce as well.

Mr. Nixon: —of the Minister's special interest, or even the special interest of the Treasurer to see that this transition takes place without, let us say, the unnecessary loss of public funds and the inefficient use of public funds that have already been put to providing these important, and in many cases, expensive facilities.

It occurs to me that the Minister who has already hired a large number of people who will be working for the department in an assessment capacity, is doing so in the usual openhanded and generous way that he has learned is useful in following the example set by his colleague, the Minister of Education (Mr. Davis), and following the pattern that he has already established in conjunction with the burgeoning regional government programme.

These salaries tend to go up by a substantial increment, indeed. Mr. Speaker, I know you yourself, in looking back at what has happened in your own county school board, would be able to verify the fact that those people who actually made the jump in the other direction—from servants of The Department of Education to servants of the county board of education—received in many cases, increments of up to $10,000 in making the change.

Most of them were well satisfied with a salary between $17,000 and $20,000 in a fairly responsible and senior position working for the Minister of Education. When they went back to receive appointment at the county level, many of them are now working for between $27,000 and $30,000 a year, with many of them making $33,000.

Now there is an indication that the same thing is going to happen as the transfer goes back from the municipalities and the counties to the provincial responsibility, because try as he may, in attempting to make it appear that assessment is going to be regionalized, it

will still be operated under the direction of the Minister of Municipal Affairs and his advisors in an attempt to bring rigid uniformity into the assessment procedures and the assessment decisions that are reached across this province.

So another objection, which I think is one that must be recognized as valid on all sides, is that this change is going to be a very expensive change—no one is going to be left out of the assumption by the province of the assessment responsibility. There will be a few complaints, as not everybody can transfer himself from a position of being the chief county assessment commissioner to the chief regional commissioner. Not everybody can be a chief; some people have to be just assessors.

The Minister of Municipal Affairs has already dealt with a couple of questions in the House that have been brought forward through myself and other members, which stem from irate municipal officials who felt the abilities of their own assessment officials have not been adequately or properly recognized.

There is a further threat associated with the cost. It actually reminds me of the federal position on Medicare in which the Minister says, "Well, we are going to get this in order for five years and then we are going to turn it back to the municipalities."

That, of course, would mean the regions where they are established. He has indicated that this might very well be government policy, and I would say to him that municipalities will not be able to afford to take back this responsibility after it has had the inflating effect that the Minister's administration will undoubtedly have on it during the period in which he will be setting the salaries and augmenting the staff.

There is a further point that does give me considerable concern, and that is the level of assessment established by the bill itself. Market value is surely the ideal which should be the goal and is, of course, set out as one of the principles of this bill. But the problem associated, even by assessment commissioners, if that is what we are going to call them, coming under the direction of the Minister or his advisors at the provincial level, is going to be very great indeed. The establishment of market values in many municipalities has been difficult for a long time.

The Minister is surely aware of the problems faced by assessment commissioners at the county level as they go out to compare the value of farm or business properties and set an assessment based on recent sales in the community. There are some communities in many areas across the province where the property does not change hands very frequently. In those areas where, let us say, the property is changing, it is often being bought by people who are not putting the land to the ostensible use upon which the assessment is based.

The Minister and anybody else in this House can surely recount many instances where farm properties, or rural properties at least, are being taken out of the farm and agriculture industry by those people who come out from the cities. They have made their mark and established their fortune in some other enterprise and are actually continuing to farm on a basis which, while they would like it to be productive and pay its own way, certainly is not a priority matter as far as they are concerned.

We usually find the property is purchased at an inflated cost compared with what is generally considered fair value. The farmer who makes the sale is quite often delighted; even delighted to continue to manage the property once the sale and transaction has taken place. The new owner often establishes very expensive breeding herds or flocks, brings about the use of a large part of the farm for recreational or game preserve purposes and is certainly glad, on his part, to have made what he considers a good acquisition.

But if the values or assessments of surrounding properties that are still being operated on what you might call a dirt-farmer basis by people who actually go out and do the work themselves with their families, are going to be based on those sales, the Minister must surely agree with me that this is an impossible situation, indeed.

Hon. Mr. McKeough: Would the member permit a question? I do not deny anything the leader of the Opposition has said, but is there really any great difference between assessing something at market value, or is there more difficulty in assessing something at market value, than there is in assessing something and then assigning a percentage to it? What is the difference in assessing at market value and assessing at one-third of market value?

Mr. MacDonald: The latter is even more complicated.

Hon. Mr. McKeough: Right.

Mr. Nixon: The point the Minister makes is well taken but the responsibility of assessment is being centralized. If he is prepared to instruct his assessment commissioners to use the graduations and the indications, the recommendations, of the committee on farm assessment and taxation, I think there are going to be a number of problems associated with it.

One of the proposals here is not to assess the property—and this comes from the committee on farm assessment—not to assess the property on its direct market value but to assign a value associated with a class of land and what the land would be able to produce under proper management circumstances.

I think the Minister should be aware that while we might very well approach the situation where every farm has a professional agricultural survey on it, these surveys are rather expensive and certainly complex. The farms in many areas are subject to a rolling contour so that anybody who is going to extract a proportion of class 1 land or class 3 land, must have the use of a computer and even then he will be unable to assign a range in gradient of values that is going to be meaningful.

Certainly, class 1 land down in Kent county is going to be more valuable as a productive farm than class 1 land, let us say, in Brant or in some other climate region. This may be accounted for, but we are getting a formula which is too complex even for the Minister's assessors to work out in any reasonable way.

As far as I am concerned, there is no indication by the farm assessment committee that their definition of farming is going to exclude those people who purchase the land only for speculative purposes. Really, they have abdicated that responsibiilty or have just thrown up their hands and said it simply cannot be done. Maybe they are right. I suppose federal legislation dealing with capital gains and the present income tax laws will compensate for that to some measure. Certainly, this is one area of farm assessment where a good many farmers felt they have not been dealt with fairly in the past by this government and this Minister or his predecessors.

I believe that the changes which have taken place over the last ten years have been in the right direction. They have attempted to bring about some uniformity and fairness to assessment; I believe, however, that when it was finally established at the county basis you should give that attempt an opportunity to work out. You should use the facilities of your regional offices to assist the county commissioners. You should bring out an assessment manual that is not brought out once and for all, but which would assist these county commissioners to establish a degree of uniformity that would be acceptable not only to the taxpayers of the area but even to the Minister himself, who has overall responsibilities.

I believe the Minister, in making the decision to centralize all of the assessment responsibility under his direct control, is going too far. He is not meeting the needs of the counties or the people who live in the townships under their jurisdiction. I believe there has been a failure to establish a fair approach to farm assessment. Even the report of this committee is going to require a good deal of interpretation before it can be applied in any meaningful way to the situation in which we find ourselves right now.

Of course, the point that I think must come forward in a debate of this style, is that the Minister's decision to bring what is fundamentally a municipal responsibility under his direction, even for a limited period of time, strikes at the foundation of something all of us are concerned with. That is, not just local autonomy but the strengthening of local autonomy. I believe that the Minister should use the power of his office and the imagination of his staff to bring forward a programme that will accomplish much more uniformity and equity than has been available so far.

I think this bill does not accomplish that. I believe it carries the centralization of assessment to a ridiculous point that is going to cost the taxpayers a lot of money without any residual improvement in the situation which, admittedly at the present time, requires a great deal of improvement.

For these reasons, Mr. Speaker, we believe that Bill 205 does not meet the requirements or the needs of the taxpayers of this province. We believe it is not in the best interest of economy nor even a rational approach to a problem that the Minister and his predecessor have grappled with for over ten years. We think it is going to be unnecessarily expensive and that it is going to erode even further the principles of local autonomy that we consider paramount in this situation. We believe it is not in the best interests of our taxpayers or the municipalities of the province or the province as a whole. For this reason we intend to oppose the bill in principle.

Mr. MacDonald: Mr. Speaker, in dealing with the bill on second reading, the leader of the Opposition has focused virtually all his attention on the machinery for the provincial

takeover of assessment and the new approach on the basis of current values. Obviously, that is the most important aspect of this bill. Before I sit down, I shall deal with it, though only with the underlying principles, and will leave further details to some of my colleagues who have had considerable experience in municipal affairs or on the select committee on taxation.

What I want to draw to your attention at the outset, Mr. Speaker, is that this bill is not just a bill amending the old Assessment Act, to establish this new machinery, but presumably it is a completely new assessment bill. Indeed, the name of it is The Assessment Act 1968-1969. The first comment I want to make is that apart from this takeover of assessment and the shift to assessment on current values, this bill is simply the old Act all over again without any substantial changes. It is the most uninspired repetition of an Act which, in many respects, over ten years of study, we have come to the conclusion was out of date and about which something should be done. The only major change, really is in the establishment of an assessment review court, which is pretty significant. There is very little relief now for the municipalities—

Mr. Lawlor: You did not need a bill to do that.

Mr. MacDonald: What is going to be done now to provide relief? There is very little relief for the municipalities at the moment and one in prospect until assessment has been completed by 1975. All of the anachronistic taxes on telephone and telegraph, on "steam" railway companies are there.

If I may interrupt myself—to continue to talk about "steam" railroad companies is to reveal just what a horse and buggy Act we have got. There are no charges on pipelines, rails and wires; they are all retained. After years of lament over the question of exemptions—how many times in standing committee or in the private bills of this Legislature, have we dealt with the worrisome problem of exemptions and said we have got to come down with some sort of a rule? Smith and the select committee have said that many of these exemptions should be eliminated, and made firm recommendations in this direction —yet there are virtually no revisions made. Nothing is done to provide equitable grants in lieu of taxes on provincial properties, and notably, universities.

In short, Mr. Speaker, the new bill does virtually nothing to eliminate or substantially modify, the numerous inequities, anomalies and historical stupidities that are features of the present system, and for which remedies were presented through practically all of volume 2 of the Smith report. Why did the government go to all the trouble of bringing in a new bill, when the job will have to be redone once again by the government that will be sitting over there, and it will not be you, after 1971? Bill 205 is merely a housekeeping bill.

Hon. Mr. Grossman: What is 1971? I do not understand that.

Mr. MacDonald: Bill 205 is merely a housekeeping bill. One wonders why the mountain laboured so long to bring forth such a little mouse. In one area there was some prospect of removing a long-time inequity faced by the mining municipalities of the province of Ontario; it was proposed to bring mining property under normal municipal assessment. But here, through an amendment in subsection 3, in section 3 subsection 17, it is proposed that we should backtrack to the extent of exempting, "all machinery or equipment for the purpose of a concentrator or smelter or ore or metal".

Mr. Speaker, at this stage, why has the government beaten an ignoble retreat. You find written on the front of the bill, "Reprinted for consideration by the legal and municipal committee" and the amendment to which I am referring has been introduced since the bill was originally drawn up.

Hon. Mr. McKeough: What number is this?

Mr. MacDonald: Pardon?

Hon. Mr. McKeough: What number?

Mr. MacDonald: Number? It is section 3, subsection 17. Let us remember two salient points here, Mr. Speaker. First, most other provinces tax mining property—including machinery—at the municipal level; and secondly, the leading benefactor from these long-standing exemptions has been INCO. When they had a change of heart last year and volunteered that their property should be subject to assessment for municipal taxes, even they did not suggest exempting machinery. Undoubtedly they have done so since, when they discovered that the government was postponing any significant changes with regard to other categories of property until the assessment is completed in 1975.

But why is this government even more solicitous of INCO's interests, than INCO

itself was originally, when it made its proposals. It is an incredible proposition. I submit to this Legislature, that mining municipalities should not have to bear the burden any longer of freeloaders in their midst, and that is what they have had. And when one takes the next stage—

Mr. Bullbrook: Wealthy freeloaders.

Mr. MacDonald: Yes, you are right, wealthy freeloaders. Usually the biggest corporations and the most wealthy institutions in the community are the freeloaders, which makes it even more unfair.

Mr. Lawlor: But that is why they are wealthy.

Mr. MacDonald: Speaking of freeloaders, the biggest freeloader in the province is the provincial government itself, and unashamedly it proposes to remain so, though it presents us with a "new" assessment Act.

Mr. Lawlor: How blatant can you get?

Mr. MacDonald: The old and weary list of exemptions from municipal taxation includes federal and provincial government properties. How long are you going to ride on the backs of the municipal governments? And when I say "you", I mean this Robarts government, 1969, here in the province of Ontario. Granted the universally acknowledged budgetary problems which all municipalities face, and the crushing burden of regressive property taxes, how can any self-respecting government propose to continue sponging on the municipalities any longer?

While this is generally true all across the province, Mr. Speaker, it is particularly iniquitous in university towns, but, once, again, university property is included in the list of exemptions, in spite of the fact that the Provincial Treasurer, some two or three weeks ago, after I had put a question to him on behalf of my colleague from Peterborough, said, outside the House, that they were moving next year to some sort of a grant while they were working out a rough and ready kind of assessment. But here is an Act which is operating on the same old lines of exemptions for university property. While one does not know with any exactitude, Mr. Speaker, what this means, let me give the House just a few figures which show the proportions of tax loss.

In Guelph, for example, in 1967, 23.4 per cent of their assessment is exempt, 8.96 per cent of that is represented by the University of Guelph with over $34 million tax free assessment. In Kingston, in 1968, 26 per cent of their assessment is exempt. University assessment jumped from $9.5 million in 1963 to $15.2 millions in 1967. In Waterloo, the two universities and the church colleges account for $18.2 millions in exempt assessment on the basis of the 1968 residential mill rate of 71.1. This represents approximately $1.3 million, or over 20 per cent of the entire tax levied.

In Ottawa, exempt assessments total over $50 million of which more than half, some $27.8 million, is represented by the universities and private schools. The latter represents $2 million tax loss, out of a total of $3.7 million which could be raised from all of the exempted properties.

With this kind of underlying principles, Mr. Speaker, in an assessment Act that is presented as a new assessment Act and is presumably moving in the direction of greater equity, I suggest to you that they just point to the gross inadequacies of this bill.

However, I want to turn now to the major aspects of the bill, the provincial takeover of assessment. On balance, Mr. Speaker, the New Democratic Party supports this move, for the following reasons. First, for years we have been striving to achieve equalized assessment across this province without success.

Mr. T. P. Reid (Rainy River): Why?

Mr. MacDonald: Why? I will tell you why. The reason why, and I have heard it from the hon. deputy leader of the Liberal Party so often, is that you have a fragmented approach to assessment with so many different applications of the manual, that you are never, in the foreseeable future, going to get an equalized assessment.

Mr. Singer: That is only part of my argument.

Mr. MacDonald: Well, that is the part I heard, because it was repeated so often.

Mr. Singer: You are very selective in your hearing.

Mr. MacDonald: In the light of this long experience, I repeat, Mr. Speaker, there is no prospect of achieving this basis of equalized assessment, for equity in taxes and provincial grants, within the foreseeable future, if we continue to operate with this fragmented approach to assessment. Granted some areas —and I can take, for example, the county of Waterloo as a classic example—have an

efficient, equalized assessment within their own boundaries. They have responded to the pleas that this was something that should be achieved, but there is no assurance of equalization between such areas as the county of Waterloo and other areas where the assessment may be good or bad. In some instances it is good, and in some instances it is bad.

I do not know why you people are so disturbed.

Interjections by hon. members.

Mr. MacDonald: I am not disturbed. This is a rational view to the question—

Interjections by hon. members.

Mr. MacDonald: —instead of some of the irrational efforts that you tried, and they did not work.

Interjections by hon. members.

Mr. MacDonald: Mr. Speaker, I acknowledge that the Smith committee recommended against a provincial takeover—

Interjections by hon. members.

Mr. MacDonald: But let us examine their reasoning:

> Provided that municipal assessment jurisdictions are big enough to facilitate professional specialization and the use of volume assessment procedures, much of the responsibility, in our opinion, can be, with advantage, kept local.

That is the end of the quote but the premise upon which they base their recommendation does not exist today and there is no likelihood that it is going to exist for some time, namely, that we should have municipal jurisdictions big enough to facilitate professional specialization. When regional government has been established all across this province, and only then, there will be a large enough assessment jurisdiction.

The New Democratic Party strongly supports the proposition that municipal autonomy must be strengthened. But one of the basic reasons why municipal autonomy has been steadily undermined, is because the hundreds of small municipalities across this province are not viable administrative units for providing modern services. Therefore they have become sitting ducks for the insatiable Tory paternalism of Queen's Park. One of the fundamental prerequisites for regional governments to be equitably administered as far as revenues are concerned, is equalized assessment across this province.

When we move, as we ultimately must and will, in spite of the opposition of the Liberals, to the introduction of a foundation programme for municipal financing and provincial grants, then such an equalized assessment is an absolute "must". And once we have established these larger units of administration—and that is going to be some years off; the government concedes it and everybody acknowledges it—the premise upon which the Smith committee made its recommendation will be a reality and not just a dream. At that time we would concede that the situation can and should be reviewed. Circumstances at that time may well suggest that assessment should be restored to the regional government as one means among many others of rebuilding local autonomy across this province.

Hon. Mr. McKeough: Or some other function might be more appropriate.

Mr. MacDonald: Maybe. But let us deal with first things first. The first thing is that you have to get equalized assessment, and you cannot get it on the fragmented approach that we have been operating until now.

Mr. Nixon: So say those two fellows.

Mr. MacDonald: Now, I turn to the question of assessment on the basis of current values. Basically, the New Democratic Party supports this proposal too. But there are some inequities which are certain to emerge and the government has given no indication that they are either aware of them or prepared to correct them. Chief of these is that assessment on current values is going to shift the significant portion of the industrial pact of residential owners. For example, I am informed that as a rough rule of—

Hon. Mr. White: The House is well aware of that. The member must be kidding.

Mr. MacDonald: I would like to see some action on the Minister's side if he is aware of it, and I will suggest the procedure, sir, whereby he can take some action before the government proceeds with this bill. I am informed that on a rough rule of thumb, residential assessment in Metropolitan Toronto is presently at one-third of current values while industrial assessment is at one-half. Obviously if residential assessment is going to be tripled to get current values while industrial development is being doubled, the burden is going to shift to the home owners.

Hon. Mr. McKeough: The figures would be 20, 30 and 40; 20 per cent for residences,

30 for commercial and industrial—perhaps somewhat higher than that—and 40 for apartments.

Mr. MacDonald: Well, Mr. Speaker, I am glad the Minister interjected. Let us not deal with theories and these interesting rules of thumb, and so on. Let us take a specific case, the town of Ajax. The town of Ajax has done its re-assessment. In 1968 residential assessment in the town of Ajax totalled $9,991,000 or 52.5 per cent. Its industrial assessment totalled $9,040,000 or 47.5 per cent. Now, Mr. Speaker, they took exactly the same property in 1968 and they reassessed it; and what did they get on the basis of current value? Residential assessment totalled $48,811,000 or 64 per cent of the total; and industrial assessment totalled $27,537,000 or 36 per cent of the total. In short, there was a shift of 12 per cent of assessment values to the already over-taxed home owner.

Mr. Pilkey: Is the Minister aware of that?

Mr. MacDonald: After having achieved a relatively fair industrial-residential assessment ratio, Ajax is going to have a most unfair balance created by moving to current values.

Interjections by hon. members.

Mr. MacDonald: Is that right?

Mr. Pilkey: He is doing very well.

Mr. Lawlor: He is telling the Minister something now—

Mr. MacDonald: There is nothing that I have said so far that the Minister has been able to confuse even with your hatchet-boy approach—

Interjections by hon. members.

An hon. member: Who is trying to plunge an effective—

Hon. Mr. White: These two gentlemen here.

Mr. MacDonald: —by raising extraneous irrelevant and factless points. Did I say factless or fatuous? Either would be correct.

Hon. Mr. White: The member is being specious. He is setting up a great straw man, that is what he is doing.

Mr. MacDonald: What we need, Mr. Speaker, is more money raised at the senior levels of government from progressive taxes and injected into the municipal structures—now; not some time later—in order to relieve the regressive property tax if this government is at all serious about the proposition of tax equity. In raising this matter of the shift of the tax burden to residential property now, there is no indication of its existence on the part of the government although the Minister of Revenue insists that they are very, very much aware of it—I would just remind the hon. Minister that in the select committee report our members dissented on certain of the erroneous conclusions that the majority of the committee came to. Here is one.

Hon. Mr. White: The member should have walked out.

Mr. MacDonald: Here is one:

> We therefore recommend that the implementation of these recommendations be delayed until a thorough statistical analysis has been made of their effect. If it is found that a substantial shift in the burden of the property tax would occur in many municipalities, we recommend that the proposed schedule be modified. In any event, we urge that relieving provisions be considered for individual municipalities which may be adversely affected due to the specialized nature of their business.

Hon. Mr. White: That is just what is happening.

Mr. MacDonald: Now, Mr. Speaker, there is nothing in this bill to indicate the intentions of this government by way of relief when these inequities arise.

Interjection by an hon. member.

Mr. MacDonald: I am nearly finished and the Minister will have plenty of opportunity then to comment. If I may, Mr. Speaker, I have dealt with a number of the underlying principles indicating where we agree with the general objective to which the government is moving, but disagree with the means that they are adopting. To sum up, the underlying principle of this bill is so defective that we cannot support it until changes have been made in four different areas. For that reason I move, seconded by the hon. member for Lakeshore, the following amendment—

Interjection by an hon. member.

Mr. MacDonald: Did I say Lakeshore? Sure, he is the man who knows so much because he was tutored by the Minister for a while—

Mr. Lawlor: That is an overstatement.

Interjections by hon. members.

Mr. MacDonald: —that the motion for second reading of Bill 205 entitled The Assessment Act, 1968-1969, be amended by deleting all the words after that and substituting therefor the words:

This House is of the opinion that the bill is fundamentally defective in principle and that it should be referred to the standing legal and municipal committee to determine the following matters:

1(a) The amount of the shift in tax burdens from commercial and industrial property to residential property which is occurring on reassessment based on market value, and

(b) The methods for preventing such shifts—

Hon. Mr. McKeough: How can one do that until one reassesses?

Mr. MacDonald: If you do not know you should by now, may I say to the Minister?

Hon. Mr. McKeough: The member sets up Ajax as an example. He never mentioned Kapuskasing or Guelph, or many other areas.

Mr. MacDonald: Right, we would like to see a few of them, then, and the general picture across the board. If the Minister knows it I wonder why he is withholding all this information.

Hon. Mr. McKeough: We do not know it and we will not know it until there is an assessment.

Mr. MacDonald: To continue:

2. The effect of continuing the exemption of most industrial machinery and equipment from assessment, which adds to the inequitable sharing of the municipal tax burden between industrial and residential taxpayers.

3. The implications of the report of the committee on farm assessment and taxation and the validity of its recommendations that special provincial grants be made to offset municipal revenue losses resulting from any relief provided for agricultural land.

The next is not a point which I have dealt with up to now but it is an old and oft-raised point with regard to assessment and taxes:

4. The desirability of instituting a moratorium on any increased taxes arising from home improvements, and that this House is further of the opinion that Bill 205 should be redrawn, and a new bill incorporating the recommendations of the committee on the above matters should be introduced without delay.

Mr. Singer: Mr. Speaker, on a point of order, I would submit to you, sir, that this so-called reasoned amendment is out of order by reason of the fact that in the first paragraph the hon. member for York South suggests that this House is of the opinion the bill is fundamentally defective in principle. Had he not used those words perhaps the rest of his reasoning might have, in fact, been valid, but since he starts off his motion by saying that the bill is fundamentally defective in principle, surely, sir, the time-honoured method of expressing that point of view is by voting against second reading. That is what, in fact, the whole debate about second reading involves. Since the member for York South suggests that as his first premise, I would suggest really that his motion is out of order. He can properly express his concern about the bill in his speeches. But I would submit, sir, that this so-called reasoned amendment should be ruled out of order.

Mr. MacDonald: Mr. Speaker, a brief comment on the point of order. A bill can be fundamentally defective in principle and we have indicated the procedures whereby those principles can be corrected. Therefore, it is a reasoned amendment in traditions that have been honoured by experience of Parliaments for 300 or 400 years.

Mr. Nixon: Never in those words.

Mr. Lawlor: It was done by Gladstone in 1722.

Hon. Mr. McKeough: Gladstone was not born in 1722.

Mr. Speaker: I am afraid that on the spur of the moment I cannot go back quite as far as the hon. member for Lakeshore. I would say that I would like to take under advisement the objection raised by the member for Downsview.

My own view is that the last paragraph of the proposed motion is quite out of order because it is actually negating the motion because the motion is for second reading of the bill. This particular addendum to the motion is that it should be withdrawn, which, of course, is a negative way of dealing with the bill, which is done by voting against it, rather than by suggesting it be withdrawn.

Mr. MacDonald: Mr. Speaker, may I draw to your attention that this amendment is drafted precisely on the basis taken from the wording of an amendment on the Medicare legislation which was accepted by you, debated by the House, and voted on, not less than two or three months ago.

Mr. Speaker: That is one of the reasons that I suggested I might like to have a look at it. I think the debate can proceed both on the basis of the principle of the bill, and with this being taken under advisement.

Mr. MacDonald: Indeed, Mr. Speaker, I would draw specifically to your attention the last paragraph which you have already concluded is completely out of order—it is precisely the paragraph which was taken from the motion which you accepted on the Medicare debate and permitted to be entertained by the House.

Mr. Speaker: I am sorry, but the hon. member again is placing words in my mouth. I said it was my view—or words to that effect—that the last paragraph was not in order and then I said I would like to look into the authorities which would include my own rulings. I will do so and I think the debate can continue in the meantime.

The hon. member for Sarnia, I believe, was on his feet. Does he wish the floor now?

Mr. Bullbrook: Might I yield to my colleague for Waterloo North, sir?

Mr. Speaker: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I believe it was in Preston where the hon. Minister of Municipal Affairs, when he was accompanied by the Provincial Treasurer, said: "We have used the carrot approach in the matter of assessment. We are not going to use the big stick approach".

It is my submission that this department has used the ostrich approach. They are burying their head in the sand. They have been oblivious of the problems which have been with us for years in assessing, and now they have gone to the measure of implementing PATO—provincial assessment takeover.

I wish to support my leader in opposing this bill on second reading. Firstly, I would like to put into the record two pieces of correspondence, one by the treasurer of the city of Kitchener, of which part is in my riding, which clearly indicates the utterly irresponsible attitude there is in the province taking over this assessment function. This is to the hon. Darcy McKeough.

Dear Sir;

I am deeply disturbed over the announcement of your government to take over the assessment function of the municipalities in the province of Ontario effective January 1, 1970.

Hon. Mr. White: Signed, Stephen Lewis.

Mr. Good: To continue:

It is obvious that insufficient study has been made by the province of Ontario on the local government assessment function presently existing in Ontario. When any study on any subject is made, the grass roots detail of that study is examined in complete depth. To the best of my knowledge your study did not include any in-depth reviews with either the Institute of Municipal Assessors of Ontario, or the Association of Municipal Clerks and Treasurers of Ontario.

Now I know the Minister is going to say that we have committees from those departments looking into it, but—

Hon. Mr. McKeough: No, I am going to say that Mr. Eby had apparently never heard of the Smith report.

Mr. Good: We will get to the Smith report.

There are many knowledgeable and dedicated men on both bodies who were, and are, available to assist the government on current assessment matters. These men have years of experience to draw upon to help you in your studies.

In Kitchener we are presently operating a most efficient assessment department. Our assessment roll is computerized on our own computer and our tax bills, voters' lists, jurors' lists are a natural byproduct of the assessment function. Our assessments are constantly kept updated and new properties, under section 53, are properly placed on stream when completed. We are ready, willing and able to adjust to any reasonable deadline directive required by the province relative to assessment. The assessment and tax function of our computer is completely integrated and it is designed to provide accurate, complete and updated information when required. In short, we in Kitchener have nothing to gain by being relieved of our assessment function but we do have a great deal to lose.

He goes on to give the figures of new assessment which is obtained by a daily updating under section 53, and this shows that only when the assessment function is kept very local can these things materialize. He says:

> This performance was accomplished only by rigid day-to-day inspection of our assessment department of all new properties.
>
> Assessment in Waterloo county is presently carried out by four assessment departments, each headed up by a qualified assessment commissioner. The city of Waterloo, the city of Galt, the county of Waterloo and the city of Kitchener, have done a very good job, in my estimation and the estimation of a great many people, in the assessment function. However, under this new system, The Department of Municipal Affairs is in the process of establishing a new office which will be set up in the city of Galt.

Let me digress from this letter for a moment to tell you what this means. Of the 60-odd people employed in assessment in the county of Waterloo, 54 came from the cities of Kitchener and Waterloo. In other words, they live in that community. This department has now taken from the twin city area the original assessment offices and put a new one in Galt, where only six people now reside and are employed in assessment. What does that mean? That means that 54 employees of the new assessment office will have to travel 15 miles to and from Galt.

Mr. Bullbrook: What would the reason be for that?

Mr. Good: I do not think he had any particular reason. I mean, it is hard to understand when the greater proportion of the population live in our area. When I asked the hon. Minister concerning this, he said: "My advisers tell me, that it makes no difference where in the county the regional assessment office is located." I say if that is a fact, the Minister needs some new advisers.

Interjections by hon. members.

Mr. Good: For that simple reason you are displacing 54 of 60 people by moving the office. Your schedule last spring showed, in fact, the office to be in the twin city area. Now I have my suspicions why—

Interjections by hon. members.

Mr. Good: The chief data centre is located in the city of Kitchener. The data centre which the assessment department will be using. The geographic centre of the county is in the Kitchener-Waterloo area.

Mr. Speaker, one more point I would like to add is simply this. The building which the Public works department, I understand, now has an option on for leasing to house the new assessment department had been condemned by the city and the people subscribed funds to put up a new library. This is just a beginning of an indication of what can happen with the provincial takeover of assessments. Talk about local politics in assessment; I have no knowledge of any other jurisdiction but here we have it right in its initial stages.

Returning to the letter; a few of the problems are:

> The province has announced the takeover of our assessment staff at year end. The city of Kitchener sick-leave credit plan has certain benefits not contained in the provincial plan, consequently some key female members of the assessment staff may resign at year end.

This is a real possibility. I have spoken to some of the key-punch operators and this is their intention. Why should we work in Galt?

> The group life insurance plan enjoyed by all city employees will also be lost to assessment department personnel at changeover.
>
> The salary ranges accruing to new personnel under the new provincial scheme could very well affect salaries paid to other city departments. For example, fire, police and clerical union members. The provincial salary schedule for assessment department employees will inflate salaries paid by the city to the other personnel.
>
> We note in your letter to Mayor Peter Blundy of the city of Sarnia that the total cost under provincial jurisdiction will be about 53 per cent higher than the present annual cost to municipalities.

Mr. Minister, I respectfully challenge this statement on the basis of insufficient detailed information being available to you at this time. Moreover the cost experience of the newly formed county health units and county boards of education make most municipalities suspicious of government cost projections.

Again in your letter to Mr. Peter Blundy, you stated that:

> Under provincial assessment, I envisage an efficient working relationship between the municipal department and assessment jurisdiction.

Mr. Minister, we already have an efficient working relationship between the municipal department and our assessment department, a relationship which could not possibly be improved upon and which could very likely, in my opinion, degenerate when the centre is moved to another locality and is under provincial jurisdiction.

Hon. Mr. McKeough: The interesting thing is that Kitchener was going to make the whole of Waterloo county a one-tier government.

Mr. Nixon: Is that a threat?

Hon. Mr. McKeough: They would have moved everything into Kitchener.

Mr. Good: I would suspect that the same conditions prevail in the city of Waterloo, the city of Galt and the county of Waterloo, among their departments.

Now that you have brought up this subject, I would just like to follow this through. By your own words, you were acclimatizing people in our area particularly to the fact that when regional government comes, assessment is going to be a function of that regional government. You were on the right track at that time, but somewhere along the line you got some bad advice.

The Premier (Mr. Robarts) of this province in his phase 2 of Design for Development stated the same thing, and we agree on this side that assessment must be a function of the viable unit. We are not asking that assessment be returned to the township basis. You never did give the county the chance to get organized and to get started. It was not until 1965 that you even made assessment commissioners have any standing as far as educational qualifications were concerned. By the admission of your own department head, Mr. Gillis, only 358 of Ontario's 1,311 assessors have passed the course and obtained licences, and 661 are on temporary licences.

Now, you cannot produce, overnight, 600 registered or licensed assessors any more than the municipality can.

Hon. Mr. McKeough: Particularly when your leader says: "Do not spend any more money".

Mr. Good: Right. But here is the point. You could have spent a fraction of what you are going to have to spend under this plan by giving a few subsidies to some other municipalities to create a type of assessment that would have been better. But the regional offices gave no guidance. Two years ago in this House, I said in my first speech in this Legislature that there had to be some supervision from the provincial assessment department over the assessors in this province to bring some kind of equity.

Interjections by hon. members.

Mr. Good: Now you say: "Let us get rid of the whole thing and we will take it over". This is not the right approach. Had this department been doing its job in the last two years, you would have had the use of the assessment manuals made mandatory.

Hon. Mr. McKeough: More supervision, that is what the Liberals want. Sure, compulsory supervision.

Interjections by hon. members.

Mr. Good: Tell me this: Why did you subsidize some municipalities when they went from Addressograph to computers and not others?

Mr. Singer: That is a good question.

Mr. Bullbrook: Are you aware of that?

Mr. Singer: Now you know.

Mr. Good: To continue with the letter:

> I am most disturbed in having our efficient city of Kitchener assessment staff taken away from us and watered down into some sort of regional operation. Our assessment staff works on a constant day-to-day basis through our city computer with our tax billing staff constantly updating property ownership and setting up new property for taxation for the first time. Even at that, the new provincial setup would be somewhat divorced from the day-to-day contact we presently enjoy with our assessment department and there would be an ultimate increase of costs to the taxpayer of admittedly 33 per cent, but probably much higher when the smoke of anticipated organized confusion settles over all of us.

Mr. Minister, let me present two recent experiences of the city of Kitchener with provincial reorganization of municipal functions other than in the field of assessment. The city of Kitchener enjoyed a completely integrated board of health up to April 1, 1968. On April 1, 1968, we joined the Waterloo county health unit because of the 75 per cent subsidy from the province offered to all county board units, rather than the 25

per cent subsidy enjoyed by a local health board in 1967.

The following is a cost breakdown, before provincial subsidy, of the city of Kitchener health services for the years 1965-1968. All government subsidies are omitted in this breakdown because, after all, subsidy money comes initially from the taxpayers before it is returned to the taxpayer in the form of subsidy.

In 1965, the per capita cost of health was $1.73; in 1966, $1.71; in 1967, $1.70. Then, we joined the county unit. In 1968 it was $2.84. Then the county got in on a full basis, $3.87 per capita. That is real performance.

The city of Kitchener cost for health services subsidies increased from $1.70 in 1967 to $3.87, yet the quality of our health services has not improved materially over that same period. And, of course, this is a unit with a considerable number of provincially appointed members.

The morass of confusion and bitterness over the new county board of education speaks for itself. The city of Kitchener's mill rate for education has gone up eight mills in 1969; the county board of education has not yet released the details of its 1969 budget for the ratepayers. Surely, the above two experiences are sufficient to put the city on its guard relative to any new provincial schemes which would further affect the local economy of Kitchener.

Mr. Singer: Everybody on guard except the Minister of Municipal Affairs.

Mr. Good: I therefore join Sarnia in urging that the Prime Minister of Ontario, the Provincial Treasurer and the Minister of Municipal Affairs be respectfully requested not to proceed with the announced takeover of the municipal assessment function. By all means, direct us as to what assessment formula you require. Give us a reasonable deadline date to implement that formula. Attach penalties, if you will, for failure to meet the deadline date, such as a reduction of the municipal unconditional grant, but please leave us in complete charge of our own tax-generating baby, the preparation and maintenance of our assessment rolls.

Certainly, the precedents for allowing well-run existing administrative units to operate under local jurisdictions has been set by your government in the fields of education where boards of education have been retained in Windsor, London, Hamilton, Metro Toronto and Ottawa regions, rather than compelling those boards to join the new county boards of education.

That was the letter spelling out a great many of the fears and reasons why the province should not take over the county.

I would like to take just a few more minutes to explain that the city council itself endorsed this letter in its entirety, and consequently wrote a very enlightening letter to the Premier of the province, parts of which I would like to refer to. They go on to state, as did the member for York South, that the Smith committee did make reference to this function and I will not repeat what he has said. But they had looked at both sides of it. They had looked at the situation in England where this is not the case, and after examining provinces where it had been the provincial function, they still came up with the answer that, provided that municipal assessment jurisdictions are big enough to facilitate professional specialization and the use of volume assessment procedures, much of the responsibility, in our opinion, could be kept with advantage on the local level.

Mr. Speaker, I will not take further time to read the parts of the letter from the council of the city of Kitchener, but they, in like terms, condemn this takeover by the province. Now, what are the local municipalities so upset about? We have had correspondence from literally dozens of them opposed to this takeover.

Hon. Mr. White: I do not think so. London thinks it is all right.

Mr. Good: Well, maybe London does think it is all right—

Hon. Mr. McKeough: Have you heard from Metro?

Mr. Good: —that is understandable. Now, I have one here that just may be of interest to you, and these people are concerned on the basis of the fact that their assessment office is going to be moved from one end of the county to the other end of the county—

Mr. Speaker: Might I point out to the hon. member that the reading of letters which do not concern the principle of the bill should not be part of his address on this occasion. If he wishes, in his own words, to put these objections before the Minister and they are matters of principle, he is entitled to do so, but I do not think that we should have too much of that type of debate at this time.

Mr. Good: Thank you, Mr. Speaker.

The principle of the bill, of course, is that the province is taking over assessment. That is the principle I am dealing with right now, and that principle is very much opposed by —what is this municipality—the town of Midland. This is one I just picked at random.

I would like to read a resolution in the light of the statement made by the Minister of Municipal Affairs and it is addressed to the Institute of Municipal Assessors at the annual convention in Ottawa, June 16 last, in connection with the transfer of assessment of the province:

> We hereby request the Minister retain the assessment office in Midland to ensure the fulfillment of his statement that the municipalities will be served by local assessment people in local offices as in the past.

Now, how a statement like that could be made in the light of the fact that the office is being moved from Midland to Barrie, I do not know.

So then, a reply came back in the form—

Mr. F. Young (Yorkview): Did they object to the provincial takeover, or just the office being moved?

An hon. member: Provincial takeover.

Mr. Good: I will read this; you can draw your own conclusions. The resolution reads as this:

> Whereas the hon. Darcy McKeough, Minister of Municipal Affairs, in his letter dated September 26, has advised us that with the transfer of assessment to the provincial government, it is the intention of his department to close the assessment office in Midland, to have the regional office in Barrie and a small sub-office in Orillia.
>
> Therefore, this council submits its most strong objection to this proposal for many reasons including the following: The Midland office serves the other municipalities such as Penetanguishene, Victoria Harbour, Port McNicoll, townships of Tay and Tiny with such locations in reasonable distance and personal contact for the taxpayers in this area, without the need of subjection to long distance phone calls or long travelling mileages.
>
> The additional cost that will be generated by this takeover and the moving of the office has been estimated as follows: travelling expenses of assessors, to Midland alone can be estimated 64 miles per day at a weekly cost of $38.40. Loss of about ten hours per work week, through this additional travelling representing in excess of 28 per cent of the assessors' work week.
>
> And that a copy of this resolution be sent to the hon. Darcy McKeough, Mr. Gordon Smith MLA, Simcoe-East, and to other municipalities affected.

Municipality after municipality have written stating that they feel they are going to lose contact with the whole assessment function when the province takes over. This is especially true in areas where the principle of the bill involves one assessment court of revision in the locality where the office is.

Hon. Mr. McKeough: This is not correct.

Mr. Good: Well, this we can argue when we get down to the individual sections of the bill. People are beginning to feel already that under provincial jurisdiction, the average man on the street will have about as much chance of appealing his property assessment as he has his income tax assessment in Ottawa. It is too remote.

Some of the other objections I have to the principle of this bill are these—

Hon. Mr. McKeough: Just to put the record straight. The member should refer to section 50(6): Courts shall meet and may adjourn from time to time in every municipality in which there is an Appeal pending to hear and try all complaints in respect of which any person may appeal to the court under this or any other Act. Court sits in every municipality—

Mr. Good: May sit. Now, is this in your original bill, or is this the one that now has 35 new amendments printed in it?

Hon. Mr. McKeough: No change.

Hon. Mr. White: Little lack of homework.

Hon. Mr. McKeough: The courts shall meet by the way, not may.

Mr. Good: Many of these fears of municipalities where they feel with the assessment function taken away from the municipality, I think are very real, and that is the cross-reference between assessment departments and all the other departments of municipal government. The engineering department, the taxation department—they all have to make reference to this daily.

Now, I feel this is the whole crux of my objection to this bill: the provincial takeover. Quite simply, had the province, or had

this department, taken a fraction of the money which they now intend to spend—$100 million over the next five years to reassess—had they done the job in supervising the assessors in the various regions, had they given them the incentive—my understanding is that the regional assessment office did not do anything unless they were asked to do it.

Not once did they do anything to help an area that needed to upgrade their assessment. I personally think that the government was negligent in its responsibilities to see that the provincial assessment picture did not degenerate into the condition which it is in now. I think it could be brought out of its present condition much more quickly, much more cheaply, more efficiently, and with the retention of local autonomy if this bill were not passed for second reading.

Mr. Speaker: I think it would be only proper if I deal with the amendment which was moved by Mr. MacDonald and seconded by Mr. Lawlor, and I would say this: First of all, I cannot agree, at the moment, with the contention of the member for Downsview that the words "fundamentally defective in principle" have the effect to negative the principle of the bill. I would also say that I have somewhat of the same opinion with respect to the last paragraph, but indubitably, having made a ruling of similar words earlier in this session, I will be bound, for the moment at least, by my own ruling and I will accept the amendment as moved.

I would also advise the House that I propose to look into both matters and if I find that my ruling before, which I believe was made while I was in the House without research—and the ruling that I am following today with respect to the withdrawal of a bill, being part of such a motion—if I find that is wrong I will have no hesitation in bringing to the House the precedents which would indicate that that is so, and in getting the matter re-established on a proper basis. If the ruling which I have followed today is correct, then, of course, it will be reinforced. Therefore, I put the amendment before the House so that it may be on a proper basis.

Mr. MacDonald moves, seconded by Mr. Lawlor, the motion for second reading of Bill 205, intituled, The Assessment Act, 1969-1969, be amended by deleting all the words after "that" and substituting therefor the words:

—this House is of the opinion that the bill is fundamentally defective in principle and that it should be referred to the standing legal and municipal committee to determine the following matters:

1 (a) the amount in the shift of tax burdens from commercial and industrial property to residential property which is occurring in reassessment based on market value, and

(b) the methods for preventing such shift.

2. The effect of continuing the exemption of most industrial machinery and equipment from assessment which adds to the inequitable sharing of the municipal tax burden between the industrial and residential taxpayers.

3. The implications of a report of the committee on farm assessment and taxation and the validity of its recommendations, that special provincial grants be made to offset municipal revenue losses resulting from any reliefs provided for agricultural land.

4. Desirability of instituting a moratorium on any increased taxes arising from home improvement, and

—that this House is further of the opinion that Bill 205 should be withdrawn and a new bill incorporating the recommendations of the committee on above matters should be introduced without delay.

The hon. member for Sarnia now has the floor.

Mr. Bullbrook: Mr. Speaker, I believe, sir, that I can be brief, in speaking to the principle of the bill and to the amendment proposed. I might say—as I understood the intention or the concern expressed by the hon. leader of the New Democratic Party—it was the fact that he did not see a desire for uniformity in connection with the assessment functions throughout the province.

Certainly, I do not think anybody in this Legislature, Mr. Speaker, takes issue with this. What we suggest is that perhaps this legislation is comparable to throwing out the baby with the bath water, that had this department appropriately utilized its regional offices and appropriately directed the municipalities—as they were apparently, sincerely attempting to do to a certain extent—in having the counties undertake this function for smaller municipalities, which the Minister and I both recognize not to be sufficiently sophisticated organisms to undertake the function and responsibility that they should have. But here, what we are doing in connection with this legislation is not really even giving these counties, such as the county of Lambton, the opportunity to carry forward the

expressed intention of the department some two or three years ago.

Basically the thrust of my remarks is in complete support of a resolution from the municipal council—the corporation of the city of Sarnia—directed to the appropriate members of the government. I would like to read this into the record. It is somewhat repetitious of some things mentioned and I apologize for that, but I want to make some comments on it. The resolution reads as follows:

> Whereas the Provincial Treasurer has announced the government's intention to make the municipal assessment function a provincial responsibility, and whereas this proposed action is contrary to previously announced government policy, the assessment function would be the responsibility of regional government where such is established.

End of the first preamble, and I want to make comment in this connection with this preamble.

As has been mentioned by my leader, and as has been mentioned by my colleague from Waterloo North, we in the Legislature had the opportunity, over the past summer months, of meeting with the Minister of Municipal Affairs and some of his colleagues in the Cabinet to discuss this. During the course of these discussions we have been met—I say this most respectfully—with generalization. If there ever was a statute on the books of Ontario—1918, I believe is the year of the inception of the assessment; I believe it is 1918. It obviously is not 1918 because I have just seen a head shaking. But, in any event, it is a statute, sir, that has been on the books for many years, and it is a statute that cries out for true and proper amendment. I must say that I want to associate myself entirely with the remarks made by the leader of the New Democratic Party in connection with the archaic aspect of this new bill. One would swear that nobody had really done anything about those sections dealing with exemptions.

Mr. Lawlor: That is right, they just left them alone.

Mr. Bullbrook: Really, it borders on the ridiculous. I digress in that respect in bringing to your attention, Mr. Speaker, that really what we have here, in effect, is a statute that carries forward only two basic principles. One is the usurpation of local autonomous powers in accordance with what seems to be an octopus-like intent by the government of this province; and secondly, the question of translating the uniformity of assessment through those magic words, "market value," that themselves lead to difficulty.

The point is that this government did state that it was its intention that the assessment function would be vested within regional government. In point of fact, the Minister has stated, as mentioned by my colleague from Waterloo North—in the town of Wallaceburg before municipal officials from that district, from his very district, sir, and from mine—that it was the intention of the government, probably within a five-year period, to transfer back where applicable, the function and the responsibility of assessment to regional government. The mayor of the city of Sarnia said at that time, "We do not want it because we cannot afford it," as my leader has said. And this is the problem.

The hon. Minister advised us that day that he looked at the instant cost that the additional cost will be some $5 million.

It is not my purpose, because others are better equipped than I, to discuss the impact of this particular statute. Whatever little impact there truly is as far as the tax base is concerned, we should be looking to those people who are ineligible in connection with the recommendations of our select committee relative to the Smith report. I wish to reinforce entirely the words of my leader, Mr. Speaker, "that the municipalities can afford to take it back afterwards." This is the basic problem. You are going to have an analogous situation to the county board. And as a matter of fact, it is taking place already. This is another example of what really goes on in the province of Ontario.

We are debating a bill today that literally is a *fait accompli*, Mr. Speaker. The assessor of the city has signed, he has been hired. He has already been hired to the regional assessor —before the fact, in effect. I do not know whether this is presumptuous, but I suggest to you as one member of this Legislature, that I regarded it as somewhat presumptuous. In effect, we are renting buildings in Goderich and Galt no matter what the astronomical rentals might be.

I will not get into that aspect of it, but wish to say to the Minister through you, Mr. Speaker, that he should not think that because we are nice we are naive. We know why they are in Goderich and we know why they are in Galt.

Hon. Mr. White: Who said you were nice?

Mr. Bullbrook: I said we are nice.

Mr. Singer: We are, not you.

Mr. Bullbrook: I continue with the second preamble to that resolution, where the province has adopted the recommendation of the Ontario taxation committee concerning poll tax, regional government, basic shelter allowance and the administration of justice, and, whereas, the proposed action is contrary to the recommendations of the committee respecting municipal assessments.

And whereas this proposal, if implemented will end up costing the Ontario taxpayers much more money—a preamble to a resolution and a statement in point of fact with which the Minister will not take issue.

And whereas municipal assessment departments work with and their assessment records are essential to the date the operation of other municipal departments.

This of course, will invite the Minister to talk, about this. It goes without saying. Any lawyer practicing his profession in any community in this province will certainly have to attest to the fact that one of the most vital departments with which he deals by way of liaison with every other department, with the city court and with the tax department, is at least the assessment department.

What we are inviting again is a self-strangulation of the appropriate running of a municipal corporation. Let me say this to you, Mr. Speaker, if I might. The municipality that I live in and one of those which I represent, operates its assessment department on a highly sophisticated claim. The city of Kitchener, and, I take it, the city of Waterloo with the use of a computerization at a significant cost.

It might well be, that there are, as I mentioned before, some municipalities that are not able to undertake this, and certainly they should have looked for assistance to the regional officer of this Minister's department.

But the city of Sarnia strongly resists this because they are well able to take care of themselves. What the city of Sarnia has always asked for is a complete revamping of the municipal tax base and a complete look at the effect of The Assessment Act.

The next preamble reads:

> Whereas serious problems could be encounted as to timing and availability of the information required for the preparation of municipal voters' and juries lists from assessment rolls.

Again, sir, you with your municipal background and your knowledge, I think, are more than enclined to agree that this is an absolute essential availability.

> Whereas the urban municipalities, including all cities, Metro and regional municipalities, have assessment staff capable of carrying out some assessment programmes as determined by provincial Legislation.
>
> And whereas the provincial takeover of this existing and historic municipal function would further weaken local government and remove from the municipalities the very machinery that determines its tax base and major source of revenue.
>
> Therefore be it resolved that the Prime Minister of Ontario, the Provincial Treasurer and the Minister of Municipal Affairs be respectfully requested not to proceed at the present time with the announced provincial takeover of the municipal assessment function, and that if necessary existing assessment legislation be amended so as to insure sound and acceptable assessment practices across Ontario.

With those words, sir—not because of my responsibilities to the people, being the same people to which that council has a responsibility, but because, Mr. Speaker, I truly believe that this is an essential mistake—I say this in closing, if I might: If this Minister was going to bring in an Assessment Act to embody the principle of provincial takeover of the assessment function and the establishment of the basic criterion of market values, he could well have done it without attempting to purportedly clothe it within a new statute, because it is not a new statute. It is a statue that cries out to be new. What we have are really half measures again.

Mr. Lawlor: Mr. Speaker, the hon. Minister, in introducing this legislation, had two alternatives, simply to amend the existing Act or, as he has done, adopt by and large after due consideration and with good reasons, the recommendations contained in the Smith report and carefully fined-over by the select committee, revamping them to the need, and he has done neither of these things.

This young Minister who emulates the most conservative of heads and who always opts with the *status quo* whenever there seems to be any question of revamping a situation, has the effrontery to bring before us this abortion.

Mr. Singer: Hear, hear!

Mr. Lawlor: This bill, after all the time it has taken, the millions of dollars spent on Smith, the review of the select committee, the review of the review by a work force within the Treasury, comes before us with three relatively minor changes. The mountain has certainly laboured and you can hold it in the palm of your hand; it is miniscule. To detect it you have to look at it very hard to see just what kind of a pellet this mountain has produced. He has done three things—

Mr. Singer: I do not know how the Minister of Revenue can stand to stay in Cabinet after that decision.

Mr. Nixon: He can stand it.

Mr. Lawlor: He has done one good thing. He has sought to tackle the issue of market value and we will speak a bit about that and the validity of that proposition.

The second thing he has upgraded in some ways and in other ways despoiled is the section having to do with business taxes and we will come to that.

The third thing he has done is provided a new procedure for appeals. As I think I have already elaborated on much earlier today, a new body—get this, Mr. Speaker, just to try to quiz the issue—a new bureaucratic intermediary tier called a board of some kind has now been conceptualized and is slowly being brought into existence so that, as I say, there will not be an unemployed Tory left in Ontario.

I sat on this committee and I know just how difficult this subject is to deal with. If one took a whole week off from the Legislature and stayed at home to work on the very problems presented here today, you would not even come close to unravelling the intricacies. It is a really difficult subject. And I confess that with a number of other rather more flamboyant and, you know, spiritual—the dreamer cometh—speeches I have been preoccupied with other things. My remarks are, perforce, rambling, but I hope nevertheless they shall point out—and this will be my basic thrust—the anomalies he has let sit there percolating and has given confirmation to.

These include the internal contradictions written into his own legislation which he has not detected; the perpetuation of a host of anachronisms which have no force or validity in present-day life which any redesign of a statute would seek to root out, even if it were only a question of verbalism in the set-up.

In order to do this, many intricate matters of the way in which taxation has been applied in the past must be studied. Some of them come down from the 19th century; the bulk of them in the business tax field coming from 1904 and virtually unaltered in all those years. Some of it is running against the thought and submissions and recommendations made by the Beckett committee, an earlier select committee of this Legislature in 1961. All this has gone by the board.

Seemingly little of it has been taken into account and certainly the work that we did—I always give us a little accolade on this one—so munificently, you know, seems to me to be a waste of breath this afternoon. We may as well not have had the trouble at all, at least so far as this section, which is about a third of the work we did is concerned.

We are presented with a completely unthought out matter. You have simply bowed your head to the *status quo*, to the way things are; you make no move, or exceeding little move, which is almost the same as a backward move, in the light of all the recommendations you have before us, and all the various inequities that we have spelled out and which Smith spelled out over the course of about 400 to 500 pages.

In order to elaborate on those, to give this House any creeping notion of what we went through, of what the inequities are, of where the stupidities have grown up over the course of the years which you seek to perpetuate today, to give them any glimpse of what is involved, would take a very long time. As we get on in the session the pressure of events and the fact of urgency precludes a member, however one would like to do so, from taking the six to ten hours that would be necessary on one's feet in order to bring in the full force of your dereliction, of your failure to read, to bring into being the things which are quite capable of being brought in. That is not the point.

There are factors where the Minister can well say until we complete the reassessment and the market value concept—and necessary to this, as an appendage to it, is the business of having review courts of a certain kind which will see that this is done equitably as it is set forth in the province—until we have done that there are a number of things we simply cannot do otherwise.

But the lamentation of the thing is that there are literally hundreds of things which he might very well have done without in the least deflecting from that purpose in a review

and a reformation of this hoary and completely anachronistic statute, which we look forward so much to seeing changed.

Mr. Speaker: I wonder if the hon. member would find a suitable place in his discourse to move the adjournment of the debate because the idea is he will not finish this evening?

Mr. Lawlor: No. I would move the adjournment of the debate, Mr. Speaker.

Motion agreed to.

Hon. Mr. Welch: Mr. Speaker, tomorrow we will carry on with the consideration of this legislation and other legislation appearing on the order paper from and including order number 18. We hope we will have some time for committee of the whole House as well.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 o'clock, p.m.

No. 213

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 13, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 13, 1969

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon, in both galleries, we are to have students from Barton Secondary School in Hamilton; in the west gallery we are to have students from the Clarke Institute of Psychiatry in Toronto; and in Mr. Speaker's gallery we have ladies from the Aurora Progressive Conservative Women's Association in Aurora.

Mr. E. Sargent (Grey-Bruce): You mean there are some Conservatives left?

Mr. J. W. Snow (Halton East): Mr. Speaker, I am sure the members of the House would be most interested in knowing that on November 13, 1894, at Canboro, Ontario, one of our most esteemed colleagues of this House was born. I am also sure that on this day, November 13, 1969, we would all like to extend to the hon. member for Haldimand-Norfolk (Mr. Allan) our sincerest best wishes as he enters his third quarter century of dedicated service to the people of Ontario.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, perhaps you would allow us to take a moment to extend congratulations from this side as well. I appreciate the hon. member intended his remarks to include all hon. members, which they certainly do, but I have had the honour of being, sort of, the member for Haldimand-Norfolk's seatmate, at least in one respect since our ridings adjoin. Believe me, I want to express, from our party, the heartiest congratulations to the gentleman personally, and the appreciation of the community for the service he has rendered over these years.

Mr. D. C. MacDonald (York South): Mr. Speaker, I am startled. Did the hon. member say 1894? I had come to the conclusion from watching the vigour with which our friend moves around Queen's Park that in five or ten years from now he might reach three score years and ten.

Mr. J. Renwick (Riverdale): Or even be in the Cabinet!

Mr. MacDonald: Yes, he might even be in the Cabinet. Seriously however, I would like to join everybody else in expressing my very best wishes to the hon. member for Haldimand-Norfolk. He is one Conservative who can carry his conservativism without the degree of partisanship that affronts anybody at all. He is a real fellow.

Hon. A. Grossman (Minister of Correctional Services): Like the hon. member himself, he means!

Mr. MacDonald: In spite of the provocation from the hon. Minister of Correctional Services I will not make any contrast with anybody else. Best wishes to the hon. member for Haldimand-Norfolk.

Mr. Nixon: I think we should hear from the hon. member.

Mr. J. Renwick: Yes.

Mr. J. N. Allan (Haldimand-Norfolk): Mr. Speaker, I am grateful for the acknowledgement of this birthday and for the very kind remarks of the hon. members.

I consider my experience in the Legislature to have been extremely good fortune, particularly the privilege of associating with members of this Legislature through the years. It has been an entirely happy one and I have enjoyed it and I am very grateful for the co-operation I have received from all members in the House.

Mr. Speaker: Statements by the Ministry.

Hon. G. A. Kerr (Minister of Energy and Resources Management): In view of the apparent confusion surrounding the decision to move Ontario Hydro's proposed Bruce nuclear power station, I thought it might be wise to clarify the situation by making a statement in the House today.

The intermingling of a public utility, a federal Crown corporation and regulatory authorities, and the different projects which make up the Bruce nuclear power centre, has not helped to promote an understanding of the circumstances surrounding the shift in location on the site.

At the risk of being too elementary, the agencies and their roles should be defined.

First, there is Ontario Hydro.

Next is Atomic Energy of Canada Limited, a Crown corporation responsible for promoting and supporting the development of economic nuclear power. Then comes the Atomic Energy Control Board, which is responsible for the regulation and control of atomic energy in this country. The board is concerned with plant safety: radioactivity in the case of the generating station; hydrogen sulphide in the case of the heavy water station.

In 1959, Hydro acquired a site of 2,300 acres on Lake Huron, 14 miles north of Kincardine and 18 miles south of Port Elgin for a nuclear station to be built by Atomic Energy of Canada Limited. The site was subject to approval by the Atomic Energy Control Board as to location and size, as was each stage of construction of the plant itself. When the project was complete, then an operating licence had to be obtained from the board. The Douglas Point nuclear station began the production of electricity in 1967. It is staffed and operated by Hydro, but it was built and is owned by Atomic Energy of Canada Limited.

Last December 5, Hydro announced it was proceeding with construction of a second nuclear station on the site to produce three million kilowatts of electricity. This was called the Bruce generating station and was to begin operation in 1976. Ontario Hydro would build and operate it, and Atomic Energy of Canada Limited would provide nuclear development and design services to Hydro's account.

Prior to this decision, Hydro had approached Atomic Energy of Canada Limited to obtain assurances that adequate supplies of heavy water would be available for the nuclear programme. The Crown corporation agreed to provide capacity in addition to heavy water plants then underway in Nova Scotia.

Accordingly, Atomic Energy of Canada Limited announced its plan for a heavy water plant for operation in 1972 simultaneously with the Hydro announcement last December.

A site close to the nuclear plant was selected because the heavy water facility required large amounts of steam and the Bruce's nuclear reactors promised to be the cheapest source of steam in the country.

The projects on this one site include: 1. The Douglas Point Nuclear Generating Station, operating since 1967 and owned by Atomic Energy of Canada Limited; 2. The Bruce generating station, now being built by Hydro; 3. The heavy water producing plant, which includes an auxiliary steam supply unit, to be owned by Atomic Energy of Canada Limited.

All these plans, of course, were subject to the approval of the Atomic Energy Control Board. First the site must meet certain requirements. Then construction is approved stage-by-stage as plans are submitted and discussed. Even during the operational phase, all aspects must be discussed and approved.

The siting of these two new projects—the heavy water plant and the generating station—was mutually determined last year by Ontario Hydro and the Lummus Corporation which had been hired for preliminary engineering analysis. This company has wide experience in the heavy water plant field and the site layout was made on the basis of practices and experiences with heavy water plants that have operated for many years in the United States and the two Canadian plants being built in Nova Scotia.

When Atomic Energy of Canada Limited decided to proceed with the heavy water plant it engaged the Lummus company as consultants. The site layout was again reviewed and advice sought from another company with extensive operating experience in heavy water plants. All agreed that the general siting plan met all safety criteria prevailing at that time. The arrangement allowed a 1,500-foot separation between the two plants. (At the Savannah River heavy water plant in the U.S. which has operated for 17 years, the boiler plant, where no special precautions are required, is about 1,400 feet from the heavy water installation.)

Up to that point, the extent to which the Atomic Energy Control Board would exercise jurisdiction over heavy water producing plants was unknown. However, the control board subsequently set up a heavy water safety advisory committee. Like the board's nuclear safety advisory committee, the new group was composed of technical specialists who make recommendations on procedures and practices.

Although the control board is a federal agency, and the regulation and control of nuclear energy comes under the government of Canada, Ontario is represented on the 11-man heavy water safety committee with six members: one from the Ontario Water Resources Commission, one from the Air Management Branch of The Department of Energy and Resources Management, two

from The Department of Labour and two from The Department of Health.

As preliminary work progressed on the site, Hydro and Atomic Energy of Canada held continuing discussions with the heavy water safety committee. Although precise requirements have not yet been developed, it became evident by last month that the committee was concerned with the accidental release of hydrogen sulphide—a toxic gas—from the heavy water producing plant and was going to recommend safety measures which would have pushed up construction costs for the Bruce station to prohibitive levels. Such safety measures, while entirely acceptable to the operational phases of all the plants, would have resulted in unacceptable costs if applied to the fluctuating and dispersed 3,000-man construction force required over the eight-year period when the generating station was under construction.

Because of the lack of firm criteria it was decided to shift the location on which the power station would be built to the northern end of the site and obtain a one-mile separation. Even though an estimated $1 million had been spent on site preparation—about half of which is recoverable—and despite additional costs because of the move, it was clear that that relocation would mean a net saving of several millions of dollars in the total cost of the power station.

The question arises as to why the heavy water plant should not have been moved. The construction of that plant was already well advanced and the loss of time and funds already spent on this site would have combined to make this impractical.

The power station could have been left at the original location on the site. But to leave it would have led to substantially higher construction costs.

As for the construction workers at the heavy water project, Atomic Energy of Canada Limited and its contractor will undoubtedly take whatever steps and precautions the control board sees fit to impose.

Let me assure you that safety on all counts is a foremost consideration of this government, Hydro and all bodies concerned. But the federal control board, which has no provincial representation itself—its committees only advise—assumes the ultimate responsibility and must make the final decisions.

The heavy water plant, of course, has no nuclear elements. But in taking the plant under its jurisdiction, the control board is imposing the same unusually strict safety standards it has followed with nuclear reactors.

Should preliminary site preparation have gone ahead before all the approvals had been received? The answer is yes, when you consider the alternatives we faced. Approvals are received progressively. If Hydro had waited until all the details were settled, it might well have been several years before the first sod was turned. This province needs tremendous amounts of electric power in the coming decade and we felt that we must accept some risk in order to meet these requirements which are so essential to the economic growth of Ontario.

In the opinion of the engineers working on the design of these plants, the hazards are only those associated with a great many other types of chemical plants scattered throughout the country and well within the area of safe and proven technology associated with such plants.

The shift in site will cost money which is regretted. How this cost will be shared is yet to be determined. If a plant is dangerous obviously it should not be built, but then neither should the builder be impeded by continually changing regulations. It would seem desirable that control agencies lay down firm guidelines to which utilities and others could work with some degree of confidence that the rules would not be changed part way through. However, in plants of this nature where development of many design features proceeds as construction progresses it is apparent that such an approach is not altogether practical.

In the end, however, one must rely upon the advice of the engineers, the scientists and technical experts as to safety.

I assure you that the safety of the workers engaged on these projects, and the public, is foremost — beyond dollars, convenience, or political strategy.

Mr. Speaker: There are no questions at this time; the hon. member can ask his questions in the oral question period. If he has a point of privilege or order, he is always in order.

Oral question period.

Mr. Nixon: Mr. Speaker, I wonder if the Minister can tell us, following his statement, that he is now satisfied with the safety precautions that will be undertaken as they provide for the safety of those working in the heavy water plant and the nearby present Douglas Point atomic reactor and those in

the community close by. I hope there is no political implication in that question.

Hon. Mr. Kerr: Mr. Speaker, I am satisfied from the information that I have received from Ontario Hydro and the representatives from my department on the safety committee, that every possible precaution and safety feature is being implemented in this project.

Mr. Nixon: A supplementary question. Is the Minister accepting as a provincial responsibility the decision and the cost to relocate the Bruce plant?

Hon. Mr. Kerr: As my statement indicates, Mr. Speaker, we are accepting the decision to relocate—the costs are to be negotiated, they are still being negotiated with the other parties involved in this decision.

Mr. Nixon: Perhaps a supplementary to that. If the Minister would indicate what share he feels should be paid by the federal authority.

Hon. Mr. Kerr: I would not like to make a commitment, Mr. Speaker, I will leave that up to the parties negotiating.

Mr. Speaker: A supplementary question.

Mr. Sargent: Would the Minister advise when this plant is completed, if, as, and when it is completed, does he plan to acquire it for Hydro? Is that correct?

Hon. Mr. Kerr: Mr. Speaker, what plant is the member referring to?

Mr. Sargent: Well, what are we talking about?

Hon. Mr. Kerr: We are talking about three plants.

Mr. Sargent: All right. The Atomic Energy of Canada Limited is building this heavy water plant—

Mr. Speaker: Order. All the hon. member does is ask a question, identify the plant he is talking about and then be still until the Minister answers.

Mr. Sargent: All right. Does the Minister plan to acquire it and for how much money?

Hon. Mr. Kerr: No. It is my understanding that the Atomic Energy of Canada Limited continue to own the heavy water plant.

Mr. Sargent: I suggest the Minister had better check—

Mr. Speaker: Order!

The hon. member may ask a supplementary question.

Mr. Sargent: Is it not true that the prevailing winds are off Lake Huron so that the poisonous gas will be carried inland posing a serious health hazard to Underwood and seriously effect the quality of residential life in Paisley, Chesley, Walkerton and Hanover even under normal operating conditions at the plant?

Mr. Speaker: I doubt if that is a proper supplementary, but if the Minister wishes to answer he may. This is an important matter.

Mr. Sargent: I would like to know what information was received by Hydro regarding the prevailing weather in this area, particularly in regard to conditions peculiar to the Lake Huron area and the probability of inversion. Could the Minister check that out?

Hon. Mr. Kerr: Mr. Speaker, I am sure that in designing and deciding on the location of this plan with the consultants that the weather factor was taken into consideration. Now, the member is assuming that there will be emissions of toxic or poisonous gas. My statement indicates that there is a minimal danger of this happening. Just how the prevailing winds would effect the disposition, I really do not know. I am sure that this was all considered when deciding on the site of these plants.

Mr. Sargent: A supplementary, Mr. Speaker. In all the cases of these plants in the U.S., is it not true that they have hearings to see if the sites are agreeable to the people in the area? Was a hearing held in location of this site on the Douglas Point?

Hon. Mr. Kerr: Not to my knowledge, Mr. Speaker.

Mr. Speaker: Any further supplementaries? Yes, the member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): May I ask the Minister in the event that an accident does happen and the gas escapes, is it a requirement that the people located in the vicinity of the plant are required to wear masks? Is this so?

Hon. Mr. Kerr: Mr. Speaker, these are questions that I really do not have that much knowledge about. I think this is very doubtful that people in the area would be issued with gas masks. I am sure that the heavy

water safety committee and the Atomic Energy Control Board—if they feel it is necessary in their technical wisdom and knowledge—will do it, but I have no information that there is danger to the citizens in the area or that they should be issued with safety equipment.

Mr. Speaker: Another supplementary question?

Mr. Sargent: Yes, is the Minister aware that this is the same system being used in Nova Scotia?

Mr. Speaker: I would think the member's supplementary is not of any urgency. Oral questions and therefore supplementaries must have some urgency and therefore I rule the hon. member out of order.

Has the hon. leader of the Opposition any further questions?

Mr. Nixon: Yes, Mr. Speaker, I wanted to ask the Minister of Health, further to the report of the speech that he made to a number of Conservatives yesterday, if he feels that the private insurance industry is, in fact, on trial for a year to see if they can dovetail with the government programme, and if he is prepared to make it a fully government sponsored operation after a year has elapsed.

Hon. T. L. Wells (Minister of Health): Mr. Speaker, I think all I could do is reiterate what I said. I said that there was a place for them in the implementation of this plan. They have assured us they can operate administratively as cheaply as we can, certainly they are not going to charge anything like the 12 per cent that the hon. members opposite have been saying they are going to charge.

Mr. Nixon: Yes, but the Minister does not know what they are going to charge.

Hon. Mr. Wells: At the end of the year we will see how they do. What I said was, certainly if they did charge the 12 per cent that you said, it probably would be the end of their participation in the plan, but I am confident that they will not.

Mr. MacDonald: Despite past evidence to the contrary, the Minister persists.

Mr. Nixon: I wonder, Mr. Speaker, as a supplementary question, would the Minister of Health say that if they come above the 6 per cent that is normally associated with the OMSIP operation, they should be put out of business as far as this part of the responsibility is concerned as well?

Hon. Mr. Wells: I said we would take a good look at this, Mr. Speaker. Is this six per cent supposed to be some magical figure? We have indicated in the projections that the administrative costs will probably be more like 6.9 per cent for the whole plan, so maybe it might cost them 6.5 or 6.75 per cent in the first year because of some special charges that they may be able to justify, but what I am saying is that if they have administrative costs that are well out of line, we will certainly be taking a good hard look at their costs.

Mr. Nixon: A supplementary question associated with what the Minister has said. There was one report—a radio report I believe—that in answering a question, or making a statement on the total cost of the programme for the first year, he indicated it would be over $500 million.

I was surprised at that, can the Minister clarify that point?

Hon. Mr. Wells: I think I have given these figures before. I indicated that the cost of the programme would be about—this is based on the revised figures because of the coverage we now have in the province of over 97 per cent—$415 million for claims, $28 million for administration and $65 million for the health resources development plan, which comes to about $508 million.

Mr. Nixon: $508 million in total and it is going to cost you said $28 million for administration?

Hon. Mr. Wells: That is the estimate.

Mr. Speaker: Does the hon. member for York South have a supplementary question on this one?

Mr. MacDonald: I have two supplementaries, Mr. Speaker. I do not know why the Minister smiles, after all he is the champion of those hordes of—

Mr. Speaker: Order! The hon. member is placing a supplementary.

Hon. Mr. Wells: I wish you would come to the meeting and listen to the speech.

Mr. MacDonald: You are right, Mr. Speaker, I—

Hon. Mr. Grossman: He enjoys his work.

Mr. MacDonald: My first question of the Minister is: if the 12 per cent figure is so erroneous, why, when it was published by a very reputable columnist and reporter and editorial writer in the London *Free Press* during the Middlesex by-election, was it not corrected, literally until after the election was over?

Hon. Mr. Wells: That is a very difficult question to answer, Mr. Speaker. If I had seen it, I would have corrected it and certainly many of the carriers have been phoning us recently and complaining that the hon. leader of the Opposition, in a newspaper article mentioned 12 per cent and they felt that he was unjustly using this figure.

Mr. MacDonald: Was there not one carrier called London Life who normally read the London *Free Press,* who would have seen it within hours of it being printed?

Hon. Mr. Wells: I do not know what papers the London Life reads.

Mr. MacDonald: Perhaps the Minister might confer with the Prime Minister (Mr. Robarts).

But my second question is even more important: If the 6.9 per cent is an umbrella figure, does this mean that if the public aspect of OHSIP can keep its administration costs down to, for example, the 4.7 per cent that the PSI was able to achieve when it had a large subscription list, that the private sectors of OHSIP and the private insurance companies can go up to, say, 8 per cent or 9 per cent, and you balance off at 6.9? Will that be tolerable?

Hon. Mr. Wells: No, no, Mr. Speaker, that would not necessarily be tolerated at all. These are estimates. After all, we do not have any figures upon which to base our estimates on in this province —

Mr. MacDonald: You have lots of figures.

Hon. Mr. Wells: No, we do not, we have a plan here that is probably bigger than anything else in—

Mr. MacDonald: PSI was 4.7 per cent.

Hon. Mr. Wells: PSI covered a million and a half people.

Mr. MacDonald: It had over two million at the time.

Hon. Mr. Wells: I am not sure they had that many. But, anyway, we had as many in OMSIP and our costs were a little more than PSI costs were. We will not really know until we have had a year's operation and I think it is very erroneous to conclude that any of these types of things will be done. We will want everybody to operate as economically as possible and that is our aim.

Mr. MacDonald: The Minister gives lots of second chances to his friends.

Hon. Mr. Wells: No, we do not. The hon. members have different ways of doing things and we have different ways.

Mr. MacDonald: We certainly have.

Mr. Nixon: Mr. Speaker, I have a question for the Attorney General concerning a report in this afternoon's *Telegram* that he intends to introduce landlord and tenant legislation, which he has assured us frequently that he will and that it will contain some provisions for a rental review board. I wonder if he could either confirm or deny or comment on that report?

Hon. A. A. Wishart (Minister of Justice): Mr. Speaker, I can reiterate that the landlord and tenant legislation will be introduced; and soon. As to what appeared in the *Telegram,* I saw the article. There is no source attributed. I think it is a speculative article speculating on what the legislation may contain. I think the proper place for the content of the legislation to first appear would be in this House.

Mr. Nixon: Well, Mr. Speaker, a supplementary question having to do with this matter, on the introduction of legislation. The Attorney General has indicated over this session, which has now become a very long session indeed, other matters that he intends to put forward by legislation. I would refer to his indication that there might be a Solicitor General's department or some means whereby his responsibilities would be divided so that those pertaining to the control of police forces would be separated from the Attorney General.

The second thing was his assurance that legislation, either through regulation or statute, would come in pertaining to mace. Now, surely we are approaching the end of this session. We are probably five weeks away from it, let us say, but is there some definite intention to fulfill those commitments before we adjourn?

Hon. Mr. Wishart: Well, Mr. Speaker, I have never given any indication that I intended to introduce legislation to provide

for a department of a Solicitor General. I have on occasion said that in certain jurisdictions there was a division of responsibility as to the administration of justice and enforcement of law concerning the control of police forces. I have expressed that information and some opinion as to how it worked in other jurisdictions. But I have never indicated that I was about to introduce such legislation.

As to the regulations which are concerned with the weaponry, the equipment, and use of same by police forces, those regulations have been studied since we discussed the matter in this House in June of this year. The regulations are fairly complete. We have been reviewing them lately. I should think I would be in a position to present them shortly. They would be regulations dealt with in the usual manner, as regulations are, by the Lieutenant-Governor-in-Council.

Mr. Speaker: The member for Wentworth has a supplementary.

Mr. I. Deans (Wentworth): A supplementary question in regard to the landlord-tenant legislation. Would the Attorney General not agree that one of the problems that confronts us in terms of the speculation that is taking place is the delay in the introduction of the legislation? If it were introduced immediately, we could offset many of the fears that are permeating the landland and tenant situation across the province.

Hon. Mr. Wishart: Well, that is probably a very pertinent question, Mr. Speaker. I spent 43 hours, I believe, in this House discussing matters in my estimate which I thought were far less important. Largely, the great part of that time was taken up by the members opposite and that delayed many of the things I wanted to do. Now I am free to get to them, and I will be able to produce them very shortly.

Mr. Deans: By way of supplementary, would the Attorney General not agree that he did indicate during his estimates that the Legislation was ready and that it could be introduced at any time, and that he has at least had a week in which to introduce it since his estimates finished.

Hon. Mr. Wishart: The hon. member is very persistent. I do not know if really I am called upon to answer, but I will. Legislation was ready in the sense that the bill was drafted. The hon. member, I am sure, is aware that legislation introduced by a Minister must represent not only his representation but the government's.

Mr. V. M. Singer (Downsview): What's new about that?

Hon. Mr. Wishart: So it was necessary, naturally.

Mr. Deans: We can assume from that, that the Minister has trouble getting through to the Cabinet?

Hon. Mr. Wishart: Does the hon. member want an answer? It is necessary to take legislation to the Cabinet and it has got to become the government's policy. We have a policy of taking it to caucus so that it becomes not only government but the whole party policy.

Mr. Deans: The Minister may check that sometime.

Mr. Speaker: Is the leader of the Opposition through?

Mr. Nixon: I want to ask the Minister if, through Ontario housing, Ontario student housing, or through his department, there was any provincial stake in the decision to sell Rochdale?

Hon. W. G. Davis (Minister of Education): Mr. Speaker, there is certainly no participation as far as our department is concerned. The department is not involved directly or indirectly with Rochdale. It would be appropriate to ask the Minister responsible whether the Ontario Student Housing Corporation is involved. My own recollection is that it probably is not, but there is no connection at all with The Department of University Affairs.

Mr. Nixon: I wanted further to ask the Premier if he had any information with regard to the federal-provincial conference as to what the agenda might be and what the programme and plan might be?

Hon. J. P. Robarts (Prime Minister): There has been some correspondence since the member last asked and it is continuing at the present moment. It is all marked confidential, actually. I will be able to give you more information, but not just at this moment.

Mr. Speaker: The member for York South.

Mr. MacDonald: I have three questions of the Minister of Health. In view of the statement of Mr. David Archibald, the director of the Addiction Research Foundation, on Saturday night's Metro news that no information can be procured from any hospital with regard to the incidents or the

nature of drug cases that come in, and therefore there is no basic material for research work, would the government consider proclaiming the necessary regulations for the provision of such information on the same basis that it is done with the battered babies and the gunshot wound cases that come to hospitals?

Hon. Mr. Wells: We would be most happy to look into this, Mr. Speaker. In fact, I have already asked the department to look into it, and see how this information from the hospitals can be made available to those who are doing research in this matter. And the Addictions Research Foundation, of course, are one of the main ones, they have many projects going in this area.

Mr. MacDonald: My second question somewhat related to the Minister is: Is it possible to have a copy of the Clement report made available to all members or at least to each of the Opposition parties?

Hon. Mr. Wells: Mr. Speaker, I will take that under consideration. I just got the report myself on Monday afternoon, and it is a very—

Mr. MacDonald: The rush copy?

Hon. Mr. Wells: It is an unedited document and I would have to speak to Mr. Clement and see. If he agrees, I think perhaps the member could read it.

Mr. MacDonald: My final question to this Minister: In view of the Minister's apparent reluctance to move as has been done in some other jurisdictions in making public the payments made to each doctor under the Medicare scheme, would he consider the proposition of the government notifying patients of physicians' bills paid on their behalf, to insure that abuses do not creep into the administration?

Hon. Mr. Wells: It is a very good question, Mr. Speaker, because I think a lot of people in this province certainly feel that the patients should be aware of the Medicare services they are getting and what the cost is. I had a lot of plans advanced to me such as having, for instance, a credit card, a style of card used where a doctor wrote out the slip with the amount on, and then put the card in just like you do for your oil or gas payments. The patient would get one of the copies.

These are the kinds of things that we are looking at in the ongoing examination of this programme. Now the idea of publishing the doctor's salaries, was mentioned, I think, in this House a few days ago. I said that I did not think that we had any plans to do this in Ontario at this time. If it looks like this is a good and valid thing to do, we will certainly be quite pleased to consider it, but I want to look into it a little more.

Mr. MacDonald: I have many other questions, Mr. Speaker, but I am afraid my Ministers just left, or did not even arrive.

Mr. Speaker: They may come in.

The hon. member for Scarborough East.

Mr. T. Reid (Scarborough East): I have a question for the Minister of Education, notice of which has been given. Has the University of Guelph told students that if the present employee-management dispute continues, that the University might have to close down in the new year?

Hon. Mr. Davis: No. Mr. Speaker, the officials at the University of Guelph have assured me that the university has not so stated, nor have they any intention of closing now or at any future time. I should also point out—the member for Wellington South (Mr. Worton) has asked me informally about this—that the negotiations are going on at this present moment. We are all anxiously awaiting their results.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Minister of Energy and Resources Management. Has the Minister had any success in his efforts to reduce or eliminate, the air pollution caused by jets at the Windsor Airport—the DC9's I believe they are called?

Hon. Mr. Kerr: Mr. Speaker, as is the case with the Toronto International Airport, I have corresponded with the federal Minister of Transport asking him if we can get together and discuss possible regulations and control of air pollution from jet aircraft. As the hon. member knows, this transportation is really a federal matter. However, the whole question of toxic emissions from jets could very well be our concern. I have asked for a meeting to discuss this, to see if somehow regulations and controls which are enforceable can be drawn up.

Mr. Burr: Thank you.

Mr. Speaker: The member for Huron-Bruce.

Mr. Gaunt: Mr. Speaker, I have a question for the Minister of Financial and Commercial Affairs. In view of the problems which have arisen because of the increased activity of door-to-door salesmen, particularly those who are selling vacuum cleaners, would the Minister consider bringing in legislation to outlaw referral selling?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): It has not been indicated to me by my department that there has been any increase or any rising number of problems with vacuum cleaner salesmen. I shall ascertain if my department has had any complaint or any increased number of complaints about this matter.

Mr. Gaunt: Mr. Speaker, a supplementary. I have indicated to your department that this has become a problem of recent date in my area, and—

Hon. Mr. Rowntree: Did the member contact the department directly?

Mr. Gaunt: I contacted the department directly, a Mr. Walker.

Hon. Mr. Rowntree: It would be very helpful if the hon. member sent me a copy of it.

Mr. Gaunt: Yes, fine.

Mr. Speaker: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): Thank you, Mr. Speaker. I wonder if I could ask the same Minister, the Minister of Financial and Commercial Affairs, whether he can indicate the nature of the investigation—which he announced yesterday—begun into the affairs of Whiterock Estates or Whiterock Development?

Hon. Mr. Rowntree: Our department legislation provides for a form of investigation, if so directed by the Minister. First, there have been a lot of things said about Whiterock and a lot of inferences made which may or may not be true. The first objective is to ascertain the exact facts surrounding the subdividing and sale of the land and to bring them together. We have a good idea of what now did take place; but now we must bring the facts together and assess them, get their relationship to our legislation and consider the matter at that point. There have been meetings in the area with some of the people involved, and when I return this afternoon we will be having a further meeting with the department officials on the progress.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Speaker, a question to the Minister of Agriculture and Food. In view of the fact of tight money that farm improvement loans are not available to farmers, and in view of the fact that the government policy is to lend forgiveness loans to industry in large amounts, would the Minister consider subsidizing the interest rates of the farm improvement loans to farmers?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, this is a similar question to the one the hon. member asked me about a week or ten days ago. I gave him an answer at that time and the same answer stands today.

Mr. Sargent: What was the answer?

Hon. Mr. Stewart: I said no. The farm improvement loan at that time, and is yet, a matter and a responsibility of the federal government. It is provided by the federal government, and I suggested at that time that if you wanted a reduction in the interest rate on loans provided by the federal government through farm improvement loans, the member should talk to his counterparts at Ottawa.

Mr. Sargent: A supplementary question.

Mr. Singer: Pass the buck, pass the buck!

Mr. Sargent: If the government can make forgivable loans to industry why can they not, in Ontario, go to work for the farmers?

Hon. Mr. Stewart: Mr. Speaker, my hon. friend seems to forget the fact that the government of Ontario through The Department of Agriculture and Food provides for the farmers' grants—not loans—in excess of $6 million a year for capital purposes.

Mr. Speaker: The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Speaker, my question is to the Minister of Agriculture and Food. In view of the action taken by the Saskatchewan government in curtailing or restricting the production of potash, and the subsequent 20 per cent price increase which will bring undue hardship on Ontario farmers—and in view of that, the resolution by the federation of agriculture at its convention yesterday, in questioning the governments of Ontario and of Canada to use their good offices with the government of Saskatchewan to reverse the position, would the Minister advise us whether he has taken any action along these lines?

Hon. Mr. Stewart: Mr. Speaker, may I ask the hon. member, I did not catch what he said? Was it 20 per cent increase? Well, Mr. Speaker, I believe it is a much greater increase than that. As I understand it, the action that has been taken by the Premier of Saskatchewan would be a 50 per cent increase in the price of potash.

Mr. MacDonald: Those awful Liberals!

Hon. Mr. Stewart: It is from $12 a ton to $18.75 a ton, as I understand it. The matter that you refer to of the pro-rating of production among the various potash plants of Saskatchewan is also a matter of some concern. However, that matter is not of such great concern to us as the increase in the price. It will mean, based on the 150,000 tons of potash fertilizer used in the province of Ontario, an annual increase in the cost to farmers in this province of something like well over $1 million—something like this if quick arithmetic serves me correctly. This is a substantial figure, but I believe the matter of real concern to Canada, and to all of us interested in developing industry within this country, is that it provided an umbrella under which fertilizer, potash fertilizers, may flow in from European markets to this country at prices that will be much more competitive than the price that will be established in the province of Saskatchewan.

It seems to me that with the information we have at hand, and the representations that have been made by the United Co-operatives of Ontario, who are part owners of a plant—the potash plant in Saskatchewan—that the matter is under very serious consideration in that province. I am not sure whether or not there will be any effective action taken by the government of Saskatchewan in raising the price.

Let me say, Mr. Speaker, that we are very much concerned but we feel that if this action was taken, there will be very positive attempts made—and rightly so—by the farmers of Ontario to import fertilizer from markets where the price is not so substantially strong.

Mr. Gisborn: Well Mr. Speaker, a supplementary for clarification: the nub of my question was, will this government take any action to try to persuade the Saskatchewan government to reverse its decisions, or its actions? It might be better that we continue to be able to buy Saskatchewan fertilizer rather than encourage the use of imports.

Hon. Mr. Stewart: My information is, Mr. Speaker, that this matter is under consideration by the government of Canada and the government of Saskatchewan. It would seem to me that is where it should be more properly resolved.

Mr. Speaker: A supplementary?

Mr. D. A. Paterson (Essex South): Might I ask of the Minister: Is he aware of the reciprocal agreement between the United States and the province to the west in regard to potash? Have your people looked into the price structure as it will take place in the United States? I am referring, specifically, say to the Anderson plant at Miami, Ohio, which imported a number of tons into southwestern Ontario to the benefit of local farmers. Does the Minister have any indication as to what the price increase will be at the United States plants?

Hon. Mr. Stewart: Well, as I understand it, Mr. Speaker, the price at which Anderson's were able to import potash fertilizer from western Canada by boat would be increased to the same degree or per cent as it would to any other outlet. However, as you know, last year Andersons put literally thousands of tons of fertilizer into southwestern Ontario. They have ways of buying and handling fertilizer—in fact all farm supplies—that do not pertain in many other areas, either of the United States or Canada, on such scale and with such freight handling facilities of water and rail, that they have been able to accomplish these things I would feel that likely they will be expected to pay the same increase as other companies if Saskatchewan is successful in establishing this proposed price increase. But here again, knowing the way that Anderson's operate, I would suspect very much that they would likely be exploring other opportunities to purchase potash fertilizers from other jurisdictions.

Mr. Speaker: The member for Rainy River.

Mr. T. P. Reid (Rainy River): Mr. Speaker, a question to the Minister of Energy and Resources Management. Is the Minister aware that the pollution in the Rainy River is due to the mill on the American side which is owned by Boise Cascade, and will the Minister use his good offices to persuade the mill on the American side to clean up the pollution that is presently in the Rainy River?

Hon. Mr. Kerr: I would say yes to both of those questions, Mr. Speaker.

Mr. T. P. Reid: By way of a supplementary, has the Minister already made some approach to the company?

Hon. Mr. Kerr: No, Mr. Speaker, but I have asked Ontario Water Resources Commission to give me a report. According to the press release that I noticed, the problem that you indicate is at International Falls and I just want to see what effect this has on Fort Frances. Then we will make the representations.

Mr. Speaker: The member for Wentworth.

Mr. Deans: Thank you, Mr. Speaker. A question of the Minister of Energy and Resources Management: can the Minister indicate the names of locations of the 12 companies in the Niagara peninsula which are being informed to immediately proceed with an anti-pollution programme or face court action, and can the Minister also indicate to what financial extent those companies are going to have to be involved in the immediate future?

Hon. Mr. Kerr: Well Mr. Speaker, I think first of all I should clarify what probably the hon. member heard by way of a report. The meeting in Niagara Falls last night indicated that there were about a dozen companies in the Niagara peninsula under programme with OWRC or under Ministerial order. I said that some of those may face prosecution unless they co-operate with OWRC. I did not say that 12 companies were going to be prosecuted. I would rather not, Mr. Speaker, under those circumstances, indicate the names of these companies because, as I indicate, most of them are co-operating and certainly if they do not co-operate and there are prosecutions, then this will become public knowledge.

Mr. Deans: Well, may I, by way of supplementary question, ask the Minister whether or not there has been a deadline established for complying with the law in regard to pollution in the province of Ontario, and whether if the companies involved—and I am not necessarily talking about the 12—but whether if all companies involved will be required to proceed by that deadline or prosecution will be proceeded with?

Hon. Mr. Kerr: Mr. Speaker, there is not a uniform or one deadline across the board. Each company that is in a program has its specific schedule which involves a deadline. They vary, depending on the industry, the size of the industry and just what the problem is as far as the disposal of waste is concerned. I do not want to give the hon. member a date because it could be too far away, or it could be too close as far as certain industries are concerned.

Mr. Speaker: The hon. member for Grey Bruce.

Mr. Sargent: Mr. Speaker, I wonder if the Attorney General has information regarding electronic listening programmes?

Hon. Mr. Wishart: Mr. Speaker, I was aware when the hon. member spoke yesterday, that he was referring to this question to which he had not yet received an answer. We are getting this information together and it has been pretty well collated. I should have it for him very shortly.

Mr. Speaker: The hon. member for York South.

Mr. MacDonald: A question for the Prime Minister. In view of the government's repeatedly expressed interest in developing a guaranteed annual income, or an approach to a guaranteed annual income and the observations yesterday of Mr. Smith, chairman of the Canada economic council that a pilot project might be an effective way of doing this kind of thing, would the government, on its own, or by seeking co-operation with the federal government, establish private projects as has been done in about a dozen instances in the United States?

Hon. Mr. Robarts: Mr. Speaker, we have given no consideration to that particular approach. I read Mr. Smith's comments with some interest and I would say this, that no question of guaranteed annual wage, if you want to put it that way or call it what you will—income supplement, was dealt with or mentioned in the white paper, as it has come to be called, that the Treasurer (Mr. MacNaughton) delivered here with the Budget speech.

I was asked for my comments about it sometime later and I stated then, that it seemed to have some value as long as it was not simply another welfare plan placed on top of all those we presently have. In other words, if it is a more efficient way of dealing with expenditures that are presently being made, then it is of course of interest to us. If, however, it is just simply going to be another welfare plan placed on top of those we already have, it will not achieve its end and it certainly will not bring any relief in costs of welfare.

So, from our point of view, the whole question is one that is open to a very wide

investigation and discussion and we are interested in the comments that are made as I was interested in the comments to which you refer, but we have no plans whatsoever for any private projects such as you mentioned.

Mr. Speaker: The hon. member for Nipissing.

Mr. R. S. Smith (Nipissing): A question of the Minister of Energy and Resources, Mr. Speaker: has the Minister or the Hydro development agency or the Hydro Electric Power Commission investigated the charges of the unions, that at the construction site at Lower Notch Hydro project, preferential treatment, in regards to the hiring of employees by the construction firm, is being given to people outside of the province of Ontario?

Hon. Mr. Kerr: Mr. Speaker, I have not any information on this. This is the first time I have heard of this. I will take the question as notice and get information for the hon. member.

Mr. Speaker: The member for Windsor West has a question?

Mr. H. Peacock (Windsor West): Yes, Mr. Speaker, I was contemplating asking the Prime Minister a question, and I want to ask him if he would consider, as one measure the province could make against inflation, a direction from the government to Ontario Hydro to roll back all or part of its recently announced six per cent rate increase to local utility commissions?

Hon. Mr. Robarts: Mr. Speaker, I do not really know what the hon. member means by roll back. The Ontario Hydro has, in its Act, an obligation to produce power which it sells wholesale to the municipalities, who, in turn, retail that power to the public consumer and in its Act it must meet the costs of the product it produces.

As you know they had a long and costly strike last summer which resulted in increased wages. I am very intimate with their financing because the government guarantees a good deal of it, in fact all of it, and I have watched interest rates on the money that they borrow, go up from 3.5 to 4.5 to 5.5 to 6.5 to 7.5 per cent and I think their last loan was at eight per cent or more than that. I think the hon. member is aware that our power requirements, if we are to keep our present industrial expansion going, increase about ten per cent a year. This means an enormous capital sum must be put into capital necessities for Hydro. It is not simply a question of saying, "Roll back the price and there is an anti-inflation measure". That is a very simplistic approach to a very complex problem and no one knows it better than the hon. member who asked the question.

It certainly would not solve the problem at all for this government to interfere with the operation of Hydro by saying, "Roll back your price increases". The real question of course is—

Mr. Sargent: Somebody should tell them.

Hon. Mr. Robarts: Here is the hon. member who knows everything about everything. He is making his little contribution to this discussion and I am delighted to have it, but I just simply say that is not a course of action that this government would contemplate because it really is not a very sensible approach to the problem. You have got to sell your products and recognize the cost element in them and that the costs go up. If you are obliged to sell for cost, then I suppose you must meet your statutory obligations.

Mr. Speaker: The hon. member for Windsor West has a supplementary.

Mr. Peacock: By way of supplementary, may I ask the Prime Minister if he would at this critical juncture in the fight against inflation, find the means of placing Hydro in the public domain rather than continue to treat it as a private corporation which passes on cost increase in the same manner as in other enterprises?

Hon. Mr. Robarts: Mr. Speaker, this would mean that the hon. member is suggesting we sort of do that only for the purpose of putting it in the public domain. I guess we had better look at Hydro and explain what it really is.

It is really owned by the municipalities and it is wholesaling power to municipal power systems. As I read the press, the Toronto Hydro says that these price increases will be absorbed in the wholesale price and they will not be passed on. I do not know what you are suggesting, whether you are suggesting that we nationalize, if that is the term, or buy out the municipal interest in Hydro so that we might then provincially subsidize it, to prevent Hydro rates going up. I presume that is the burden of your question.

Mr. Peacock: Making it a genuine public—

Hon. Mr. Robarts: I do not think we have any intention of doing that.

Mr. Speaker: The member for Wentworth was on his feet first with a supplementary.

Mr. Deans: Yes, Mr. Speaker, thank you. A supplementary question of the Prime Minister. If the findings of the committee and government commissions proves conclusively that the increase was not justified, will you then take action to have it rolled back?

Hon. Mr. Robarts: Mr. Speaker, that is a purely hypothetical situation the member is putting before me.

Mr. Deans: No, I can assure the Premier it is not.

Hon. Mr. Robarts: If it turned out that these price increases were completely unjustified, as the member puts it, we will deal with that matter when it occurs.

Mr. Speaker: The leader of the Opposition.

Mr. Nixon: Mr. Speaker, two supplementary questions dealing with what has gone before.

In the examination that the committee did this morning it was indicated, and is the Prime Minister aware, that Ontario Hydro has a stabilization fund of close to $180 million and would he not agree that if ever there was a time that it might be used to stabilize prices rather than contribute to inflating the economy further, that it would be now that that fund might be used.

Hon. Mr. Robarts: My knowledge of Hydro pricing over the years, Mr. Speaker, is that this fund has been used to very good effect, to stabilize, and I suppose in that way to reduce the danger of inflation and also to provide the users of hydro with a stabilized rate. But the point still remains that the costs are increasing over a period of time. I do not know whether I am sufficiently expert to say whether that fund should be used this way or that way at this precise moment in time.

I know what it is for and I know how it has operated over the years and with that I am in agreement, but I do think that would be a question for Hydro as to how they use it. I do not think they are using their prices in order to increase the problems of inflation; I mean, prices are going up pretty constantly all over.

I know this, if the stabilization fund were thrown right into the pot today, to keep this price increase from going on, what happens next year?

Mr. Nixon: A supplementary question: Is the Premier aware that only a fraction of that stabilization fund could be used now and as an instrument of government policy, not at the behest of the Ontario Hydro or the municipalities, in an effort to indicate that the government is serious in taking action that would assist in the control of inflation?

Would he not agree that it is at least within the power of the government to use that fund and direct its use as a matter of public policy for that purpose?

Hon. Mr. Robarts: If I understand your question, you are really asking us if we will do this as a token gesture and I do not think so.

Mr. Nixon: I do not think it would be a token gesture.

Hon. Mr. Robarts: However, that is what the member said.

Mr. Nixon: It would be an effective gesture.

Mr. Speaker: The hon. member for Kent. Is this a supplementary? Sorry, the member for Scarborough West.

Mr. S. Lewis (Scarborough West): Mr. Speaker, by way of supplementary: If it is true that the government guaranteed Hydro's $40 million German loan, at the point at which the loan was made was it discussed with the government whether one should borrow on the German market rather than take from the stabilization fund?

Hon. Mr. Robarts: I do not know that I can answer specifically as to whether these two alternatives were weighed one against the other, but there is no doubt that Hydro's entrance into that market was discussed with the government.

As the member can well understand, it is necessary for the government and Hydro to co-operate very closely because we are making demands on the same market and I might say in passing that the government also feels we must bring the municipalities into this whole picture, too, because the sources of long term money are drying up and becoming very expensive.

We have three bodies in the main that are interested from a governmental level in the province. The municipalities and the school boards might be lumped as one—their demands on the money market; the government's itself; and those of Ontario Hydro. They all must be co-ordinated probably to a greater

degree than they ever have been before. While I am on my feet I might say I think in addition to those three we are going to get to the point where we will have to co-ordinate with the federal government as well, because that is the only way I think we can have proper money management in the country.

Mr. Deans: Mr. Speaker, one further supplementary question. Is the Prime Minister aware that the interest rate of the German loan to Hydro in relationship to the interest—

Mr. Speaker: This is not supplementary to the original question.

Mr. Deans: It is supplementary to the use of the funds, sir, it is related directly to the fund. In relation to the interest accrued to the fund would it have saved the province of Ontario money to have used the money out of the fund rather than to have borrowed it?

Mr. Lewis: By way of supplementary, when the German loan was made by Hydro did the government in guaranteeing it recognize that it would lead to the increase that we are discussing before the commission this morning?

Hon. Mr. Robarts: I was not before the commission this morning, Mr. Speaker, so I do not know.

Mr. Lewis: Well, the two are directly related and the government guaranteed the loan.

Mr. Speaker: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question to ask the Minister of Health.

Has it been the policy of the Minister that if a medical doctor establishes himself in a rural area in need of a doctor in Ontario, and his earnings do not exceed $26,000, that your department, or the government, will make up the difference between his earnings and $26,000?

If it has not been your policy are you giving consideration to it under your estimates?

Hon. Mr. Wells: As I understand it, Mr. Speaker, the programme we have is for certain designated areas where there is no doctor now. If a doctor practising somewhere in Ontario or other jurisdiction wishes to go to one of these areas he can sign up for this plan and take part in it.

I am not sure that it applies to someone that is already in a rural area now because if the doctor is already there the area is probably not a designated area, that is not necessarily absolute, but I will look into what you have suggested.

Mr. Spence: Does this affect southern Ontario, too?

Hon. Mr. Wells: Oh, yes, definitely, on the list that I gave to one of your colleagues the other day, there were definitely areas in southern Ontario that this plan applies to.

Mr. Speaker: The member for Sandwich-Riverside.

Mr. Burr: Mr. Speaker, a question for the Minister of Health.

What is the status of monosodium glutamate in Ontario right now?

Mr. Speaker: I doubt very much if this question as asked indicates to Mr. Speaker any urgency although it could be of public importance.

Mr. Burr: It is widely used, Mr. Speaker, and is still on the market.

Mr. Speaker: I would think the question as explained still does not indicate any urgency because it does not indicate to me the reason for the urgency.

The hon. member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): I have a question for the Minister of Energy and Resources Management.

Would a municipality that has an application before the Ontario Municipal Board for sewage disposal work still be eligible for assistance under the recent announcement of the Ontario Water Resources Commission?

Hon. Mr. Kerr: Mr. Speaker, it depends on what stage that application is. If the contract has not been let and the construction started, in all likelihood the municipality would be eligible.

Mr. Speaker: There apparently are no more questions. This ends the oral question period.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Before the orders of the day I would like to report on a matter which yesterday I agreed to take under consideration, and if I

may now for the record read a ruling which I think is now to settle matters which were under discussion yesterday.

Yesterday, I agreed to take two separate matters under consideration.

Firstly, there was the question raised on second reading of Bill 74, an Act to amend The Ontario Society for the Prevention of Cruelty to Animals Act, 1955. I point out to the House that when an order of the day for second reading of a bill is called, and the motion for second reading properly moved, all that is before the House is that motion, any proposed amendment to that motion and the principle of the bill as printed. The fact that amendments may be made at the committee stage cannot, of course, affect the debate on second reading, as this could affect every bill brought before the House, many of which are amended at the committee stage.

The mere fact that the Minister having charge of the bill has, in the course of his remarks, announced amendments which he proposes to move at the committee stage, cannot alter the situation on second reading, and the suggestion that such an announcement imposes a duty upon Mr. Speaker to withdraw the bill from consideration is completely untenable.

It was further suggested by the member for Sarnia (Mr. Bullbrook) that Mr. Speaker is obliged to withdraw the bill from consideration if the Minister has failed to "convince the House that it is a principle which should be approved". I suggest this is obviously erroneous. This is the very question upon which the House votes at this stage and it is the House which decides by this vote whether or not the Minister has been successful in convincing it, not Mr. Speaker.

Amendments are dealt with on their own merit at the committee stage and if they go to the principle of the bill, it would, of course, be the duty of the committee to report that fact to the House when reporting the bill. The House can take whatever action it deems proper under the circumstances.

Secondly, there is the amendment moved by Mr. MacDonald to the motion for second reading of Bill 205, The Assessment Act, 1968-1969. It was alleged by the member for Downsview that the words in the first paragraph declaring the bill to be fundamentally defective in principle amount to a mere negation and therefore make the whole amending motion out of order. In the same way, I, on first reading the amendment, inclined to the opinion that the proposal contained in the last paragraph that the bill be withdrawn and a new bill introduced incorporating the recommendations of the committee on the matters set out in the body of the amendment, likewise amounts to a negation which should be expressed simply by voting against the main motion. However, on consulting the authorities, it seems clear to me that it is only when the whole object or thrust of the amendment amounts to a mere negation of the principle of the bill—which could be amply accomplished by a negative vote—that the motion is unacceptable.

In many cases, this obviously becomes a rather difficult matter of judgment. On re-examining the amendment proposed by the member for York South in this light I incline to the opinion that a statement alleging that the bill is fundamentaly defective in principle is not a mere negation when it goes on to explain in detail the reasons for this opinion and suggest a course of remedy.

Similarly, it seems that while a motion only that the bill be withdrawn would be out of order, a motion suggesting that it be withdrawn for the purpose of introducing a new bill—meeting objections already outlined in the reasoned amendment—should receive the benefit of any doubt and be accepted, as it was on June 23 in the proposed amendment to the motion for second reading of Bill 196, An Act respecting Health Services Insurance. I, therefore, conclude that my acceptance of that amendment in June was correct and that the amendment presently before the House on Bill 205 is in order.

Orders of the day.

Clerk of the House: The 15th order, resuming the adjourned debate on the amendment to the motion for second reading of Bill 205, The Assessment Act, 1968-1969.

THE ASSESSMENT ACT, 1968-1969
(concluded)

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, as I intimated yesterday in my usual quiet and highly civilized way, I had certain rather minor misgivings about this piece of legislation. In other words, Mr. Speaker, I damned it out of hand with possible reservations on two or three points in which the bill does have some merit. But these are so few and

far between as to be completely overshadowed by the defects in this legislation.

The quality of the legislation is in part indicated, Mr. Speaker, by a failure on the part of the drafting staff of the Minister to follow through properly on the work they were doing. The thing that my leader mentioned yesterday—touching the business of speaking of taxation on and in terms of steam railway companies—the Minister's drafting people were very careful to leave that out of section 38. It has been deleted. But in an earlier section, section 8, subsection 10, it has been retained. I say this is an indication of the sloppiness and the failure to draft this legislation with any degree of either forthrightness, originality, informed opinion, on the basis of the number of reports, or in any way that is commendable to bringing forward legislation to this House.

Another instance, of course, of the same grotesquerie is contained in what is now section 23, touching pipelines. In the bill as submitted to us, Mr. Speaker, there is a schedule that sets out the taxation of pipelines. For instance, on three-quarter inch size pipe, we are going to be taxed at seven cents per foot in length. If you look at the revised document on page 35, you will see that this is wholly and completely changed. The three-quarter inch size pipe is now going to be taxed not at seven cents but at $1.20. What has happened in the interim?

This strikes me as passing strange that the department was not aware of this, that in the year 1965 an order-in-council was passed which set up a completely different basis of assessment, namely, the basis of assessment which is latterly before us. How this bill came forward in the first instance in the decrepit state in which we found it, even with respect to such omissions—such gross omissions as that sort of thing—I say I find passing strange.

To come into the meat of the matter, into the bill, the select committee spent a good deal of time working over the various bases upon which assessment could be set up in this province in a way that would be equitable and in a way that would reflect contemporary conditions and not the conditions of the 19th century in property assessment, when a great deal of property was agrarian. The only really worthwhile change that this bill brings into being is contained in section 27, which I think should be read into the record. It says:

(1) Subject to this section, land shall be assessed at its market value.

(2) Subject to subsection 3—

which has to do with farming lands,

—the market value of land assessed is the amount that the land might be expected to realize if sold in the open market by a willing seller to a willing buyer.

That is the basis upon which equitably and sensibly, assessment should be set up. In setting it up in this way, it does, in effect, encapsulate a whole series of court decisions. The court decisions, however, were always somewhat fuzzy and subject to all kinds of reservations as to the various bases upon which valuation might be made.

Down through the years they talked about exchange value over against value in use and the courts talked about present work value over against potential future uses. There has also been a good deal of talk about the highest and best use concept in the foreseeable future. Another basis was the concept of possible alternative uses for the same land. Another concept was rental value over against the capital value of property. With market value, I would take it—and I trust the Minister agrees—you bring under your umbrella not only present value, but also the potential future value. The business of a willing seller to a willing buyer envisages the future. That is, what use a buyer thinks that land may be put to.

I suspect that in most real estate transactions, future use would be predicated upon the highest and best use. So again, you get the maximal value content out of this new assessment—and all to the good. There is no question that it also brings in the whole idea of exchange value as defined in numerous decisions of the courts, but exchange value with a greater measure of determination than has ever been used in this province at least in the past.

So, in this particular regard, there is a good deal to be said about this basis in valuation. It is not followed through conclusively throughout the statute in a diversity of enterprises. In some instances, other criteria of value are used and this according to Smith —and by and large according to me—is a dereliction, is a deviation from the norm and ought to be severely scouted. The burden of my remarks, today, is precisely this fallacy, this failure to set up the norms advocated, by and large, by Smith. Once you have moved into the market value arena—rather than a host of other concepts such as the gross revenue ideas or number of circuits, or the uses of lines—any number of other matters are retained; and retained, in some instances, of actual value.

There are two defects immediately arising out of the legislation which, in defining market value, the Minister might very well have gone on to, and should have gone on to. He continues, in this legislation, to perpetuate the distinction between lands and buildings. We will come to machinery eventually, but our committee, that is the committee of the Legislature, went over this very carefully. If I may presume upon your goodwill, Mr. Speaker, I would like just to read a line or two of our remarks touching Smith's recommendation 11-4.

Smith, on his side of the fence, wanted to perpetuate the distinction, only he did it in a much more formal, logical and intelligent way than what is presently set up. He wanted land, on one side of the fence, including its improved value, such as grading and sodding. On the other side, he wanted to use the term structures, and he wanted to define land with great precision. He wanted to define structures, similarly, with some greater precision than is presently in effect.

The present confusions in assessment procedures, the present haziness as between real and personal property, the present total maelstrom of inability to determine, in a uniform way—in any way—across the province, what is really land—all these problems continue. As lawyers, we know that the land does encompass the buildings or structures upon it. On the other hand, for assessment purposes, this division has been made. I say over again—Smith, who wanted to set up the two categories—we reject this recommendation because the allocation of real property value between land and structures is almost invariably an arbitrary division, not one that is established by objective market forces. The premise that such allocation facilitates the preparation of land value maps is inaccurate. There comes a nub point. Some assessors, I see, continue to insist that you cannot develop your land value maps in a uniform way across geological areas, unless you make the segregation between lands and buildings. Well, our committee came to the conclusion that this simply was not true.

> We understand, that to be accurate, such maps must be based on the actual value, actual sales of vacant land or of improved property sold for redevelopment purposes. These values would continue to be available from appraisal costs. If no such division were made, the problem of specially valuing properties on which stand obsolete buildings could be eliminated. Assessing at actual value would reflect the change from the value of property caused by obsolete structures. We believe that the change to a single, total assessed value would eliminate the problem now experienced when a property only successfully appeals the land value portion or the building portion of the value separately, even though the total assessment is acknowledged to be accurate.

And it goes on in that vein. The present legislation is defective in the failure to recognize that principle of integration and to give it some effect. It is again the part of the Minister to fall back insouciantly, unknowingly, upon what has been proven, by and large, to be an insufficient basis, and not to have the forthrightness or even the vision that is requisite of a Minister of the Crown, within his department, to see the validity in the remarks that were made.

Another defective principle which is perpetuated in this legislation, Mr. Speaker, is the business of tying reductions of assessed value to the services supplied. We, quite out of hand, and with a good deal of reasoning, which we set down in writing, came to the conclusion that this was a completely unacceptable principle in modern assessment practices. The Crown properties—Crown property such as Petawawa, army camps of various kinds—do supply their own services, and therefore are non-assessable on that basis. There may be some validity in that, but the business of accepting either farm properties, because they do not enjoy certain services, or mining properties in certain northern locations because services are not available, sets up within the community, in the province of Ontario, the possibility of private corporations, and public ones, supplying their own services and neglecting, or thumbing their noses at the legitimate revenues to the province through assessment. It is the public realm, and it is the public responsibility to supply services, and to relegate that responsibility on to any other heads, and then to give it back in the tax assessment in this regard, is a piece of pettifoggery which the committee in instance after instance—and I am sure the Minister has read the report carefully—has indicated to be quite unacceptable.

Mr. Speaker, I would like to speak for a few moments on the business of assessors, and the role of assessment which has preoccupied the Liberal position thus far. The county assessors were set up in 1940, and there are presently 38 administrative counties with assessors. The work of upgrading

assessors and supplying sufficient numbers to carry out this uniform task of assessment across the province struck us then, and strikes me now, as being a very questionable point—so questionable that I might even question the Minister on it.

Have we sufficiently trained assessors? Queen's University has an institute that has been turning out people, very commendably I believe. Three, four or five hundred assessors have graduated from Queen's University. One of the things that caused severe concern in this respect was whether you had qualified personnel in sufficient number to be able to do this masterful work in any uniform and beneficial way, or whether they will be so undertrained in some regards that you just have to push them into the slot and make the best of it, or the ones that exist now would be overworked.

I would like to know precisely how many assessors there are in this regard, and whether they can bear the brunt of this new assessment job that has been placed on their shoulders.

The question of principle as to whether the assessors ought to remain purely local—that is townships, cities, towns—or whether or not they ought to be taken over completely by the province, seems to me to come to this: As regional government comes forward, the various regional administrative bodies might very well be the ones which would carry out the assessment functions, subject to usual overall and final control by the province. But, until that is done, I think there is merit in the province conducting the re-assessment itself, and that under three headings because there are problems of management practices and problems of scale here that are rather novel to the run-of-the-mill assessors of earlier days. While they have been undergoing a training process, that ought to be under the direct supervisory control of the province.

Secondly, there is a certain need for speed in this re-assessment. The budget report has pointed that out, and in order to get that degree of control over employees and to see that it is carried out according to a certain schedule, I suppose some measure of control is necessary.

Thirdly, I think in terms of the straight uniformity. I have misgivings as to whether, if you left it in municipal hands, in local hands, that degree of equity that one part of the province is being taxed on market value in line with—in strict equity line with—and no declivity from, the norm that is reached, that the department sets down, will be carried out. I suspect there would be discrepancies and continuing misapplications and a failure to assess just as tightly as they should in the circumstances. And who really can determine that. The assessors are the boys at the grass roots and a review by the department is not going to determine whether any favouritism was shown or whether a particular assessor had a quirk in which he felt certain things, like bathtubs, ought not to be part of the assessment figure, or whatever the thing that operates in his mind. Therefore, I think, there is a fairly direct degree of control.

However, as I say, it should be divulged to the regional government as quickly as possible because this places the province presently in an invidious position with respect to its own people. It is the final court of appeal and it is also the assessor within a wide ambit and it should be subject to an intermediary body here and then the aggrieved citizen, not only by using the regular procedures, can appeal to his governmental representatives of the government in power as to the basis upon which all this is being done. You undercut yourself in that particular regard, and that is an undercutting in terms of equity.

I would hope the Minister would indicate his intention to devolve the responsibility eventually upon other heads with overall supervisory control.

Rising out of this is a major matter about a minor thing, and that is this manual idea, as to whether or not manuals ought to be used. Presently the manuals are prescribed in the legislation. The Minister has had the good sense to take it out of the legislation, although the contention is that if you are going to get the degree and kind of uniformity which you are seeking here across the province, the standardization of assessment, you are going to have to have a manual of some kind and the terms of your assessment are going to have to be pretty rigidly set down.

I suspect that is true. Nevertheless, the manual ought not to be legislated, it ought not to be part of the regulations or the Act itself. It would simply be a very salient guide to the assessor as to the various considerations he must take into account in the process of making the assessment.

I trust that this is precisely what the intent is; that the manual which was very old—revised in 1954, and has not been revised since, I do not believe—and also in view of the new definition of market value would have to be very thoroughly revised. The various

components that go into market value would have to be set forth in some degree. I would like also that these manuals not be used as they have been by the Supreme Court judges as almost their Bible, or final determination in the matter of where an assessment stood in any particular time.

Hon. W. D. McKeough (Minister of Municipal Affairs): As a prop.

Mr. Lawlor: As a prop, yes, you can use it as a crutch.

As I indicated earlier, the definition of real property contained in the Act is very defective. That is in section 1, of course, and I would have the Minister review what Smith has to say about the confusion that has been caused and which continues as to the use of the word land, or real property, and real estate, all being used as though they were equivalent terms. The lawyers do not think so, the courts have caused a great deal of controversy and unnecessary litigation in the past.

Smith recommended that it be reviewed thoroughly and that revision of it be made. I refer you to page 68 of Smith in this regard and he goes further. He sets forth, and I think I will go into it for a moment because it is absolutely central, crucial, to the purpose of setting up this new Act. He tries to define real property at page 70 of his report and I would like to read this into the record:

This is recommendation 1101:

> The Assessment Act be amended to define real property liable to assessment as being land and any building or other structure on, over, or under the land, and that for this purpose a building or structure include only such machinery and equipment as is a part thereof and is used or required primarily for the purposes of the building or structure or to make it more habitable.

Hon. Mr. McKeough: Why does the member not tie that in with his second motion?

Mr. Lawlor: I do not understand the Minister, Mr. Speaker.

Hon. Mr. McKeough: The third part of the member's motion is somewhat in conflict with the argument which he has just advanced.

Mr. Lawlor: We will come to that.

Hon. Mr. McKeough: All right. Better that we skip it now. First part of the motion, I am sorry, 1(a).

Mr. Lawlor: The Minister has left a tower of Babel in his legislation with respect to fixtures, the definition of land, the motion of machinery. Some machinery is attached to land and so much part of the land that it could not be taken away without destroying it. That, in law, is normally known as fixtures, and fixtures in some industries, or in some cases, are taxed. Certain other kinds of fixtures —what we would call fixtures as lawyers—are not taxed.

You have made no effort at clarification at all although you were given the whole assistance of the Smith report with which to make this determination. This total failure to move, you know, is the thing that I am inveighing against. I cannot understand it.

Three million dollars was spent on that document in order to give you some inkling or notion as to how assessment ought to be done in the future—it has been totally ignored.

Hon. Mr. McKeough: No, not so.

Mr. Lawlor: The select committee says, at page 34, in its commentary upon this recommendation:

> We concur with the Smith committee recommendation that the present condition of land, real property and real estate requires thorough review and revision because of present complexities and resulting inequities.
>
> We are particularly concerned, as was the Smith committee, with the anomalies that exist in the present treatment of fixtures. We endorse this recommendation because it would propose a definition of real property which would exclude machinery and other fixtures not related directly to the building or structure in which they are located. Such a definition would eliminate discrimination against particular industries in taxation matters.
>
> For example, we see no reason why pinsetting machines in a bowling alley should be considered assessable as real property as is the case at present, while pool tables in a billiard parlour are not. We recommend also that the term "under the land" exclude mines.

Hon. Mr. McKeough: I am not quarrelling with the hon. member and I will speak to this point. He has gotten into a very fine legal point which I think can better be explained in committee by a lawyer to a lawyer.

There are two things: There is the burden of court cases in existence based on the existing definitions, with which we do not fundamentally disagree, and I do not think the member does.

The other point to be made is that some of the matters which you have just raised can be easily handled in the first instance by administrative action. You have now an assessor in one part of the country assessing those pinsetting machines and in another case they are not.

Presumably with one system of assessment that does not happen. That is not good law, I know.

Mr. Lawlor: That is not an answer at all. I mean in the specific cases that you are mentioning, true. It is really a question where these things end up eventually if there is any confusion left, or if you perpetuate the existing confusion—and that is in the courts.

Hon. Mr. McKeough: Right.

Mr. Lawlor: And so it is one of our tasks in this Assembly not to stimulate or encourage litigation but on the contrary to cut back and to make ourselves as clear as human frailty permits, and human frailty being what it is, you compounded it, in my opinion.

You know what Milton said: "Horrible confusion upon confusion rolls". That is the definition of hell and it reminds me enormously of your legislation. What it comes to, Mr. Speaker—in this particular regard is this: If the Minister is not going to reassess all the property in this province on a rational basis such as we propose, he is going to be obliged in a very few years' time, namely 1975, to scrap everything he has done and start all over again. That is my great fear.

We will come into the year 2000, the hon. Minister would be no longer the Minister and somebody who was more amenable to change than himself would be obliged to do such. Meantime the plot thickens and the situation worsens. The situation is so bad presently that the full panoply of the Smith committee was called into being to rectify it. And we are doing nothing this afternoon to give credence to that rectification—nothing whatsoever. This is a most venial thing on the part of the Minister.

Mr. D. C. MacDonald (York South): It was this kind of procrastination that enraged the voters of Middlesex South. I am not kidding, not for one moment.

Mr. Lawlor: There is another central point in the present situation that touches the business of exemptions. The whole section is dedicated to exemptions. Again, like the fossil phenomena, it takes on accretions of its own kind; but it does not change colour. He has perpetuated every cursed exemption that has been handed down from Gomorrah. I suppose, to the present day.

He has done nothing to alter this situation. Smith has turned himself inside out in this. We had a little less athleticism about it, but we agreed with him fundamentally as to the exemptions operative in this province. What are the extent of those exemptions? They are set forth at page 71 and Smith, under The Assessment Act, virtually all real property is liable to assessment. Some is exempt from taxation, some is taxable on a limited or preferred basis.

Taken together, the effect of total or partial exemptions, has been to remove more than one-fifth and probably more than one-quarter of the potential base. Twenty-five per cent of the property in the province, is not taxed or taxable, despite the fact it is in use. The loss is partially offset by payments in lieu of taxes on provincial and federal Crown properties—but we will come to them in a moment.

Mr. V. M. Singer (Downsview): A large percentage is in Toronto; that is provincial!

Mr. Lawlor: Yes. Oh, much larger in Kingston. I mean Kingston should rage—

Hon. Mr. McKeough: The member only thinks of Toronto.

Mr. Lawlor: —against this legislation being put forward today.

Mr. Singer: City of Toronto.

Hon. Mr. McKeough: The member will find that Kingston is higher.

Mr. Lawlor: Sure, so is London. So is Guelph. Tax exempt property is—

Mr. Singer: It is obvious the Minister does not think of Toronto at all.

Mr. Lawlor: No he is not. I think—

Interjection by an hon. member.

Mr. Lawlor: If the Minister has never seen a figure—

Mr. Singer: The Minister is oriented to Chatham—That is where he left his brains.

Mr. MacDonald: A kindly, personal comment.

Mr. Lawlor: He never saw a figure of greater complacency and charm than the Minister at this moment. Tax exempt properties detract from both the equity and the productivity of the property tax. They created sufficiently large and complex problems to justify such a treatment. He proposes to give a little separate treatment and for the—and at the moment, so do I. The exemptions set forth, Mr. Speaker, in this legislation are not the end of the exemptions given to various bodies, persons or institutions in this province by any means. There is a whole host of exemptions some duplicating these and some extending beyond them in the municipal tax Assistance Act and Smith—I will not blame him for it—Smith mentions 18 of them on page 134 and he says that he wants to eliminate the bulk of them and reduce them to seven a few pages later. I commend Smith to the Minister, to the Minister who is not cognizant of Smith's very fine . . . There are seven cases he thinks, at least, in which this would be justifiable and the man is sane. But by and large he does not think so.

Apart from that other act which I just mentioned, there are, of course, a host of private acts in the province which give special exemptions also, over and above anything else. There are cases of those very commendable institutions — the YM, the YWCA and there is a multitude of them—but this is not done under the terms of this legislation. So do not be misled. The exemptions go beyond anything that appeared before today.

There are a number of heads . . . One of the exemptions that I think a member speaking for this principle must point out immediately, is that for Crown properties. The federal government, since about 1956—57 I believe—has paid full taxes for its properties to municipalities both for general tax purposes and on schools. The provincial government has fallen very far short of that. I should document that in just a moment.

There are some agencies within the provincial government which pay even less. There are agencies within the provincial government which at least have some regard in this direction to the needs of the municipalities which pay more. I am thinking of the Ontario Northern Railway for instance, Mr. Speaker, which has been very good in this regard. They pay full taxes. The same thing applies with respect to the liquor control outlets. They, on their rental value, pay full taxes both with respect to the general tax and to the school situation. The Hydro pays grants in lieu of taxes, but it comes to pretty much the same thing, although there are some defects in Hydro in the way it pays. The contention of Smith is that Hydro, deficient as it may be compared to some utilities, pays twice as much of its share to the municipalities to sustain them than the province of Ontario, the parent body, does.

The report went on, in this regard, to say that until Ontario puts its house in order—until this Minister, in other words, pulls up his socks, or puts some socks on, one or the other—until this is done, we have no reason to appear—or to appeal—to the federal government to do any better than it is doing. There are areas in which it could. Some Crown agencies of the federal government still fall short, and we say we cannot approach them and ask them to pay full taxes when you yourself are negligent or secondary or weak in this particular regard.

Until this is done, the Ontario government must stand condemned by the reply of the Minister, without doubt. Oh yes, we give grants, conditional and unconditional and others to the municipalities. Why should we not pay them taxes?

Hon. Mr. McKeough: That is not my answer at all.

Mr. Lawlor: Well, it is not a very good argument. Smith goes several pages to . . . It breaks the uniformities in the field. It makes for less accountability and it also, in effect, is weighted against those municipalities which have their surplus, or their overweight, of provincial governmental departments and agencies. In these various regards the provincial government has fallen very short.

He says that all the way along the line to the local government agencies, they sometimes have their main office in a particular county, city or town, outside their own territorial jurisdictions. This applies to the school boards which own territory beyond their jurisdictions. All these exemptions all over the place make for inequity. One area has to bear the brunt of housing and providing services to a particular local governmental institution which is really of value to some area further beyond it. The city of Toronto has been particularly afflicted in this regard and quite rightly so. A thorough review of this situation should have, and must have

been made in the course of writing this legislation for us today. But, Mr. Speaker, no . . . nothing has gone . . .

Mr. Singer: He is not interested.

Mr. Lawlor: The whole thing has been left in the quagmire in the state of somnambulism which the Minister appears to be in at the present time. His reflection—his legislation seems to reflect his deportment. Well, I suppose there is a continuity between the two. There are a very wide range of institutions which one could go over. I do not propose to. The treatment of cemeteries . . . as they are presently treated in this Act . . . retained and so on. . . . I would refer the Minister to page 63 of the select committee report where we say that while you cannot wipe out these cemetery bequests and grave care contracts that have been set up in the past, at the same time a review should take place on the use being made of cemetery lands, because very often they are under private auspices and they are profit-making enterprises.

And having profit-making enterprises in any realm of the economy means, should mean—and does not mean for you—that that enterprise ought to be taxed like any other. It is an unfair competitive position for you to believe in that kind of competition. In any event, within local government agencies, within conservation projects, within special service areas, within public parks, within local government buildings, within these government buildings, those enterprises which are profit-making and where the money goes to profitable concerns, ought to be segregated and taxed.

Smith says so. We said so. But the Minister does not say so. He says nothing. He leaves things just as they are and what he is doing is compounding inequity.

I would like to spend a few moments on the business tax portions of the considerable section dedicated to business tax. The Minister has made some notable moves in the direction of the new Jerusalem in this particular regard. He has seen certain things in the Smith report curiously enough. We said that friendly societies—this applies to a general exemption actually—that friendly societies which were formerly exempt under the Act have been removed. And the definition of friendly societies was so wide, Mr. Speaker, as to encompass insurance offices of all kinds, and whether they availed themselves of that particular privilege of not being taxed, there was certainly nothing in the legislation, as far as I could see that would have prevented them from escaping this area of taxation. In any event, this is the one thing, the one iota thing, that the Minister has seen fit to remove, that the friendly societies will henceforth be taxed like everybody else.

What he has done with the business section, though, he has taken clubs, all clubs, out of business assessment. I will not argue the pros and cons. Previously, the proprietary clubs, as they were called, who served meals, and so on, were taxed, at least on some proportion of their property; now all clubs—and the Minister being a rather clubby fellow may have predilections in this regard—they have been removed from business tax, and they are free of it.

I question the proposition because clubs are usually depositories of wealthier people, as Benson was overheard to say the other day, they can afford to bear a somewhat higher burden of the tax, and why he should have removed the clubs rather escapes me. One thing he does which is somewhat questionable is, he raises the levy against newspapers in this province. He has raised that levy to 50 per cent of assessed value. Previously, the little local newspapers throughout the province, in the countryside, were taxed at 25 per cent and the newspapers in the cities were taxed at 35 per cent. He has placed them both in the same category and raised it, doubled the tax in the case of the local rural newspapers to 50 per cent.

Hon. Mr. McKeough: I doubt that very much, because they are printers and publishers in nearly every instance anyway. None of them have been carrying on business only as newspaper publishers. They have been printers and if they were printers, they were at the higher rate anyway. I do not think that has any substantial effect.

Mr. Lawlor: My local newspaper publisher has spoken about the matter and he is not very happy. And that is as close to the grass roots as I can get for the moment. I shall, later this afternoon, drive out to the countryside and ask all the newspaper people whether they are jubilating, or at least—

Hon. Mr. McKeough: Hallelujah!

Mr. Lawlor: Hallelujah is right. Hallelujah, come again, as they said. No, I think it is a backward move and I think it should be pointed out, specifically, that this is a questionable enterprise in which you are engaged.

Let me tell you what Smith says about the business tax in general and as such, at page 102:

> The cardinal weakness of the Ontario business tax is the indefensible structure of its rates of assessment. The effort to maintain the existing flow of tax revenues from various businesses, expressed in the legislation of 1904—

which I suppose would be the legislation in 2004—

> —meant the continuation and reinforcement of a tax structure that was obviously pitted with inequities. Each year that passes without its reform makes the errors of the past more difficult to eradicate. Continuity is in danger of settling into perpetuity. However, we accept as a prime responsibility the development of recommendations for the elimination of deep-seated weaknesses in the tax system, their long continuance serving merely to strengthen the challenge.

That was brave. There was Lancelot on his white charger and very well he may be conservative, passive, benighted and backward as he was, generally speaking, in his thrust and his approach to tax matters, but in this matter would set a shining example to the Minister, which the Minister chooses to disregard. Incredible!

There is only one other matter in this business-tax picture that I will spend any time on. The distilleries, Mr. Speaker, you will be pleased to learn, continue to be taxed at 150 per cent more than everybody else. This is in direct line with all the best traditions of a Victorian sentimentalist. We have spoken of that on occasion previously in this House, one is a little weary of thrashing that horse. So let the poor animal lie down in peace. But that is the way it is.

The rates have been increased by and large across the board and, therefore, the problems of tax shifts either within, from major industry to minor industry or from industry, as such, over to the residential section, probably is not the major consideration under this bill. It nevertheless is a matter of very profound importance touching the assessment picture when you bring things up to market value, it is acknowledged, nobody pretends otherwise, that the business community has been over-assessed in the past and in many instances, grossly under-assessed.

When a kind of an equality is sought to be reached, inevitably you are going to be involved in a shift where the residential taxpayer already onerously afflicted, is going to suffer an added burden, unless the province either finds extra resources for the municipality, by way of a taxation measure for the municipality, or unless it comes to the rescue by a proper taxation structure in terms of grants.

I do not think I should comment on the new concept in here about chain stores. More than five retail stores would be taxed at a different figure from the ordinary retail store. As a matter of fact, I think the other ordinary retailer gets a bit of a break under the legislation. Everybody else is pretty well increased.

Hon. Mr. McKeough: Goes up.

Mr. Lawlor: The credit unions and the banks remain the same at 75 per cent. The chain stores get 75 per cent and, yes, it is higher than the others. Of course, we will come to the concentrators and smelters, will we not? I am looking forward to that. From 30 to 50 per cent in the case of a department store, but I will not run over all those headings. The general picture is there, and as far as that whole section is concerned the Minister, I think, in an astute updating in the 11th subsection raises "nobody shall pay less than $200 by way of assessment irrespective of category" and I suppose that is meeting an inflationary trend and perhaps in a measure acting contrary to the inflationary trend.

Interjection by an hon. member.

Mr. Lawlor: Yes, of the assessment.

Hon. Mr. McKeough: While the member is pausing, clubs go from 25 to 30.

Mr. Lawlor: Yes. Well, we can get into the depths of the matter in committee to just see how these things work.

Generally speaking, Mr. Speaker, there is a whole range of extremely complex legislation caught up in this Act. Against the fossilization—in other words the fossil just will not move—as to the various ways and the various inequities created between one kind of industry and another and the basis upon which they are taxed. We, in the select committee, did not feel free, did not feel we had the expertise, or the expert advisors who could clue us in.

Hon. Mr. McKeough: Or the statistics. Or the facts.

Mr. Lawlor: Well I think we have enough of the facts. I would have pointed certain things out, anyhow, that in my opinion ought

to have been altered in this legislation because, like a black thread, it runs through the whole legislation and perpetuates a situation that is descended from the remote past.

To take the case, Mr. Speaker, of Hydro taxes—the way Hydro is taxed. It is taxed by the department itself, basically, except in a dwelling. Anybody living in a dwelling on the property, I believe, is assessed by the municipal assessor—is taxed on the municipal rate and on the school rate, and it pays business taxes and it also is taxed on local improvements—the four major kinds of tax which it has to meet.

But there are some curious anomalies. The Hydro—dams, wires and poles, and so on—are not assessable property, so as Smith says on page 139, "a considerably lower level than is paid by others assessable on their properties", others in the same kind of business. If one examines this legislation before us you see that this is carried over. For instance, in the case of railways, they are assessable on their dams or on wires and poles and a whole host of equipment. They are, and so are transmission, so are transportation companies, and so is Consumers'. You have given advantages to Hydro which Consumers' does not enjoy, and it is a most anomalous thing.

The second thing that is unique is that the statute requires arbitrary value in certain buildings such as generating plants and transformer stations. They are valued at $2 per square foot of equalized assessment and this has the effect of reducing their value sharply, so that for these particular facilities, Hydro does not meet its share, as compared to other industries, of taxes.

Smith says at page 49:

> The method of valuing has held certain payments in lieu of taxes considerably below a realistic tax equivalent in this particular case.

Nothing is done in this legislation to rectify that situation.

I have a lot of information here about telephone and telegraph companies—the ways in which they are assessed—which are rather different from the way others are assessed. Their machinery plant and appliances and structures over and on lands and highways, and so on, are exempt from assessment. The lands and buildings are assessable in the ordinary way, but there is a special tax in these particular companies set out in section 11 of this Act which is a complete reduplication of a similar section in the earlier Act. As a matter of fact, nine-tenths of the legislation in this Act is simply a word for word repetition of what is contained in the previous legislation, and there is only one other major change. He has cut the latter end of the Act off completely and has now added it to The Municipal Act.

I suppose there may be some virtue in that, Mr. Speaker, but if you have ever spent any time working on The Municipal Act, that voluminous tome, which is like working through the tower of Babel, in order to find anything, but from the practitioner's point of view I rather doubt it. It was easier to find in The Assessment Act, but it has been removed and therefore we do not discuss it in this particular legislation. It will come up very shortly in the other bill that is coming through.

There is a special tax on telephone and telegraph companies, I say, which is perpetuated in this, but having put the special tax on, the legislation, both now and previously, sets a ceiling on it so far as the municipalities are concerned.

It sets a five per cent ceiling on the gross receipts derivable from the business in any particular locality and so I suspect that brings in very little revenue from Bell Telephone or from the telegraph companies. As a matter of fact I would suspect it would be so little that the tax should be fairly scouted and looked over to see whether the validity of that particular thing should be maintained.

There is also a further anomaly, that in the case of municipalities the tax is made on one basis, that is on the gross receipts, whereas in townships they have no option. They can either go on gross receipts or they are taxed the statutory rates per mile of circuit. And you will see sections in here about double circuits, and about the rate in those.

Has the Minister really taken a good look to see if he thinks whether this sort of taxation, coming down from an earlier time, still has validity in our day and age? Smith did not think so. We were not equipped to know, but the earlier department has the necessary competence to make these decisions and I suggest that you have failed in this regard.

The intricacies of light, heat, water and utilities in transportation companies, as far as taxation is concerned, as perpetuated within this statute, escape me. There are certain points where the human mind blots out, so to speak. One's ability to comprehend, to follow the niceties of a change of exemptions, just has limits and being a mere philosopher myself, I felt that at this particular stage we had run

to ground and I will abandon water, heat, light companies to the good graces of the Minister. Lord rest their heads, because the way in which they are taxed must bring great affliction to the best of their accountants. The transmission lines and pipelines are taxed again in a different way, on a different basis. I believe they are taxed on their appliances, apparatus, fastenings, appurtenances, all connected with real property upon their structures and machinery, their fixtures.

Again, this is in anomaly to, or in no principle of continuity, with the way which Hydro is taxed.

I am trying to develop a thesis here, Mr. Speaker, that the thing is a labyrinthine hodge-podge and no effort has been made to clarify it.

This is quite easy to do, I mean relatively easy to do. Smith has already done it for us. If I have driven that point home I think I can sit down, but I suspect I have not, so I shall continue.

The transmission pipelines are not subject either to local improvement taxes or to any business tax. I would like to know the rationale. I can see why they should not be subject to a local improvement levy, but I cannot for the life of me see how the other is justified.

Railways are taxed on three distinctive, separate bases which do not conform with how other industrial or transportation systems are taxed. They are taxed on the structures, rails, ties, poles and property in, over and along the land, along a street, a road or a highway at their actual cash value. And they will be appraised as they would be appraised upon sale to another company possessing similar powers, rights and franchises. There is a new formula so that the concept is like one company being in a position to purchase another company that comes into this place. There are certain exceptions such as when these poles are situated on railway lands and used exclusively for railway purposes; but that again has a further exception to it.

There are exceptions with respect to stations, hotels and freight sheds within that base.

Well, as I say, one could spend the better part of a wasted lifetime trying to unravel the niceties of this legislation but I want to come to what I consider perhaps the crowning stupidities in this regard. They are thoroughly confirmed in your treatment of bridges and tunnels.

If the Minister would look at section 36 of his legislation where you tax bridges and tunnels—you propose to tax them—the part of such structure within Ontario shall be valued as an integral part of the whole and on the basis of the valuation of the whole and at its actual cash value, as it would be appraised upon a sale to another company possessing similar powers, rights and franchises.

There is the formula that was used in transportation companies being used here again but subject to similar conditions and burdens, and then you go on but subject to provisions and bases of assessments set forth in subsection 1 of section 32. What I am saying in effect is that your legislation contradicts itself and that there is no sense. Section 32, having to do with the lands of water, heat, light, power and transportation companies, toward the end of the section it says, "Shall, whether situate or not upon a highway, street, road, lane or other public place, be assessed at its market value in accordance with section 27".

So you have now proceeded from section 36 where there is a certain basis of its actual cash value theory of assessments and we are now talking about market value so let us go on to section 27 and see what we can pull out of the hat.

Section 27, lo and behold, has the section about the market value and the assessment being what would be expected to be realized if sold on the open market by willing seller to willing buyer. Now, if you are going to have a cash value set up, how can a sale from one company possessing powers similar to another on one side of the fence be the basis of your evaluation; then on the other side the willing buyer-seller concept be set out in the distinct section to which you refer? I suspect that these two sections are in direct conflict.

May I say similar sections in Smith—as Smith pointed out—were in direct conflict. That is, it is a failure to think through in your own legislation, to root out when you are revising and making a reform of The Assessment Act, some of these fundamental anomalies that have been written into the legislation because the legislators perhaps were not quite wide awake enough that day. And to have them perpetuated in this Assembly in this day and age with all the work that we have done is something that surpasses my understanding and I would ask the Minister why he does not agree with me that these two sections are in direct conflict and that they ought to be altered before this legislation becomes law to bring about a measure of consistency and intelligence so that the tax system of this province will be able to stand on its own feet.

Well to come towards the end Mr. Speaker, I want to make some mention of the problem touching machinery which I mentioned a short time ago. There are some industries in which no machinery may be taxed at all. However, he starts out the definition in section 1 as including machinery and then proceeds to take out some forms, and nobody knows what forms, and to leave in others and nobody knows what others. So that there is a great confusion and darkness here that has not in the least been altered.

There is one instance, bear with me for a moment Mr. Speaker, there is one thing that should be mentioned, as far as utilities companies are concerned. I seem to recall—I cannot lay my finger on it at the moment—that private utilities in this province are taxed on a wholly different basis from public utilities and on such a differential base as to be most inequitable with respect to their continuance in being. There is no reason, and I think again it has grown up as Topsy grows. These Acts over the years have accretions and so on, and again it has not been eliminated, I do not know where precisely—

Hon. Mr. McKeough: Yes it has, in the amended bill.

Mr. Lawlor: The Minister has changed that? Oh, good. Well, we are moving ahead, as I get ready to sit down. I hope the other suggestions will be followed up rapidly before this legislation goes through. Of course, the business of mines, the Minister proposes to speak about mining corporations, particularly his great and good friend, the INCO corporation. Perhaps, I do not know, maybe Texas Gulf, too, and anyhow the INCO matter is the one that interests me most, in a continuously differential way. These INCO people came before us, purblind and backwards socially—as this institution may be—it nevertheless recognized the handwriting on the wall. It knew that it would have to make some kind of minimal gesture, the least onerous one to its tax picture and to its dividend portfolio as possible, but some gesture towards the taxation of its buildings, plant and equipment in order to alleviate the situation in Sudbury to start with, and this it did. Let us take them at their face value without saying what the tax in this instance ought to be. Let us say what they themselves have said that it ought to be.

INCO has suggested, in its brief, that section 35-5 of The Assessment Act should be changed, whereby everything would be assessable except assets "used mainly for obtaining minerals from the ground or storing same and the minerals, in or under such lands". The foregoing demonstrated that INCO is prepared to expose its processing plants to proper municipal assessment for local and regional purposes. Then it goes on with respect to the general picture, this is the report by the submission from the city of Sudbury as to what INCO proposes to do.

Looking at what INCO in its own brief has submitted to the committee, it said:

> International Nickel does not consider the committee's proposals to be a satisfactory answer to the problem of providing the mining communities with a fair share of tax revenues from the mining industry.

Nor did we. Smith had elaborated a considerable structure which we found to be defective. We proposed a different one. Of course, I would think that either of our proposals would not meet with very favourable reception from International Nickel, but in any event this is what they proposed:

> Moreover, by continuing and even extending the present exemptions of processing facilities for property tax purposes, it runs counter to contemporary trends in taxation.

Those words should be engraved over the mine pit or the open shaft at INCO, you know.

> Moreover, by continuing and even extending the present exemptions of processing facilities for property tax purposes, it runs counter to contemporary trends in taxation. We propose instead that the municipal property assessment base be broadened to cover all processing facilities, including smelters and concentrators, and this should be done by amending The Assessment Act to read as follows:
>
> Building, land and machinery in, on or under mineral land and used mainly for obtaining minerals from the ground, restoring the same, subject to subsection 10, the minerals in, on or under such land are not accessible.
>
> The effect of this change would be to subject all concentrators, smelters and refineries in the province, including those of International Nickel to the full impact of municipal taxation.

The Minister has reneged even on that. He brought forward a bill a few days ago putting the concentrators and smelters into the legislation. International Nickel got you

on the telephone and said: "Well, now, we are not into regional government yet. While we made these proposals, let us get another 15 years' breathing time while we continue to make our profits. Do not institute the regional government of Sudbury so that the place will be properly financed; do not provide the proper care for the domicile municipalities arising there out of it. Do not do anything. As a matter of fact, do not tax our machinery, either, inside the concentrators. There is not much inside a concentrator but machinery, but do not tax it. Tax the bare walls, and there will not be very much tax then".

And this is what the Minister has done. This is precisely what the Minister has done. It is a travesty of legislation. It is a total failure to regard the public realm, or what the Catholics call the common good, as the overall and the overriding consideration in legislation. It is truckling to the interests of a particular concern, which is the very antithesis of the public weal.

What can you do with legislation like this?

Mr. MacDonald: It is what I call righteous indignation, and well placed.

Hon. A. Grossman (Minister of Correctional Services): Self-generated!

Mr. MacDonald: Well placed!

Mr. Lawlor: If the Minister could absorb a bit of it he might grow some hair.

Hon. Mr. Grossman: I have not any less hair than the hon. member.

Mr. Lawlor: The Minister has retained a number of other concepts, the split mill rate —about which tomes have been written—is sustained and continues in effect. He has confirmed the golf course principle, the special levies in terms of golf courses. I would not think there was anything wrong with that, particularly, except that the principle seems to us to have numerous other applications. He takes no cognizance of that to extend it, perhaps, to the farming community or elsewhere.

Mr. Speaker, this is thoroughly inept legislation. I repeat, I am of the opinion that with all these anomolies, these failures to reach the mark, the total failure to define real property, to say what is included in or excluded from the base, as to what the range of business tax ought to be, will mean that in a very few years' time the whole thing will have to be done all over again. This exercise in futility this afternoon only further brings onerous burdens on to the taxpaying public.

Mr. Speaker: The hon. member for Kent.

Mr. J. P. Spence (Kent): I want to say a few words on this bill. There is something that has concerned me, something that has been brought to my attention on many occasions by my constituents—and not only by my constituents but from many other citizens outside the riding I have the honour to represent.

I might say, Mr. Speaker, I want to make it perfectly clear, I am in favour of the uniform assessment across the province of Ontario. I would like to see the inequities of assessment improved, and my leader yesterday afternoon outlined the stand that we will take on Bill 205. Also, the hon. member for Waterloo North has indicated and outlined some of the problems in his part of the province, and the numbers of letters and reports that he has received from those who are opposing this bill. I am not going to deal with all the points or all the ramifications on this bill, but one of the great concerns of this bill is the centralization of the assessment here in the city of Toronto or in The Department of Municipal Affairs. This is something that concerns so many people. I have been contacted so many times by reeves, municipal men, mayors and county councillors, and all are very much concerned about the erosion of the local autonomy in the province of Ontario if The Department of Municipal Affairs takes over the assessment of this province.

Looking at this Bill 205 which takes over the assessment, I might say that it makes me feel that the Minister and his officials know what to do to improve, to take the inequities out of this assessment. But it make me wonder that, especially at this time, The Department of Municipal Affairs would take the assessment away from the county assessment systems and the cities, at a time when cost is one of the greatest concerns of the people of many of the parts of the province of Ontario.

I will say that the Minister has indicated to us the takeover of the present cost of assessment across the province of Ontario is $15 million, and when this new bill goes through the assessment under the province would cost $20 million—an increase of $5 million. Mr. Speaker, there is so much concern amongst the people that this estimate is not large enough, it will cost a lot more money than that.

Mr. Speaker, this bill makes me feel, and it makes many feel that the Minister is indicating to us that he knows what to do to bring about a uniform assessment across this province. And why at this time the Minister —as he knows what to do to bring about a uniform assessment—would not relate this to the assessments that are already set up across the province of Ontario, I do not know. I understand the county assessment system was set up in 1940.

I have listened in this Legislature about the new manuals coming out. I understand that the county assessment systems are using a manual that has been brought out just two years ago. Counties have been assessing, I understand, up until this year, and have been informed by someone to seize reassessing in many municipalities.

I know that the Minister will reply to somebody's questions. We would like to know when. I think it is a wrong approach for the Minister to take the assessment away at the county level and the city level. I think myself with the Minister—which he indicates in this bill—he knows what to do to bring about a uniform assessment, and this would be less costly to the people of the province of Ontario.

One of the things that has frightened the citizens of the provice in regards to increased cost, is that county school board system that was set up on the first day of January 1, 1969. This frightened the people for any new programmes brought in. And it does, Mr. Speaker, make me very concerned when you listen to taxpayers in many parts of the province, who say that we have reached the saturation point as far as taxation is concerned. It is bad when we hear the word "revolt" spoken in so many places—and in other places we hear people or farmers saying they are going to band together and not pay education cost.

I think at this time the Minister, with great respect to him, is not sure or I am not sure whether I will be here today, the rest of the day or tomorrow, so I would say that we should make every effort.

If the Minister indicates in this bill as I interpret it, that he knows what to do to bring about a uniform assessment, I think he should relate that information to the assessment systems that are set up across this province, to relieve some of the increased costs that occurred when the new assessment system on this bill goes through.

It kind of reminds me of a barker at a rural county fair who is selling patent medicines and snake oil. If you go up to him, Mr. Speaker, and tell him you have a corn on your toe, you ask will that cure it? No matter what, he will tell you it will cure it. But if you use this cure, you will never see any results.

Now, this Bill 205 put into law—we do not know for sure if this will make a uniform assessment or not across this province.

I think the Minister would be well advised with this new information, as he appears to indicate to us with this bill that he has, to bring about a uniform assessment across the province. It should be related to the assessment systems that have already been established.

I hope the Minister will give consideration to this. I hope he will give consideration to costs. It is hard for me to believe that it will only cost $20 million. With the county assessment system already set up, it has cost the province of Ontario millions and millions of dollars. I think at this time we should repair what we have already got. Now I know the Minister wants to have more control to bring about uniform assessment, but we have, in the province of Ontario, The Department of Highways which controls our county road systems and our municipal roads by grant, and if it were not for these grants they could not control. I think if there were more grants allotted to the county assessment systems and city assessments, that we could get this assessment back where we will have a uniform assessment across the province.

Now I do not know when we go into committee of the whole House. I will have something to say under the different sections and I will not take up any more time of the House.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, if I may I would like to follow up on what my friend from Kent has said. I would like to pursue for a moment the application of this Act from the farm viewpoint. Really, and this was said yesterday, the Act is all a package of nuts and bolts with a new twist. Of course the new twist is that the province is now taking over the assessment function. Previously and this still pertains, the tax burden has been unreasonably heavy on farmers. I think that is a fair statement. I do not think that the Minister would disagree with that.

Often farmers are paying a bigger share than industrial or residential properties in the same municipality. This is because the taxes

are based on value and the amount of land owned by the individual or by the company. This places the farmer at a disadvantage because farmers need large amounts of land to run their business and maintain their families.

I think this is quite different from a doctor or a lawyer who has an eight-by-ten office, and who runs his business out of that office. He is taxed or assessed on that building and as far as land is concerned there is not very much involved. He does not need it to make his living, but a farmer does. He needs large amounts of land in order to produce the income which in turn goes to make up his standard of living.

Mr. Singer: They will get substantial business tax on lawyers' business tax bills.

Mr. Gaunt: Well lawyers, I think it is fair to say, would make on the average, and this goes for doctors, too, on the average, 30 to 40 times what the average farmers in the province of Ontario would make, so I really do not have too much sympathy for my friend's plea.

Mr. Singer: Not the ones that sit here at Queen's Park, I tell the hon. member.

Mr. Gaunt: I think this situation, to my mind, flies in the face of the two basic and acceptable principles of taxation in this province, mainly the benefit principle and the ability-to-pay principle.

The benefit principle, of course, is where the tax is paid in relation to the benefits derived or provided by the local municipality. The ability-to-pay principle is of course the principle which says people pay tax according to their income. Of course that is the system upon which the income tax is based.

So I want to make the point that in my mind and in my view the farmers across this province have borne an unfair burden of taxation these many years, and this bill does not change it. This bill does not change that situation one iota.

Now the Smith committee reports it grappled with the situation. It came up with the idea that all land and buildings should be assessed at market value, and with that principle I agree. I think one can argue that principle and defend it with justification. I think that particular principle is tenable, but when one applies that principle to farming, then I think one can say that farmers would be paying much higher taxes than they are paying now. I notice that one example, the application of that particular principle on a farm in York county, for instance, would mean that that particular farmer would be paying 435 per cent more taxes than he is presently paying.

The point is, that while the principle of market value is a good one, when it is applied to farm properties and to farmers across this province—and especially those farmers who live on the urban fringe—it would constitute an unbearable burden. They simply would not be able to pay their taxes.

The select committee of the Legislature seized upon this particular recommendation and recommended that the government actually define and separate the land portion from the residence. They said we establish a working farm and then we establish the residence and we tax the working farm at a percentage of the market value. In the case of the select committee they recommended, 40 per cent on the working farm and 60 per cent of the market value on the residence.

Then, when we come to the report of the committee on farm assessment, which reported just a few days ago, I was very interested to read their particular recommendation in relation to the farm. The committee says:

> That preferential tax treatment be given to farm land by means of a reduced assessment. The assessment on farm land should be based on market value subject to a maximum for tax purposes to be determined by the application of the schedule of land value rates. The schedule is based on the soil capability, ratings and so on—

and then it goes on to say:

> —the maximum rate per acre in the schedule will be $200 and the minimum for waste land will be $15 per acre. The farm residence and farm outbuildings will be assessed in the normal manner, that is, at their market value and the total taxable assessment for each farm will be the sum of the three components—land, outbuildings and residence.

If I may say so, Mr. Speaker, while there were some very learned and capable men on that committee, I certainly take issue with them on that particular recommendation. I think that would be entirely unworkable and very cumbersome. One would have to have a university graduate to go out and take soil testings, and—pardon me?

Hon. Mr. McKeough: The work is done.

Mr. Gaunt: The Minister says the work is done. Perhaps some of the work is done, but to my knowledge, the soil testing and rating

are not in our part of the assessment system. If they are, it just must have happened this year.

Hon. Mr. McKeough: They are not but they can be made part of it very easily.

Mr. Gaunt: The point I am making, Mr. Speaker, is that to my mind this recommendation is not nearly so applicable and attractive as the recommendation in the select committee report. I would much prefer to see a simple formula and I think the formula set out in the select committee report is a reasonably well worked-out system. It is reasonably simple and I think it could be applied in a fairly equitable manner.

The only stickler in the whole piece is the fact that one would have to define a working farm and perhaps that is an area that might cause some difficulty. I think it could be worked out and I would hope that the Minister would accept that type of formula over and above the formula that is recommended in the report which was just tabled a few days ago.

I also make reference, Mr. Speaker, to the farm income committee recommendation. They supported, in principle, the principle of assessing at market value and they also came up with the idea, that in addition to the working farm stipulation and the 40 and 60 percentages that would apply, they recommended that a deferment of some of the property tax when farm land values are inflated by urban demand be also part of the system.

It seems to me that there is a very real problem around a fast growth area insofar as farm assessment is concerned because the very fact that the area is fast growing inflates the market value of the farm properties and so this is bound to then reflect on the assessment and hence the tax that is eventually paid.

Hon. Mr. McKeough: Not if the report is used.

Mr. Gaunt: Pardon me?

Hon. Mr. McKeough: Not if the report is used.

Mr. Gaunt: This is the point I am making: I hope that the Minister can accept and will accept and embody in legislation some of these principles in the select committee report and indeed in the farm income report, because I think they make a number of good points. Frankly, I would have preferred some of this legislation to be embodied in this particular Act at this juncture and I realize the timing was somewhat difficult but I think we actually invite the type of experimentation that happened with some farmers in some parts of the province this year—especially in Huron county.

It was nothing more than an experiment where the assessment people and the commissioner decided that they would apply the business tax in their way—or try to apply it in their way—and I think when we do not put this type of built-in system within the legislation—and within this legislation—then we encourage that type of activity on the part of some counties across the province at any rate.

So, I would hope that the Minister would make amendments to this Act and incorporate some of the protection that the farming community has to have. I feel there is no doubt about it, if the market value principle was applied across the board with nothing else, there would be 50 per cent of the farmers in this province that could not pay their taxes. I think that is the reasonable estimate, perhaps the figure would go even higher. So, I make that point with the Minister.

I also make the additional point that I hope that when the Minister makes the adjustment in this bill—which he has said he is going to do in 1970—that he is taking into account the fact that in my view and in my party's view the long-term objective should be to relieve property of the burden of education tax, simply because of the fact that education is a service to people.

My friend from Lakeshore made the point that you cannot really apply that principle in all instances because of special situations where government buildings actually provide their services. So, if one were to actually stick by that principle in a hard and fast way, those people would not be paying any tax at all simply because they do not require any service from the municipality.

I say to the Minister that education is a different type of service, it is a service to people and society benefits from that service. Society is general and there is no reason why the property tax should bear a large proportion of the cost of education. I say to the Minister, when he is contemplating the changes that he is going to make, I think that he should consider that because it is a valid principle, the sooner we relieve the property tax from paying education costs in this province, the better off we will be.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, this whole question of assessment and property tax, as I recall in the Smith committee report they found, in their opinion anyway, that there was really no feasible alternative to continuing the substantial reliance on property tax.

I want to suggest to the Minister and to this government that we are really maintaining a regressive tax system in this province. And I want to suggest—and this obviously will take considerable study—that we try to find a system based on the ability to pay. Surely there are other jurisdictions in the world which have a formula where they do not apply this archaic system that we have of property tax. I make that observation because I think it is worthwhile investigating that kind of a proposition.

Moving on from that point, I want to discuss some of the points that are made in this new assessment Act, and I want to say very frankly that in my study of the Act I find very little difference, as has been echoed by many of the members in this Chamber, very little difference from the former assessment Act, and that this government has really done very little in terms of trying to streamline the whole assessment procedures.

I also want to say that I agree that we need, if we are going to continue this system, that we need to provide a larger assessment unit, because I think there are too many inconsistencies and inequities in the present system. So I support that proposition that we go to the larger unit.

The whole question of exemptions that are provided in this Act obviously narrows the tax base which increases the tax burden on the taxable property owner and, in effect, the municipality suffers from that. Here we find in this whole area of exemptions that the province has the right to legislate, yet the municipalities bear the burden of their legislation. Really the exemption is an indirect subsidy. I noticed in the Smith report that the exemptions in that table, exemptions from property tax in Ontario, 1965, the weight of educational, religious and charitable exemptions in local municipalities over 10,000, that it ranges anywhere from 26.05 per cent to a low of .27, and if that is not an inconsistency or inequality as far as municipalities are concerned, I do not know what is.

I think these statistics make the point very dramatically, that there has to be something done in this area of exemptions and that those municipalities which are not given their equity in terms of the property tax, the government has to set up some kind of a system, whether it be unconditional grants or what-have-you, to make it more equitable.

I also notice in The Assessment Act that you have maintained that one section under exemptions where it says, "who is unable to pay taxes because of sickness or extreme poverty". This government in 1967 brought in legislation that any person 65 years of age or over could receive up to a maximum of $150 deferment from their taxes, if that did not mean that it was more than 50 per cent, they could get up to $150 deferment. I am sure that there have been very few people, if those statistics were available.

Hon. Mr. McKeough: Three thousand!

Mr. Pilkey: Three thousand in the whole of Ontario that have availed themselves of that kind of legislation. That is the point I want to make. If we are really serious about helping those people who are living on fixed incomes, or are in the area of extreme poverty, as is pointed out in the bill, then we have to amend that legislation. As a matter of fact, when you brought that legislation in, in 1967, two years ago, you said at that time it was an interim proposition.

Hon. Mr. McKeough: It was 1966, I think.

Mr. Pilkey: In 1966. But it was an interim thing, that you were going to revise, as you had some experience with it. I want to suggest to the Minister through you, Mr. Speaker, that the time has come for adjusting that legislation. In addition to that, it seems to me that when people have to lower their dignity and their pride to have to place themselves in a category of extreme poverty, I think it belittles the people of this province to have to go to that length.

Therefore, I think there should be something done for these people and that we do not need that kind of language in a bill that infringes on the dignity of many people who have probably made a major contribution in their own way in this province.

The other thing is this whole question of the shift from business tax to the residential property owner.

Mr. Gaunt: And the farmer.

Mr. Pilkey: And the farmer, right.

And I noticed yesterday, the Minister of Revenue (Mr. White) shaking his head and saying, "We understand that", but really there has not been anything in a tangible way that

would dispel the fears of the people on this side of the House that the government is not providing legislation that would make that shift possible. As the Minister knows, in some of the proposals of Smith—just let me read you one sentence, and he said this on page 106, chapter 11:

> On the side of some lightening of the existing tax load upon business is our concern to keep business fully competitive with business located in other provinces.

That is fine for Mr. Smith to make that kind of recommendation, but I am not too sure that the people of this province ought to be subsidizing a business so that it can become competitive. If they are going to become competitive, then there are other ways of doing that, and not on the back of the residential taxpayer of this province. We have got to know without a shadow of a doubt that there is no shift from residential, from business to the residential property owner, and unless we are guaranteed that, I really do not know how we could intelligently support this bill.

Mr. H. Peacock (Windsor West): And if we cannot support it intelligently, we are not going to support it at all.

Mr. Pilkey: The other point that I would like to make is related to the question of the assessors, and obviously you are going to need many more and you have taken over the assessors from the municipality. The government has taken over the staff of the municipal assessment departments in this province, and by doing that it appears to me that these people are going to become part of the Civil Service Association here in the province of Ontario when these people have for the most part made a democratic choice as to who they want as their representative. I want to read just one sentence of Judge Little's report in this regard, and he said:

> One of the cardinal principles of collective bargaining is the right of employees to freedom of choice as to selection of their bargaining agent.

Here we have people that have made that fundamental choice and the government in a very flagrant way violating that principle by taking them from the bargaining unit of their choice and placing them in some other jurisdiction.

The Minister did give a belated concession of justice by an amendment to The Municipal Act, but I do not think that this is going to appease the bargaining agent that was representing these people before. It is just not going to appease them.

Hon. Mr. McKeough: Let us set the record straight, because really the member is . . . First of all, he said: "Most of, or many of." To our knowledge, there are about 400 of the 2,000 assessment employees who belong to the Canadian Union of Public Employees. So it is not most of. The fact of the matter is that most of them have chosen not to belong to any bargaining group.

Mr. Pilkey: All right, let us assume, just say . . . But there are at least 400 people whose rights have been violated, in my opinion. Secondly, there are 1,600 more who are going to be placed in a jurisdiction where they have had no right, no freedom of choice whatsoever.

There are 1,600 others who are going to be placed in a jurisdiction where they have made no choice and are not going to be given an opportunity to make a choice either, as I understand it. I think that this is a flagrant abuse of the government's powers to make those kinds of decision.

I just want to conclude by saying that I think we ought to be providing legislation that will reduce the burden on the municipal taxpayer in this province, and obviously this bill is not going to do that. Oh, you are going to make it a little more sophisticated and maybe a little more efficient in terms of the assessment procedures, but there is no provision in this bill, in my opinion, that is going to relieve the burden of the municipal taxpayer in this province and I really think that it is incumbent upon this government to provide the kind of legislation that will give the people in this province a reduction from the regressive type of tax that this government is prepared to perpetuate here in the province.

Mr. Speaker: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I would like to throw in my two minutes' worth. The principle of this bill, as I understand it, is that assessment should be equalized throughout Ontario, and I imagine that means "made fair". Now what puzzles me is that an exception is made of the telephone company. In the township of Sandwich West, which is in my riding, the 1969 taxes payable by the Bell Telephone Company should have been $11,854, based upon the current mill rate and on the 1967 assessment of $78,730, which represented 25 per cent

of the company's gross receipts for that year. However, because of the five per cent limitation set out in section 13 of Bill 205, and in section 11 as reprinted, the amount of $8,748.18 was all that could be collected.

The township has had to write off $3,105.82. Now this seems, Mr. Speaker, quite unfair to the owners of other businesses in the township. It seems quite unfair to the homeowners and this seeming discrimination in favour of one of Canada's biggest businesses is very annoying to many taxpayers in Sandwich West. When the Minister has a chance, I should like him to justify this favouritism.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, much has been said about this bill and I would like to put on the record some of my thoughts pertaining to this very, very complicated and lengthy bill and with your permission, Mr. Speaker, I do not want to read too many letters but I may have to refer to one or two to make my point.

I noticed that section 1(i) and 9(i)(b) will be deleted from the bill. The reason I believe these sections will be deleted is because many of the credit unions throughout the province of Ontario have made their submissions both to the Minister, to the members, yes, and to the Prime Minister.

They made a strong case and because of that sensible approach they used it would appear that the government has seen fit to take credit unions off the list of assessment as far as business assessment is concerned. I would like very much to acknowledge these letters to my people and I was wondering whether you would bear with me if I only read the names of the groups that have protested to this government to make my point:

Welland and Crowland Municipal Employees Credit Union Limited, they have their office in the city hall, Welland, Ont.;

St. Catharines Civic Employees Credit Union Limited, St. Catharines, Ont.; the LCBO Employees' (Toronto) Credit Union Limited. They all make good points as I will sum up for you in a few minutes.

CUNA, Hamilton Credit Union Limited protested that section referring to credit unions. The Stephensville District Credit Union Limited, Stephensville, Ontario, that is just out of my riding now, and in that of the hon. member for Welland South (Mr. Haggerty).

The Stelco employees from Hamilton; Chippawa Community Credit Union Limited, Chippawa, Ontario, the Stamford Credit Union Limited in Niagara Falls, Ontario; the Provincial Engineers' Limited, Niagara Falls; the Niagara Falls Evening Review Employees' Credit Union, Niagara Falls, Ontario—

Mr. Singer: The member has mentioned everybody in Niagara Falls.

Mr. Bukator: Oneida Employees, Niagara Falls. They know they have a good representative and they always come to me with their problems.

Interjections by hon. members.

Mr. Bukator: Oneida Employees, Niagara Falls, Oneida Union Limited. Here I have one from Fort Erie, just out of my riding again—Ontario Credit Union Limited—where are they, they are Toronto 16, Ontario. Getting into the big city.

Mr. J. R. Breithaupt (Kitchener): What did the member do about it?

Mr. Bukator: Yes, what have you done about it? The Canadian Shredded Wheat, Niagara Falls, Credit Union Limited. The Niagara Falls Economic and Study Association Credit Union—

Hon. Mr. McKeough: We are getting thank-you letters now. Have you not any of those?

Mr. Bukator: Yes, as a matter of fact I did.

Hon. Mr. McKeough: Put them on record.

Mr. Bukator: I will do just that. The Minister has just stepped out on the limb a little further, and I thank him for his interjection.

The Canadian Niagara Power Company Employees' Credit Union Limited. The Burgess Battery Employees, Niagara Falls, Credit Union Limited; the Chemical Workers', Niagara Falls, Credit Union Limited, Niagara Falls, Ontario.

I have here a letter from The Department of Municipal Affairs signed by a gentleman by the name of "Gillis," P. G. Gillis. He was good enough to write to me, but he made a little mistake, my name is not "B-U-R-K-A-T-O-R." I would like the "R" in there but it does not belong. However, it certainly makes sense when you get into the meat of the letter.

Dear Mr. Bukator:

The letters sent to you by The Niagara Falls Dominion Credit Services Credit Union Limited were referred to me for

an answer. We have replied advising that we intend to strike out the words "credit union" from section 1(i) and 9(1) (b) from Bill 205. Trusting this will clear up the matter for the time being and we thank you for your interest and help in this matter.

An hon. member: For the time being?

Mr. Bukator: Yes, I cannot quite comprehend that, and I am not going to try. Never argue when you are ahead.

Mr. I. Deans (Wentworth): Oh, the member is ahead now, why does he not quit?

Mr. Bukator: Mr. Speaker, I should read two of these letters into the record, this letter that was referred to by Mr. Gillis, the executive director of the assessment division that was sent on to him and a copy to me:

As our representative in the Ontario Legislature the board of directors of the credit union would appreciate your support in defeating Bill 205, business assessment where he classifies all credit unions in the same category as banks, trust companies and finance companies, our credit union is not like other businesses seeking profit for our shareholders from the public. Our credit union deals only with our own members to provide one another with loans in time of need at the lowest possible cost. We therefore feel that Bill 205 is unfair where it concerns small credit unions such as ours and that is our reason in seeking your support in defeating the bill.

The reason that I make this point—

Mr. Deans: Mr. Speaker, on a point of order, I understand that that portion of the bill has been withdrawn. It is no longer contained in the bill before us and therefore should not be debated as part of the substance of this particular bill.

Mr. Singer: Mr. Speaker, on a point of order, may I draw to your attention that the Minister has seen fit to give us a copy of the bill with amendments he proposes to introduce. The bill that is in fact before us has the section in it to which my colleague from Niagara Falls is now referring.

Mr. Speaker: The hon. member is still in order and may proceed and he is, if I may say, using good judgment in not reading a lot of letters which would be repetitious, but merely reading one or two.

Mr. Bukator: Mr. Speaker, thank you very much. I would like to finish up this item with just one more letter because it refers to 57 credit unions in my riding. The Greater Niagara and District Credit Union Chapter serving some 57 credit unions in the area with educational material strongly protests against the inclusion of credit unions in Bill 205 presently awaiting second reading in the Legislature. I will miss several sections of the bill, I will go to the last paragraph of at least this letter:

We would appreciate your assistance against this injustice when the bill is again read in the Legislature and would appreciate your comments on this situation. Any further information you may desire would be furnished upon request.

It is signed by Joe Charlebois, secretary-treasurer of this particular group, The Niagara Falls and District Credit Union Chapter representing 57 unions.

Having made that point, if the Minister and his very capable civil servants in his department had seen fit to withdraw that section of the bill, because it affected so many people, I am wondering why—and I now come to my main argument—the Minister did not listen to the hundreds of municipalities in this province that petitioned him on equal grounds and with similar arguments. They are just as sound as the arguments of the credit unions and he ignored them completely. I speak of the county councils and the municipalities, the cities, towns and villages, I speak of the Ontario Municipal Association. I was in that group for nine consecutive years, I was on the executive and five years life president.

I know the work that they do. I know how well they prepare themselves with their brief when they come to the Minister and to the Cabinet and I thought they made an exceptionally good case, Mr. Chairman. Again, I could ramble for many hours on this particular issue but I would ask you to bear with me if I read some of the recommendations of their resolution into the record. I think it is very concise and detailed, as a matter of fact, very brief.

The report of the resolutions committee recommended as follows: Therefore be it resolved that:

1. The Ontario Municipal Association on behalf of its member municipalities urgently asks the government of the province of Ontario to postpone all proceedings relating to the provincial assessment take-over.

2. Make a detailed study of all implications upon municipal administration generally of removing the assessment function from that level of government.

3. Examine carefully the justification of spending millions of tax dollars annually to collect taxes on a basis which is obsolete even before it is implemented.

Appoint a Royal commission to develop a municipal tax base, that is:

(a) simple and inexpensive to apply;

(b) take into account ability to pay and services received;

(c) will remain reasonably stable;

(d) is controlled by the taxing authority rather than the market place;

(e) will discourage fund development and encourage property improvements without penalization;

(f) relate more closely to municipal zoning; and

(g) that will reflect a tax apportionment between the various types of property which is both reasonable and fair.

Admittedly this will not be an easy task but we are convinced that the market value base will be extremely expensive to administer and will produce a tax apportionment that is unrelated to any reasonable and fair level of moral responsibility. To proceed further with the provincial assessment takeover the reassessment and market value without first fully examing the cost, in effect, would be an irresponsible act and betrayal of the public trust.

Background information to recommendations or resolution committee: The Ontario Municipal Association is deeply concerned about the entire subject of assessment at market value for two reasons:

We question whether the market value of property is a fair and equitable base for apportioning taxes; and whether the cost of establishing and maintaining such a system can be justified.

The present basis of apportioning municipal taxes is not market value nor any uniform percentage thereof. Although the present legislation requires assessment at actual value, special legislation has been enacted for farm, transportation and communications businesses together with various tax adjustments such as a split mill rate, the residential property tax credit and special tax relief from a portion of the school taxes for a certain group of citizens.

Perhaps most noteworthy in the system of apportioning taxes which has evolved over the years is the reported growth in equality of assessment between the various classes of property, and in particular the weight of taxation which has been placed upon business properties and apartments.

Despite the emphasis placed on the importance of equalized assessment at market value, the Ontario committee on taxation and the select committee of the Legislature both agree that even after re-assessment of market value, it cannot be used directly to apportion taxes. Both recommend that farms, residential, commercial, industrial, transportation and communications business be taxed at some varying, as yet undetermined, percentage at their market value. The two studies do not agree on the various percentages that should be used. The final weight of taxation, therefore, is not a matter of property value but rather it represents a social judgment of what is acceptable as determined by the Legislature.

At this particular time in Ontario, the rate of growth, shortage of funds for development, increases in labour and material cost together with a host of other relevant factors are forcing land and construction costs upwards at an alarming rate. So substantially and so rapidly are property values changing, one might seriously question whether it is practical at all to try and ascertain the market value which, based on experience, will be out of date before the end of the year in which the assessment was made. While property values generally are increased, it is important that the valuation of residential has increased at a higher rate than the commercial and industrial property. The small, less pretentious homes show an even higher rate of increase than the more expensive residential properties.

As property value fluctuates, the burden of taxation will fall most heavily on the class or type of property reflecting the greatest increase in value in the market. Thus, whatever percentage of market value residential property is taxed at today at an acceptable level, it will be out of balance tomorrow by the percentage increases in value between residential and business properties.

It must therefore be very apparent that the market place and not the Legislature will be the controlling influence on the ultimate taxation to be borne by the various classes and types of property.

For many years now the government of Ontario has failed to solve the problem of taxation of farm properties and has allowed the

speculators and land developers the same, and even greater tax concessions than the *bona fide* farmer, and market value assessment on the lands of the farmer will solve nothing and moreover will hasten farm sales to the speculator for even greater profits to him.

Mass appraisal techniques have certain advantage unavailable to the appraiser valuing an individual property, so that the actual cost of assessing at market value should not parallel that of an individual property appraisal. Nevertheless, the accuracy of the mass appraisal of floor assessment at market value must be of a calibre equal to that of the individual appraisal and require extremely competent, highly-skilled technical staff to establish and maintain annually a market value appraisal, particularly during a period when building materials, labour rates, construction costs generally and land values are changed day by day.

The present cost of administering the assessment functions in Ontario have been estimated at $15 million annually and a further $5 million will be required annually under the provincial system to review the re-assessment and maintain all assessments in the province at market value.

Experience has proved that centralization of government function at the provincial level tends to result in substantially increased costs. Recently, provincial enactment, the residential tax credit and the county board of education and a simple look at the facts leads us to believe that there is no way in which the province can assume the assessment functions, provide municipalities with the information previously supplied by their assessment personnel, hire the suggested 650 additional assessors, pay the level of salaries which these specialists will command, re-assess all properties in the province and maintain the assessment at market value for anything close to the estimated $20 million annual figure.

We believe the estimates are unrealistic and that in actual experience the true cost will be substantially higher both initially and in the long run.

And that, my good friends, is the report from the Ontario Municipal Association and as I said at the very beginning: when you did bend to the credit unions because of the reasonable argument and when the OMA representing over 900 municipalities in the province of Ontario requested, with common sense and reasoning, that you do not implement this bill at this time, I would think the Minister would begin to serve the people rather than take this dictatorial attitude and apply this statute at this time.

I say to you, gentlemen, as I know the taxation problem very well as the reeve of a very small town many years ago, the assessment roll was copied by the assessor for some $300. He never changed any assessment because he did not want to get involved with the people that he has lived with all this time and naturally he did not do the right thing. But he felt he had earned his $300 and I say that he did. We in the county of Welland decided at one time that there should be a county assessor and we had Mr. Nash, I believe, from the department come and speak to us. We listened to his common sense and reasoning. He came to the county of Welland and we decided that we would hire a county assessor in one Ralph Wilson, who set it up on the county basis—set up their offices—and did it well and everybody was taxed properly within the county of Welland except the city, which was excluded, naturally.

Now, I think regional government may overcome this particular problem, but how much easier it would have been to take the cities in the county and include them in this assessment proposition. St. Catharines-Lincoln county did a beautiful job with their assessment commissioner. The Minister shakes his head and he said "no". I imagine that is what he means. I am sorry that cannot get on the record, but I will put it there for him. The Minister shook his head thus indicating that Lincoln county was not doing a good job.

That is putting words in his mouth, Mr. Speaker; if I am off in my supposition I apologize.

But I say that they have implemented good assessment commissioners and good county assessors and they have done an excellent job. But for some unknown reason, we must grow up quickly because for 100 years we have done absolutely nothing. So I say to the Minister, through you, Mr. Speaker, that he is not relating to us here in this House or bringing in legislation in this House that is the wish of the people, but because he would like to have control of all assessment for the province of Ontario. I say that this is taking local autonomy away from the people who ought to have it and know the subject, and know it well.

I would say that you would have done your job well if you would have implemented a county system where they did not have it and slowly have them melt together and do a job. But the attitude that this government and this Minister have taken—and one

that only is applied by dictators in other countries—this is not a democratic way of doing business. I said that in this House before when you sent in this legislation and when I have argued this point, you have said: "Well, it is the bills, it is the bill," and with those laws will the intelligent people who are hired to these jobs do a job for you . . . I only hope and pray that is so.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, I only want to make a small contribution to this debate on the subject of assessing of concentrators and smelters. This of course, makes sense, but it makes sense only in the . . . only if there is a form of regional government in the area or if there is some amalgamation of municipalities as is being proposed in our own area. I would hope that the Minister might give some consideration to speeding up the process of regional government in the north where this might apply.

The other point that I want to bring out in the connection of assessing these concentrators and smelters is the fact that they have in this bill excluded the machinery of these two facilities.

Now, if one tours a concentrator—I have never been in a smelter but I have been in a number of concentrators—there is nothing much but the shell and the machinery inside and I am not so sure that just these buildings are going to return to the municipalities the extra revenue that they are hoping to receive.

I am just wondering if the big mining companies have carried on their strategy of saying: "Well, do not hit us too hard or we are going to close the doors," or, "you must leave us alone". They are very, very good at this and I just think that they have maybe put pressure on here and the government has again yielded to it. I would hope that they might reconsider that, and they might consider the assessing of the production machinery in the concentrators and in the smelters.

Certainly the mining municipalities of this province are badly in need of extra resources to carry out the services that are so necessary—the expenses of those services that are forced upon us, and I really hope that the Minister will make sure in this Act and other legislation enacted, that the needs of the mining municipalities are fully met.

Mr. Speaker: Is there any other member who wishes to engage in this debate? I had understood the member for Downsview—in fact he had mentioned to me that he—

Hon. Mr. McKeough: He was called away.

Mr. Speaker: If there is no further member, then the Minister has the floor to close the debate.

Hon. Mr. McKeough: Well, Mr. Speaker, we had an interesting discussion, yesterday afternoon and again today on this particular bill. There are a host of points which have been raised by members but I will not attempt to answer them all now. Some of them I think I could answer. Others I would prefer to have answered, when the bill goes to committee, by some of the experts and I am looking forward to a good discussion on many of the points which were raised by the members. I think some very logical explanations can be given to a number of the queries which were raised. I appreciate the point raised by the member for Oshawa, and indeed perhaps by some others. The member for Oshawa indicated that in his view the tax on real estate was regressive. We would agree with this in the large measure.

I think he fundamentally agrees — disagrees with the conclusion which Smith came to — that whether we liked it or not, real estate taxes were around and were going to have to stay around for some time. Real estate taxes in the province bring in something over a billion dollars to the municipalities. I think it is fair to say, the position of the government is, that there will be a shift in the burden we hope, to more progressive tax fields. But I think that it is also fair to say that the municipalities in the province will continue for some time to collect a good portion of their revenues, perhaps more than a billion dollars from property tax. It becomes then terribly important to the municipalities, to ourselves, that that money is collected fairly and equitably.

Now, my friend from Niagara Falls read the resolution of the OMA. It is a great resolution until it gets down to the fourth point and asks that we appoint a Royal commission. What we need in this province is not a Royal commission. What you would say opposite, and what I would say, is that we need some action on what has been suggested by Smith; the reforms we have been studying for four years.

Regrettably, I am going to have to tell you that there are other things which are still being studied, but the basic question, if we

are going to accept real estate taxation as being necessary, is whether it is the most equitable form of taxation is open to debate. But it is going to have to continue and if it is, then we need to get on with the reform of it, and to make it as a single tax, as equitable within itself as possible.

I do not think, with great respect to the Ontario Municipal Association—and I told them this—I think the last thing we need at this point in time is another Royal commission which might sit for four years. Then there would be a select committee to examine it, and nothing would be done in the meantime and there is urgent need to get on with a great deal of the action which has been suggested by Smith; which has been suggested by the select committee and so much of it, so much of it depends on Bill 205.

Now, much has been made of the things which are not being done in the Act. First of all, members have mentioned exemptions. I admit the exemption sections are exactly as they were before. There are three basic kinds of exemptions: churches, and members will know, I think, we are in agreement; although the member for Lakeshore, as I recall, was not. But I think most of us are in agreement—

Mr. Lawlor: Do not single me out.

Hon. Mr. McKeough: —that places of worship should not bear a tax.

Mr. Lawlor: Is this the kiss of death from the Minister?

Hon. Mr. McKeough: That removes one class of exemption. The second class of exemptions, and I think this is what you were zeroing in on, are such things as government properties themselves, be they buildings, be they this building, be they Crown properties directly, hospitals, schools, hospitals for the mentally ill—

Mr. Bukator: Hydro, parks commission—

Hon. Mr. McKeough: —reform institutions, Crown lands, provincial parks; then associated with that, things which are not owned by the Crown such as hospitals, such as universities, which are going to have to look to the Crown to pay the taxes when they become taxable or pay grants in lieu of taxes at such time. But that is a very big area.

And if the white paper, the budget paper, said that the government would move to the position of paying taxes or paying grants in lieu, as the Treasurers have said of late, I would agree that we should be paying taxes. Forget about grants in lieu.

The Crown, ultimately, is a taxpayer like anybody else. Just send a tax bill. Do not make a separate arrangement. And I think we will move to that point.

Now, sir, the problem is—there are two problems. One, is that we are by no means convinced of the adequacy of the assessment of those Crown properties in relation to other properties within the community. I will come back to that.

The fundamental reason we do not move to it more quickly is simply dollars and cents. You have heard. I have used these figures before a number of times. The Treasurer asked us a year ago and said: "Now in the preparation of our white paper work . . .", and I think he may have made reference to this year's budget. I do not know. I did not ask him that. He said: "What would it cost to pay taxes on two classes of properties; hospitals and universities?" After studying this for three months—and this, I think, comes at the inadequacy of the assessment figures in this province—we told him that the figure would vary somewhere between $15 million and $40 million.

Well, he said: "Good-bye Darcy, if you cannot give me a better figure than that, forget it."

That is part of the problem. The other part of the problem is whether it is $15 million or $40 million. The Treasurer has budgetary constraints. Now, until the budgetary constraints which . . . until those are relieved, until he can see his way clear to pay taxes or grants in lieu of taxes and probably on a progressive basis on those Crown properties and Crown related properties, then there is little point in changing the exemption sections which go on for some pages.

The third class of properties—which to my mind are exempt at the present time—are such things as the Navy League, the Red Cross, the Boy Scouts, the Girl Guides and some YMCAs by private legislation. I do not welcome jumping in when the Crown itself is not ready to pay taxes. I do not know that we would welcome jumping in to say that the institutions, which I have just named, should pay taxes, I do not really think we should.

I think we accept the principle that at some point we should get rid of exemptions, as many as possible, but I think we have to show the leadership and start paying the

taxes on our exempt properties before perhaps we bring in some of these odds and ends, if I can put it that way. I suspect the total amount of tax dollars the municipalities are losing is not that much, although in the county of my friend the member for Victoria, they have a substantial loss I think from either a "Y" camp or a Boy Scout camp, within one municipality.

Machinery and equipment: Members opposite have raised some points about this, we will debate this when it comes to committee. What we are trying to do—perhaps the language is difficult—we put INCO or any concentrator or any processing company, on the same basis as anybody else. We exempt the machinery, yes, but we have also exempted the machinery and presumably would continue to exempt the machinery in the General Motors plant at Oshawa. The distinction which I think we are trying to draw in our minds is not there. We will look at this in committee.

What we are saying is—and we reject the premise completely—that machinery and equipment—and the select committee did this; Smith agreed to keep out of the business of taxing chattels, of taxing machinery and equipment. What we are talking about is the tax on real estate. Stick to that and stop meddling in such areas, for example, as bowling lanes and laundromats, that has been the other area.

Now, if members opposite think that we have done something for INCO, we have done it consciously. I assure you of that and we will examine this closely in committee. What we are trying to do is put them on the same basis as everyone else.

Special properties: I think I have explained this before. We have a committee composed of representatives of the industry chaired by someone from Treasury, people from our department, a whole host of special properties, including the Bell Telephone problem, the pipeline problem and the steam engine problem. That committee has not yet reported and I am unable to take action to rationalize what I admit in many cases are anachronistic, old-fashioned sections. We would hope to do that, presumably, at the next session. This is not going to be the final bill by any stretch of the imagination.

There have been some changes with reference to Bell Telephone, we will go into that in committee. And there are some constraints on Bell Telephone. We can make the five per cent, any figure that we like I suppose, but we are limited in terms of the federal-provincial tax sharing arrangements. That is why this particular committee is being chaired by somebody from Treasury, because if there are negotiations with Ottawa, presumably they will be involved rather than my department.

Farm assessment, of course, is not touched. The committee report has been tabled. I think we will be discussing that, as I indicated. To me it looks as though it is a reasonable approach. Perhaps in our own committee meetings we may discuss the points raised by the member for Huron-Bruce.

There is a fourth part: I will just mention something else because the New Democratic Party's motion mentioned this old hackneyed bit. I thought they could find something better than this business about taxing home improvements. This is an old bugbear. Assessors do not—you know it, I know it—go around looking to see who has put a coat of paint on. That does not affect the assessed value. It does not, in itself, affect the value. What irks more than anything else, is that the assessment is raised from $4,000 to $4,100. It may well be that the whole neighbourhood has lifted itself and the assessment should be lifted from $20,000 to $21,000. People can understand that. They think because there is a coat of paint that they are being overtaxed or that the tax goes up. There is not that intention in the Act, it is an old bugbear and I do not think it needs to be laboured, as you have laboured it, with great respect, in your motion.

I can name some other things which are not touched, which you have not particularly mentioned, which some day we should debate. Some day we should perhaps give some consideration to our tenants in the same category. I simply do not know the answer to this. As we move toward market value assessment we are going to have to do something about cottages and put them in a different category. I do not know the answer to that. We will not know the answer because we do not know the burden of taxation. In some cottage areas, the cottagers are paying much more than the permanent residents and in other cottage areas we believe they are paying much less. There is no consistency.

Mr. J. Renwick (Riverdale): Great divergence in the standard of service.

Hon. Mr. McKeough: Yes, right!

I think this is something we are going to have to look at. I do not think we can just ignore it.

The member for Oshawa touched on what was obviously of concern in meetings we went to this summer and that is the problem of the senior citizen. I think we may have to relate this somehow or other. Just how, I do not know, at this point. We find that there are a number of kindly assessors in the province who have taken it on themselves to do this. Perhaps the assessment of a senior citizen in a community is at the right level because of the kindly assessor, if I can put it that way. What we do not want to do now is by provincial action, bring them down because we are trying to bring everybody else down to that level.

What I am trying to indicate is this—the leader of the New Democratic Party said what we need is statistical data, and I have to tell you that until there is a great deal more reassessment in the province, it does not have to be all done, until there is a great deal more reassessment, we simply do not know the answers to the statistical data which we would like to provide so that we can discuss these matters on a common basis.

I think we should bear in mind what is being done. Certainly there are simplifications in the Act. Certainly the appeal procedures —some members mentioned this—have been revised, and I think greatly improved. We do move towards market value; we do bring in concentrators and smelters and we bring in appeals on equalization factors which is a very thorny point in the province at this point among the municipalities. We move to make the business tax a more neutral tax; we cannot do this overnight; I think it is going to take five to seven years before we can bring it down to a single rate and I do not know what the rate is—business taxes now produce in the neighbourhood of $149 million in the province—what single rate would bring that amount in, I simply do not know—whether it is 50 per cent or 60 per cent or 75 per cent. We tried to narrow the gap somewhat with the exception of distilleries in this rewriting. We boiled it down to about six categories where there were many more before. We eliminated the relationship to the kind of municipality and we undoubtedly shifted some taxes around for some people, we think in total, we have probably raised the incidence of business tax somewhat.

We have simplified and will be able now to simplify a reporting mechanism so we can put some of this on a computer and figure out what that ultimate percentage should be at some point in the future—and I think we will have to, both because of the taxpayer and because of the municipality—we will have to move to that common rate in stages because some municipalities just have retail stores, for example, and I do not think you take them up then too quickly. Others, perhaps, have a lot of manufacturing, they may be coming down, so we will have to go in stages and getting rid of the split mill rate at the end of that series of steps is probably part of it.

Mr. Lawlor: The Minister has a great future but a very lurid present.

Hon. Mr. McKeough: Then also, of course, the select committee's point about making the business tax progressive in terms of the size, 10, 20, 30. We think that idea has some merit. That has to be examined and perhaps worked into it as we move towards a probably generally higher rate of business tax.

What we are trying to do, then, is to come to grips with equity. We recognize the problems of shift from one class to another. The leader of the New Democratic Party mentioned Ajax yesterday. He did not mention Guelph, he did not mention Kapuskasing where the reverse was true.

In Ajax there is an 11 per cent differential. There were some 300 new homes added to the rolls. There were some $3 million worth of vacant land which had been incorrectly assessed as commercial land and was brought onto the roll as residential land. Garages had never been assessed; residential property was assessed on the same basis as everybody else, and then somebody knocked 10 per cent off of it. Whether this was done on council direction or by the assessor we do not know. There are reasons and we have analyzed the reasons for that shift. The shift worried us. We know here in Metropolitan Toronto—I said this yesterday—I am told I am a little bit high, but relatively homes are 20 per cent of value, commercial properties and industrial properties are about 30 per cent of value, apartments say 40 per cent and the tenants are paying for that. Let us not kid anybody. The person living in a high rise is paying really twice as much tax as the person living in a single family home. All those shifts have to be eliminated.

We can do it in a number of ways. The farm report indicated how we could approach that problem. We can raise the business taxes or perhaps we can introduce some exemptions. If that is necessary, we can widen the split mill rate as the farm report suggests

and perhaps there is some merit in this, there may have to be some transfer payments from the province, if the problem is that bad.

Mr. R. Gisborn (Hamilton East): Then I take it the Minister is going to vote for our amendment?

Hon. Mr. McKeough: Why the shift? Why are the shifts happening? Why should they happen? Why are they there? It is because assessment is so far out of date, and I think that we all agree that assessment should be at least on a three years basis and probably on an annual basis. In Chatham, my own community, we were talking about reassessment eight years ago, when I was on the council. They have not got around to it yet.

Metropolitan Toronto worries me a little bit, to think that regional government might solve this. Metropolitan Toronto was established under the supervision of the province fifteen years ago. I think it is fair to say that there is no place in the province where assessment is in worse shape than in Metropolitan Toronto. Sarnia was mentioned yesterday. They have not reassessed since 1962. In Waterloo county, which the member of the Opposition talked about, there are a few unhappy people because of the shift. Kitchener was talked about at great length. Kitchener has not reassessed since 1955. I do not think things are all that well, or really as well as the member would indicate.

Niagara; the member for Niagara Falls mentioned four years ago. Four years ago, the then Minister went down to the two counties of Lincoln and Welland and said, "You should reassess, I will pay for 50 per cent of it, and I will give you a staff of 35," and they said, "No". I do not blame councils for not coming to grips with this problem. There is no bigger problem than reassessment, but I think there may have been reasons why they have not come to grips with it.

Welland county, for the record only, appointed a commissioner at the first of this year.

Mr. Bukator: Do not worry about Niagara Falls, I will be—

Hon. Mr. McKeough: Mr. Speaker, I think we are trying to wind up and have this vote. I have a number of other votes. The members in the Liberal party of course, are worried about cost. I am somewhat concerned about cost as well. I was interested about this Galt office, and we received such lovely letters, both the Prime Minister and I, from Mr. Eby, the treasurer in Kitchener, that we were really most anxious to locate in Kitchener.

The figure in Kitchener with no parking is $4.75 a square foot, the figure in Galt, air conditioned with 25 parking spaces is three dollars a square foot. That has something to do with the decision made by the Minister of Public Works, and that should be on the record. Certainly the cost is going to increase. The problem with assessment—and one of the reasons we are in the mess we are in today—is because the assessment function has historically been robbed over the years. This is why we have not got enough young men coming into assessment, because the rate of pay has not been that high.

We admitted from the start, we think this is going to cost something more, but when you are talking about something that is going to bring in a billion dollars, something on which nearly a billion dollars is based, the method of payment of provincial grants. You are talking about something which is pretty important for the collection and transfer of two billion dollars. I think it behooves us, perhaps, to spend another $2 million or $3 million or $4 million to make sure that the system works fairly and well.

Mr. Speaker, I end on this note. We had some discussion about local autonomy. I did not welcome this, but I think we can get on with this job and put the municipal financial base in order, and then do something about local autonomy.

I reject completely what came from the Liberal Party. They talked about more inanities, "Let us have some carrots, let us have some grants." "We are controlled," my friend from Kent says, "We are controlled, controlled by grants," and then they said, "More supervision and more supervision from The Department of Municipal Affairs."

Mr. Speaker, that is not my idea of local autonomy. That is not my idea of grants. We reject those arguments that are not even complete arguments. Let us not have any more pious platitudes from the Liberal Party about unconditional grants and then have them stand and say in terms of assessment: "Give them more conditional grants, sweeten it up and then put more pressure on them to get the job done."

I beg your pardon.

Mr. Pilkey: Let us have nothing from them, period.

Hon. Mr. McKeough: Well, there has been nothing from them anyway, so there you are. Now, Mr. Chairman, this has been an interesting debate, we are about to have a vote. The road to tax reform is not an easy one.

Mr. J. Renwick: What was that? Let me get that down now.

Hon. Mr. McKeough: The road to tax reform is not easy. I say to my friends in both parties, stop carping, let us get on with the job. Forget that stupid motion you have got and vote with us and get on with it. Thank you, Mr. Speaker.

Hon. Mr. Grossman: Show admiration for courage!

Mr. Speaker: The rules of the House provide that at six o'clock on these occasions, Mr. Speaker leave the chair and we recommence at eight. However, if the House wishes to proceed with this order of business and close it by a vote before we rise, it will be quite satisfactory to Mr. Speaker. But Mr. Speaker would not begin a vote and leave the chair in the middle of a vote.

Hon. Mr. McKeough: Mr. Speaker, why did you not tell me that instead of saying finish up?

Mr. Speaker: Mr. Speaker did not say finish up or continue to anyone, certainly not to the hon. Minister, either by word of mouth or by written word.

Interjections by hon. members.

Mr. Speaker: Agreed to vote? It is six of the clock now.

Mr. J. B. Trotter (Parkdale): The government is saved.

Mr. Speaker: It is normal, and I had understood from the House leader that the Minister was going to finish his discourse at ten minutes to six to give us time to have a vote. It was not done, so that now—

Hon. Mr. McKeough: Mr. Speaker, with great respect, I did not get on until ten to six.

Interjections by hon. members.

Hon. Mr. Grossman: Hon. members opposite have been talking for an hour at a time.

Mr. Speaker: Well, I must confess that if the hon. Minister had ceased at ten minutes to six we would not have heard the—

An hon. member: We can have the vote now.

Mr. Speaker: We are about to have the vote. All I wish to say in defence of the Minister was that if he had ceased at ten to six then he probably would not have expounded the government's view on the principle of the bill as the Opposition always wishes.

The motion is by Mr. McKeough for second reading of Bill 205. Mr. MacDonald moved an amendment, seconded by Mr. Lawlor, that the motion for second reading of Bill 205, entitled, The Assessment Act, 1968-1969, be amended by deleting all the words after "that" and substituting, therefor, the words:

> This House is of the opinion that the bill is fundamentally defective in principle, that it should be referred to the standing legal and municipal committee to determine the following matters:
>
> 1(a). The amount of the shift in tax burdens on commercial and industrial property to residential property which is occurring on re-assessment based on market value, and (b) the method for presenting such shift.
>
> 2. The effect of continuing the exemption of most of the industrial machinery and equipment from assessment which adds to the inequitable sharing of the municipal tax burden between industrial and residential taxpayers.
>
> 3. The implications of the report of the committee on farm assessment and taxation and the validity of its recommendations that special provincial grants be made to offset municipal revenue losses, resulting from any relief provided for agricultural land.
>
> 4. The desirability of instituting a moratorium on any increased taxes arising from home improvements.
>
> And that this House is further of the opinion that Bill 205 should be withdrawn and a new bill incorporating the recommendations of the committee on the above matters should be introduced without delay.

The vote, of course, is first on the amendment. As many as—

Yes, it being after six of the clock, the Speaker is not quite on the job. The clerk has reminded him that this is another of these cases which confuses many of us, that the vote is whether the word "now" in the original motion shall stand as part of the motion,

and therefore we vote on whether the word "now" shall stand as part of the motion.

Those in favour of the word "now" standing as part of the motion will please say "aye".

Those opposed will please say "nay".

An hon. member: I think we have got it.

Mr. Speaker: I do not think so this time. In my opinion the "ayes" have it.

Call in the members.

Mr. Speaker: The motion was by Mr. McKeough for second reading of Bill 205, and an amendment thereto by Mr. MacDonald, seconded by Mr. Lawlor, moved that all the words after "that" be deleted and certain other words previously read to the House be substituted therefor.

The first question to be decided now, is shall the word "now" and the other words sought to be struck out stand as part of the motion.

The House divided on the question whether the words "the bill be now read a second time" should stand as part of the motion, which was decided in the affirmative on the following vote:

Ayes	Nays
Allan	Brown
Apps	Bukator
Belanger	Bullbrook
Boyer	Burr
Carruthers	Davison
Carton	Deacon
Davis	Deans
Downer	Edighoffer
Evans	Farquhar
Gilbertson	Ferrier
Gomme	Gaunt
Grossman	Gisborn
Guindon	Good
Haskett	Haggerty
Hodgson (York North)	Innes
Johnston (Carleton)	Lawlor
Kennedy	MacKenzie
Kerr	Martel
Knight	Newman (Windsor-Walkerville)
Lawrence (Carleton East)	Paterson
Lawrence (St. George)	Pilkey
Meen	Pitman
Morrow	Reid (Rainy River)
McKeough	Renwick (Riverdale)
McNeil	Ruston
Newman (Ontario South)	Smith (Nipissing)
Price	Spence
Pritchard (Mrs.)	Trotter
Reilly	Worton
Reuter	Young—30.
Root	
Rowe	
Smith (Simcoe East)	
Smith (Hamilton Mountain)	
Snow	
Stewart	
Villeneuve	
Welch	
Wells	
White	
Winkler	
Yaremko—42.	

Clerk of the House: Mr. Speaker, the "ayes" are 42, the "nays" 30.

Mr. Speaker: I declare the motion for second reading of Bill 205 carried.

Motion agreed to, second reading of the bill.

Mr. Speaker: Shall this bill be ordered to third reading?

Some hon. members: No.

Mr. Speaker: Shall it be referred, then, to committee of the whole House?

Some hon. members: No!

Mr. Speaker: All right. Well, if not, then shall it go to standing committee?

Some hon. members: Yes.

Mr. Speaker: To which committee? Legal and municipal affairs!

It is now 6.25 p.m. It would seem to me that if the House were agreeable, perhaps the members might like to have the usual two hours supper time. If the members were agreeable I would now leave the Chair and we will reconvene at 8.30 of the clock tonight.

Mr. J. R. Smith (Hamilton Mountain): Educational committee, as well, at 8.30 p.m.

Mr. Speaker: The educational committee at 8.30 p.m.; both the House and the standing committee at 8.30 tonight.

It being 6.25 of the clock, the House took recess.

No. 214

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 13, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 13, 1969

The House resumed at 8.30 o'clock, p.m.

THE DRAINAGE ACT, 1962-1963

Hon. W. D. McKeough (Minister of Municipal Affairs) moves second reading of Bill 219, An Act to amend The Drainage Act, 1962-1963.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be directed for third reading?

Agreed.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. McKeough moves second reading of Bill 220, An Act to amend The Local Improvement Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be directed for third reading?

Agreed.

THE MUNICIPALITY OF METROPOLITAN TORONTO ACT

Hon. Mr. McKeough moves second reading of Bill 221, An Act to amend The Municipality of Metropolitan Toronto Act.

Motion agreed to; second reading of the bill.

Mr. E. R. Good (Waterloo North): Mr. Speaker, I think someone should just rise to point out that we on this side are pleased to see the eventual fact that this bill has come in for passage, in this House; we would join with all others in wishing it speedy passage through.

Mr. Speaker: Shall this bill be directed for third reading?

Agreed.

THE MUNICIPAL ACT

Hon. Mr. McKeough moves second reading of Bill 222, An Act to amend The Municipal Act.

Mr. Good: Mr. Speaker, perhaps the Minister will comment on this after, but I would just like to make sure.

My understanding is that the residual portion of the old Assessment Act, which is not embodied in Bill 205, is now transferred to The Municipal Act under this section. Some of the changes made in it we agree with wholeheartedly, especially the increase on the rate of penalty allowed on back taxes. Many large corporations were using the low interest rate on back taxes as a means of delaying payment of tax for a three-year period and using municipal moneys to finance their own business. So we welcome this increase to one per cent per month following the end of the year and an eight per cent rate during the current year...

There is one principle involved in a section—and I am sorry I do not have the number of the section—and that deals with the posting of deposits by contractors to clean up and repair curbs and gutters. Was this not similar to a section which was denied in a private bill of the city of London last year, or was that allowed to the city of London? Perhaps the Minister will answer that in his comment on the bill.

The release of the limitations on payment of health service benefits by a municipality—is this something that municipalities have been asking for? I think this is a good principle and we would be in favour of it.

In the short time that we have had the bill I have had no report back from the people I have asked to study it, so consequently I cannot comment any further, other than that we have the Minister's word that it is just a transfer of the other sections to The Municipal Act.

Mr. C. G. Pilkey (Oshawa): Mr. Speaker, I just wanted to comment on the section that allows the bargaining agents of municipal employees, whoever that may be, to negotiate

100 per cent of the fringe benefits, particularly in the area of health costs. I felt there was a shortcoming in the bill in two respects:

First, I believe the question of pensions ought to be a negotiable item under The Municipal Act as well; or at least municipal employees in some way ought to be able to negotiate adequate pensions; particularly in the area of pensioners or civic employees who have retired.

Under this Act, I am given to understand, bargaining agents of the employees are denied the right to negotiate for those people who are presently in retirement.

Now in the private sector in this province there are many agreements signed that provide for health benefits particularly, and I speak of medical, hospital, drugs. And under these agreements they are able to negotiate for those employees who have already retired. I make this observation and urge the Minister to take this into consideration, because the civic employee is retiring with a smaller pension than many of his equals in the private sector. As I understand it, The Municipal Act denies the union, or whoever it may be, the right to negotiate for retired employees in that area. I think this question would be complementary to the amendment that the Minister has brought in; that is that they should be able to negotiate up to 100 per cent in the medical and hospital insurance areas.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I wonder if I might also direct myself to the same area, the principle involving payment of 100 per cent of medical hospital payments—welfare payments in other words—and ask the Minister whether he has given any consideration in the changes to the Act to also changing that portion of the Act in dealing with sick leave credits.

Does the Minister not deem it advisable, at this time, to recognize those employees of municipalities who have served the municipality well, free of sickness for the majority of the time that they have been employed there, and who lose half of their sick leave credits upon retirement? In other words, they have to save, in effect bank, double the number of sick leave credits that they can actually draw on upon retirement.

The other area I wanted to ask the Minister about concerns page 222, subsection (c), paragraph 61, where it indicates that subject to The Health Services Insurance Act, under restriction, a portion of the cost that may be paid by municipalities in respect of their employees is removed.

I just do not see it here. I do not see it in that section of the Act. I am looking and I cannot make the distinction as to where that is actually effective by the change in this Act. I wonder if the Minister could point that out to me so that I am sure that what is said in the explanatory note is in fact part of the Act.

Hon. Mr. McKeough: Page what?

Mr. Speaker: Does the hon. Minister wish to reply?

Hon. Mr. McKeough: Well, Mr. Speaker, first of all with regard to the curbs, Kitchener and York were the two that asked for this legislation, to my knowledge. I think they received it. I do not recall London being involved.

I think there was a private bill passed—one or more—authorizing this kind of legislation and we thought that this should go in the general legislation. The amount of the limitation on group life, accident, sickness insurance and so on, fringe benefits—does the member see what he is looking for?

The member for Waterloo North wanted to know who had requested this. I think there may have been some municipality that has been particularly asking for it over the years, and also the police association and, I think, the Canadian Union of Public Employees.

The police association has run into some little difficulty in terms of arbitration. I think there have been some judges on arbitrations who have awarded this in spite of the section of the Act. I think the firefighters associations have requested this as well.

The member for Oshawa raises the matter, first of all of sick leave credits. It is my understanding that we do not really have jurisdiction over that, there is no limitation so far as the province is concerned. I could be wrong about that and I will check it.

The member for Oshawa raises the matter of—I am sorry, let us correct that first, there are no restrictions on the amount that is accrued, according to the legislation. The legislation does restrict the credits on retirement to one half, and this is the point the member was raising. I do not know that anybody has drawn that particularly to my attention. I will be glad to have a look at it.

The matter which the member for Oshawa raises, I think, is part of a larger problem

which is starting to land by way of resolution on our desks now, in terms of the pension problem and in terms of the whole fringe benefit package, in terms of retired employees. It is something which I think—well, there is no question—it has been brought to a head by the inflationary pressures in the economy.

It is part of a larger problem. The Treasurer (Mr. MacNaughton) I think mentioned this in terms of the public service superannuation fund. Certainly it has been a factor for debate as far as the teachers' superannuation fund is concerned, and I tell the members frankly it is already starting to be discussed in terms of OMERS.

I think it is something that within the next few months we are going to have to start taking a very good look at. I cannot tell the member that we gave it any consideration when this particular bill was drafted, and I believe this section was agreed to some 10 or 12 months ago as part of the normal amendments.

We have had a number of resolutions from the municipalities; how many I do not know. We asked both associations for their views and we are in the process of receiving them. I think this is something we are going to have to turn our attention to. I am not in a position to indicate what our policy may or may not be, but I think it is something we are going to have to give some thought to, the retired employees.

Were there any other questions? They were coming rather quickly.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Pilkey: Why would this bill not go into committee?

Mr. Speaker: Shall the bill be directed to the committee of the whole House?

Hon. Mr. McKeough: Mr. Speaker, I am wondering if this might not make sense: The Assessment Act is going to the standing committee and I am wondering if it might not make sense to send it to the standing committee and not bring it to the whole House?

Mr. Pilkey: Right, excellent!

Mr. Speaker: Is it agreed that this bill be referred to the standing committee on legal and municipal bills?

Agreed.

Clerk of the House: The 4th order, House in committee of the whole; Mr. R. D. Rowe in the chair.

THE DAY NURSERIES ACT, 1966

House in committee on Bill 134, An Act to amend The Day Nurseries Act, 1966.

Hon. J. Yaremko (Minister of Social and Family Services): Mr. Chairman, I move that section 1 of the bill be amended by adding thereto the following subsection:

> (4) Clause (e) of the said section 1 is amended by striking out "or" in the first line and by inserting after "township" in the first and second lines "or county".

Mr. P. D. Lawlor (Lakeshore): On a point of order, Mr. Chairman, which bill are we dealing with?

Mr. Chairman: This is Bill 134, and I was about to ask if there were any amendments, questions or comments on any sections. We have an amendment for section 1?

Hon. Mr. Yaremko moves that section 1 of the bill be amended by adding thereto the following subsection:

> (4) Clause (e) of the said section 1 is amended by striking out "or" in the first line and by inserting after the word "township" in the first and second lines the words "or county".

Shall the motion carry?

Hon. Mr. Yaremko: Mr. Chairman, this will now permit day nurseries that are operated by counties to receive the provincial subsidy. It follows the suggestion of one of the members opposite.

Motion agreed to.

Mr. Chairman: Are there any other questions, comments or amendments to any section? The hon. Minister?

Hon. Mr. Yaremko: Mr. Chairman, I move that section 2 of the bill be struck out and the following substituted therefor:

> Subsection 2 of section 3 of The Day Nurseries Act, 1966, is repealed and the following substituted therefor:
>
> 2. Where a council of the band establishes a day nursery the band is entitled to the payment referred to in subsection 1 in the same manner as if the band were a municipality.

This, Mr. Chairman, deletes the requirement for approval by the Minister for the purposes of the section, which is in keeping with the undertaking I gave and is in keeping with the similar amendment I moved in respect of The Homemakers and Nurses Act.

Mr. Lawlor: The more you remove yourself from the picture the better.

Mr. Chairman: Hon. Mr. Yaremko moves that section 2 of the bill be struck out and the following substituted therefor:

Subsection 2 of section 3 of The Day Nurseries Act, 1966, is repealed and the following substituted therefor:

2. Where a council of the band establishes a day nursery the band is entitled to the payment referred to in subsection 1 in the same manner as if the band were a municipality.

Motion agreed to.

Mr. Chairman: Are there any other amendments, or comments, or questions to any other section? There is another amendment?

Hon. Mr. Yaremko: I move that section 9 be amended and that the section under the bill be struck out and the following substituted therefor:

9(1) This Act, except subsection 4 of section 1, comes into force on the day it receives Royal assent.

(2) Subsection 4 of section 1 shall be deemed to have come into force on the 31st day of March, 1968.

This will enable the great county of Hastings, which actually has operated a day nursery for some time, to have received a subsidy.

Mr. Chairman: Hon. Mr. Yaremko moves that section 9 of the bill be struck out and the following substituted therefor:

9(1) This Act, except subsection 4 of section 1, comes into force on the day it receives Royal assent.

(2) Subsection 4 of section 1 shall be deemed to have come into force on the 31st day of March, 1968.

Motion agreed to.

Bill 134, as amended, reported.

THE HOMES FOR THE AGED AND REST HOMES ACT

House in committee on Bill 144, An Act to amend The Homes for the Aged and Rest Homes Act.

Mr. Chairman: Are there any questions, comments or amendments on any section in this bill? The hon. member for Wentworth.

Mr. I. Deans (Wentworth): I would like to direct some comments to section 3. I would like to ask the Minister whether he has given any consideration, since the first reading of the bill, to permitting those people—let me rephrase that. In the event that persons are unable to look after their aging relatives in their own homes because of inability to do so financially, the result of this will mean their being placed in a home, and probably into a private home. Has the Minister given consideration to making some adjustment to the aid for private homes in order that persons may receive aid who are looking after elderly relatives in their own home?

I say to the Minister, what is happening is that there are many people who would like to keep aging aunts and uncles and grandparents and parents, but because of financial inability are unable to do so. They then go into a nursing home, and from there into a private home under this Act. Yet they would probably have been better off had they been left in the home with their relatives in terms of the surroundings and environment.

I wonder if the Minister has given consideration to making a change in this Act that will permit relatives, who are taking care of parents but are unable to continue to do so because of financial difficulties, to receive the same kind of financial reimbursement that a private home would receive as set out under the new section of the Act?

Hon. Mr. Yaremko: Mr. Chairman, subsequent to the member's earlier remarks, I took the matter up within the department. I learned of no specific instance where the application of this rule had effected any hardship or prevented anybody from staying at home.

But, as we publicize this programme and encourage its implementation and it becomes more widely spread, known and accepted and resorted to, I have asked my people to keep an eye on this particular matter, which, as it happens, is dealt with by regulation, to see whether it would need revision. I may say that, at the present time, if there are any senior people staying with relatives, if they meet the qualifications, then, of course, they can be assisted right within that home.

If the hon. member knows of any specific instance of this, I would be pleased to examine it and use specific instances to see what can be worked out for general application.

Mr. Deans: If I might just pursue this one step further, what I am really trying to get at is this: while many people may be able to apply for and receive, under the sort of general welfare allowance, some help in maintaining elderly relatives, I was trying as much as I could to get away from that and to put it on a much more acceptable basis where, if the choice were open between moving the elderly relative out of that home and into another home, where the province of Ontario would out of necessity have to carry the financial burden, they could, if they were given some form of financial subsidy, provide the necessary care, and perhaps extra equipment required in the home to take care of them. This would be covered by this Act rather than by any general welfare Act or by any Act of municipal welfare.

Hon. Mr. Yaremko: Any assistance which would be payable to the aged relative would be payable under our Family Benefits Act, and it so happens that a general awareness is growing that maintenance under our Family Benefits Act is really no longer considered as a welfare measure in the old fashioned sense.

Mr. Chairman: The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): "Special homes to private homes"; is this just a descriptive term?

Hon. Mr. Yaremko: Yes, it is just a descriptive term. All aspects remain the same but we are hopeful that if we change the name from "special home care", which has been known as "foster home care", to "private home care" the atmosphere of that kind of terminology will appeal both the the municipalities and to those who will want to remain within the community.

Mr. Pilkey: The other question then to the Minister: in section 6 subsection 1, where you say, "The authority to make regulations is enlarged", I wonder if the Minister could explain that. Does this mean that regulations can be made that are not relevant to this House?

Hon. Mr. Yaremko: No, if you will see section 2; section 2 sets out the director's function, that is the functions of the director of the homes for the aged branch, and then section 6(1) (a-c). All it means is prescribing additional duties of the director, so that the extension of the regulations is limited to that one particular item—the duties of the director in relationship to the Act.

Mr. Chairman: Are there any other comments?

Mr. Lawlor: Mr. Chairman, with respect to sections 5157 and 5158, does the Minister feel that the wording is sufficiently clear. Are there any difficulties which may arise on more permanent forms of borrowing? In other words, I am thinking that a rest home being a private institution may have a substantial mortgage on its premises even if it is a short-term mortgage, which is nevertheless a more consolidated and solid type of security, at least for the mortgagee over against these current borrowings which are delimited.

In other words, what I am after here is, does the Minister feel that there is sufficient segregation between one kind of borrowing and another kind of borrowing so that they will not run into difficulty in borrowing up to 25 per cent occurring so that the mortgage or any sum due on the mortgage within the time of borrowing, within the current period, would not be considered within the 25 per cent denomination.

If it were, you know, mortgages are 75-85 per cent usually of the assessed value—that is, assessed by the people who lend the money—of the property and that would automatically preclude and foreshorten the whole possibility of the 25 per cent borrowing for short-term needs. Is that in the Minister's mind?

Hon. Mr. Yaremko: This actually is limited to a specific situation which has come to our attention. It is restricted to borrowing by the boards of management of district homes. The board of management of a district home gets its revenues from the municipalities that participate in the board. Since there is a lapse of time between the beginning of the spending by the board and the obtaining of revenues from the municipalities, they have, in fact, been making short term borrowings from the bank pending the receipt of revenues from their municipalities—all of which are paid on a current basis. We actually are putting into statute, that authority which has been exercised by boards and participated in by banks, but we want to make sure that there is legislative authority for that action. The long term type of borrowing is provided for by the issuance of debentures. There is no such problem as is referred to by the hon. member.

Mr. Lawlor: I see. Is the 25 per cent figure adequate and reasonable, in the Minister's opinion? Might it not be 35 or 45 per cent

current borrowings against the moneys coming in?

Hon. Mr. Yaremko: Our experience has shown that the 25 per cent will be adequate moneys to borrow in anticipation. If our experience proves that that is not adequate, we can always amend.

Mr. Chairman: Are there any other sections for comments, questions or amendment? If not, shall the bill carry?

Bill 144 reported.

THE MOOSONEE DEVELOPMENT AREA BOARD ACT, 1966

House in committee on Bill 189, An Act to amend The Moosonee Development Area Board Act, 1966.

Mr. Chairman: Are there any questions, comments or amendments of any section and if so, what section?

Mr. E. R. Good (Waterloo North): Section 3.

Mr. Chairman: Section 3?

Mr. Good: Section 3, yes; giving the board the powers as shown here to acquire and hold within the development area; survey, clear, grade and sub-divide; sell, lease or otherwise dispose of such land.

Now this gives this board actually more power than a municipal council has in that regard, is that right? If it does, I would just like to reiterate the feeling of this side that this Moosonee development board could very well be making very fast strides in moving towards an elected board. This was brought out on second reading.

I am wondering what controls, if any, there are on this board when, in fact, they are given more powers than municipal councils in that regard, of buying and selling residential land and subdividing.

Hon. W. D. McKeough (Minister of Municipal Affairs): An improvement district has the same power.

Mr. Good: An improvement district!

Mr. Chairman: Any other questions or amendments? If not, shall the bill be reported?

Bill 189 reported.

FARMS ON WHICH PREGNANT MARES ARE KEPT FOR THE COLLECTION OF URINE

House in committee on Bill 196, An Act to regulate farms on which pregnant mares are kept for the collection of urine.

Mr. Chairman: Are there any amendments, questions or comments on any section; and if so, what section, please?

Mr. M. Gaunt (Huron-Bruce): Well, Mr. Chairman, section 14 and section 19.

First of all, under section 14—

Mr. Chairman: Just a moment. Are there any sections before this?

Hon. W. A. Stewart (Minister of Agriculture and Food): I propose to amend section 3, Mr. Chairman—section 13, I am sorry.

Mr. Chairman: Section 13? Does the Minister wish to make that amendment now, or does he wish the hon. member to speak first?

Hon. Mr. Stewart: Mr. Chairman, I move that subsections 1, 2, 4 and 5 of section 13 be struck out and the following substituted therefor:

1. Any party to the hearing before the board may appeal from the decision of the board to the court of appeal and the practice and procedure as to appeal proceedings incidental thereto are the same *mutatis mutandis* as upon an appeal from the high court.

2. The Minister may designate counsel to assist the court upon the hearing of an appeal under this section.

4. An appeal under this section may be made on questions of law or fact or both, and the court may confirm or alter the decisions of the board, or direct the director to any act the director is authorized to do under this Act and as the court considers proper, and the court may substitute its opinion for that of the board and may exercise the same powers as it exercises on an appeal from a judge of the high court sitting without a jury.

5. The decision of the court of appeal is final.

Mr. P. D. Lawlor (Lakeshore): You must have met McRuer in the hallway.

Mr. Chairman: Mr. Stewart has moved an amendment to section 13, as read. Is there any discussion?

Mr. Gaunt: Mr. Chairman, this simply gives the appellant another opportunity to be heard. This in effect is the thrust of the amendment?

Hon. Mr. Stewart: Yes.

Mr. Chairman: Does the motion carry?

Motion agreed to.

Mr. Chairman: The member for Huron-Bruce, then, on section 14.

Mr. Gaunt: A matter of information, Mr. Chairman.

I am wondering, does the Minister plan to carry out these inspections with the same people who are now employed under the aegis of the veterinary services branch; or do you intend employing new people? If so, how many?

Hon. Mr. Stewart: There will be new people hired to do this, along with certain members of the veterinary services branch now. The staff will be expanded to some degree but not very much.

Mr. Gaunt: You do not have any idea how many?

Hon. Mr. Stewart: No, I do not at the moment.

Mr. Gaunt: The other point, I was wondering about, Mr. Chairman, was under section 19(j) prescribing methods for the identification of horses. How do you intend to do that?

Hon. Mr. Stewart: There are various methods of identifying horses. There is the cold paint brand that has now been developed; that is quite a satisfactory method. There may be other methods devised, I do not know, but that is something that will have to be done. We have to have some way of identifying these horses.

Mr. Gaunt: This will be the responsibility of the owner, or will your people do it?

Hon. Mr. Stewart: No, it is the responsibility of the owner to do this work.

Mr. Chairman: Any other sections for comment or questions, or amendments? If not, shall the bill, as amended, be reported?

Bill 196, as amended, reported.

Hon. Mr. Grossman moves that the committee of the whole House rise and report two bills with amendment and two bills without amendment, and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report two bills with amendment and two bills without amendment, and asks for leave to sit again.

Report agreed to.

Clerk of the House: The 23rd order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

(continued)

On vote 1403.

Mr. R. H. Knight (Port Arthur): Mr. Chairman, I just wonder, on a point of clarification, if I could ask the Chair and the Minister whether at this time I could ask some questions about the work that is under way to bring about the birth of a new city in the north. Is this a good time to bring this up?

Hon. W. D. McKeough: Vote 1404; organization—administration.

Mr. Knight: Thank you.

Mr. Chairman: Shall vote 1403 carry? The hon. member for Parkdale.

Mr. J. B. Trotter (Parkdale): I would like to know if the Minister can give us any indication if efforts will be made by his department in assisting such projects in the city of Toronto as that carried on by the Don Vale Residents Association.

I realize that there are weaknesses in the legislation as it stands today, both federally and in the province, and that a group of people such as the Don Vale residents, who want to develop their own area, are handicapped because they cannot get loans from the government of the province. Now, I also realize they are not covered by The National Housing Act.

I would like to make a few remarks on this, Mr. Chairman, but first of all I would like the Minister to answer this question: Why has not some effort been made by the provincial government in assisting a municipality such as the city of Toronto, that has

an area like that which is known as the Don Vale area?

Hon. Mr. McKeough: The only way we can assist is if there is an approved plan in front of us, an urban renewal scheme or plan for implementation, and when that comes before us and we approve it, then we proceed from there. We have nothing in front of us from the city of Toronto at this moment.

Mr. Trotter: I feel this is begging the question. We know that the city council of Toronto approved the Don Vale programme. They were given until December 31, 1969, for this plan to be accepted by the city council, if they had support from the larger units of government such as the federal government in Ottawa or the government here in Queen's Park.

Now, there is no question that this has been approved by the city council. In what way or what manner do you look upon a plan to be presented? We all read about it in the newspapers. What do you have to do for you to say, "There is a plan"?

Hon. Mr. McKeough: I am sorry. There are three or four in Toronto and I sometimes get them mixed up. The Don Vale scheme is actually in front of us. It would appear to be an application, but it is conditional on a large amount of money for private rehabilitation.

We have asked the city to clarify how much they think is necessary for private rehabilitation. We have asked them how this is to be financed, whether it is in terms of loans or whether it is in terms of grants. We have asked. Of course we have no approval from the federal authority at this point in time. When we get the answers to some of these questions, we can proceed from there.

We have no authority, of course, for either grants or loans. I have indicated to the city that I would be willing to undertake, and have authority for a demonstration project and, if you would put something in front of us which is concrete, we could consider something in that light.

Whether they want to do this in Don Vale or Trefann, or some place else, I do not know. This is their decision to make, but we have indicated we have to have a dollar amount, we have to have some idea of how it is to work, and we have to have some idea whether there is going to be federal concurrence, before we can proceed.

Mr. Trotter: Surely there is a very heavy responsibility upon the provincial government to show, not only some leadership, but a considerable amount of leadership, in this matter of urban renewal. We hear so much of the fact that the municipality is the child of the province, which is constitutionally quite correct. I submit, Mr. Chairman, that one of the major problems that our society has to face today is what to do with the large cities.

This problem of urban development has hit the city of Toronto first, because it is the largest. It is obviously going to happen to Hamilton. It is going to happen to Ottawa and it is going to happen to Windsor. But, in my view, the government of the province of Ontario is just a complete blank when it comes to urban development.

We know perfectly well that the city hall, in some respects, has kicked around the problem of Treffan, Kensington and Don Vale. More particularly the Don Vale situation, because, Mr. Chairman, what I would like to point out in this problem of urban development is this: We have talked of the importance —many authorities, many groups and all parties have talked of the importance—of the individuals in a community taking an interest in the redevelopment of the area in which they live. The Don Vale situation is the one single situation literally in all of Canada where a group of residents working together with a committee from the city hall, have come forward with a very detailed plan. In fact, I have one book here called "The Don Vale Urban Renewal Scheme," Mr. Chairman, and it goes on for pages and pages. To be told that there is no plan, no scheme, to be presented—to give an answer like that is an absolute farce. As to the amount it would cost, I think that it is up to, not only the city of Toronto, but up to this province, to see what can be done.

It is estimated it is probably going to cost some place in the area up to $20 million. It is a matter of how much they do, to what extent and over what period of time. So the amount can vary, but there is no question that the people in Don Vale and at city hall have gone into a tremendous amount of detail. I was wondering why the Minister is not, in some way, introducing legislation that would cover a situation such as this.

I realize where the Don Vale urban renewal differs from many of the other urban renewal schemes. It means getting grants or loans to private individuals instead of just to a municipality.

I was wondering, Mr. Chairman, if the Minister would tell me if he, as a matter of

policy, objects to giving individuals either grants or loans in order to assist the redevelopment of the urban area?

Hon. Mr. McKeough: Mr. Chairman, just let me comment on a couple of things.

The member mentioned the urgency of this problem. God knows we are aware of the urgency of the problem. I wish the member would speak to the fact that—and I do not speak of this politically—but urban renewal in this province, in this country, has been stalled now for exactly one year: not at our level, but at the federal level.

We are frankly getting a little tired of the platitudes that are coming out of Ottawa. They say they are concerned for the urban environment and for the future of our great urban areas, and a great deal of jazz, if I can put it that way. It results in precisely no action.

Mr. Andras was here the other day and suggested that it would be either six months or a year before they loosen up on things.

The member for Waterloo North well knows that in the city of Kitchener, they have a plan which is roughly $14 million or $15 million, where the federal contribution should be in the neighbourhood of $7 million or $8 million. They have now said they would go for $1 million. They have been working on this in Kitchener for what? Six or eight years? In our opinion it is a good plan and you just do not turn the tap off.

I do not say this in a partisan political sense, but I would urge the member, instead of looking at this government, to look to Ottawa to do something about all this.

Mr. Trotter: Why?

Hon. Mr. McKeough: They promoted this programme. They went up and down this province encouraging this programme with us and then a year ago, Mr. Hellyer got a little disenchanted somewhere along the line and turned off the tap. And there are $100 million worth of projects, I suppose, in the province, which are stalled today—easily that amount of money. Kitchener being an example.

Kitchener went along for six or seven years and developed the plan. An overall study went through the planning stage and got to the implementation stage. They have done all this on the assurance that they would be getting 50 per cent of the money from the federal government. They have been, I believe, to the Ontario Municipal Board, have had excellent citizen participation, at minimum disruption, and have encouraged some private development in the city core. Mr. Hellyer, and now Mr. Andras say "No".

The member mentioned that this is going to be a problem in Hamilton and Windsor. Hamilton and Windsor came to grips with this problem and have done something about it. If the member from Hamilton was here, he would know that the York Street plan has been going on for a number of years. I think in many ways it has been a model of co-operation.

There have been some problems downtown that I am aware of. But in terms of the relocation of people, there have been a lot of good things going on there. Windsor has been in this for 10 or 15 years. Windsor would be one of the oldest urban renewal schemes in the province and has been moving ahead steadily since then.

I attended a meeting—my colleague the Minister of Correctional Services (Mr. Grossman) was there and there were also several federal members there—with Mr. Andras and the mayor. I said, from our point of view, as far as Toronto was concerned, that they have to make their minds up soon because they were going to the end of the train unless they started moving.

We have sitting on our desk something like $80 million, or maybe more than that, of approved projects. When the federal government does release some of these projects, our funds are going to be very fully committed to satisfy the projects which have come to us and which have been approved and which can go ahead.

Toronto has talked about several schemes. Don Vale has come into us. Well, I have indicated to you that it has come into us in a manner and based on a premise which is not within the terms of the federal legislation. I think that we can find a way to do it under our legislation.

Mr. Trotter: I must emphasize, Mr. Chairman, that I am disappointed in the federal government's housing programme. I do not intend to apologize for it, but I think we must face up to the fact that the province constitutionally is responsible for housing. What is happening is we are using housing as a political football.

I will correct myself on one mistake, Mr. Chairman. I said the Don Vale programme would cost $20 million; actually it is $10,070,000.

You said no financial arrangements had been put before you and in page 113 of "The

Don Vale Urban Renewal Scheme," they go into great detail as to what it is going to cost for water works, for pavement reconstruction, for sewer construction. The whole thing is laid out in great detail and there is no question that the province knows what it is going to cost.

I do not want to go into a lot of facts and figures, Mr. Chairman, but just to give you an idea. In this report, which was prepared, not just by the local people in Don Vale, but with the assistance of the authority of the city hall in Toronto, they prepared a summary of the estimated cost of sharing in recoveries and the cost of the whole development of the Don Vale scheme was to be slightly over $10 million. They estimated that slightly over $2 million was going to be recovered from the citizens themselves and that the public expense was going to be a little over $8 million.

Even as a pilot project for the province of Ontario, surely with the vast resources of this province, these people could be assisted. What we need more than anything else in urban renewal, Mr. Chairman, is an interest and a spirit shown by the people themselves. This has been one of the things that Mr. Hellyer can be defended upon, that he did not want the bulldozer being used everywhere in order to rehabilitate different parts of Ontario. He claimed that instead of just ripping old houses down, they could be rehabilitated and certainly the Don Vale district in the city of Toronto is one district where this can be done.

There is no question in my mind that this government and this particular department has completely avoided the issue.

One of the major issues facing this province is urban development—the responsibility of this Minister—and all he is doing is using it as a political football, saying, "Ottawa should do this, Ottawa should do that." Let me tell the Minister, through you, Mr. Chairman, that I have no hesitation in embarrassing the federal government in the hope that we can get funds out of them, but when the Board of Control in the city of Toronto—and of course the Board of Control is now defunct and is past history, we are not going to have one any more—avoids the issue and when this province avoids the issue and again when the federal government fails to face up to what is going to be an obvious responsibility, all I can say is politicians are just kicking the people of Don Vale around.

There is no question in my mind that the federal government, when they have a constitutional hangup, by saying that they have no responsibility for the municipalities of housing, is to my mind just nonsense. When we bear in mind that a third of our population in this country is going to live in three cities—Montreal, Toronto and Vancouver—by 1980, I can agree with the Minister that the federal government should do a great deal, but still the leadership, even constitutionally, should come from this Minister and the great pity of it is that he has, in the Don Vale area, a tremendous opportunity to demonstrate what the people in a particular area can do if they work together.

What we are witnessing today in so-called urban development, Mr. Chairman, is that we are really destroying so many communities with the various expressways such as the Spadina Expressway, cutting areas in two by letting areas just be run down. They eventually fall into the hands of those people who want to use the bulldozer and then the old area has gone.

This is going to happen, Mr. Chairman, to the Don Vale area in Toronto unless action is taken and taken in the immediate future. If nothing is done within the next year or two, the people in that area are going to despair. They are not going to be bothered keeping their homes up to standard and, of course what is going to happen, is that the speculator is going to move in and one of the major portions in the heart of the city of Toronto will be destroyed and if that happens a major responsibility for that destruction will lie with this government and with this particular Minister.

I do feel that because of the lack of interest on the part of this government, that they just want to shut their eyes and hope the problem will go away. Many thousands of people are going to lose the community which they have tried to build up and we are going to, in large part, destroy the heart of the city of Toronto and I use it again as an example, Mr. Chairman, that what happens in Don Vale, will be an example of what is going to happen in the rest of the older part of Toronto. It is what is going to happen in Hamilton or Windsor or Ottawa and I do feel that the Minister really ignored this situation and essentially this Minister and this government is simply not interested in urban development, it simply does not care.

Mr. Speaker: Vote 1403—the hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Might I ask, Mr. Chairman, how much time we have got left on the quota for these estimates?

Mr. Speaker: Two hours and two minutes.

Mr. Gisborn: To the Minister, just for my own information under this vote – urban development $5 million—would the Minister explain briefly the criteria for its allocation. It is not a big amount of money when we apply it to the words urban renewal—just how is it to be granted?

Hon. Mr. McKeough: It represents $20 million worth of work. Five from ourselves, ten from the federal government, and five from the municipalities. This is one of the tragedies, perhaps, in the federal slowdown. I think we have had about $4 million in our estimates for two or three years and the money—

Mr. Trotter: What about your own showdown?

Hon. Mr. McKeough: —has never been spent.

If the member knew what he was talking about it would be a great help. We have not slowed down one bit. We have written the municipalities informing them that our commitments stand, and for you to sit there and talk about something that you know nothing about—

Mr. Trotter: However, that is quite true, you are taking no interest at all in—

Hon. Mr. McKeough: Oh, get off of it!

Mr. Trotter: All you do is keep saying, "The federal government, the federal government."

Hon. Mr. McKeough: It really hurts to have the label pinned on, does it not?

Mr. Trotter: This is the unfortunate part about it, Mr. Chairman, that we have got people leading this department who have absolutely no conception at all of the problems facing the urban frontier in the province of Ontario.

Hon. J. H. White (Minister of Revenue): The unfortunate part is, you have not got anybody on your benches right now who knows anything about this subject but—

Mr. Trotter: That we now have, literally, millions of people who have absolutely no opportunity to develop the areas in which they live and to sit back and to continually point at Ottawa is a waste of time.

Hon. Mr. White: —you are making a nice try, old buddy, nice try and all that.

Mr. Trotter: If this government and this department had any guts at all, it would come forth with a plan and challenge Ottawa; and I say they have neither the initiative nor the guts and that is why I use the example of Don Vale. They have kicked around the Trefann problem for years.

Hon. Mr. White: Nice try, but you had better bring in the first line team.

Mr. Trotter: The hon. Minister of Correctional Services kicked around Kensington and said we are going to encourage the people to come in and develop their own area. Of course, what opportunity is there for the average person to develop his own area unless this government helps? They are using the people in these particular areas as pawns. All they will do is give them phoney promises just as the Minister in charge of housing in this province makes the great promises every time an election year rolls around.

There is no question that one of the greatest failures, probably the mortal failure of this administration, is to face up to the problems of the urban areas in the province of Ontario.

Mr. Gisborn: Mr. Chairman—

Hon. Mr. McKeough: I will answer your question, but go ahead.

Mr. Gisborn: I appreciate the Minister's answer. I was interested because I wanted to get a couple of things clear, but I was interrupted by the member for Parkdale. Very seldom do I have to agree with the Minister on just principle points, but he is right that if anybody has messed up the urban renewal programme in Hamilton, it has been the federal government. They absolutely pulled the rug right out from under one of the best programmes that was going to be developed in this country, and I do not know when we will ever get it back on the track in an orderly way. We are hoping that they will see some sense. I would appreciate the Minister carrying on my question without further interruption until we at least get finished.

Mr. C. G. Pilkey (Oshawa): It is another part of Trudeau's, "Just Society".

Hon. Mr. McKeough: What I started to say is that we have had $3 million or $4 million in the estimates for a few years and have not spent the money. Finally I think we were getting to the point where a great deal of money would have been spent. I think actually our best estimate—and this was prior to the freeze—as to what might have been spent this year would have been in the neighbourhood of $7 million or $8 million on our part. I am frank when I say the Treasury did not see their way clear to allow us that amount of money. They put $5 million in the budget and said, "You had better do some staging", and so on. As it turned out it has not mattered that much because I do not think we are going to be able to spend it all anyway because of the slow down.

For the information of the members I can tell you what was in the $5 million. I will not read it all because some of them are smaller amounts, but the member for Parkdale should be aware of what is going on in the rest of the province. Again you mention this is going to happen in Hamilton and Windsor. I would have to say that Hamilton and Windsor have been doing something about it. They have been regularly sending in schemes which are approved, and getting on with the job. I cannot say that quite so frankly about the city which the member is from.

For example, in this year's estimates we had—these are very rough and subject to change. I suppose they were made up—well, certainly a year ago now. This is where we thought the money might go and there has to be a certain amount of flexibility:

Hamilton North End, $150,000; Civic Square, $1 million; York Street, $301,000; Ottawa, $625,000.

That latter is probably one of the largest projects, I suppose, going on in the province.

In Toronto there were three figures: Alexandra Park $300,000; Don Mount Village, $250,000; Trefann Court, $100,000.

Windsor, stage 2, that was really the completion of a project, a park which the federal government agreed to finish up, $50,000.

Sudbury, Borgia Street, $500,000; Sault Ste. Marie, Riverfront, $100,000; Kitchener, which would have been a beginning, $75,000; London, $100,000; Port Arthur, $200,000.

Then a great list of possible projects which would have totalled perhaps another $1 million, I suppose. That total was roughly $4.8 million. Then there were schemes in addition to these, which are the preparation of the plans, making it up to the $5 million.

That gives you some idea of—

Mr. Gisborn: Yes, the question I wanted to get clear—

Hon. Mr. McKeough: I am informed that, to date, $2.6 million has been spent, incidentally.

Mr. Gisborn: I wanted to get clear on the basis that they would get that. I know that it is 25 per cent, but of what—it is not 25 per cent of the whole scheme cost?

Hon. Mr. McKeough: Yes.

Mr. Gisborn: Then they can only get it as they spend it on the development performance?

Hon. Mr. McKeough: Right.

Vote 1403 agreed to.

On vote 1404.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Knight: Thank you, Mr. Chairman.

On January 1 the people of the part of the province that I come from will be doing more than bringing in a New Year of 1970; they are going to be bringing in a new city.

Hon. Mr. White: No thanks to you.

Mr. Knight: I think it is thanks to me, sir. I think I played my part.

Mr. Pilkey: You tried to veto it.

Mr. Knight: The fact that I could not say that you were perfect in the way that you did it does not lessen my interest in the new city.

Hon. Mr. White: No, your neighbour was on the right side, but you were not.

Mr. Knight: In any event, Mr. Chairman, I am not here to justify my part in this. I am here to ask the Minister to give the House, the committee, some report at this time on the preliminaries to the putting of the Act into effect, the actual incorporation of the new city of Thunder Bay on January 1.

I have admired, and I think most people at the Lakehead have admired, those municipal officials and employees who have dedicated so much time and extra time to make

ready a proper conversion from four municipalities, from four councils, to one mayor and one council, and, in effect, one city administration. I think we have all admired them. They do not complain themselves about this work and this overwork, but we do hear it from their acquaintances, relatives and so on, we say, "My goodness, how hard Ray is working; he seems to be working every night, he is tired, he looks thin". It is obvious there is a lot of hustling going on to meet this deadline.

Now my concern is this. I am sure that the members will have to agree with me, Mr. Chairman, when we say that it is important that the foundation be right—I mean that this city be started in a proper way, that the bricks go in the right place and that this city be given the right kind of thrust, the right kind of direction. I would even say that if this target date of January 1 were too pressing, so that we would have to sacrifice quality for speed in meeting a target deadline, it would be better to push it back and give them another six months.

I am not sufficiently knowledgeable of the situation to say that that is what we should do, but I would like to ascertain from the Minister at this time that he is satisfied—they have been working for five and a half months —that the six month period, let us say, has been sufficient to get the new city launched in the proper way; that while it is true they have had to work very hard and have had to work extra hours and so on, we can launch the city on January 1, satisfied that it will be done the right way.

This is not a criticism, this is a concern that I express as a resident and as someone who plans to bring his children up in this new city; as someone who has watched the situation very closely.

I am merely asking a question that I am sure many people on the street up there might be asking themselves. I wonder if we will get it started right; I wonder if we are pushing it too hard; I am wondering if we are sacrificing quality, perhaps, just to meet a certain deadline, and I would like to hear the Minister's comment on this at this time.

I am sure they are doing an excellent job but I still would like it said publicly that it has not been too fast, we have not done it too quickly, that as far as we can see from our point of view, and the experts in The Department of Municipal Affairs are satisfied, that it has not been pushed too quickly and that we will go into this new city with the proper priorities.

Mr. J. Jessiman (Fort William): It is nice that you are showing your concern now.

Mr. Knight: My concern has always been there, sir, I think you should be aware of that. The fact that I was man enough to say, "Give the people a vote", has never affected my interest in wanting to see this marriage come about. I just wanted a little bit more than others were perhaps satisfied to settle for.

Hon. Mr. White: You just straddled the fence.

Hon. Mr. McKeough: Mr. Chairman, I am delighted to report to the House and to the member, from a distance, what I see happening there. I have been up to Thunder Bay, I guess, twice since the bill has gone through.

We had some worries, I tell you frankly. We had an election in June which created the situation, or could have created the situation that we would have five councils sitting where there were originally going to be three. This could have created some lame duck problems, I think, and some certain amount of friction. To my knowledge and from my observation, it simply has not been the case. The new city has been blessed with the most splendid co-operation between the elected people, and those who were not elected.

I think the new mayor, Mayor Laskin, has bent over backwards to bring a team together. I pay tribute to Mayor Reed of Fort William, who was unsuccessful. To my knowledge he has co-operated tremendously in bringing these two larger units together. The staff, I think it is fair to say, started to co-operate long before the legislation went through. When they decided it was going through, they started to make plans at that time.

The member for Oshawa will be interested to know that there has been the greatest of co-operation both between the locals of the unions and between, to my knowledge, management and the locals themselves. I think I have said this before. You know that the Lakehead labour council was one of the groups pushing us hardest at the Lakehead to go ahead with the amalgamation. Certainly, from the CUPE end of things, they have done their very best to make this new government work. We have had staff there, I suppose, for two or three days every other week, if not more often, since the bill went through.

Of course, we have some staff located in Thunder Bay, but we have been sending additional staff to work with the new city,

and with both the residual townships of Shuniah and Neebing.

It seems to me, and I think the member for Fort William would say that we have had as much discussion, if not problems, about the residual portions as we have had about the new city. And properly so, since it is our responsibility to get them launched as well as we can.

The new city, in many ways, can certainly look after itself, although we have been delighted to have been of assistance. In particular, we gave them some assistance in terms of engaging management consultants. First of all, through our people, and we do not have all the knowledge we should in this area, but one of our people did a very excellent job for preparing suggested organization charts. They went over those with the new council, decided on an organization chart and then they engaged Woods, Gordon to do a number of personnel studies. We are helping to pay for that and are delighted to do so.

I can tell you that the personnel studies—and I do not think they have all been made public as yet—are before the council. I have seen one of them. I think it was presented last Thursday night. They are now getting down to the people. If ever we thought there were going to be economies and efficiencies, these studies are proving this. No one is going to be laid off, of course, and nobody is going to be fired. Through retirement, through normal retirement, through normal resignations, through attrition, through shifting of employees around, I think there will be probably a reduction in the size of the staff. However, the mayor said the other day that this would not necessarily occur. It may be that the new council and the new administration will be able to provide better service in areas which have been neglected, areas of service and areas of a municipality.

But I tell you quite frankly that some of the preliminary figures would indicate that there are something like 1,300 or 1,400—I am speaking from memory—employees in the two cities, and the preliminary figures would indicate that about 150 employees can be considered redundant or would not have to be replaced. Now, this represents a saving of between half a million and $750,000 a year—really quite a staggering amount. The same thing is true of the Hydro Commission. I think there are roughly 143 employees and Woods, Gordon recommended something less than 100. At what, $6,000 to $7,000 an employee? It is quite fantastic. I do not for a minute suggest—and I said this to the mayor-elect—that the amalgamation deserves the credit for finding these efficiencies. I think probably what accrues is there were some surplus people around in both the cities, even without the amalgamation. The amalgamation has certainly added to this and, of course, it has given a great chance to look at the structure and bring it to a head and hopefully to make some real savings and some real economies.

I would have to say that from our point of view it has just been a pleasure since that bill was given Royal assent at the end of May. I hope we have been of some help to them. We have—and I say this from the staff and from the Minister's point of view—we have thoroughly enjoyed working with them and we are looking forward to seeing great things happen at Thunder Bay.

Hon. Mr. White: Good stuff!

Mr. Knight: Mr. Chairman, I am glad to hear the Minister speak with such compliments about the people up there because I can say that the attitude, the acceptance of the amalgamation from what I have been able to see, has become a very positive one, and it is just wonderful to see this positive spirit. In other words, people who perhaps like myself felt there should have been a vote, put this aside and joined with others and the battle to put one point across stopped after it finished in this House; and I think it stopped on all fronts. And the result has been a unification and a moving forward. I am very happy to see this and I think the Minister's department should be commended for this because certainly the leadership has come from here.

However, my other point that I would like to bring up is this: When you have The Department of Municipal Affairs' experts and the consultants working with local people up there you get to a point, you know, sort of a balance of power. From this end the Act sets up structures, certainly the interpretation of the Act by the department might make these structures very rigid or not so rigid, and I am just wondering how much flexibility is being left there, because I think this is a very unique situation possibly in the whole country.

I do not know. I have no other knowledge of four municipalities joining together in quite this way to form one new one. It is the old question, you know, of who is going to run the show up there and my impression right at this point is that it is a bit from this end and a bit from that end.

But I question whether the structures are not perhaps a bit too rigid.

Now, if you take the area of social and family services, naturally The Department of Municipal Affairs is going to be more concerned with the structure, with the detail, the workability, the planning and so on, whereas the administrator up there is going to be concerned with people. He may have 400 or 500 or 1,000 people; families that he is concerned with. All he wants to do is make sure they are all looked after in a proper way. Now, I am just using that as one example. I would just like to be sure. I am sure you have had to experiment with this, there has had to be an awful lot of dialogue going on between the people here and the people there.

And I would just like the Minister to put my mind at ease that there will be considerable flexibility at the other end so that this thing is done right.

Hon. Mr. McKeough: I would hope there would be. I cannot speak as to whether the organization chart which is being developed has the required balance between efficiency and service to people built into it. I am not that close to it. Of course, everything along the way is being checked by the new municipal council and they can change any part of it later. If they do not change it, they confirm it. We have just been helping to put some ideas in front of them.

That particular new council is made up mainly of municipal people who have had some experience, and their concerns would be the same concerns as the member expresses. If either my people or the consultants or even the locally appointed officials get a little carried away on efficiency, I am sure the local politicians will put them back on the right track.

Mr. Chairman: The hon. member for Oshawa was trying to gain the floor.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, I wanted to speak on this point the other day and he told me it came under vote 1404, as you recall. At that point I wanted to read from the Oshawa *Times* dated Thursday, November 6, and I wonder if the Minister would comment after I have read this—a few paragraphs. It says:

> Durham MPP Alex Carruthers told a public meeting here Wednesday that regional government in the area is another five years away and the province will not press it on anyone. The statement conflicted with the objectives of the Oshawa area regional government study which calls for implementation within two or three years.
>
> He told a group of about 90 persons that the government wants to see regional government come from the grass roots, not through Queen's Park.
>
> "Regional government will not be imposed upon you by a senior body, it will only be done by the people," Whitby mayor, Desmond Newman, head of the executive committee studying Oshawa area regional government said. "There must be regional government within two or three years so the area can compete with regions west of Metro." The idea did not hold water with Mr. Carruthers: "They in the west have problems we have never had. Time is on our side and I am not convinced that we should rush into regional government in this area." He went on also to say that Bowmanville would be better off with the United County Regional Government rather than throwing its card in with the Oshawa region says Durham MPP Alex Carruthers.

I wondered if the—I really think there are many people in the Oshawa area that do believe that regional government will come within a two or three year period.

As I understand it the preliminary studies were to be released within a year and I recall being at a number of meetings where they said that they really expected that some of the preliminary forecasts would be made in less than a year. So that they would have some idea at that point as to whether regional government could be implemented in that area and whether it would be a viable unit for regional government. And yet, we find a member from your government saying that it is five years off.

And I am wondering if this is any reflection of the Minister's timetable for regional government in the Oshawa area.

Hon. Mr. McKeough: I do not know that I have ever indicated that there was any particular timetable. I think that I have indicated that we lost some time somewhere along the line.

Whatever I may have indicated at one point, I suppose the studies really got under way, I think, about September of this year. That is, September of 1969, so that the earliest, probably, we could expect a report from the commissioner, would be September, 1970. Then, allowing a reasonable amount of

time for discussion and thinking about it and reaction to it, I suppose the earliest it could come into being would be January 1, 1972. If the report came in in September of 1970, we could not possibly get legislation ready in 1971, it would have to be 1972.

Now, I do not know how many years that is. I do not know whether it will happen that quickly or not. I think it is probably fair to say that the member for Durham (Mr. Carruthers) is particularly expressing the opinions of some of the people in Northumberland and Durham. They might not be as overly enthusiastic about the virtues of regional government as perhaps some of the people in the south end of Ontario county are.

I was in the north end of Ontario county last night, in Uxbridge, attending a certain gathering which shall be nameless. I think it was fairly split—that great group of Progressive Conservatives with whom I had the privilege of talking. I think there was something in the neighbourhood of 2,000 or 3,000 people there. No, maybe it was 200. I think it is fair to say that they were 50-50. Something like that.

They were not just supporters there. The member for Ontario (Mr. Dymond) had invited a number of municipal people. Your candidate was there. He has run against the member for Ontario several times; he asked a number of questions. At any rate, there was considerable apprehension. There was a great deal of discussion.

A great deal of study needs to go on in Northumberland and Durham and in the north end of Ontario county. I suppose I would have to say that not all are as enlightened as they are in the Oshawa-Whitby area. Would that be a fair statement?

To relate that back to your question—

An hon. member: They are not so enlightened in Oshawa.

Hon. Mr. McKeough: To relate this back to your question, or to the statement of the member for Durham, I simply do not know.

I think if all went well, perhaps three years would be a realistic figure. If it does not go well, or some of the municipalities are simply not happy, it may take a little longer than that.

Mr. Pilkey: I do not want to get away from this regional government discussion if anyone else wants to speak to it, but I have another question or two.

Hon. Mr. McKeough: Other than regional government?

Mr. Pilkey: On other than regional government.

Mr. R. F. Ruston (Essex-Kent): I am just on the whole—municipal finance, and so forth.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): I would like to speak on this section, if we are going to leave regional government.

Mr. Chairman: Well, the member for Oshawa may as well continue.

Mr. Pilkey: I just wanted to quote from the intergovernmental finance in Ontario of provincial local prospective, that I am sure the Minister is familiar with. And I just wanted to read from it and ask his comments:

> Grants for the construction of community centres are under The Department of Agriculture while recreation programmes fall to The Department of Education.

This is on page 100, by the way. It goes on to say:

> If community centres are thus misplaced in Agriculture, there exists a further anomaly in that grants for recreation programmes, which include a subsidy towards the salaries of the recreation directors who toil at the community centres, are under The Department of Education, and not to complicate things unduly, certain other recreation directors, supported by that department, work at municipal parks that have received grants from The Department of Lands and Forests.

It goes on:

> These grants should be consolidated under a single department, preferably Municipal Affairs.

The question that I ask is: has the Minister given this recommendation any consideration in terms of consolidating these points under his department, in view of the fact that they are spread all over the map and that, as the Smith report points out, they would preferably come under The Department of Municipal Affairs? I think they would be just that much more efficient if they came together, as opposed to being in the various departments, where, it appears to me at least, there can be that kind of efficient consolidation that could

come about under The Department of Municipal Affairs.

Hon. Mr. McKeough: Yes, Mr. Chairman, I quote from the Budget statement, of course; from Budget paper "B":

> The government is undertaking a comprehensive review of its grants-in-aid policies.
>
> As the Smith committee pointed out, some grants are obsolete and others deserve new emphasis, while in aggregate the present system lacks co-ordination. The province hopes to correct these imperfections and to develop a rationalized overall support policy.

Now, The Department of Municipal Affairs, I think, supports that policy, perhaps more than any other department. Our concern is the well being of the total municipal structure.

Unlike other departments, we do not just concern ourselves—and I do not mean this disrespectfully, or in any way critically—but we do not just concern ourself with whether there is a good road system, or whether there is a good hospital system, or if there is a good recreation system, or whether there are good grants for the museums. We want to look, and tend to look, at the municipal structure as a whole. So I think it is fair to say that we push that harder than other departments.

I think you will recall a year ago—it was a very small start—we did away with a couple of grants which we had been paying and added them to the unconditional grant. These were the the fire and police grants and I think there was one other small grant—yes, the fox bounty grant. We did away with those which were under our jurisdiction. We have a couple of other grants, one in particular I can think of, or part of one which I think we will be winding up this coming session; I hope we will.

I can tell the member that there are meetings going on now between our department and Treasury. They have a list in front of them of, I think, some 20 or 30 grants which might well be put together in an overall grant system, particularly, I would say, in terms of the new regional governments.

There are some grants which are conditional and I will name one example. In The Unconditional Grants Act, there is administered under that Act—it does not even show as a separate item in the estimates—the hospitalization of indigents. Those are the people who do not have hospital services insurance; there are not that many in the province, but they become a municipal responsibility and the municipality pays. I think we pick up 80 per cent, and that is paid, for some reason, through The Unconditional Grants Act. If a municipality is large enough we could take the average amount of money and add it to the unconditional grant and do away with the administration completely, both at our end and the local end. I think you would realize though, that for a small municipality it may be better if the grant remains conditional, because we might average them out at a cost of one indigent a year. If they had in a bad year, three or four indigents who stayed in hospital for a long time, it could become a very serious drain on a municipality. And this is true of a number of other grants. We see an opportunity through the larger units, to make more grants unconditional rather than conditional, but I can assure the member, that I think he can look for some activity in this direction next year. These are the matters which he has raised from Smith which are under very active consideration, both within our department and within the Treasurer's department—and, I think, within other departments too.

Mr. Pilkey: I just wanted to raise one other point as it refers to the Smith report, volume 2, on page 24. I am not going to read the whole paragraph because of the new Assessment Act that just had second reading today. You can tell me if this is a fact, which may provide the answer to this section. It is the annual report of municipal statistics, and it says—they are published each summer by The Department of Municipal Affairs and is the prime source of data:

> Indeed the publication contains a wealth of information, although a regrettably large portion is probably inaccurate or at least misleading.

I am wondering, without reading the whole paragraph, does the new Assessment Act take care of that? You are going to do the assessment on a provincial basis as opposed to a municipal basis, and therefore we would not need this kind of municipal reporting, in terms of statistics from each municipality. That is my question, anyway.

Hon. Mr. McKeough: The Assessment Act in part, says—because the annual report of municipal statistics lists, I think, local assessment. And that appears in the directory as well, and those figures are not really meaningful because the equalization factor is not there and they are not an accurate basis

of comparison. I think what Smith was getting at, in particular, was the method of reporting.

The municipal statistics would indicate that such and such a municipality had spent—the municipal statistics would indicate that Oshawa spent $400,000 on garbage collection, a city exactly the same size may report $300,000, the difference being that Oshawa is reporting on one basis; they are including, perhaps, the dump attendants, whereas the other city is not, and these are, I think, the thrust of the criticisms.

We have tried to get at this through both the municipal accounting branch and the municipal finance branch. We have spent a great deal of money revising the forms of the annual reports, the audit reports. I think there is money in the estimates for consultants again this year. Those forms are under continual review and we are trying—this is the broad heading of classification of accounts—to make sure that under a certain heading goes just that information.

I am sure the municipalities probably do not look on this too favourably, I am sure the treasurer of Oshawa does not particularly like us saying what goes under account 23. He probably thinks he knows better, and he does, for Oshawa's purpose than we do. But we have to get everybody on the same basis.

This, of course, is a great interest of the Minister of Revenue (Mr. White). He has made speeches on this. He wants to compare the cost of garbage collection in London with the cost of garbage collection every place else, and he is on the right track, but fundamentally—

Hon. Mr. White: Always!

Hon. Mr. McKeough: Yes, always, he says!

Mr. Pilkey: It is not the one headed for Moosonee, that track.

Hon. Mr. McKeough: Fundamentally, what we have to do is to get the accounts classified and make sure that everybody is doing the same thing, and this is a selling job with the municipalities as well. We have to convince the treasurer, well not the treasurer of Oshawa, he is a former employee of The Department of Municipal Affairs—

Mr. Pilkey: He is trained well.

Hon. Mr. McKeough: He is trained well.

I may say that this is not just for our benefit, within the province to compare municipalities. We are being actively pushed in this direction, and rightly so, by our Department of Treasury and Economics and by the Dominion Bureau of Statistics. We are trying to get the same form of accounting across the whole country. The federal government has a great interest in this, hopefully in terms of support programmes in the future, of measuring the relative needs and wants and wealths, of various municipalities. It is a programme I am not all that familiar with, but it is a programme I am told is moving ahead, and we are getting municipalities on this standard form of reporting. It is a little difficult with 960 municipalities.

Mr. Pilkey: In this regard, in municipalities, there needs to be improved co-ordination and exact determination as to what it means under a specific heading. If a municipality is going to do something, they usually want to check with seven or eight other centres and the information comes back in correlated fashion, usually through the city clerk, and they find out what that municipality is doing—as you say, $100,000 or $250,000 less cost.

So they say to their people, "Why can you not do it?" It seems to me that there are all kinds of confusion created as a result of it. One department in the municipality says, "We are doing well, it only cost half a million to do that, while with all the other municipalities it was three quarters of a million."

As you say, the same ingredients are not involved as they make the determination, and I really do think this is important because there are a number of decisions at the municipal level that are made as a result of what is going on in other municipalities. If they do not get the correct information as to what all of the ingredients are, then I do not think they can make an intelligent determination, and I am very happy to hear that the department is working in this area to provide a more uniform list under headings—as it pertains to a specific municipality.

Interjections by hon. members.

Mr. Good: I would like to have the Minister comment on the matter which I raised the other night in my lead-off remarks, that authority be given to municipalities to issue extendable or renewable short-termed debentures. This I had dealt with, I think, in some detail the other night. I will not go into it again, but there is a new source of capital borrowing here which has opened up the matter of over-the-counter debenture sales by municipalities.

The experience, of course, is that people are very reluctant to buy the longer-termed issues and snap up on very short notice the short-termed issues. Now, if municipalities were given, say, authority to issue a certain percentage of their over-the-counter debentures on a short term basis or extendable basis, I think this new source of revenue could work out very well. So if the Minister would answer that, Mr. Chairman, I would like to ask a few questions on each section of this vote.

Hon. Mr. McKeough: We have given in the last six months a great deal of time at the staff level—both ourselves and Treasury—to think about and to study other forms other than the conventional forms of municipal borrowing. Of course, this has come to a head this year very dramatically. The need for some of the larger municipalities to have varied instruments of borrowing has come to a head, particularly this year. I think specifically what you mentioned has been studied and is under review.

We have had meetings with a number of the chartered banks and with some of the investment dealers. I had a meeting with the investment dealers' association about three weeks ago. We would expect before too long, to be recommending legislation to provide various other forms of borrowing instruments.

Mr. Good: Right! A few minutes ago, Mr. Chairman, the Minister was talking about the savings involved up at Thunder Bay with the discontinuance of very unnecessary personnel. I would like to ask him about the department on municipal subsidies. Have there been any savings in that department since several of these programmes have been discontinued? I am thinking of the winter works programme, the municipal works assistance programme and he mentioned several others now which are going to be terminated and wound up and I am wondering, has this resulted in any savings within your department?

Hon. Mr. McKeough: Yes—there were two or three programmes. There were the fire and police grants which were a relatively small programme. There was the Centennial grants programme which, of course, came to completion. The winter works programme was wound up. The Municipal Works Assistance Act was wound up. I recall discussions which went on each time, that perhaps there was one person or two people involved with these things. The size of that particular branch has not, I do not think, decreased because coming into all that was the tax reduction programme. Now a number of the people in the tax reduction programme were casual employees taken on just at that time of year, but I do not think there has been a reduction in complement there particularly. The staff tell me that there were positions that were not filled because of some of these reductions.

Mr. Good: The municipal assessment department—I will not say anything on that being we are working under a new scheme other than to ask why the allocation now has gone to $7 million-odd from $812,000. Is this the new setup?

Hon. Mr. McKeough: What?

Mr. Good: The municipal assessment—does this include your new—

Hon. Mr. McKeough: Well salaries are up. This is the basic difference of this increase. Salaries are up from $385,000 to $4,700,000. Now this reflects the fact that we had a small increase in complement, I think, of 25 for the whole of this year—45 in the assessment branch for the period from the beginning of the fiscal year, April 1 to the end of December.

In addition to that we undertook to assume the assessment function in the districts of northern Ontario where there was district assessment as of July 1, and most of the increase was to take over the payment to the municipalities for that function for half a year, starting on July 1.

Mr. Good: The area assessment appointees —as of when did they go on provincial payroll?

Hon. Mr. McKeough: A couple of them came on—the first group came on in July, then in August, September. There is a big list, I think, for November 1.

Mr. Good: And the regional ones, when did they go on?

Hon. Mr. McKeough: Some of them came on in October. I think most of them are coming on as of November 1, or came on as of November 1.

Mr. Good: Mr. Chairman, under the last section here, municipal research—

Hon. Mr. McKeough: I might also point out that when we have taken them on, we will be paying for the whole 2,000 out of this vote so this is a big increase.

Mr. Good: The last section under that vote, dealing with the research grant and commissions, inquiries and research on local government, which includes the regional government studies . . . Now it is not my purpose to get into a lengthy full-fledged conversation on regional government and how it has affected our area, the delays that have been involved, but I think a little should be said regarding this.

First of all dealing with it generally across the province, undoubtedly it is obvious to most people that there seems to be a very sudden disinterest in the promotion of regional government across the province and this is especially true in my own area where we are anxiously awaiting the report of Dr. Fyfe. So that while we have, on numerous occasions, had January, 1971, set as our deadline date for regional government, there are few in our area that really believe that it will be a reality by that time.

Now I do not know what the Minister's thinking is now; whether this deadline could still be met. It seems that every once in a while our commissioner gives us a small inkling of what might happen. His latest throwing of crumbs said that the maps of our county for the year 1881 may well be the key to his recommendations for our county. Then last week, the assistant commissioner, Mr. Farrow, stated that the report, of course, will deal with the local control which has gone into too many boards and commissions which we all realize too.

I would like to ask the Minister what he is doing in areas where proposals have been made? I am thinking of the Peel-Halton area and there has been much dissatisfaction with first the Plunkett report that went into that area where the government redesigned the Plunkett report and probably made it more palatable to the people of the area, and now we find . . . I have been to meetings in the Orangeville area where the people say: "What have we got in common with Mississauga? Why are we in an area that is going to encompass that metropolitan area down there?"

North of Waterdown the people are saying: "Our social-economic ties are with Hamilton. What do we have in common with Port Credit and the Mississauga area? We do not hear anything. We do not read any statements by the Minister. We feel that things are very much at a standstill in all this area."

I personally feel that it is most important in this southern part of the area in the metropolitan areas around Toronto and in my own area, that guidance be given that this thing not be left to flounder and die. Granted, there are other areas of the province where there is not a need of urgency and I would just ask the Minister to comment especially on the situation in my county where the study has been beset with many interferences and conditions from departments other than his own within the government, which has complicated matters a great deal. We feel that the time has probably gone now when a 1971 deadline can be met. On this matter I would like a comment from the Minister.

Hon. Mr. McKeough: When we tabled "Design for Development, Phase II" a year ago, we talked about various things under some 14 headings. Perhaps I might just briefly review those 14 headings so as to let you know what has happened. Ottawa-Carleton has come into being. We hope to revise the planning legislation for Metro Toronto.

Mr. V. M. Singer (Downsview): Has it disappeared? Do you have to revise?

Hon. Mr. McKeough: The Lakehead area was reorganized last session. Now I think studies which are really just beginning but are not close to implementation would be Ontario county—

Mr. Singer: No, no. We are slow!

Hon. Mr. McKeough: Brantford is relatively dormant, but came to life again the other day. Haldimand-Norfolk is well under way, but is probably a year or two years away from reporting. The report for northern Ontario is just in and we are not looking for any early activity. That, Mr. Chairman leaves six possibilities for implementation in the next one or two years, depending on how well things go. They would be, in reverse order, Hamilton, Wentworth, Burlington and that report will be tabled here in the House and in Hamilton, a week from next Monday. I have not yet seen the report; I do not know what is in it, therefore, I do not have any idea what the reaction may be.

Kitchener-Waterloo is promised by Christmas I am told. I am also told that I am being sent a picture, which was taken of the report being delivered to the printer—apparently it is at the printers at this point in time—whether all of it is there, I do not know. In Sudbury where action is necessary —this was mentioned by one of the New Democratic members this afternoon, in terms of assessment of the process and facilities that a regional—

Mr. Pilkey: It was the member for Lakeshore (Mr. Lawlor).

Hon. Mr. McKeough: Yes it was the member for Lakeshore.

Some form of regionalization of those taxes was going to be necessary for an equitable distribution. We have been working on this; we have worked out a couple of interim schemes.

Mr. Kennedy, I think, would like to report. Our problem has been because of the strikes. The assessment was not complete at either INCO or Falconbridge and we simply do not know the dollars and cents yet. Mr. Kennedy, I think, wants to know the dollars and cents before he sits down to write a report. We need to know the figures before we can work out such things as mining revenue payments. We have been held up, I guess, for four months.

Both assessments were under way when the strike started at INCO and the assessors had to leave and they went over to Falconbridge and then, of course, Falconbridge went out and the assessors have just not been able to get the job done. I assume they are back at it now. Something will have to be done relatively soon. Perhaps an interim step and then a final step in terms of the increased tax revenues will be required there very quickly.

The Muskoka report was presented in the summer. The staff has started a round-robin of meetings with the 25 municipalities. They start, I think, November 15, to answer questions and to ask them questions. We have had a tremendous response since that report was put out. I do not know, I am guessing, I have not seen them all, we have received perhaps a couple of hundred briefs and letters from the municipalities, from the cottage associations, from individuals and so on. There is a good acceptance of the report from, I would think, half of the municipalities, but not from the other half.

Prompted by their briefs, we have started, as I say, a round-robin of meetings at the staff level to ask questions which they have raised in our minds and to try and answer some of the questions, as we see it, that may be in their minds and which they have questioned in their brief.

The member for Muskoka (Mr. Boyer)? Well, I have not heard from him for at least a week, so I assume all is quiet up there at the present moment.

We come down to the two the member specifically mentioned then, York and Peel-Halton. I made a proposal in the spring of last year to Peel-Halton arising out of the presentation of the Plunkett report which was not acceptable, as the member for Waterloo North has stated. We made a revised proposal last spring. We have several problems and one of the problems is the fate of Burlington, if I can put it that way, what Mr. Steele is going to say about Burlington, and in fact what the Burlington people want themselves or do not want themselves.

Mr. Good: We will soon know that?

Hon. Mr. McKeough: We will soon know that.

The other, perhaps rather contentious issue, has been the proposal that there should be one region encompassing both counties, Peel and Halton. I can say that everything I have seen since we made that proposal indicates to me that we are on the right track, that there should be one region. I think Oakville agrees with that. I think Mississauga agrees with that. The Halton county council does not. The Peel county council is wavering somewhat. We are trying to sort this out.

There is an inter-municipal committee composed of heads of most of the municipalities —not all. This is regrettable; this is causing problems. We have had some problems with internal boundaries, resolving what the internal boundaries should be.

Halton county on their own got together. Not quite on their own, the member for Halton East, I think, called this meeting or got them together. We had originally suggested four municipalities in Halton. They have come up with a plan for five municipalities, which we could certainly live with. We think there may be some boundary adjustments but we think it is a good plan.

We have been urging Peel to do the same thing. About three weeks ago the discussion blew up, if I could put it that way. The Peel council fired their committee, my committee, and everybody else and we went back to point zero. However, the air is clearing a little bit and we hope to get Peel on the same round of discussions, thinking, and talking as has gone on in Halton.

In York, of course York came to us with their own proposal really two years ago—a year ago intensively—and we accepted it in principle a year ago in a speech with a couple of conditions.

They suggested a division of functions which tied in for the most part with "Design

for Development Phase II". We agreed with most of the divisions they suggested. I think there are some areas perhaps which need to be worked out. I indicated to them that we would be prepared to go ahead with legislation but with a couple of reservations; one is that we felt there had to be a consolidation of municipalities.

There are 13 municipalities and several police villages in York county. We think there should be a consolidation. Particularly we feel there should be a consolidation so that there is a municipality or municipalities on both sides of the Yonge Street corridor. We have started a round-robin of meetings there to find out what the municipalities are thinking, what their concerns are, and how they feel.

That is a sort of rundown. The member may wish to ask some specific questions.

Mr. Good: One further question and I will be finished, Mr. Chairman, if I may ask it.

Mr. Chairman: I must point out if the question is going to be lengthy and require an answer from the hon. Minister, we have already passed the hour of adjournment.

Mr. Good: I think he could answer it "yes" or "no".

Mr. Pilkey: Do not bet on it.

Mr. Chairman: No. We will get to it.

Hon. Mr. Grossman moves the committee of supply rise and report it has come to a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to a certain resolution and asks for leave to sit again.

Report agreed to.

Mr. V. M. Singer (Downsview): Which one is it going to be tonight?

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, in spite of the late noise that has just come in, tomorrow will be estimates. Monday and Tuesday we will continue with estimates; Wednesday, the non-confidence motion of the leader of the official Opposition; Thursday, legislation and estimates; and Friday estimates.

Mr. Singer: The Minister did very well.

Hon. Mr. Grossman moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.35 o'clock p.m.

No. 215

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Friday, November 14, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 14, 1969

The House met at 9.30 o'clock, a.m.

Prayers.

Mr. Speaker: We have numerous visitors to be with us this morning a little later. I do not notice them in the gallery, so we will withhold the announcement on visitors until a little later.

Statements by the Ministry.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I should like to draw to the attention of the hon. members that an impressive and historic ceremony took place in these buildings late yesterday to mark the diamond jubilee of the Ontario Provincial Police and in recognition of its maturity as a modern law enforcement agency.

The Honourable, the Lieutenant-Governor, presented to the Commissioner of the Ontario Provincial Police a handsome, specially commissioned tipstaff—which is in some way related to our mace—the symbol of authority in carrying out law enforcement responsibilities in Ontario.

Historically, the tipstaff—or mace—was used by officers in the courts of England dating back to the fourteenth century. The officers used them to demonstrate their authority. When making an arrest, the officer would tap a person on the shoulder with the hollow end of a staff and show him the warrant of arrest contained within the handle. In addition, there are indications that tipstaves were employed in the Roman empire in some form of law enforcement or property protection. Thus, the tipstaff became associated with law enforcement many centuries ago.

This tradition and practice, which has long been established throughout the British commonwealth, is carried forward in the crossed tipstaves on a laurel wreath adopted as the insignia of the rank of those who are commissioned officers and of the Commissioner of the Ontario Provincial Police.

The tipstaff of the Ontario Provincial Police is encased in leather and topped with a crown and the insignia of the OPP. It will be retained by the commissioner of the force during his term of office and passed on from commissioner to commissioner for years to come. As such, it will greatly enhance the growing tradition within the Ontario Provincial Police.

The presentation of the tipstaff to the force is an appropriate and significant part of the observance this year of the 60th anniversary of the provincial police force.

The tipstaff was authorized by an Order-in-Council dated October 3, 1969, which states, in part, that the tipstaff be presented to the commissioner "in token of his command . . . in order to mark the occasion of the force's 60th anniversary . . . and as emblematic of the highest police traditions."

In the 60 years since the Ontario Provincial Police was established, it has served the people of Ontario faithfully and with distinction. In those formative days in 1909, the Ontario Provincial Police force had a complement of 45 men. Today, with more than 4,500 uniformed men and civilian personnel, the Ontario Provincial Police is the third largest deployed police force on the North American continent and is a model for other law enforcement agencies.

Members of the Ontario Provincial Police are among the best-trained in the world. Few other police forces have the modern facilities and equipment which are at their command as they serve the people of Ontario. Of greater importance, few other police forces have earned the respect and warm gratitude which the people of Ontario have for their provincial police.

The history of the Ontario Provincial Police has been interlocked with the history of this province since 1875—34 years before the force was officially established. It was in July, 1875, that John Wilson Murray was appointed by the then Attorney General, Oliver Mowat, to act as "detective for the province of Ontario" to pursue criminals and "run them down" wherever they sought refuge. This was the terminology used in those days shortly after Confederation.

For many years, law enforcement was entrusted, in the main, to untrained, unpaid county and district police who were limited in their authority and restricted by geographic

boundaries. The expanding population and the discovery of silver and gold in northern Ontario brought with them a rough-and-ready breed of men to our rich frontiers. The resulting lawlessness emphasized the necessity of providing more adequate law enforcement. Consequently, on October 13, 1909, a force to be known as the Ontario Provincial Police force was established.

In the intervening six decades, the Ontario Provincial Police has grown and matured. Today it is a large, modern police force which operates a fleet of almost 1,300 cars, motorcycles, trucks, jeeps, station-wagons, snow vehicles, water craft and airplanes.

The technical advances by the Ontario Provincial Police are endless. Service to the people of Ontario is unlimited and its achievements are legion. I think we all have personal pride in the Ontario Provincial Police force as we associate with them in our duties and with the men as individuals.

I know I share with the hon. members and the people of Ontario a special admiration for the goodwill ambassadors of this province who were stationed at the Ontario pavilion at Expo '67. They were courteous, helpful and I personally had many comments about what they did for our own citizens who were in Montreal visiting Expo. Other OPP officers will serve as goodwill ambassadors at Expo '70 in Osaka, Japan.

The leader of the Opposition (Mr. Nixon) and the leader of the New Democratic Party (Mr. MacDonald) were privileged to see the OPP several weeks ago in London at Ontario House. Unfortunately, I missed that event, but I understand they were very impressed indeed.

In an age when those who are determined to thwart our laws are using professional and sophisticated techniques, it is imperative that our police forces be well-trained, sophisticated and professional, equally and perhaps more so than the lawbreaker. The criminals of today use every modern technique in the pursuit of their illegal activities and it becomes increasingly important that our police forces have at their disposal the most modern technical devices that we can obtain and that they be very well trained in the professional aspects of their work. In the Ontario Provincial Police I feel that we have such a force.

I would offer my personal congratulations to the Commissioner, Eric Silk, on the event of last night and the recognition of this 60 years of service, and I am delighted to express my congratulations and good wishes to the Ontario Provincial Police on behalf of the government and the people of the province.

I am confident the members of this Legislature join with me in wishing the force a happy 60th anniversary.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, this matter might possibly be raised in the Prime Minister's estimates, but since it is timely right now I would like to give him an opportunity, through a question, to respond to the statement made by the Postmaster General of Canada that Quebec is the only province that has a continuing interest in constitutional reform. Frankly, I have felt that Ontario has had an interest in this, but surely the Prime Minister would agree that it is true. Would he agree that in the last eight months there has been a relaxation of the pressure, through government action, on constitutional reform?

Hon. A. Grossman (Minister of Correctional Services): The Postmaster General cannot even get the mail out on time.

Hon. A. F. Lawrence (Minister of Mines): He does not even go to the meetings in Ottawa; how would the Postmaster General know?

Hon. Mr. Robarts: Mr. Speaker, I was really quite surprised at Mr. Kieran's comment. It sounded to me like sour grapes.

Mr. Nixon: Sour grapes?

Hon. Mr. Robarts: Certainly. The member knows and I know that the reason we called that conference was lack of action on the part of the federal government. So two years later it sounds to me like sour grapes. I have no intention of pursuing that aspect any further. The member has asked me for a comment; that is my comment.

I would point this out: This government has attended all conferences since that date, so it is rather difficult to say that we have not participated. This House is aware of what we have done through the advisory committee which has published for distribution a book of background information on constitutional matters. This has been distributed throughout Canada. In preparation for the Confederation of Tomorrow conference we dealt with every government in Canada, and we made available background papers. We have attended all ministerial meetings that have arisen as a result of the conferences held in Ottawa in February, 1968, February, 1969, and June, 1969. Now this ministerial committee dealing

with the judiciary has held two meetings. Another ministerial committee on fundamental rights has held two or three meetings. Another committee dealing with the constitutional aspects of official languages has had several meetings.

I might say the committee dealing with the reform of the Senate had one meeting cancelled because the federal government was not in a position to make its submission, and Mr. Kierans is a member of the group representing the federal government on that committee. I do not know how he equates that with the statement that the provinces are doing nothing and the federal government is doing everything.

Hon. A. F. Lawrence: The leader of the Opposition is going to be sorry he asked.

Hon. Mr. Grossman: He is sorry now.

Hon. Mr. Robarts: I just make that comment because it is factually correct. We have seven Cabinet Ministers from this government who are involved in the work of these committees. We published in February, 1969, 40 propositions which put forward positions on constitutional questions—40 propositions. Can that be interpreted as taking no part in the constitutional discussion?

I really do not think Mr. Kierans knows what the provinces have, in fact, done. I think that is the answer to this whole question. As a matter of fact, as I read the news report of it, in the form in which he made the comment, I really wondered whether he was joking. I really did, but it seems to have been taken up and editorialized and maybe he was not.

However, in June, 1969, we published a paper on federal spending power. This is another question which is under review in our constitutional studies—as to whether the spending power of the federal government should be altered. We published a second paper on taxation powers which is called intergovernmental finance. Then we have another paper, of course, on provincial-municipal taxation reform, which is in the constitutional field. We have contributed $40,000 this year to the secretariat of the constitutional conferences which have been set up to do the background work. We have seconded two civil servants to this secretariat for varying periods of time.

I just make these points to indicate the *naïveté* of the remark made by the Postmaster General.

Mr. Nixon: I might say, not by way of a supplementary question, that the Prime Minister has convinced me.

Interjection by an hon. member.

Mr. D. C. MacDonald (York South): By way of a supplementary question—I suppose the Minister of Trade and Development (Mr. Randall) has been away so long that his voice is back in good shape, but I have not the capacity to cope with it this morning—so my supplementary question to the Prime Minister is this: would he not concede that there may be an apparent lessening of activity and interest on the part of the public, and therefore would he not reconsider the proposition and establish a constitutional committee of this Legislature comparable to the one in Quebec, so that what the government is doing can constantly be discussed at this committee by the members of the Legislature? The public would then know what is going on instead of so much of it being behind closed doors.

Hon. Mr. Robarts: Mr. Speaker, I am not opposed to considering that proposition. I would say this. I myself detect a lessening of the somewhat feverish situation in which we were in the mid-60s, and some of the action taken was designed to cool that situation and we have been successful. At one stage of the game these constitutional issues, I thought, were a real threat to the total Canadian unity.

Mr. MacDonald: Basically the danger is just as great.

Hon. Mr. Robarts: I think perhaps the basic danger may still be there, but the fact of the matter is that we have an on-going forum in the Legislature that can be adopted. That is why I think some of the pressure has been relieved. In other words, only last week we had four or five Ministers in Ottawa for several days discussing constitutional matters and these Ministers have committees preparing positions which will be put to the conference in December.

These things are going on constantly day by day. The fact that it is an on-going process probably has relieved some of the pressure. I would not say that the basic cause is gone at all, but perhaps the somewhat frantic aspect has been relieved by the action that the government of Canada has taken in this intervening period.

As far as the committee of this Legislature is concerned, I would be quite happy

to consider that. It has never been my intent to limit the discussion of these matters. In fact, I think it was the lead given by us in Ontario that really brought the whole matter out in the open and put it before the television cameras. I have said in this House previously that I have made every arrangement I can to have the Opposition present at these meetings. It is not parties that matter. It is a very basic matter to our country.

Mr. Nixon: It is the Premier's supporters who consider it such.

Hon. Mr. Robarts: And I will continue to make the same efforts. Perhaps in the next session, if it appears that a standing committee of this Legislature might look into some of the things that are going on, I would have no objection to that at all. If the members want, I would have no objection to it. The wider the discussions the less frantic and the less steam there is going to be generated and the more people will understand it.

It seems to me there is some shift presently from the purely technical constitutional matters to some of the more practical matters that are affecting the people of our country. I think our people are more interested in national action to curb inflation and to reform our taxation system, perhaps, than in the somewhat technical and complicated discussions on the position of the Supreme Court, for instance, or our penal institutions, or what might be done with the Senate.

But action is proceeding on all these fronts and I do not think that constitutional reform is something that can be done in a short time. I think what is being done now is very necessary for those who will make the decisions. That is what we are doing at the present time, actually; we are doing the homework. We are digging into all aspects of these matters and allowing people to understand all the ramifications of the decisions that might be made, and I, personally, do not think it can proceed much faster than it is now proceeding. I think it would be wrong to try to do it any more quickly. I would like to think that in these discussions we are using the best brains and intelligence that this government has, both in its elected people and in the civil service.

It might very well be that we should consider a standing committee before which might appear the Ministers who are taking part in these discussions, to put Ontario's point of view and to get some advice and assistance on what that point of view should be. I shall be very happy to consider that when we open the session in the new year.

Mr. Nixon: Mr. Speaker, I have a further supplementary question. I wonder if the Prime Minister would indicate the significance of the omission of any reference to the continuing committee of Premiers and Prime Ministers, of which he is chairman. Is that pretty well abandoned?

Hon. Mr. Robarts: The situation is briefly this: after the Confederation of Tomorrow conference was completed, we appointed a committee simply to keep the meeting alive if it were needed. But, as the member will recall, the federal government then called a conference in February, following the meeting we had here in November, and then called another. There have been three since that time, and I think the provinces really feel that the discussions can take place in the constitutional conferences which are now arranged. Then, of course, we meet as Premiers once a year, on our own, and these matters are discussed.

So that, at the moment, it does not appear that the Confederation of Tomorrow conference needs to be reconvened, because there are other forums in which these discussions can take place. I think it is quite obvious that this government did not intend to be the leader in constitutional discussions. We are satisfied with the way the discussions are going now.

In my opinion, these conferences should be conducted by the federal government. This is a national matter. We got into it in the first place simply because we felt there was a field of activity that needed to be looked at and that was not being done. Now the situation has changed and I think we are quite happy with the series of conferences which are proceeding. The other machinery is there if it is needed. I think that is the answer to the member's question.

Mr. Nixon: And the Premier continues as chairman?

Hon. Mr. Robarts: Yes, until supplanted.

Mr. Speaker: Does the hon. leader of the Opposition have further questions?

Mr. Nixon: Yes. Mr. Speaker, on another level of concern. I notice they are cutting down the trees on Bay Street on our property on the other side of the new Parliament buildings—the new office buildings. Does this

mean that the government is prepared to proceed with the building of the new towers in the office complex?

Hon. Mr. Robarts: I do not quite understand where the trees are being cut down; at least the trees on Bay Street!

Mr. Nixon: On our property on the far side, by the new buildings.

Hon. Mr. Robarts: Wellesley and Bay?

Mr. Nixon: Yes.

Hon. Mr. Robarts: I am afraid the member will have to direct that question to the Minister of Public Works (Mr. Simonett).

Mr. Nixon: If it is of any assistance, Mr. Speaker, when I was over there and I enquired, people said: "Oh yes, we are going ahead with these towers right away. I thought it would be interesting to know whether, in fact, the government was.

Hon. Mr. Robarts: I am interested too. I will find out.

Mr. Nixon: All right.

I have a question of the Minister of Trade and Development. I would like to know if the province, through Ontario Housing or through Ontario Student Housing, has any residual interest in Rochdale, particularly now that it may actually be sold?

Hon. S. J. Randall (Minister of Trade and Development): We will have an interest, I presume. We will be one of the people interested in finding out what is going to happen to the building. We have no mortgage on the building, if that is what the member means—it was handled by Central Mortgage and Housing direct to the student co-op that originally established it.

Now what is going to happen I do not know. I have been home for the last couple of days and I am not too sure whether Ontario Housing Corporation have had an offer made to them or not. But we would be interested in looking at it, yes.

Mr. G. Ben (Humber): I have a supplementary question of the hon. Minister. Has the Minister or the government given any consideration to taking over Rochdale and turning it into a youth hostel?

Hon. Mr. Randell: No, we have not given this any consideration. It is really not our property until we find out what price they are asking for it. They are talking about $2 million profit if they sell it, and starting another school in summer. We would have to look at the value that would be placed on the building and what it would be worth.

Mr. Ben: Another supplementary question: Could he consider what value it would be to the people who would be using it, rather than what value it is in brick and stone?

Hon. Mr. Randall: First of all, I would have to come in with a butterfly net and a couple of guys in white coats and clean the place up and then I will let the member know.

Mr. Ben: I think that is asinine, asinine, asinine.

Mr. Speaker: The hon. member for Windsor West (Mr. Peacock) had a supplementary? Does the hon. member for York South have any questions?

Mr. MacDonald: I have a further question for the Minister of Trade and Development. In view of the drop in housing starts in Metropolitan Toronto—a drop of some 2,000 in the first nine months of this year—and the likely downward effect on house building because of the proposals in the white paper, is the government taking any extraordinary action to cope with the housing crisis and to make certain that our starts keep up?

Hon. Mr. Randall: Mr. Chairman, I wish I had all the answers to that question, but let me say that I visited Mr. Benson with the Treasurer (Mr. MacNaughton) a week ago last Tuesday and pointed out to the Minister at that time that I was not interested in any other problems in housing except whether mortgage money would be available. We suggested to him that the paper that we had prepared on building societies be very carefully considered. The Minister of Finance said, "Perhaps you should talk to me after my white paper comes down on Friday," and I suggested, in view of the need for mortgage money that perhaps he could add a postscript to that white paper and make sure that mortgage money was available to a building society. He said he would study it very carefully and would let us know.

In the meantime he talked about the possibility of having 200,000 units this year. I suggested to him that 200,000 units that could not be rented within the means of people's incomes, nor could be sold to people, would not mean anything unless they were priced or rented at a price that people could afford with the incomes they have today. So,

our biggest problem, as we saw it, was to get money directed into housing along the lines of the HOME programme. Mr. Benson suggested that he would carefully consider the paper that we had sent to him and to Mr. Andras some weeks ago and find out if there is any way that they could work out a mortgage-financing programme, which we suggested could be done either with a savings loan company or through a building society.

Now, I am still of the opinion, when I look at the interest rates and at the competition for deposited dollars in this country, that only by having a building society are we going to have money to continue building housing. Unless this money is made available—I do not think it is any secret—there will not be as many houses as there should be; because the builders cannot build houses unless there is mortgage money available.

I pointed out to Mr. Benson that several months ago this province had put up $50 million on a second-mortgage basis at NHA rates, and we had offered to put up that money with 75 per cent from traditional sources. So far, not one traditional source has come forth with a five-cent piece. He recognized the difficulties we are having, however, and he suggested that he and his people would look at the information we had sent to him and the briefs we presented to him; and perhaps, after he had got through discussing his white paper, he would give consideration to mortgage financing.

Mr. MacDonald: Mr. Speaker, by way of a supplementary question: the Minister of Trade and Development on one occasion a year or so ago, said, "If the federal government does not provide money we shall do so because we must build houses". Now, the Minister's statement seems to suggest that if Ottawa does not provide the necessary moneys, our housing starts are going to drop. Do I rightly conclude that the Minister is going to do nothing? Or can he be persuaded to do what he threatened to do a year or so ago: If they will not provide the money he will seek it out and see that it is available, so that our housing programme will not decline?

Hon. Mr. Randall: I think we answered that question a few weeks ago very clearly when 300 people leased lots on the HOME programme up in Ottawa. We went up and we said, "All right, if you cannot get NHA mortgages, we will finance the entire mortgage". When we made the announcement Central Mortgage and Housing came through and they handled the mortgages. So we put our $50 million on the line, but we did not have to spend it, they spent theirs.

I am still of the opinion that they will come through with mortgage money for some of the lower-cost homes. They will come through with money for public housing for senior citizens. But if we want the kind of housing that you and I want in this country, I think it is going to take more than our $50 million.

But we are quite prepared to put our money where our mouth is; we have said that time and time again. That $50 million is available to assist housing in the province of Ontario. I just suggest to you that $50 million is a drop in the bucket for the kind of housing we need for the people who need it. I think that money should be used to augment funds that should be made available from private sources.

If the traditional sources abandon the mortgage field, which I am afraid some of them are doing today, then we are in great difficulty insofar as keeping up the schedule of housing as laid out by Central Mortgage and Housing—200,000 units a year. But in this province we are doing everything but lay the bricks and mortar ourselves to make sure the housing is available.

Mr. MacDonald: Well it is not available, that is the point.

Mr. Speaker: The hon. member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): A question of the hon. Minister of Trade and Development: Of the 5,000 units the Minister has received permission to sell under Ontario Housing Corporation, where are they located, is there any work being done on this now, and will the people be advised in sufficient time to assess their positions as to whether they wish to buy or not?

Hon. Mr. Randall: Unless we have heard in the last day or two, we have not received permission to sell from Central Mortgage and Housing yet. The request is at Central Mortgage and Housing now; it has been there for several weeks. As soon as they advise us that we can go ahead as we did in Guelph, we will notify the people in the areas—and that is all over Ontario—that these houses will be up for sale. We will do the same thing we did at Guelph; we will estimate the amount of repairs required, establish a price on the home and advise the

people at that time whether they can or can not look forward to buying their home. But the 5,000 units are all over Ontario.

Mrs. M. Renwick: A supplementary question, Mr. Speaker: Do I understand the Minister correctly to say there has not been permission given for the 5,000 units to be sold?

Hon. Mr. Randall: Unless it has come through in the last day or two when I was away. I have not heard we have any authority as yet.

Mr. Speaker: The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Speaker, a question of the Minister of Highways: Would the Minister enter into negotiations with the CNR to realign operating procedures and charges for the GO system so that the costs are more in line with those necessary to provide good service?

Hon. G. E. Gomme (Minister of Highways): Mr. Speaker, I do not think the service is anything but good. We do not need to enter into any arrangements on that score. And I think if the member waits to see our financial statement, he will gradually see that it is getting better as years go by.

Mr. Deacon: Mr. Speaker, a supplementary: I did not infer that the service was not good; I am asking if he will bring the type of operations and the charges for the operations into line in all areas of the operation, so that the charges will be in line with those necessary to provide good service.

Hon. Mr. Gomme: Mr. Speaker, I must admit I do not understand that question.

Mr. A. Carruthers (Durham): I did not get it either.

Mr. Chairman: The hon. member for Scarborough West.

Mr. S. Lewis (Scarborough West): A question, Mr. Speaker, of the Minister of Labour: was the Minister informed, ahead of the event, of the intention of the Green Giant plant in Harrow in Essex county to close down?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, I received some information in reference to that matter within the last week.

Mr. Lewis: By way of a supplementary, Mr. Speaker, I would assume then that the Minister learned after the event, as it were—now that it is a *fait accompli.* Will he enter into any negotiations on the retraining or relocation of the workers involved and perhaps the funding of mobility for that purpose?

Hon. Mr. Bales: Mr. Speaker, I have a standard arrangement that I use in all these cases in that we work with Canada Manpower who are primarily responsible; but our retraining facilities are always available and we try to bring in our counselling people to work with the company to render all assistance.

Mr. H. Peacock (Windsor West): A supplementary question, Mr. Speaker: In view of this shutdown and a similar one in Windsor where 400 employees of the Plasticast Company will be laid off, is the Minister contemplating legislation which would require advance notice to him of such intended plant shutdowns so that he has an opportunity to prepare the remedial action?

Hon. Mr. Bales: Mr. Speaker, I am giving consideration to legislation in a number of fields and this is one of them that I am considering. But I did not hear the name of the other company that the member mentioned.

Mr. Peacock: Plasticast.

Hon. Mr. Bales: Oh, yes.

Mr. Peacock: A subsidiary of Noranda.

Mr. Lewis: These plants tend to be American subsidiaries.

Hon. W. D. McKeough (Minister of Municipal Affairs): Plasticast is not.

Mr. Lewis: No, right. The Green Giant is very much an American subsidiary.

Hon. Mr. Grossman: Not so jolly.

Mr. R. F. Ruston (Essex-Kent): A question for the Minister of Transport: Are all the inspectors examining cars on the safety lanes licensed under The Department of Labour as certified mechanics?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, in our safety-lane work we have a licensed mechanic in every operation. I would not say that all members of a crew were licensed mechanics.

Mr. Ruston: In other words, then, as a supplementary, Mr. Speaker, is it possible that someone who is not a licensed mechanic could, in fact, have cars put off the road?

Hon. Mr. Haskett: Mr. Speaker, I would not assume that the unlicensed member of the crew would be the one responsible for taking that action.

Mr. T. P. Reid (Rainy River): By way of a supplementary, Mr. Speaker, is the Minister aware of the OPP conducting such checks without the authority of this Minister's department?

Hon. Mr. Haskett: Mr. Speaker, the Ontario Provincial Police have always had authority to make car inspections of the type done—what we call the "walk around". They are not using the sophisticated equipment we use, but the OPP have long made a practice of doing extensive on-the-spot examinations of vehicles on the road.

Mr. M. Gaunt (Huron-Bruce): As a supplementary, Mr. Speaker, is the Minister aware in this connection that the car inspections and the people who actually do those inspections are operating in violation of The Apprenticeship Act of this province?

Hon. Mr. Haskett: Mr. Speaker, I am not aware of the violation. If it were spelled out, I would be glad to look into it.

Mr. Gaunt: The Minister should talk to his colleague, the Minister of Labour.

Mr. MacDonald: Another illegal government action, I guess.

Mr. Speaker: At this time, before we proceed, I am sure the hon. members would like to extend a welcome to the students who are with us now in the east gallery, from the Downsview Secondary School, Downsview.

Any further oral questions?

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Before the orders of the day, perhaps I might take a moment to inform the House that Mr. Speaker Cass advises that an errata statement covering the issues of *Hansard* for each standing committee dealing with supply will be published at the end of each such committee's work. Members are requested to advise Mr. Speaker's office at once of any errata they consider should be printed with respect to the supply sitting of the committee on agriculture and food. As soon as the education committee sittings on supply finish, would they likewise promptly submit any corrections to be made to Mr. Speaker's office?

Orders of the day.

Clerk of the House: The 25th order, House in committee of supply; Mr. D. A. Evans in the Chair.

ESTIMATES, THE DEPARTMENT OF MUNICIPAL AFFAIRS

(concluded)

On vote 1404:

Mr. F. Young (Yorkview): Mr. Chairman, in connection with the section of vote 1404 dealing with commissions and enquiries and research in local government, I wonder if the Minister would bring us up to date as to what has been happening in this field.

We have had quite a few investigations going; such as the Fyfe study, the Muskoka one which is in and being discussed, the Oshawa one and the Sudbury one, and so on. There is a feeling around the province at the present time that we are now slowing down on this whole matter of building regional municipal governments, because of the difficulties encountered by the Minister of Education (Mr. Davis) in establishing county boards of education and because of the public outcry against certain phases of that transfer of power. There is some resistance now being encountered by the Minister and that resistance, though perhaps in large measure irrational, is such that he is now beginning to slow down in the whole development and the study of regional government.

I wonder if the Minister would make a statement along this line and tell us whether or not it is a fact that the Cabinet has decided that a slowdown is to take place, or whether he is moving forward as is necessary in the whole development of regional government in this province, and if in fact he has any projected studies going forward at the present time.

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Chairman, unfortunately, the member could not be here last night. I gave about a half-hour rundown on this whole thing in response to a question from the member for Waterloo North (Mr. Good) and I think if he refers to *Hansard* he will get the answers to most of his questions.

The tenor of those remarks, I think, was that there is no slowdown. I indicated where things may happen this year or next year or the year after. I do not think that any of the

papers have indicated that we had slowed the programme down. To my knowledge there has been no slowdown. I do not think my staff thinks that there has been a particular slowdown. I think it took about six or eight months, frankly, for it to sink in with the municipalities that we meant what we said on December 2, that there was not a timetable and that this was not going to be imposed in one fell swoop as in the school board situation. I think that many of the municipalities, after we had made the statement, referred to the maps and the Smith report and thought that was what was going to happen.

I think really after about six or eight months, sometime during the summer, as I say, it sunk in, perhaps even to the gentlemen of the press, that we had meant what we said —that there was not a deliberate full-speed-ahead timetable and never had been, that we would work these things out with the local people.

Now I would be the first person to admit that there were some difficulties last spring in connection with another programme of the government. There are always difficulties, I think, every spring when municipal budgets are struck. I think there were a couple of months in the spring when it was not the wisest time to be talking about regional government. The atmosphere was not conducive to it. I think I indicated last night in the report that I gave that several months ago these talks started again and I think there are certain areas where I would sooner see us moving ahead a little bit more quickly.

There are some that are going more quickly than I thought, and generally across the province, aside from the study areas, there is far more interest than we had originally anticipated. There were requests for further studies which we cannot honour because of the limitations of staff and money and time really—time being the important consideration. There is a very healthy interest in consolidation in a number of areas in the province and I would suspect that in the next year we will see some interesting developments in terms of consolidation outside the area for which regional government is being considered. A very healthy start.

Mr. Chairman: The member for Yorkview still has some comments?

Mr. W. Ferrier (Cochrane South): On this subject of regional government especially in Northern Ontario, I suspect after the publication of the Pearson report that it is going to be slowed down and tied around the particular discussions of that report. But I wonder if the Minister would comment on the situation in the Timmins area, where the municipalities have a study commission to consider the amalgamation of the four munipalities there, and 35 townships in the area. I think that this probably will become necessary in light of the fact that The Assessment Act is going to allow the taxation of concentrators and smelters and other processing plants.

It will mean that the municipalities could tax those and get the revenue and apportion it through the larger municipalities. I am not prejudging the report and saying that it is going to suggest this kind of an amalgamation. But there is a feeling in the area that this report is being held up in some way by Queen's Park here—where The Assessment Act is not being enforced or just what—but they feel that they would like to go ahead and get these discussions underway and decide whether it is feasible to go ahead or not.

If it did become feasible to go ahead, I wonder if the Minister could give any target date as to when that kind of amalgamation could be consummated? There is a good deal of concern about this.

Then there is another situation in my riding where the township of Black River-Matheson is in the process of a hearing to amalgamate with the township of Playfair and the improvement district of Kinghorn. At the Ontario Municipal Board's hearing, the accountant for Black River-Matheson came out with the statement that the Minister's department was pushing this amalgamation, that really it was responsible for it. One of the solicitors suggested that maybe the Minister should be subpoenaed to go and state what was really going on there. So, I wonder if the Minister would comment on the two situations in our particular area?

Hon. Mr. McKeough: The member raises two matters which I really had in mind, or one of them which I had in mind when I said to the member for Yorkview that there were a number of interesting things happening which I thought might come to fruition in the next year or so.

Dealing with the second one first: We certainly encourage consolidation. I have had informal meetings with both Black River-Matheson and Playfair. I have not said that I was in favour of this consolidation *per se.* I have said that the policy of the government is that we are in favour of consolidation. Whether this makes sense or not is a

matter to be determined by the Ontario Municipal Board, and I have not indicated, although I think perhaps I was not aware of the remark at the hearing—you know, I suppose, people can put a different interpretation on meetings than the interpretation I might put—but I have not encouraged them or discouraged them from an amalgamation. We simply said that amalgamations and consolidations to our way of thinking make a great deal of sense.

The other one, I think, is one of the more interesting discussions which have been going on. I am, to be honest with you, not all that familiar with the member's part of the world. The member's riding is not all that well known to me, and when they originally came in on their own I turned them over to the Deputy Minister. He has had a couple of meetings with them. He knows about the Timmins area, certainly better than I do.

Now these people, the councils—there would be five councils, I guess, four or five—of the organized municipalities, came to the conclusion that because of possible changes in The Assessment Act they should be talking in terms of the wider area. It is not just taxation; it is also planning which they are very concerned about, and having controls on the unorganized territories which they can administer. Regardless of what orders we put on, they can administer much better than we can. They can say no, and enforce it, and they can say yes, and be more reasonable, I think, than we can from Queen's Park, or even from an office in Sudbury.

These are the two things—tax revenues and the whole planning aspect—which, from our point of view, make a great deal of sense. As I say they went ahead after they talked to the Deputy Minister. He, I think, encouraged them to continue. There have been several more meetings. I have met with them at Timmins, the night of the—or the morning, I guess it might be more properly said—well into the morning of the Timmins northern development meeting. At that time, perhaps a month and a half ago, they were held up for certain information from us, in terms of the assessment of these facilities—Texas Gulf in particular—and there were several others. They were waiting for information from The Department of Mines, I think, on the mining profit tax, who were a couple of years behind in assessing those returns.

I tell the members, for the record, that the practical implications of the work have all been done—or 99 per cent of it I think has been done—by a firm of auditors in Timmins—Mr. Pope, who has been hired, I guess by Timmins. I think he is the auditor for all the municipalities there, as a matter of fact.

They have conducted these studies and the financial analysis very much on their own, which is great. When we are asked for help we give it, but they have really gone ahead very much on their own initiative and are proceeding, to my knowledge, rather well.

We, I think, got the assessment figures to them and we asked The Department of Mines to get those figures to them and the Deputy Minister is of the opinion that most of the information that they were being held up for has been sent along to them.

At the meeting I had with them—and perhaps it reflected the hour of the morning that it was—there was some feeling on the one side that this should all be wrapped up and in operation by January 1 next. I think the Treasurer was at that meeting and both of us felt that, perhaps, January 1, 1971, might be a more appropriate date, and, in that case, there was time for a bit more study and examination of the implications.

We certainly had the feeling, I think, that out of the organized municipalities, three out of the four supported it very enthusiastically. One was not as enthusiastic but was frank enough in its reasons that a year ago their tax rate was zooming and the Attorney General had, through the Ontario Police Commission, been good enough to assume the police function for that particular municipality.

The saving, as I recall, was some $30,000 or $40,000. That saving has accrued and those people are quite as keen now as to coming together. I think they will have to realize, and should realize, that that was a temporary measure that could, in fact, I suppose be withdrawn. It certainly was not, on the part of the Attorney General, something which would retard the creation of a police force which would be in the greater good, rather than just to provide police protection to the one particular township.

I do not think—I will check this—I do not think that we are holding the study committee and the auditor up for any particular information at this point. If we are, we will do our best to get it along to them. But I say to the member for the area, and the member for Yorkview, that this is one of the more interesting things that is going on in the province. We think it is very, very good and certainly, in our way, we will try to encourage it.

Mr. Chairman: The hon. member for Essex-Kent had been trying to get the floor previously.

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, I was wondering, with regard to municipal financing and so forth, are some of the municipalities having financial difficulties due to some of the farmers threatening to withhold their taxes? I see from the Windsor *Star* of yesterday now they are threatening to withhold all their taxes, not just school taxes. Has the Minister done any investigation in that, as far as financing, the local municipalities are in a more serious condition than they have been in other years?

Hon. Mr. McKeough: Not to our knowledge as yet. In some of the townships the taxes are not due until December 1. In my own township there is some concern and I do not think our taxes are due until November 28 or 29. I just received my bill a couple of weeks ago. I have paid mine, I think, but it is too early to tell what the implications are. I suppose we really have to wait until December 31 to compare it with other years, or certainly well on in December. We have asked the office in London to keep an eye on the tax collections in some of those muncipalities.

Mr. Ruston: Of course, we have a new assessment Act coming out and it was mentioned in it there was no allowance for farm assessment. I would just like to take notice here of one that I received in my riding; they have 274 acres of land with two homes on it, and a total school tax of $1,554.

Has the Minister given consideration to any immediate assistance of this type, due to the fact that the farm assessment report would not be able to be put into legislation until 1971?

Hon. Mr. McKeough: Has that particular township been reassessed?

Mr. Ruston: No.

Hon. Mr. McKeough: Well then, the answer is probably no.

We may be able to bring something into effect as early as 1970 where an area has been reassessed—and presumably the whole area. I would be glad to take a look at this particular situation.

You know, when a person has two houses —I do not know what the value of the houses are, but I suppose we would have to say that the school taxes on two houses anywhere are probably $400 or $500 of that total. And, of course, when somebody owns 274 acres of Essex county land, they have a considerable resource, even though the prices have gone down.

Now that is not a good enough answer. I recognize the problem. We hope to move ahead in the next few years to come to grips with these problems.

Mr. Chairman: The hon. member for Peterborough was next.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I would like to make a few remarks on this particular vote.

First, I would like to say that I think it is most unfortunate that we find ourselves in this Legislature and in committee, on possibly the two most important estimates in the entire government operation, simultaneously. I think this is something which I hope—as a passing comment, Mr. Chairman, through you—that may very well become the subject of concern on the part of those who are working out the rules in this House.

I do not think there are two more important departments than The Department of Education and The Department of Municipal Affairs. I think there are many people who would like to be in this Chamber while this vote has been going on. I came in today knowing that the Minister would be very disappointed if I said nothing on his estimates, and recognizing that I have some responsibility—

Hon. Mr. McKeough: My great concern, Mr. Chairman, is that the Minister of Education must be bereft with you not down there and you know—

Mr. Ruston: I think he is relieved.

Mr. Pitman: I am hoping that he will be able to survive at least the next few moments and that the provincial education system will go on and on and on, at considerable expense, no doubt.

First I would like to compliment the Minister and his department. So far as my own personal experience was concerned I must say that it is one department that moves with speed and determination once the problem has been identified. Now I would like to spend a few moments identifying the problem.

We live in an urbanized province and this does not seem to have been recognized by this government. I say to this Minister that it is his responsibility to get across to those who

sit on the front benches of this government that things are moving far too quickly to be comprehended by the very lackadaisical, offhand approach which is adopted by most of the Ministers of the Crown in this province.

I suggest to the Minister that, unless someone makes the decisions and someone does the planning, that someone else is going to do the planning and make the decisions—and it will not be the people of Ontario through their representatives sitting in this Legislature.

I think he is conscious of the problem, maybe, because I have seen some action in that area. For that reason I have already made my comments in other estimates of the determination I have to see more and more responsibility placed in this department, where, it seems to me, we do have some expertise and we do have some consciousness of the kind of problems and the kind of crisis—the critical situation—we are in at the moment.

A few days ago we were discussing Design for Development with the Provincial Treasurer (Mr. MacNaughton). We saw, in that particular situation, that we were not moving towards a provincial plan, we were floundering around in a series of boxes that had been produced by the regional planning development section of The Provincial Treasurer's Department. It was so incomprehensible that the Minister himself could not find his way through it. Certainly no one in this Chamber could find his way through it.

The first box talked about something about a goal, some provincial goals. But we had no idea what the goals were and in box 13 there was no clear definition of where the goals were going to be either, because, seemingly, at least, in every other department there does not seem to be any understanding of what planning is all about. Once you decide on what the goals are, you work towards those goals in some kind of co-operation with the people who are concerned. Planning is a process, it is not a piling up of statistics and some kind of a glorious moment of sudden realization of what the plan is. It is just not going to happen in this province.

I suggest to you that a decade from now we will be no closer to provincial goals; we will be no closer to some concept of urban pattern in this province; we will be no closer to some concept of a transportation pattern; no closer to some decision as to what will be agricultural land and what will be left for tourism or other kinds of development than we are right now if we continue in the policies of the hon. Provincial Treasurer. So on those estimates I suggest that the implementation phase must be within this department. At least, within this department there has been some recognition of crisis points in the province—not enough recognition, certainly, particularly within the rural areas, but nonetheless, there has been a recognition and something has been done in these urban connotations where the worst kind of decisions might have been made.

I want to say to the Minister that it is time that he moved much more quickly. I say that it is ludicrous, I say it is demeaning to his office as the Minister of Municipal Affairs, and demeaning to the entire government that we have the kind of ridiculous, idiotic development that we have seen take place across this province. You have a group of companies—under a single name, possibly, but a group of companies—very quietly, surreptitiously, gathering land. Then suddenly we hear of a race to the registry office, where the Minister, and his officials, either get there ten minutes early or ten minutes late, one or the other. If they get there ten minutes early they may well save that particular township from massive distress.

I might say that I am very pleased that he saved three townships from what I believe to be massive distress. They may not believe, but I believe it to be massive distress in my own particular area, so that I am very thankful. But the problem is that there are other townships that have not been saved in this way and it seems to me an unbelievable way of carrying on the business of the province when we let other people take the initiative, when the private sector virtually is able to destroy what could be a very beautiful and worthwhile development, simply because the action is taken after the event.

I know of no other area in the public sector in the provincial situation where we protect only a part of what we are responsible for. For example, we do not protect some banks because they seem to be in danger; we protect all banks. We do not protect some citizens because they seem to be the ones who are most likely to be knocked down by cars or be bumped on the head by a truck; we protect all citizens. It seems to be a very strange and weird sense of political irresponsibility to say that because the particular township is not beside the city, and that there may be no danger, that therefore we do not protect that particular township.

I know the Minister's argument—and it is a very valid argument within a very limited area—that it is up to the local authorities to protect their own townships. Well, I say it is not up to the local authorities to protect that township because in many cases they are unlikely to understand more clearly than we, here—and certainly most of the government has failed to understand clearly—just what the results are of that lack of decision, of that lack of planning at the local level. Furthermore, if the province is going to pick up the pieces, if there is massive pollution in a particular area because of an inappropriate and an unreasonable kind of land development, it will be the province which will pick up the pieces; they are the ones who are going to have to come in and find a way to unpollute a river or beautiful streams. They are the ones, it is the conservation authorities who are going to have to come in and try to pick up the pieces.

For example, the beautiful Madawaska Trail has been destroyed by a particular development. The Department of Financial Affairs, and this government as a whole, is going to pick up the pieces because the municipality may very well go down the drain financially.

The Minister knows this, and I do not even need to repeat it here this morning, that an unreasonable and unacceptable housing development, or land development in a particular township, can cause immense financial difficulties for a municipality. They will not be able to provide the services, they will not be able to be assured of these roads, they will not be able to look after the educational needs of the people who may be moving in—and moving in, in many cases, in an unregulated and an unpleasing manner. The whole province is going to lose out because that land has been taken out of the public sector, or that land which should have been agricultural has been allowed to be taken over in a completely inappropriate and unacceptable land development.

So, I say to the Minister that it is not just his responsibility to be a kind of policeman, to keep a watching brief to make sure that a completely inappropriate land development is not infused into a local area. It is his responsibility to protect the province of Ontario—one of the richest resources we have in Canada, with a great deal of undeveloped land and a great many interests who are recognizing this very fact. Whiterock is only the beginning of many others of this nature, who are going to continue to move in because they have a captive market.

One only has to drive up any expressway going north or south in Toronto and see the number of apartments, see the number of people who are holed up in these kinds of developments, and recognizing anything about human psychology at all, any advertising, especially high-powered advertising which promises an individual that he can go out into the country and have a home in the country, is going to be very, very well received. There is nothing that you can make money on more quickly, I would say, in Metropolitan Toronto, than to give somebody the idea that he can get out of Metropolitan Toronto, that he can move into the country, that he can go out there and have all the comforts and services of Metropolitan Toronto as well as, I think what is described as, all the natural delights of the Ontario countryside.

I suggest to the Minister he has a tiger by the tail in this particular area, and I say again to him, I see no other answer. I wish, with him, that every local council had a planning board; I wish every one of them had subdivision control; I wish every one of them had an official plan; better still, I wish each region had an official plan. I wish all of those things with him, but I think we have to face the realities that they are naked, that they are undefended, and that they are going to be completely destroyed unless the Minister moves.

I can only say that it is his responsibility to see that subdivision control is placed on every township in southern Ontario which is close enough for any land development company to make the claim that it can provide homes near urban centers for people living in apartments in restricted areas here in the city. It is his responsibility; I think I see no other way.

I attended a hearing yesterday morning along with some of his officials as well as officials of other departments in this government, and it was extremely revealing. I might say it assured me that all my fears were well founded, in terms of what Whiterock has been doing in Calvin and Percy townships, and would intend to do in other townships across this province.

One of the things that came up is, I think, one of the most unfair aspects. They turned against the government of Ontario. I thought, myself, it was a rather strange position for me to be defending the government of Ontario, and I can assure you that is a platform

I do not climb on with any great enthusiasm, but in that particular case—I simply refuse to accept the comment that has been made to my right here—the point that was made was this: This kind of development is giving the people of Ontario—you might say the lower-middle income group, who had no hope of buying a home—the idea that it alone can provide lots at a price level which people in Ontario can afford, at least a large number of people in Ontario can afford.

My question was of course: What do you mean by that? I asked why this type of development could not set up a proper subdivision? Why could they not carry out the engineering which they have not carried out? Why could they not have made sure from the Ontario Water Resources Commission that there was going to be water on this land? Why did they not file bonds and money with the township for the building of roads? Why was there no engineering estimate on the cost of roads? Why was it that they could not assure these people who had bought the land, that they could not even put something on some of these lots?

Some of them, Mr. Chairman, you can paddle a canoe across during the spring. The stream that feeds this particular area goes right down into Millbrook which, of course, is where the problem has been taken over by the conservation area. The possibilities of pollution are desperate. The question I asked was: Why cannot you set up a development close to some kind of urban area, or at least a small urban area where there is some hope that the OWRC can put in the kind of development that will stop the pollution?

The answer was: Because once you try to comply with the regulations of The Department of Municipal Affairs and all the other departments of government, the price of lots is so high, that nobody can buy them. I did not know that was the case. I deny that is the case. I deny that needs to be the case, but what I suggest to the Minister of Municipal Affairs is that he has a responsibility to answer that particular statement, a very real answer, because I, for one, do not like to be placed in the position of suggesting that when anybody goes through the proper regulations of The Department of Municipal Affairs and all the other government departments, he is therefore deprived of any hope of a decent home in the province of Ontario. I do not think that needs to be true. I suggest that it is time to take a look at the red tape, to take a look at all the problems faced by anyone who wants to set up a decent housing development, let us say, around Millbrook, around Bowmanville or around some of these townships. It is about time we took a look at that whole problem.

I would suggest to the Minister of Municipal Affairs that he has two problems, not only to ensure that these municipalities are protected, but also to ensure that anybody who wants to set up a development to make a fair profit—not to rook the people of Ontario but to make a fair profit—can do so, that there are opportunities for doing so. It should be made very clear to the public of Ontario that this is not the alternative, that we have to pollute and to spoil and destroy good land in Ontario simply because there are no other alternatives.

I say to the Minister of Municipal Affairs and to this government as a whole, it is a responsibility of that government to make an alternative, and to make it very soon. I turn to the Minister of Municipal Affairs; I realize this is a problem of the Minister of Trade and Development (Mr. Randall), but I gave up on him long ago, long ago.

Every night I say a prayer that the province of Ontario may be saved from what the Minister of Trade and Development is doing with his EIO programme and some of the housing schemes which he either does or does not accomplish in this province.

I am turning to this Minister because I think there is a rare hope, a little bit of light on the surface, that in that particular department we can accomplish something and save this province from the kind of disasters which other jurisdictions, particularly our neighbours to the south and certainly European countries simply cannot get out of.

It is a point of decision, a point of pressure; and if you do not make that decision, if you do not comprehend the crisis at this point in time, the decision will be made by other people. And by the time we turn around, we will have had it. The game is up; the game is over; we have lost. They will destroy some of the valuable resources of this province. A few days ago I had the great pleasure of hearing Dr. Kenneth Hare who is the president of the University of British Columbia. He said that we are now right at an extremely important point in the history of our western civilization. He quoted, I think it was Mr. Moynehan who is one of the special advisers to President Nixon—who is certainly not a radical by any stretch of the imagination—who said that we had just about until 1980 to decide whether this planet is going to be habitable. That is about as long as we have got. He said 1980. I find that

quite surprising because that is not very long.

But we have until that time to go over the edge. We will have created such a mass of pollution. We will have polluted our atmosphere, we will have polluted our water, we will be buried in our garbage and we will have no way of getting out of it.

And that is where I see this Minister's chance now. He has the opportunity to decide on the policies of this province, to decide that we will not continue in this simply mad, lunatic direction until 1980. We will not be able to make any decisions to rephase our plan because the planet will have been obliterated; there will be no retracing of our positions or our pattern. And he now has the responsibility mainly because most of the other Ministers in this government are trying to comprehend the desperate need for that decision-making.

As I say, he has to pick up the pieces, he is the fireman, he is the ambulance service in this government and he is going to have to do it. He is going to have to design the environment of this province, to design the environment that you and I are going to have to live in, and that our kids are going to have to live in. You may as well accept that right now. We have seen in the last few days, I think, a desperate situation. And we have seen it before. How do you go to local municipal authorities when you see something like this happen, when you see, for example, a municipality which is trying to protect its people? So they put in a subdivision, controlled by law; but the municipality next to it has no subdivision control. They tend to see the development taking place and, of course, immediately the citizens in one township say, "Why have you put subdivision control on? It is here that the development is going on." It is extremely difficult for a local politician, a local township official to explain that development does not necessarily mean progress, that development may very well mean the undermining of the tax base in that particular township. It is extremely sophisticated and it is extremely difficult.

It is very hard, for example, for the local township to see something happen such as I described, where a group comes along and says to one township, "We want to put up a theatre," and they say, "no, because this is an almost rural subdivision type of development here. We do not want this kind of a theatre in our midst."

So what happened? They went across the road; the road happens to be the dividing line between these two townships. So the people in one township have a hell created for them by the lack of subdivision control in another township. How are the local township officials trying to explain that to their constituents? It just seems absolutely ironic and lunatic and I cannot explain it; and I am sure the Minister cannot, either. How can a local township official explain to his local people when the taxes go up as a result of the kind of development I described in relation to Whiterock? I am not going to go into all the details about Whiterock Estates. I am bored with Whiterock Estates. I think it is a ghastly mess. The Minister knows this and I would think by now everybody in Ontario knows this.

Yet there will still be people buying lots, I can assure you. Tomorrow or Sunday you will see great lines of people outside those offices, buying land. They have no assurance that they are going to be able to put a building on it. In fact, some of these municipalities make building bylaws so restrictive, that they will never get a building on it. Then you will have a great mass of people with land but no ability to put a house on it; or they will put restrictions on septic thanks, sir, in such a way that they will never be able to build a habitable accommodation. Then, of course, the outcry will come. It will probably come to the local municipalities, not to the Minister, not to the government which allows the kind of advertising which goes on under the name of Whiterock and which allows the development to begin.

It will be the local township officials who will be hounded and pressured to give all kinds of advantages and to allow the most unfortunate, inappropriate development to take place. Then you will have people in the province of Ontario, this so-called province of opportunity—this is a province of opportunity for some people, but it will not be for these people, believe me—who will have a piece of land on which they may be able to carry out archery, or on which they may be able to put a weekend tent, or perhaps somebody may allow them to drive a trailer on it once in a while. But can you imagine what it is going to look like?

We see a house going up, maybe a $20,000 house there, maybe a $5,000 shack over here, perhaps a trailer there, perhaps a tent there. Can you imagine what a ghastly eyesore, what a horrible mess we are going to have across a good part of at least two townships in this province of Ontario? This was beautiful, rolling countryside, the kind of country which people drive hundreds of miles in the

United States to see. Surely we can have decent developments. I am not at all convinced that we have to keep everybody holed up in Toronto. There has to be some alternative, but the problem is that this government will not decide on what the alternative is going to be.

Are we going to have growth centres or satellite cities around? The Provincial Treasurer will not tell us. His department will not tell us. We have got these 13 boxes that we are crawling through year by year. Now when are we going to get to the end of it? I do not know. Whether we would be any closer to provincial goals, as I said before, I do not know. But the point is that this Minister, and I say this with some respect, this Minister does have the expertise and the people in his department who can do something. Most important of all, he is related directly to the local political forces which decide these things. He can be helped to decide these things.

That is why I suggested, for heaven's sake, get with it and decide to give grants for planning. I still say that it is nonsense to provide grants for everything else to a local municipality and then say we are not going to give any grants simply for planning.

Now I know the Minister does not want every township planning its own official plan. Well then for heaven's sake, give them some way of setting up a planning grouping, so the local municipality can have some part in the process. I know when the regional government comes—but it is not coming, for many years or for several years, in some parts of Ontario—these local officials are going to be in limbo, virtually hung between heaven and earth, or rather in hell. They are not quite sure whether the regional government is heaven or hell, but nonetheless, that is another job that the Minister has over the next number of years.

The point is: he has to give some help during these years, because you are not going to get official plans as long as they are expecting that with regional government coming within a year or two. They are not going to spend $10,000 to trade a regional plan. So what you have then is naked townships, ready to be spoiled by some other groups of developers who are going to come over the horizon; a few days from now; a month from now; a year from now.

So, I simply say that it is up to him between now and the time regional development comes in, not only to protect these areas, but to provide them with grants and experts and people who can provide the information and get them on the road to planning their own destiny within their own local areas.

As I said to the Provincial Treasurer, the great problem with his plans is that they are not politically oriented. Even his local councils are not tied into the political realities of that area and this, I think, is what is of importance. The Minister is dealing with people who are politically responsible at the local level. They are the people who have to be given some kind of security. They are the people who have to be prodded and pushed and drawn towards recognizing their responsibility in his question of designing the environment.

And so I say to the Minister on this vote—I will try not to take too much of his time—I say to him that in the next few years, the kind of society and the kind of environment that we in this province have, will largely be decided by what he does and I have given him at least two or three directions which I think are desperately critical.

It should be decided upon now, because if he does not plan, somebody else is going to be planning and they will be planning irresponsibly, without co-ordination and in a completely inappropriate manner. If that is the kind of Ontario that the Minister wants, he will get it. He will not have to do anything in order to get it. So I simply suggest that he get on the ball and get moving and not only concern himself with urban centres like the Lakehead and like Metropolitan Toronto and Ottawa-Carleton. There is a lot of land and a lot of area between these centres of crisis and that is where the decisions are going to be have to be made in the next few years.

Mr. Chairman: Before we proceed, perhaps the committee would permit me to inform them of the progress on committee of supply. I have heard that there is some sort of an informal agreement as to the time allotted to each department. This, of course, does not constitute any official direction for the Chairman, but I believe the members would be interested to learn that there are exactly 16 minutes left for this department under the informal agreement.

The hon. member for York Centre.

Mr. J. L. Brown (Beaches-Woodbine): You will never make it.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I want to compliment the Minister first of all on the approach that he has

taken in the county of York in trying to reorganize local government. I think that his idea of trying to have it developed within the county itself is a good idea. There are two mistakes, I suggest, he made in doing this.

First of all he has indicated that the region should be a certain size. I do not know why it is necessary to suggest that it have to be a certain size, other than to be sure that it can function; that it has sufficient financial base to do the borrowing and that it has sufficient financial base to provide, maybe, a proper planning staff.

The second thing is that he has made the mistake, I feel, of having one committee alone working on this—a committee that, because of the very nature of its members is inclined towards a very centralized type of approach to government. The Minister himself, in setting out the suggestions as to the way the regions should be reorganized or organized, suggested functions for local government that would be very minor and as a result he may recall that the reeve of Aurora suggested that there may be some problem in getting people to run for the job of local janitor.

Although the official committee and those who have been on the county council—who are heads of municipalities—are inclined to have very centralized organization of almost all municipal and local government functions, that this is not the real desire of a great many in the municipalities.

As a matter of fact, in the region, or in the part of the region that I represent, over 60 per cent of the people have indicated a very strong wish for small local autonomous units where they feel that they can have more say in the direction of their local government and have the major responsibility of local government including welfare, health and such functions in a local community base. For that reason I would like to ask the Minister if there can be made available, to those who feel that there should be more local autonomy, smaller community based governments which are part of the region. In addition to such information that has been very helpfully made available through the Central Ontario Regional Development Council study, that other experts of the department might be available to people who would like to build up a case and good reason and logic for more local autonomous units and also local government boundaries, municipal boundaries on a basis that appears to be sensible in the light of geographical and sociological and other considerations. In other words, there is a group of people who are very anxious to provide an alternative programme to that which seems to be pressed forward by the official committee appointed by the Minister. These people would like to have the assistance of the department in technical matters, in providing an alternative programme to the Minister for the reorganization of local government in that area.

I think if the Minister can provide assistance to others than the official committee through the experts he has in his department I think it will do a lot to solve some of the problems in this region and I think in other regions where the Minister is desirous of reorganizing local government structure.

Hon. Mr. McKeough: Mr. Chairman, just to comment briefly on the remarks of the member for Peterborough, who tells me that he has had to return to the education committee. He will read what I have to say with interest, so I had better say something, I think.

I appreciate what the member for Peterborough had to say. I can agree with a great deal of what he has had to say. I do not think perhaps it is quite as simple as he may have boiled it down to. What he finally said was that the quality of the environment in the province largely depends on the actions of this department and the government as a whole.

I think we have to take the position that the quality of the environment, in large measure, is going to be determined not only by the government but by the local municipalities, and the problem in the Whiterock area, of course, is that the particular councils have not passed the most rudimentary controls.

As I look back I regret that we did not do something about this sooner. On the other hand, I think some 550 municipalities in the province have the most minimum control, which is subdivision control, and which, of course, would have largely prevented the Whiterock development. Out of the 920 municipalities, 550 have, in fact, passed subdivision control bylaws, or have had them imposed by Minister's order.

The member suggested that it would be a good idea if subdivision control were imposed on the remainder of them. I think in response to a question from the member for Downsview (Mr. Singer), I indicated that we have given some thought to this. There is the problem of enforcement. There is the problem,

of course, of the increased number of severances, for example, which would come to the department. We are literally going crazy now in trying to handle the severances which do come to us where there are no committees of adjustment.

As to the particular instance which the member raised the other night in the township of Tay, the Minister of Financial and Commercial Affairs (Mr. Rowntree) is investigating it. I find it incredible, you know, and I think the member does too. Let me comment for a moment on the editorial in the *Globe and Mail* which said that is a loophole that should be plugged. I find it incredible that there would be that many people in the province who would be prepared to build a house on a 21-year lease.

Mr. V. M. Singer (Downsview): Twenty-one years less a day.

Hon. Mr. McKeough: Less a day. I suppose the obvious thing to do would be to shorten that 21-year period and say that a severance is created aften ten years less a day. Even the 21 years has implications now for shopping centres and commercial developments.

You know, they rent a store in a shopping centre and it is for a 25-year lease or something. They have to go to the committee of adjustment for approval of that severance, which is really somewhat ridiculous and I think the member would agree with that. If we shortened it to ten years we would be piling that much more work on them.

However, we are taking a look at it—both Financial and Commercial Affairs and ourselves—from the point of view of what needs to be done. But this refers back to what the member for Peterborough said. If we just put on subdivision control, which is already in effect in the township of Tay—we can do that, but then we have to go to the next step. Do we have to put on some sort of a zoning order?

Unless, sir, there is really some sort of local will, how do we enforce the order, without adding to the bureaucracy?

If there is not a will, some sort of a will, at the local level to come to grips with these problems and to do something about it themselves—regardless of whether there are grants for planning or not, regardless of the cost—if there is not some sort of a will to do something about it, it is very difficult for government in Queen's Park to really come to grips with it well. I have said this before. What we end up doing is simply saying "no," being terribly negative, and rather inflexible in our approach.

Without knowing very much about it, I am sure that there are many of those lots in the Whiterock development which make a great deal of sense. Perhaps they are on poor land. Perhaps there is provision for septic tanks and the development is sensible. Local people can go out and look at the conditions and they know that it floods in one area every 50 years and it floods in another area twice each summer. They know that. That is an oversimplification of the problem, but they do know these things.

Mr Singer: But it is not the local people who are being taken.

Hon. Mr. McKeough: That is right, but it is a local council which expects to collect the taxes from the people who are going to move in there and for whom they have some responsibility, or should have some responsibility.

Just to finish Whiterock, we are proposing that within the next two weeks we will call a meeting of all those municipalities and discuss what they should be doing to find out the extent of the problem in terms of the number of lots that have been created. Any one of the municipalities at this point can still pass zoning bylaws—could freeze the development. I hope this would not happen, because undoubtedly there may be people who have bought lots in good faith and can sensibly build on those lots. But we hope in the next two weeks to convene a meeting of the municipalities and see exactly what can be done in terms of some sort of land use controls.

The member for Peterborough also talked about the wider problem, the problem of provincial planning. He and the Treasurer certainly engaged in a debate on that, which I read with interest during the course of the Treasurer's estimates.

I would simply say this. I recognize many of the problems which the member for Peterborough raises. We live with them daily. I am not nearly as discouraged as the member for Peterborough apparently is. I am, in fact, greatly encouraged that we are arriving at the point in time where there is public acceptance and where there is a will on the part of the government to proceed along some of the lines which the member for Peterborough suggested.

There was a meeting yesterday morning which to me was very encouraging. This was

a staff meeting and I would hope in the next few months that some of the plans which the Treasurer talked about as being in boxes would start coming out. The members then would see exactly what has been going on and, I think, would have some indication of the very united approach which is being taken by the government to come to grips with what are very difficult and very thorny problems which together we are trying to sort out—the kind of environment we are seeking to hold and to maintain and to create.

The member for York Centre mentioned a couple of things in connection with the York study. One question was the size of the region—why 150,000 people? This is determined for a number of reasons. We said, for example, 150,000 to 200,000 people was the minimum figure with which most departments felt they could work. Some of them—

Mr. Deacon: —most departments?

Hon. Mr. McKeough: Government departments.

Mr. Deacon: Are they given consideration or should it be the municipalities who are given consideration?

Hon. Mr. McKeough: No one has been more vocal than the members of the Liberal Party in saying that we should have common administrative units. Now if we are to have common administrative units, if we are to have co-terminus building blocks for government purposes, for regional development purposes, then there has to be some consistency or some minimum size.

For example, in York county you have been aligned with an adjoining county and an adjoining city for health purposes. We would hope to convince The Department of Health, in the process of setting up a regional government, that perhaps they could stretch the point and have a health unit for the 150,000 people, plus the growth that there may ultimately be in York county. But you are not going to do that if you keep taking away from the 150,000 people.

That is the reason the minimum is there. That is the figure with which government departments felt they could establish administrative units and if they make sense for government departments in most instances they make sense for municipalities in terms of a number of their services.

A municipality of less than 150,000 people would find it very difficult to support an adequate planning staff. There are a number of other services which start to become practical, in our view, at the 150,000 to 200,000 level.

The member obviously does not agree. I am a little confused by the member's attitude. He is now talking about leaving such services as health and welfare, as I understand it, at the local level. I reject the concept that we are going to set out to create new units of local government in regional governments without some look at the local municipalities, without some attempt to sort out local boundaries.

I have to say to the member, whether he agrees with this or not, that, in my view, 13 municipalities plus police villages in the county of York are too many—far too many.

Mr. Deacon: Maybe they are; we do not know.

Hon. Mr. McKeough: There has to be some consolidation. I am not going to go through a regional government exercise merely to improve what essentially is a county council structure which is not acceptable to urban municipalities.

Now, it happens that there is not a separated municipality in York county but there have to be some drastic changes in the county system in a number of areas if in fact we are to bring the urban municipalities back into the county system. The association of counties which has worked with us very closely, I think, recognizes that it originally started on the approach that what was needed was simply to bring the separated towns and cities back into the county system.

It very quickly came to the realization that this was not just going to happen that way, that in fact the urban and rural interests were going to come together, as in fact they have come together in so many ways, but perhaps least in the minds of politicians. Now in the minds of the people—we have discussed this often—the people themselves, there is not that difference in viewpoint. These connotations, town and country or rural and urban, are largely in the minds, I think, of politicians rather than in the minds of the people who are being served by the services. Because whether they live in a town or in the country, they want essentially the same kind of services.

Mr. Deacon: Could I correct the Minister's impression? I think he has taken the wrong meaning out of what I said.

Mr. G. Ben (Humber): Please do not. He will take another half hour.

Mr. Deacon: What I want to convey is that local government should be reorganized. It may not be fewer municipalities, it may be many fewer municipalities, but it should be reorganized in such a way that it has meaningful community tie-ins. My concern here is that there are a lot of people who feel that the present method being adopted by the committee is not making sense in reorganization of local government structure and for that reason they would like to have assistance of experts in providing an alternative.

Hon. Mr. McKeough: Well, let me assure the member that within—and perhaps he is not aware of this—in the last week or so, we have started a round robin of meetings with each of the municipalities—I was telling members of the House this last night—started a series of meetings to do exactly what the member is suggesting, I think.

Mr. W. Hodgson (York North): The hon. member for York Centre surely is not suggesting that we take this power away from the elected representatives in York county—

Mr. Ruston: Time, time!

Mr. W. Hodgson: Oh, hold your horses for a minute—take this power of this intercommittee away from the elected representatives and put it into some individuals within the counties. Was he asking the hon. Minister to give him help for private organizations to study this, instead of the people we have elected to do it?

Mr. Deacon: Mr. Chairman, the people who have talked to me are people who are members of councils who do feel the approach being taken by the central committee is not in accordance with their wishes. They would like to have the assistance of the department in presenting an alternative view.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I had the opportunity last night to speak to a large and representative group of taxpayers in the Prescott-Russell area. They were complaining to me that the appointment of the regional assessment commissioner had been entered into without, they felt, adequate consultation. And in fact the person who has this responsibility finds himself dealing with a community which is about 60 per cent French-speaking and he is not competent in that language himself.

I do not think they were offended at this but they feel he will not be able to carry out his functions properly because of that. I wonder if perhaps this is something the Minister overlooked in setting the qualifications for this important position in that area.

Hon. Mr. McKeough: The area director, of course—the first thing that should be said of the seven directors—an area director who is bilingual has been assigned to that area. We recognized this from the beginning and Mr. Ricard is the area director covering that whole area.

The second point that should be made is that in the applications—and I think I said the other day in response to the member's question that there were something like 100 applications for the job of regional commissioner. In fact there were over 200. There were very few, and I regret this, bilingual applicants. In fact there were very few at all and none of them really qualified, I am told by the Civil Service Board.

We knew that when we appointed a commissioner who was not bilingual that this would create some problems. There will be two or three of the people under him who are bilingual—the managers, at least one of whom will be located in a sub-office in Prescott and Russell.

Mr. Nixon: Would the Minister think that perhaps there should be a programme in his department of upgrading people specifically for that purpose?

Hon. Mr. McKeough: I agree.

Vote 1404 agreed to.

On vote 1405:

Mr. Nixon: Mr. Chairman, on item 4, the Minister is asking the House to approve an expenditure of $123 million for The Residential Tax Reduction Act. A number of his colleagues have made statements that they have later said were not essentially statements of policy, which indicated there were going to be substantial changes and the Minister himself has made these indications. Perhaps before we get into any kind of a discussion on the basic shelter exemption grant, or how it is going to turn up in the future, the Minister might give us his views as to what the course of government policy is going to be.

Hon. Mr. McKeough: Well, of course, the leader of the Opposition has summed that up very well. We were talking about the government policy. It is a programme in which changes will be implemented during the course of the Treasurer's Budget some two or three months hence. I can tell the member

we are looking at a number of approaches. The mayors and reeves—you know, the thanks always come later I guess—the mayors and reeves in their presentation to my department the other day said: "Do not do away with this programme." This was rather interesting. The mayors and reeves in their presentation to the Cabinet the other day said: "Do not do away with this programme."

Mr. C. G. Pilkey (Oshawa): That is understandable.

Hon. Mr. McKeough: Yes, I know, but this had not come out before.

Mr. Pilkey: They are not too sure they are going to get the money.

Mr. Ben: Why does the Minister not answer the question?

Hon. Mr. McKeough: The Prime Minister (Mr. Robarts) in his reply—and I think this is what has consistently been said by the Prime Minister, by the Minister of Revenue (Mr. White), by myself and the Treasurer—gave the assurance that if the form of relief to the municipal taxpayers is in some other form, the net result will not be any less to the taxpayers. Now, whether a different formula is worked out or a different way of doing this, the $120-odd million will not be reduced. That amount of money, as a minimum, will be going into some form of municipal subsidy.

Mr. Nixon: Well, I wonder if the Minister might indicate what the alternatives that would be considered would be? Obviously, the basic alternative is the possibility that if the province institutes its own income tax system, that there will be deductions that would accomplish the same thing in a much more efficient way. Surely it is possible, under the statement made in the federal white paper a week ago that with the offer of co-operation, surely the federal-provincial collection agreement would permit a similar sort of credit being allocated. This, in fact, was the position we took at the time this was discussed in the past, that the administrative costs were unduly high and the Minister said our projections were too high when we said it would cost up to $8 million to administer for one year.

I think that is the administration of the present programme. The Minister was normally considering the cost associated with his own department and not the cost associated with the number of assessment departments across the province and the calculation associated with them.

Whether the Minister, Mr. Chairman, agrees that the administrative costs are high, as we say they are, I think he would agree that they are too high for the distribution of this fund but, in essence, it amounts to a programme of over-taxation with the refunding through this elaborate bureaucracy, which the Minister says he does not want to expand, in a programme which he has said may not in fact be done away with.

I think that we must, at this time, go on record that we do favour using the federal-provincial tax collection agreement for the provision of credits which would give assistance to property owners in this manner. We think that the problem, of course, is much more extensive than that pertaining to the responsibility for the cost of education, but this is neither the time nor the place to go into that. I would like the Minister to perhaps give us some further information on the experience his department has had with the administrative costs and I would like him further to extend that into the costs that are experienced by the municipality in returning the fund.

I do not think it is as simple as perhaps the Minister in his statements of the past would have us believe but even with the elaborate tax collection forms that are now coming out on the basis of county assessment, which are largely done by computer, I found in the five tax bills that I received, each one of them had ink notations and crossings out where the computer had given me more of a credit than I deserve. Unfortunately I do not think it is possible to appeal that. But the thing is more complex than the Minister perhaps realizes when it comes down to the actual application of the day-to-day work of the assessment and tax officials in the local municipalities.

Mr. Young: Mr. Chairman, if I might just add a word before the Minister replies, a programme like this inevitably distorts a situation. It has been suggested that this rebate might come back to the municipalities, and I suppose the mayors and reeves would be happy if it came holus-bolus to the municipal councils instead of going to the people concerned. The distortion has occurred where tenants are concerned, because they have now been getting the rent rebate, the tax rebate via rent or in some way. If a grant is made to a municipality, theoretically this rebate would come back to the landlord. Then the problem is to get it back to the tenant again. So that kind of distortion is going to be a very difficult thing to overcome. I would like to get

some information from the Minister what might be done in this field. He has not said just what he plans and I doubt if he knows at this moment because it is a matter which is still being discussed and will emerge in the fullness of time, I presume.

In any case, certainly relief must come to municipalities. We have talked about the foundation plan which I think the Minister has said he is looking at, and this, perhaps, ultimately must be the answer. Also, I would think that the Cabinet ought to be looking at the Ontario Municipal Improvement Corporation. I would like to say more about that body but I have no time today. I will bring this up at another point at another time. But that corporation might be expanded into a real municipal loan fund where municipalities might get loans at interest rates which could be better than they can get on the open market, if in fact, those loans are backed by the province. This might mean a saving of some millions of dollars in interest rates for municipalities. And this is something that I think the Cabinet and the Minister ought to look at. The whole matter of municipal finance is one which is vexed today. If there is going to be a change in this field then this whole field of a loan fund, of the foundation plan, ought to be considered. I think we would be interested in hearing what the Minister has to say.

Hon. Mr. McKeough: The member for Yorkview points out some very real problems but one thing he did not mention. There are a variety of ways to transfer the $120 million back. It can simply be added, for example, to the education grant. It can be added to the unconditional grant. This has a number of problems including the problem of tenants, which he has described. Adding it to the educational grant also means that it could be of equal benefit to the commercial-industrial taxpayer which was not the purpose for which the programme was put in. To return the same amount of benefit to the residential taxpayer, you would probably have to return $200 million to all taxpayers as opposed to $120 million going to a certain class.

The other point, of course, which this programme and other programmes have not got at, is the very difficult problem of the regressivity of the real estate tax. This is the one programme that did something about the regressivity and I think that is something that we should not soon forget. If, as, and when we have a personal income tax system of our own, then of course it could be done more easily. You could get at the regressivity to the fullest extent at that point by making deduction for municipal taxes, for mortgage interest payments and for a variety of other things. Now, whether it is going to be possible to work out those things with the federal government through the negotiations which will go on within the next six to eight months, I have no idea. I would hope so because I think the use of the income tax form gives a much wider possibility for some of the things which we have both raised. You have to remember that, for example, the federal white paper, as I read it, indicates that 750,000 more people are not going to pay income taxes. Now, are they going to file returns? One almost gets the impression that they will not be filing returns; they probably will. But there is no sense in our talking about a credit on an income tax when no income tax is being collected. What are you crediting it against? We are not simply interested in creating a credit which is not going to have any purpose.

So these are some of the problems that I see. As for the leader of the Opposition, where the figure of $8 million came from is beyond me. This year the costs of the whole municipal subsidies branch are in the neighbourhood, I think, of $400,000. The tax reduction would amount to something less than half of that and that includes a certain amount of advertising which has gone on this year. It could not possibly—

Mr. Nixon: But I think the advertising was a little heavier for the first year.

Hon. Mr. McKeough: Yes, certainly. The costs for everybody were a little heavier the first year. The costs last year were in the neighbourhood, I think, of $500,000 but they will settle down this year.

Mr. Nixon: That is for your department. I think the main costs were elsewhere.

Hon. Mr. McKeough: Where the figure of $8 million came from is just beyond me. When you consider by our estimates that the whole assessment function in the province is costing $14 million to the municipalities, how could they possibly be spending $8 million or anything like it on the tax rebate programme? Stop to think of the implications of that. If the city of Brantford had 30 people in the assessment department, do you really think there would have been 15 people concerned with getting ready for the tax rebate programme?

Mr. Nixon: No, but I think the best estimate was for each determination in the first

year. There was probably something like $2 spent in time and calculation, all of the cheque writing, the postage; if everything were calculated, there are those who are prepared to say that it was a $2-per-customer item to refund money that had been overtaxed in the first place.

Hon. Mr. McKeough: No way.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, on this very important tax drain, I think the whole $122 million is a fair admission of overtaxation on the part of the government. I would like to ask the Minister, of the $123 million returned, could we have a breakdown of the millions of dollars paid to American owners of property and, say, cottages in Ontario? How many millions of dollars were paid to American owners of property?

Hon. Mr. McKeough: As I have explained before, we have no way of knowing that.

Mr. Sargent: You would not have any breakdown on that?

Hon. Mr. McKeough: No.

Mr. Sargent: I would like to thank the Minister for the good staff he has got. If we have to live with you I am glad you have a good staff, anyway. They gave my deputation a very good hearing. They did not give us what we wanted but they gave us a good hearing anyway. I think it was better than we would have got from you.

Is there any way you can give us that figure of the amount of moneys paid to American cottage owners under this rebate tax system? I mean, why can you not give us the breakdown of that? Could you do that?

Hon. Mr. McKeough: No, because the assessment rolls do not indicate the nationality of the owner of a particular piece of property. They do not indicate whether—

Mr. Sargent: How do you pay them?

Hon. Mr. McKeough: We do not pay them, we reduce their taxes on it.

Mr. T. P. Reid (Rainy River): Could we suggest that you have this put on the assessment rolls?

Mr. Sargent: Does the Minister think it is fitting that you overtax the people of Ontario $123 million, and then that you should return X millions of dollars of our money to American cottage owners here? Is that fair?

Hon. Mr. McKeough: We have debated this before, Mr. Chairman. The Act was amended this year and we had a very full debate on it. I stirred up a little steam, as I recall, for some of the New Democratic members. I think we had a division on this, as a matter of fact, Mr. Chairman.

I suggested that if we were talking about equitable real estate taxation, we were talking about people who lived in houses, or cottages in this province, and what their nationality was, was something else again. I suggested when we were talking about whether people were attending university, whether they were from the United States or if they were from Berkeley—I think I recall saying —and going to our universities, that that was part of our educational system. I said that I hoped that as a country, and that as a province, we were big enough to accept visitors to this province, be they here for educational purposes or cottage purposes.

Mr. Sargent: Oh, come on, just a moment. I am not talking about that. Does this not grab you a bit? I am a millionaire owner of something in Detroit and I get a cheque from you—a rebate on the taxes of my cottage in Ontario. Does not that grab you?

Hon. A. Grossman (Minister of Correctional Services): Are you a millionaire in Detroit?

Mr. Sargent: No, if I were living in Detroit and had a cottage in Ontario, and got a cheque from the Minister for $60, or $100, or whatever it comes to, I do not know—this is ridiculous. I think there should be some breakdown that these people should not get—

Hon. Mr. Grossman: It would probably cost you $100,000 to find out.

Mr. Sargent: —a rebate from overtaxation. That is what it amounts to. They have the same deal going on in B.C. where they are completely debt free; they have $150 a year rebate.

Mr. Pilkey: He is reading some of Bennett's stuff.

Mr. Chairman: Is there another point you wish to make?

Mr. Sargent: I guess that is enough.

Vote 1405 and 1406 agreed to.

On vote 1407:

Mr. Nixon: On vote 1407, Mr. Chairman, I wanted to say something about the Ontario Municipal Board, and get some information from the Minister.

The Ontario Municipal Board has, more and more, come under criticism from municipalities who feel, not that the board members are in any way biased or unfair, but that they are wielding powers that are not democratic. Powers that might better democratically be wielded by the Minister, or some other emanation that is responsible directly to him.

I do not think it is necessary to take the time of the House to go over again the cases, let us say, such as those in the area surrounding Belleville, where the board was persuaded by the Minister, I presume, to hold new hearings in the applications—

Hon. Mr. McKeough: Not so, not so. I do not persuade the board to do things. There was an appeal to the Cabinet and the Cabinet said there would be a rehearing. But I do not want the inference left that I persuade the board to do something.

Mr. Young: On a point of order, Mr. Chairman. There was some agreement after the leader of the official Opposition had tried for a long time to get new rules in this House. We had an unofficial agreement that this estimate would end this morning at approximately 11.15 or 11.16, and then we agreed we would have a little further item on the matter of the rebate.

Now, are we going forward and taking more time on this and squeeze out the rest of the estimates? What are we going to do? It seems to me that the hon. leader of the Opposition is completely out of order in this debate.

Mr. Nixon: The hon. member has raised it as a point of order. My understanding of the *ad hoc* agreement entered into a few moments ago was that the time we were going to use in this discussion would, in fact, be subtracted from the sitting assigned to the discussion of The Prime Minister's Department and the—

Mr. Young: No.

Mr. Nixon: Is that not so? Well, that is what my Whip—This is peculiar. It is obviously not a point of order.

Mr. Sargent: What is the salary of the chairman of the municipal board?

Hon. Mr. Grossman: The member's leader was on his feet.

Mr. Sargent: Oh, I am sorry.

Hon. Mr. McKeough: To answer the question, I think it is $28,500.

Mr. Sargent: Are you finished?

Mr. Nixon: No, I am not finished on this. It is unfortunate there has been a misunderstanding. If the hon. member will give me a couple of minutes to ask the question, if he wants to use similar time himself, or more, I have no objection. This will only take a moment or two.

I would ask specifically to the Minister of Municipal Affairs if he contemplates any changes in the function of the Ontario Municipal Board. We are asked to vote money for its activities during the coming year, and does he feel that there is a sufficient democratic oversight on the decisions made by the board? Does he continue to feel that an appeal to the Cabinet is an effective way in which these communities, who feel that they have not been fairly treated, have recourse?

Hon. Mr. McKeough: No, Mr. Chairman. I have to say that I suppose these matters are always under consideration. There is a review of planning laws in the province going on which may give us some indication of perhaps a change in the form of the board.

I think all members would realize, that there seems to be a tendency in the province to think more in terms of Ministerial responsibility than in terms of responsibility delegated to certain boards. This, of course, is the English system. In practice it works out in much the same way. In England, the Minister of Housing and Local Government told me he has a series of enquiry officers, perhaps 200 of them. In most instances the recommendation of the enquiry officer is automatically confirmed by the Minister. I suppose he does not even see it. We may be heading in that direction.

I would have to say to the member, with great respect, that I went through about ten hours of meetings with ratepayer groups of the city of Toronto in connection with their official plan. I do not think there was a ratepayers' group with whom I met that did not express the highest admiration for the work that the board does.

There is no question that the city of Toronto has suffered for some time by not having an up-to-date official plan. Had there been an official plan—and we have one now—which the council followed with some regularity, there would not have been frictions between some of the ratepayers' groups and the council and the appearance, therefore,

that the municipal board was constantly coming down on the side of ratepayers' groups. That is an oversimplification of the problem; very much so.

Whether it is the municipal board or whether it is Ministerial responsibility, I see the need for some form of appeal from a municipal council in zoning matters. We are talking about the rights of property, I guess—the rights of an individual to do something with his home, or have some influence over what happens to his neighbour's home, a person down the street.

There has to be some appeal from the decision of a municipal council, in my view. Where that appeal may end up—whether it should be to the Minister, or to the municipal board, I simply do not know, but I am glad to put this on the record. And those meetings I had, when I think about the ratepayers' groups, every one of them, very forcibly brought home their respect for the board.

They do not always agree with the board but they like the system. They were not too happy, a couple of them, when I suggested there might be Ministerial responsibility. They are happier to leave it with the board.

Mr. Nixon: There is just one further question and I really would like to hear the Minister's opinion about this. It has to do with the decision of the municipal board to reverse the Toronto council decision on the ward boundaries that were drawn.

Frankly, I happen to agree with the view that the municipal board expressed, in that the ward boundaries as they were drawn, were unfair. But, as a matter of fact, I do not believe that an appointed board should have the power of veto over a decision of that type taken by the elected people in the community.

Now there is a problem here. I could see the Toronto Act having to require an amendment that, perhaps, would have to come before this Legislature. But, in my own view, the democratically elected people at the local level have to stand or fall by the decisions they make and that surely is where it should have been left.

Mr. D. C. MacDonald (York South): Did the Liberal Party in Metro not ask the municipal board to alter the strip wards?

Mr. Nixon: All right, they did, but they had to use the machinery that was there, and they disagreed with the power that the municipal board had.

Hon. Mr. McKeough: The city of Toronto was in exactly the same position under the private legislation as is any other municipality in the province under The Municipal Act. That section is there in The Municipal Act. It was suggested by us—in fact, I think insisted by us—that private bills should contain it—although there was no resistance at all from the city of Toronto. They had accepted that the delineation of ward boundaries should be subject to some approval.

This is the greatest opportunity, we all know, for gerrymandering that can ever exist. There should be some impartial body that looks at this sort of thing and decides whether it is fair and equitable. This is exactly what the government decided to do, and the House agreed, five years ago and we had a redistribution. We washed our hands of it and turned it over to a commission.

Mr. Nixon: Quite the contrary. You are wrong on that point.

Hon. Mr. McKeough: Oh no, I am not wrong.

Mr. Nixon: No! Well, let us get into it then, because surely the independent commission that was appointed five years ago had the responsibility only to recommend to the government and to the House what the boundaries should be and we could—the government using its majority could—establish these boundaries in any way they chose. Gerrymandering is what they chose to do, but there was nobody other than the people to whom there could be an appeal. There was no board that could say that is wrong and therefore we will not permit it. It is not the same at all.

Hon. Mr. McKeough: Well, perhaps an independent commission should be established to recommend to a city what its boundaries are going to be.

Mr. Nixon: All right! That is a different thing.

Hon. Mr. McKeough: I do not think that is necessary at all. I think the city can work it out and the municipal board is there to confirm or negate that decision.

Mr. Nixon: Or veto. I do not think they should have that at all—

Hon. Mr. McKeough: Why not veto if it is wrong?

Mr. Nixon: I do not think they should have that power.

Mr. Sargent: Mr. Chairman, I think it is cosy that the Minister thinks they are doing a great job. From out in the boondocks, we think they have got too much power and I think somewhere along the line the Minister should realize that their power should be clipped so far as the hold they have on the lives of people of this province. The Minister says that the chairman, Mr. Kenney, receives $28,500 a year. In the last estimate we had —public account—he was getting $21,000 a year. Now, we increased his salary 33⅓ per cent. How many members of the board are there?

Hon. Mr. McKeough: There are 14 altogether.

Mr. Sargent: And what do the ordinary members get paid?

Hon. Mr. McKeough: $21,000.

Mr. Sargent: $21,000 a year? That is an increase of $6,000—a 33⅓ per cent increase to them as a board from the last estimate. They were receiving $15,000 on the last expenditure on our public account of what they were getting then. The chairman gets a 33⅓ per cent increase, the members get a 33⅓ per cent increase and the Prime Minister of the province sits there and lets the members of this House work for peanuts. I am getting fed up with it. It is time he should get up off it and do something about the members of this House and the salaries of the members of this Legislature. My desk is a foot high with correspondence I cannot touch. We cannot get any help and the Minister sits there and does nothing about the members' salaries here. But he increases the civil servants 33⅓ per cent.

Mr. Chairman: Order, order!

Mr. Sargent: Sure it is time for order, and order in this House too. So the Prime Minister looks out the window all the time when he should be doing a decent job for the members here.

Hon. J. P. Robarts (Prime Minister): I cannot look out the window.

Mr. Sargent: He should be ashamed of himself. What about the members here? Grow up!

Mr. Singer: Mr. Chairman, I have a couple of questions for the Minister. The duties that the municipal board have are getting more onerous every day. The last one that they were given was to act as the tribunal in expropriation compensation. I have had many occasions on which I have talked with the chairman and various members of the board and there is no question but that they have far, far too much work to do—and to do properly—and many things they have to consider that they are just not able to give adequate time to. I think it is about time that we got the compensation board that the statute refers to and no longer let that responsibility rest with the municipal board.

The other thing is this, Mr. Chairman, just very briefly again. It seems to me that there must come a time when in your large municipalities—and I think you could start with the four or five in which we have regional government—Metropolitan Toronto, Niagara Falls and Ottawa and the Lakehead—that the municipal board should be more and more withdrawn from its supervisory role insofar as these large municipalities are concerned. I think they have the financial base to run their own show and that if their councils do not do a proper job, the voters have an adequate remedy.

I recognize that in many instances, there has to be supervision but I think when the unit gets large enough and the assessment basis broad enough, that the municipal council should be able to run their show according to their best wisdom. If their voters do not like it then we can change their council, and I think this has to come. I do not think the whole system has to apply in the same manner throughout the province, but I think certainly for the large ones, the time has now come since you are moving to regional government, that this thing has to be reviewed and perhaps we could start with the existing regional governments now.

Vote 1407 agreed to.

Mr. Chairman: This completes the estimates of The Department of Municipal Affairs.

ESTIMATES, DEPARTMENT OF THE PRIME MINISTER

On page 121, vote 1501:

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, there are one or two points that I would like to raise. One that might be raised on another estimate, but I do not think it would be proper, has to do with the provision of facilities for His Honour. I think maybe a suggestion would be in order at this time that the apartment in this building be extended.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Chairman, these are the estimates of the Prime Minister's office. There are separate estimates for the office of the Lieutenant-Governor.

Mr. Nixon: I am aware of that Mr. Chairman. I think, customarily, the Lieutenant-Governor's estimates go through without debate; perhaps that should continue to be the way they might be dealt with. I just wanted to make the suggestion to the leader of the government that the facilities for His Honour might very well be improved to the extent that if he wants to stay overnight in his apartment, that that be possible. This is something we should look into.

As far The Prime Minister's Department itself is concerned, there is at least one thing I want to question the hon. gentleman about, and that has to do with the correlation of the planning responsibility of the various Ministers who now share this. This has been debated at length on at least two occasions, beginning with The Department of Trade and Development when there was a distinct feeling that the hon. Minister (Mr. Randall), in applying the planning function associated with the EIO programme, had not had sufficient contact nor co-operation nor even co-ordination with The Department of the Treasurer and Minister of Economics and The Department of Municipal Affairs.

There is no doubt in my mind that the decisions made by the Minister of Trade and Development in giving grants to certain industries which are going to expand, to provide jobs where none existed before, are essentially making provision for growth points in the province. It is interesting to note that the chief planner for economic development has his office very close to the Minister of Trade and Development, even though he works for another Minister—that his responsibility was transferred—although the gentleman himself, and his staff, were not transferred bodily at the same time.

The Minister of Trade and Development says that he wished this transfer would take place and he made a very princely offer that he would even pay for it, if it could be arranged. I think this is an indication, perhaps, of the high good humour of the Minister of Trade and the underlying feeling that he is not too concerned with the kind of developmental policy that comes out of The Department of Economics.

Now, the Treasurer (Mr. MacNaughton) has a parallel heavy responsibility, the responsibility to deal with the ten economic regions of this province and to bring forward a plan based on the Prime Minister's (Mr. Robarts) statement, the Design for Development. This statement is now in two parts and indicates that it is basic government policy to develop a programme and plan for the province through The Department of Economics.

It seems that the Prime Minister, who is chairman of an interdepartmental committee which oversees this, is having a bit of bad luck. It appears that this basic Design for Development is not getting off the ground; that he is working himself through The Department of Economics into a very complex rationalization of what modern planning should be, and that we are not properly using those people in the field who want to participate in the development of so-called plans for Ontario which we believe on this side are so essential.

The other ingredient in the confusion is the fact that the Minister of Municipal Affairs (Mr. McKeough) has probably the most important responsibility for planning and that he is planning for communities, not for economic development, and it is here that it appears the main thrust is coming in an effort to bring communities together in larger units for municipal government.

Now a case in point—and I will just bring it to the Prime Minister's attention rather than give the details—has to do with the division of the regional development councils of Niagara and Lake Erie and the dividing line runs down between the counties of Haldimand and Norfolk. This is under the direction of the Minister of Economics (Mr. MacNaughton). At the same time, the Minister of Municipal Affairs has a very high-powered and expensive—and I believe effective—study on bringing those two counties together in a new regional government, or at least prospects of that for the future, and his responsibility goes across that line as if it did not exist.

I believe a kind of conflict of interest in at least a sense does exist under those circumstances and the work of both departments is rendered much less effective because of it. None of the Ministers is, of course, responsible specifically for this conflict. There is only one Minister who is responsible and that is the Prime Minister, and he has taken the time of the House on many important occasions to describe his views of what he likes to call a Design for Development. It appears to me that the design is falling into chaos, and that it is his responsibility, and his exclusively, to

bring some order out of the three planning responsibilities that are presently being exerted in the province, some more effectively than others.

I just do not believe that a department dealing with trade development and housing, which concerns itself with our economy and our people, can continue to make decisions such as the decision to purchase land in Waterloo county without any reference to any design for the development of the province, or any consultation with local planners. I think this is a serious matter, a matter which the Premier himself has given great importance in past debates; a matter which I feel is heading for the rocks if it is not already on the rocks. And I would like to know what effort is being made in the Prime Minister's office to bring some reality into the obvious need to have a plan for Ontario and not some kind of a mishmash or a chaotic approach which, in fact, is not serving our citizens nor our community.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, in this vote, I would like to grill the Prime Minister, for whom we all have a very high regard—I say that truly, I mean that—but we have a right to speak our mind if we want to and I think he should be on the grill a bit the odd time. Your Ministers have to suffer through that, and they walk out of here with a sigh of relief as they head for the bars when they finish their estimates. There is nothing wrong with that at all; but I would like to ask how much money do you receive as Prime Minister? These are your estimates, you should know that.

Hon. J. P. Robarts (Prime Minister): Yes, I know that. Even if they were not my estimates I think I might be aware of how much I was making.

In answer to the question of the leader of the Opposition—perhaps I should deal with that one first—I would in no way—

Mr. Nixon: Agree?

Hon. Mr. Robarts: No, I would in no way disagree with your assessment of the complexities of this whole planning process. It is hard, I might say, to pick any moment in time when you can move in on it because of previous developments, developments that are in process, and so on. As far as co-ordination of the total policy of planning in the province is concerned, this, of course, must ultimately be the responsibility of the whole government. You point to three departments involved, but if you just let your mind go a little further you can think, too, in terms of what the water resources commission is doing, in terms of what The Department of Highways is doing in the planning function, too. So that it is broader even than you paint it, and there are more departments involved in it and we hope to be able to—

Mr. Nixon: The problem appears to lie in those three departments.

Hon. Mr. Robarts: No, it goes beyond that, it goes beyond those three departments. When you get into the whole—

Mr. D. C. MacDonald (York South): That is why we have a problem; precisely because you do not seem to think we have a problem.

Hon. Mr. Robarts: But it must ultimately be dealt with, of course, by the government *per se*, which is the entire Cabinet, and which involves all the responsibilities held by each of the Ministers. We have a Cabinet committee on policy development which is designed to deal with just this type of thing and we are hard at work looking at the co-ordination of what is being done between all departments of government in the planning function. As the next step in this planning function, we hope to be able to move the whole process forward another step, and I hope that will come before too long.

I would give you every assurance that these three departments, or, indeed, all the departments of government, are not going their independent way. We must, of course, co-ordinate where the water resources commission, for instance, is going to put services. What is more important than development? Where water and sewage go, so will go development. The same is true of transportation.

Mr. Nixon: Could I intrude with a question on that specific point?

Hon. Mr. Robarts: Yes.

Mr. Nixon: If that is so, then why did you not act on that assumption in the development of the new steel industry on Lake Erie? Surely here was a perfect example of where the services of the province—and you mentioned water resources yourself, and I could not agree more—could have put their services in conjunction with Hydro in a location there. You could have said to those steel industries, "Here is property, here are services, here is transportation, here is the development of a town site". This is where you should go and make it attractive enough for them to do that, instead of reading in the newspaper that

Stelco is going to go in one position at Nanticoke, and Dofasco is going to go 25 miles down the lake shore, and then having the responsibility to plan around decisions that were taken elsewhere and without your knowledge.

Hon. Mr. Robarts: There is validity in your point, of course, but I would simply say that we are in no position to put forth a plan for the entire province and say, "Here you go and here you will not go". We may come to this eventually; I am not certain. I do not know that it is necessary. You see, to do what you say, you would have to have some sort of a plan which would cover the entire province; and then you would be saying—

Mr. MacDonald: Which is right.

Hon. Mr. Robarts: All right, and then you would be saying to certain industries, "You will go here but you will not go there."

Mr. MacDonald: Right. As you do in any given municipality.

Mr. Nixon: That may be what it would come to eventually, but surely you—

Hon. Mr. Robarts: All I am saying to you is that we are in the process of developing plans that will accomplish what you are speaking about, but I do not think we can ever do it by allocating certain areas of the province for certain things. I mean, there are all the local governments with their wishes, wills and desires to develop their own areas. There is a lot of coordination to be done before you can accomplish what you are saying.

It certainly would not be either popular or, indeed even proper, if we were to take certain areas of the province and say that there will be no industrial development here, for instance, until industrial development somewhere else has reached a certain stage. That is the ultimate, as you say. Somewhere there has to be some degree to which we can do that type of planning and this is precisely the objective we are seeking. But it is not an easy one to achieve, I can assure you. We have spent a good many hours working on this type of thing and we will come up with something, but I am certain it will not meet with everyone's approval because there are two sides to the question. There is the restriction of the right of people to do what they like with their own land. There is the restriction of the right of industry to go where it thinks best for its purposes for the profit-making function it has for its shareholders and for its owners. Then, of course, there is the general interest of where the development is going to go in the province, what type of land is going to be used and what type of land is going to be preserved, and so on.

There are a lot of conflicting interests involved in this, and I can only say to the leader of the Opposition that we are very aware of these problems and we are hammering out a programme which has been discussed here in the estimates of other departments which we hope it will meet some of these very, very difficult problems.

I believe that as far as what I am paid is concerned, I am paid the same as you are, as a member, and then I receive the princely sum of $16,000 as the Prime Minister, which is statutory.

Mr. Sargent: Mr. Chairman, does the Prime Minister think that is enough?

Hon. Mr. Robarts: I can only say this, and I have said this in the House before, Mr. Chairman, on other occasions. I did not really come into public life with any idea that I would make a fortune. I came here knowing that I would probably be paid a good deal less than I could make practising law, my own profession, some place else; and I have an idea that most men came here with the same idea. I think that members' salaries have to be revised and I can assure the hon. member that research is taking place in this regard too. I do not think that any of us really expected, when we came here, that we would be paid the equivalent of what we might get some place else. There is an element of public service in this job. There is an element of satisfaction I get on which you cannot put a dollar sign.

On the other hand, I am well aware that developments in this House in the last three or four years are such that the present indemnities—and I think we might as well stop calling them "indemnities" because that is an old-fashioned term—are probably inadequate. The real question is, what is adequate? I think that is obvious to anybody who studies the function of this House. This session started about a year ago next weekend. When I first came into the House in 1951, I checked this out, I think the session was seven weeks. We started at the end of January and finished at Easter. It is not the same ball game as it was five years ago. I see a routine now where when this session ends, for instance, I suppose shortly before Christmas, and we will resume probably about mid-January—I mean February—it will take that long to organize

another programme and we will sit probably from mid-February until June 30. We will rise for a couple of months—maybe three months—in the summer, and we will be back here next fall. This appears to me to be what is going to happen and we can settle down to that routine.

This certainly knocks a great hole in the ability of any member to conduct his own business on a successful basis. When we were sitting for seven weeks, it was relatively simple. I ran a law business which was on the upgrade all the time I was a backbencher. I mean I always did better this year than last year but I was able to do that by commuting between here and London. That would be completely impossible today. If I were attempting to practise law in London as a backbencher, I would say it would be impossible. You could do certain amounts yes, but not the way we used to be able to do it.

These are factors that must be taken into consideration. We have done what we can to relieve the burden, in the area of expenses and so on, over the years, but I think the members' salaries need to be revised and certainly I can tell you quite frankly that some very intensive study has been going on for some time on this matter. It undoubtedly will not be very popular in certain quarters and we have the awful problem of having to vote to raise our own salaries because we are the only people who can do do it. There is nobody to do it for us.

Mr. V. M. Singer (Downsview): The municipal board?

Hon. Mr. Robarts: Yes, the municipal board; but this, I think, we must face collectively. All the members in the House must face the fact that we have probably not been paid adequately. The thing I worry about is —and I suppose the leader of every party worries—I want good candidates and if a man has financial worries, in my humble opinion, he cannot do for his province in this House what he should be doing. In other words, he cannot handle this job if he is worrying about finances in the background. On the other hand, I must reiterate that nobody coming in here can expect to earn what he might be able to earn if he were devoting full time to some other profession.

Mr. Sargent: Mr. Chairman, I thank the Prime Minister for that but I want to continue on that line of questioning. This is not party policy, this is my own opinion, but I do think when our leader takes over, he should be paid a lot more money than you are getting.

Interjections by hon. members.

Mr. Chairman: Perhaps this might be an opportune moment to introduce the guests we have with us today in the gallery.

We have students from the Thistletown collegiate institute, Rexdale, and from St. Joseph's senior public school, Toronto, in both galleries.

Mr. Sargent: Very briefly, Mr. Chairman, I think it is fair to say that the job of the Prime Minister is such that it should be receiving the top salary in the province insofar as government is concerned, and no civil servants should be in the same league as the Prime Minister.

Mr. MacDonald: That takes you up to two or three hundred thousand.

Mr. Nixon: What does the chairman of Hydro get?

Mr. Sargent: I think in the area of corporate business, compared with what these directors and presidents of companies make, that to pay the Prime Minister the peanuts he is getting is ridiculous. I agree that he came into public life as a public servant and most of us did. I just throw this in there, that no one should suffer financially because of a desire to serve the public. The Prime Minister of the government is something we all strive for and no one should lose money by it. I appreciate the Prime Minister's stand and I believe him that it is in the hopper, but I do want to make this plea. I am fed up, Mr. Prime Minister, with the workload I have on my desk and the working conditions a member has are disgraceful. I want you to know that, sir. Something has to be done about it. In Australia, they have an office in the Parliament Buildings, an office at home paid for by the government, and I think we should look toward that end here—to match the status we do have in our communities. I do thank you for your very frank reply. Although I did not want to grill you, you have answered my question. Thank you.

Hon. Mr. Robarts: In connection with the facilities here for the members, once again the requirements become greater as the workload increases. I can give all members of the House complete assurance that our plans are to provide adequate space, but we have real problems to house the government and

to house the civil service, and you can only proceed at a certain rate. You know that our basic plan is to take this building and have it devoted to the needs of this Legislature, its members and the services that are provided to us. This will, in time, much improve the space requirements of the members and we have done a great deal as far as help is concerned. Perhaps it is not adequate. Perhaps there is more secretarial staff needed but it is all part of a long range development. In fact, we cannot do it much faster than we are doing. It is just simply a question of not enough space and practically every department of government is suffering from this matter of constriction of space as the functions of the government become greater.

But I can give you the reassurance that we recognize the needs of the members are probably not being adequately met and we have plans to do something about it but I doubt that we can do it much faster than we are presently doing.

Mr. Chairman: The hon. member for York South.

Mr. MacDonald: Mr. Chairman, I do not want to say anything further on this topic. I think the point has been made and we know that the matter is under review and that there will be an opportunity to investigate it on an inter-party basis very shortly.

I do want to revert briefly, if I may, to the question of co-ordination that takes place through The Prime Minister's Department and particularly the co-ordination required in the three key departments and other departments in the whole area of regional government and regional economic planning.

Now, if I may start with an interjection that was made by the Minister of Trade and Development. He has left, so perhaps I can deal with it without further interjections. He said there is no problem. The very fact that he thinks there is no problem is proof of the magnitude of the problem.

When that Minister could suddenly throw the plans of two or three other Ministers into a cocked hat in the fashion he did with the unilateral announcement of his satellite city in the county of Waterloo, then obviously there is a problem and it centres in his incapacity to see it. However, we have belaboured this point in other estimates. I will not belabour it further.

But I want to come back to the problem of co-ordinations of The Prime Minister's Department. And I do it by repeating what in my view is the validity of the model that was suggested by Professor Krueger a few years ago when he looked at all this. Now, I have said this before in the House so let me very briefly review it.

His contention was that there should be a Cabinet committee, as indeed there is, that it should fall to the direction of some executive officer of that Cabinet committee—rather than to any one Minister who is involved in the Cabinet committee—to pursue the work of the Cabinet committee, and that executive officer should, in effect, have the powers of a deputy Minister, responsible to the Prime Minister. In short, that man should be of sufficient stature that he does the work day-to-day, so to speak, in co-ordinating and, if necessary, knocking ministerial heads together. Clearly, ministerial heads, if they are going to be knocked together, will have to be knocked together by the Prime Minister, but he sets the pattern and this executive officer does the detail work. We have reviewed during the consideration of Trade and Development and during Municipal Affairs, many areas of absurd lack of co-ordination.

I do not want to explore the significance of the Prime Minister's observation that maybe at some time we will get around to a land use plan, indicating from the provincial level where industrial development should best take place in the province. It seems to me that this is absolutely inevitable, otherwise it makes a mockery of all your objectives for planning. If private industry can, in effect, go in and decide to set up somewhere without co-ordinating its approach or its plans with anybody, then it is doing the basic planning and you are fitting in, you are trying to rationalize the situation after it has made its basic decision.

The question asked, for example, with regard to Green Giant in Essex or the question regarding Stelco and Dofasco, are completely relevant questions. If private enterprise is going to have the right to make basic decisions, and government merely comes in and tidies up and tries to do planning around their basic decisions, let us quit kidding ourselves that we are going to do any planning, any rational planning. What we are providing is an ambulance service to reduce the consequences of the bad planning that is done in the first instance.

That is one aspect of the problem, but what makes it even more absurd, Mr. Chairman, and brings it back into the Prime Minister's department is that it is one thing to have to cope with the unilateral decisions of

private enterprise, but another thing not to get co-ordination between departments in the same government, so that one department does not know what another department is doing. Surely that is so absurd as to be intolerable. And I repeat what I said during consideration of the Municipal Affairs estimates. We were told by the people in the municipal planning branch, that they do not know what loans are going to be given by the EIO branch over in The Department of Trade and Development, and indeed, Trade and Development says, "We cannot tell you, it is a private deal with industry. We cannot tell you in advance."

We are back to the old mythology of the privacy of arrangements that governments make with private enterprise so that all of us have to take the consequences of some of these decisions and the rest of the government departments cannot be knowledgeable and, therefore, in a position to do planning.

So I say to the Prime Minister—we all acknowledge the complexity of this, but there must be more co-ordination done and if it is going to be done, it has to emanate from the Prime Minister's office—he is the boss. And if somebody is engaging in empire building, the only man who can stop that empire building and get the necessary co-ordination, is the Prime Minister. If he does not do it, it will not be done. Whether you do it through the Cabinet committee as you now have it, or a Cabinet committee more on the lines of the model suggested by Professor Krueger, I do not know, this is your decision. I conclude at this point by saying—as of now it is not being done adequately, therefore we cannot just take refuge in the fact that it is a complex problem and do nothing more.

However, Mr. Chairman, I want to move now, for a few moments, to another topic which I think legitimately comes under the Prime Minister's estimates.

Ontario's whole approach to the reshaping of Confederation has been closely identified with the Prime Minister. In fact, I think it is accurate to say that in Ontario's approach, the Prime Minister has been the structural engineer. Therefore it is appropriate that we come back to it and our exchange this morning during the question period was a very interesting prelude to what I wanted to say during the Prime Minister's estimates.

Like the leader of the Opposition, I found the Prime Minister's comments rather convincing in reply to Mr. Kierans' contention that the province of Ontario has lost interest in constitutional change. But there is this grain of validity in Kierans' criticisms. Because of the new stage we have moved into, of the nitty-gritty work at a committee level, the public is not aware, to the same extent, of what is going on. Indeed, members of this Legislature are not aware to the same extent, of what has been going on.

For the last three or four years we have had pretty extensive debates on Confederation. The Prime Minister may be right, that the debates were too heated in one sense—the whole issue was a bit "hotted up" and it had to be cooled down—and perhaps it has been cooled down within the framework of the continuing committees that are really getting at the basic job. But in some fashion or another, and the Prime Minister's estimate is one place where it can be done, I think we have to continue this debate. But because work is being done at the committee level, I repeat my suggestion. The Prime Minister responded favourably to it, at least by way of consideration for the next session. If we had a constitutional committee of this Legislature so that whenever any Minister, or group of Ministers, goes to Ottawa to advance still further the basic work of the continuing constitutional committee and its sub-committees—to the extent that it can be done—sometimes it is not public or cannot be made public at a certain stage of negotiations, but to the extent that it can be done—it can be presented to the constitutional committee—there will be an opportunity for a continuing debate there which will involve members of the Legislature. With the co-operation of the fourth estate, presumably it will involve and enlighten the people of the province of Ontario too.

But having said this with regard to the general problem of Confederation, Mr. Speaker, I do not want to roam the field today, I want to isolate one aspect of the problem and deal with it for a few moments. I think we can certainly fit it in before adjournment and have time for any reactions the Prime Minister may have.

I chose this particular aspect of the issue for two reasons: first, because I think the whole problem is as important today as it was during the period between the various constitutional conferences when there was considerable discussion about the whole reworking of the Canadian Constitution; but secondly, for an even more important reason—this particular aspect which I wish to raise was dealt with earlier in this session, sir, by the Minister of Social and Family Services

(Mr. Yaremko) in a manner so unacceptable, indeed, so offensive, that it provoked spontaneous cries of dissent and outrage from all sections of the Opposition benches.

I refer to the role in our country of the so-called "third force", the third Canada if you will—I know there is difficulty in getting the appropriate name, but for purposes of my comments today I am going to use that term—that is, those who are not of English or French background, and who have a strong feeling that their place in Canada is being ignored in public discussions which tend to centre on our two founding peoples. This growing third of our nation is too important to be left with the feeling that their interests are being overlooked in the whole process of reshaping Confederation.

Ontario is unique among the Canadian provinces in that its population includes the largest single group of French-Canadians outside of Quebec. We live daily with the challenge of French-English relations in our own midst, as well as in the historic and geographic ties with Quebec. Yet our population also includes the largest number of new Canadians of non-English, non-French background. The multi-national character of Canada's population, superimposed on the original founding nations of French and English, is nowhere better exemplified than right here in the province of Ontario.

For that reason I find myself in basic agreement with a statement by the Prime Minister of Ontario in his contribution to the Throne Debate of February 27, 1968. He said:

> I would like to make it clear that while the government of Ontario has accepted bilingualism, we have not accepted biculturalism. It is a fact of life that Canada is a multi-cultural mosaic and this is nowhere more apparent than in our province here of Ontario. Of this we are very proud and we think the multicultural aspects of our country are really part of the true Canadian nationality.

Put another way, the "true Canadian nationality" can be achieved through building a working relationship between the French-English partnership and the new mosaic of many national backgrounds. It is vitally important, in my view, that we resolve the continuing tensions in the original French-English relationship. But looking ahead to our second century, it is equally important that we acknowledge the role of those who have come to be known as new Canadians.

Two points of a general and philosophic nature must be borne in mind. The historian, Lord Acton, once wrote that the quality of a society is not measured by the life it creates for its majority, but by the status it gives its minorities. For us this is of vital concern; Canada is a nation of minorities, no one of which constitutes a numerical majority today.

Secondly, there is a strong bond between language and culture. "Culture is to the group . . . what personality is to the individual," it has been said. If, to borrow the Prime Minister's phraseology once again, the "multicultural mosaic" which is basic to "the true Canadian nationality" is to survive and grow, then linguistic rights must be acknowledged. Without linguistic rights, cultures will wither and die.

As far as French linguistic rights are concerned, these have been strongly endorsed by the bilingual and bicultural report and are now enshrined in law through The Official Languages Act which has established bilingual districts in which the language of the majority group—French or English—will be taught and hence protected. For the first time in our history there is now reason to believe that our goal of a bilingual Canada is beginning to be accepted.

But if our broader Canadian objective is that of a "multicultural mosaic" what, as a matter of policy, should be done for all the other groups on whose language depends their continued cultural contributions to Canadian society? It will be recalled that one of the bilingual and bicultural commissioners, Dr. Jaroslov Rudnyckyj, while supporting the recommendations of the report as a whole, appended a statement calling for certain regional linguistic rights for other groups wherever their numbers make these rights a feasible proposition.

Is this a realistic proposal? If so, how can it be achieved? If we are really proud of our cultural diversity out of which we seek to achieve unity, how can we assure its survival and growth through broader language rights in which that cultural diversity is rooted? Is it possible to assure these broader language rights in a manner that is economically, administratively and politically viable? These are questions that demand careful consideration by this Legislature in my view. We must not permit our cultural diversity either to disappear in the melting pot or to become a new source of tensions in the Canadian body politic.

Let me draw the attention of the hon. members to some observations of Professor Walter S. Tarnopolsky, dean of the law school at the University of Windsor; remarks that were made at the winter conference of the

Canadian Institute on Public Affairs in January, 1968, here in Toronto. Here are some excerpts. I quote:

> Frankly speaking, you are entitled to know my prejudices and biases. As a transplanted western Canadian living in Toronto, I tend to be a centralist, while yet being suspicious of the Ottawa and central Canadian "establishment". As a member of the so-called "third group", I cannot accept the "two founding nations" theory which tends to crystalize what Professor Porter has described as current reality, i.e., that the British ethnic groups dominate Canada economically, while the British and French ethnic groups share power politically with each other. From the point of view of the "third group" I could paraphrase what was said of the Cabots and the Lodges: "The French speak only to the British and the British speak only to themselves".

Now, Mr. Chairman, that is the end of the quotation for the moment. Whatever may be our personal reactions to these observations, they are an authentic reflection of the thoughts, sometimes articulated, more often not, by our new Canadian compatriots. I ask the hon. members to consider carefully Prof. Tarnopolsky's further observations and conclusions:

> And yet I think the third group has to recognize that the Canadian "mosaic" development (regardless of how "vertical" it may be) which has enabled the survival of a heterogeneous society, may be in large part due to French-speaking Canadians. Once the British conquerors recognized in The Quebec Act that one did not have to be an English-speaking Protestant to participate in the public life of the colony, their descendants could not subsequently deny similar recognition to others. Moreover, as Mr. Lesage stated in Western Canada a few years ago, no "ethnic" group comprising the others has the same numbers, nor the same concentration in one area, nor the same developed institutions of business, politics and learning, as the French-Canadians have in Quebec. It is as a recognition of reality, not as a recognition of two classes of Canadians—those who founded Canada and who who did not—that I recognize the validity of the premises of the Bi-Bi report.

Now I will remind you this is Tarnopolsky speaking:

> I would go further, however, and support Prof. Rudnyckyj's minority report. I would say to those Premiers who refer to the greater numbers of other ethnic groups in their provinces that this is not a basis for denying facilities for French-language schools, wherever sufficient numbers warrant them, but a basis for recognizing that in addition to French-language schools, all schools should introduce language instruction at an early age. In places where sufficient numbers warrant this, students in English-language schools could take a course in French, or Ukrainian, or German, or Italian, or Cree or Eskimo.

In my view, those observations and conclusions provide sound guidelines for our consideration of this important phase of the Confederation issue. Moreover, I am confirmed in this by the fact that the B and B report endorses Professor Tarnopolsky's conclusions. The general impression is that the first volume of the B and B report ignored the question of language rights other than French and this general impression is strengthened by Dr. Rudnyckyj's minority report. But this is not the case. In the report's recommendation for a new version of section 133 of The BNA Act, the B and B commissioners stated in their new proposed subsection 5:

> Nothing in this section shall be taken to diminish or restrict the use, as established by present or future law or practice, of any other language in Canada.

In paragraph 424, to be found on page 137 of the report, the commissioners elaborated as follows:

> Subsection 5 is added to make it clear that, in giving these guarantees for the use of the English and French languages, no rights to use any other language are being diminished, whether such rights already exist or might be established in the future. The presence of two official languages in Canada definitely does not mean that the other languages have no right to exist. Obviously they will be used in personal relationships and group activities; they may be taught as academic subjects in the public educational system or used for instruction in private institutions and in religious services. Certain languages such as German, Ukrainian and Italian, have already received some form of local or regional recognition. In future, whenever a sufficient number of Canadians ordinarily use a language other than English or French—Ukrainian, for example—and evidently wish to maintain it, this recognition might be broadened or even confirmed by law or regulation. We do not feel that this contradicts our principles in any way, for in all

cases English and French will retain their official status. Rather it would be a way of showing respect for minorities using languages other than English or French, and of recognizing their contribution "to the cultural enrichment of Canada". We shall consider this matter in a book dealing with other ethnic groups.

And it is my understanding, Mr. Speaker, that a further volume of the B and B report, perhaps the next one, is going to deal exclusively with the position of the third report.

Mr. Nixon: And that last quote was just from the report, not from an individual.

Mr. MacDonald: Right. The last one was from the report as a whole, not from Dr. Rudnyckyj.

In short, there is no difference in principle between the majority and minority reports on this issue. Dr. Rudnyckyj emphasizes that where any language is "used by ten per cent or more of the population in an appropriate administrative district of a province or territory" it should be accorded in the Constitution the status of a regional language. The point at issue is the constitutional formality. With goodwill, it may not be of vital importance. Ontario, for example, has refused formally to acknowledge this province as bilingual, but is moving nonetheless to achieving that objective. Rightly or wrongly, the government—and I must concede, the public generally—are not disturbed by the government's refusal to give formal recognition.

We might consider whether, at an appropriate time, this Legislature should pass legislation permitting a municipality to recognize a "regional" language on some kind of opting-in basis; assuming a sufficient population, demand, and means for implementing to render such a move practical and desirable.

I am less concerned at this stage with agreement on a specific, narrow course of action, than with acceptance of the importance of this general area of Confederation debate, and with assurance that it will receive the close and continuing attention of the government.

A final point, Mr. Chairman: The various constitutional conferences have developed a general recognition of the need for extensive rewriting of the Constitution. While our Prime Minister earlier tended to say that there was no need for rewriting the Constitution, he too now shares in the general acceptance of the need for extensive rewriting. In the Throne Debate, on Feb. 28, 1968, the Prime Minister stated:

> We shall not throw out the baby with the bathwater, but if I were to venture a prediction I would suggest that eventually we will have a new, written constitutional document made by Canadians, for all Canadians.

Now, if our new Constitution is going to be made "for all Canadians", acknowledging the place of the third group, not only in our history, but in our second century, I would like to reiterate a proposal which the New Democratic Party of Ontario presented to the B and B commission during its public hearings in April, 1964, here in Toronto.

We urged that the Constitution should have a preamble which would be a statement of national purpose for Canada. Such a statement would include a declaration that Canada will survive as a partnership of English and French, or it will not survive at all, but also, that the role of new Canadians—past, present and future—in shaping our destiny should be accorded an equal place with that of our founding peoples.

Whatever else may, or may not, be done to enshrine broader linguistic rights in the constitution, this would at least acknowledge the place of all Canadians as we move into our second century. It would do much to remove the feeling of being ignored or excluded, now prevalent among many groups in our population. This is vitally important, psychologically and otherwise, at this critical stage of nation-building.

I invite the Prime Minister's comments on my general line of argument with regard to this aspect of our effort to reshape Confederation.

Hon. Mr. Robarts: Mr. Chairman, I recognize that the hon. member is using these estimates as a vehicle for a debate on a subject which really is not covered in the estimates at all.

I would say this, perhaps to elucidate a little on the question and a discussion we had in the question period this morning. This whole problem of constitutional reform is evolving as we go along, and at the last conference but one, we established these ministerial committees.

With that development, it seems to me perhaps we move forward and I do not think it should be necessary for any hon. member to have to find a vehicle to discuss constitutional matters in this House. Therefore the suggestion that we might have a standing committee of the House to consider constitutional matters, now that we are down

to specific subjects that are being discussed, seems to me to have some merit. I think linked with that, we should make arrangements, which we can do very simply by agreeing that there be set aside some period for debate on these matters.

I am very interested in what you have had to say this morning about the third group. As you say, it is difficult to find a title for it, but we are all aware of it and we are all aware of the tremendous contribution it has made to this province in every way you can mention. It is an integral part of the totality of Ontario; and yet I am aware, as you are aware, of a feeling among them that they are participating in one way, but not in another. I think this is unfortunate, and I think that we should devise means of removing this feeling.

As to the specific means of doing it, your quotes from the B and B commission, perhaps have some merit. I will not comment on those this morning because I did not come here prepared to go into this matter in any great depth. What I am saying is this; we probably need a more formal basis for discussion of these matters than we presently have and if we decide that a standing committee of this House might examine some of these matters—and this idea has merit in my eyes—then as a follow-up to that, and resulting from the studies that would take place in such a committee, we might arrange to have some more formal periods of debate here—with some notice though, so that we would come prepared.

Your contribution is a lone contribution this morning because you have just taken this particular place in the business of the House to introduce it. It would be more meaningful, and perhaps more interesting and more productive, if such comments as you have made this morning came in a debate where many other members would participate as well. Your observations would then be discussed in terms of what other members are thinking.

To get back to my original point, in the evolution of our methods of dealing with constitutional change, perhaps in the next session we will take another step forward in the form of a committee and a somewhat more formal basis for such debate. I think that is perhaps the only observation I would have on your comments this morning, which I listened to with great interest.

Mr. Chairman: On vote 1501. The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): I would like at this time to bring up the problem of daylight saving time.

The community from which I come happened to be involved in a real problem with daylight saving time this year, but that is not the real issue at all. The issue, as I can see it, is the uniformity, the mandating of standardization of daylight saving time across the province. The city council, in their wisdom, back in March this year—

Mr. Chairman: This is not the place for this.

Mr. B. Newman: Yes, we discussed this.

Mr. Chairman: You feel that this has a place in the estimates of the Prime Minister's department?

Mr. B. Newman: Yes, because it is only the Prime Minister who can act on the setting-up of mandatory daylight saving time across the province.

Hon. Mr. Robarts: Mr. Chairman, if you accept that as a basis for discussion in these estimates you can take almost any subject that the Legislature can deal with and say that I am the only one. That really is not correct. This matter can be dealt with in the Budget Debate, or in many places that are much more appropriate than these estimates to discuss daylight saving time.

Mr. B. Newman: The Prime Minister is right, we can discuss it in the Budget Debate, but still we cannot get a reaction from the Prime Minister when we discuss it in Budget, and apparently as daylight saving time is right now—

Hon. Mr. Rowntree: Mr. Chairman, on a point of order, this matter can be raised through the question period. This is not the time or place for this point to be discussed. I ask for a ruling—

Mr. Chairman: I would rule that the discussion of this kind would be out of order at this time.

Mr. B. Newman: Well, where can I bring up the topic of a letter sent by the Prime Minister to the city council in Windsor concerning daylight saving time? I am dealing directly with the Prime Minister's office in this; the communication comes from the Prime Minister's office.

Mr. Chairman: This could be a question before the orders of the day.

Mr. B. Newman: I respectfully submit, Mr. Chairman, that this could come right under the first vote, that it could come under salaries as far as that is concerned. The salary of an official writing the communication—

Mr. Chairman: May I point out to the member that any topic in the province of Ontario could be discussed on the same basis—

Mr. B. Newman: Mr. Chairman, does the Prime Minister not think this is an extremely important issue, to have standard daylight saving time throughout the province, to avoid the mess we have today, and to arrange it so municipalities have no authority to come along and decree times—

Mr. Chairman: Order please!

It is an important topic but this is not really part of the estimates of The Department of the Prime Minister.

Mr. B. Newman: Mr. Chairman, I will take my seat, but I am very disappointed that the Prime Minister is not interested in discussing a vital issue like this.

Hon. Mr. Robarts: Come, come, come now! I cannot really let that go unchallenged. I simply say that in the conduct of the business of this House this is not the place. We have debated daylight saving time and its effect in this House on many occasions and no doubt we will again, but not in my estimates.

Mr. B. Newman: Well, Mr. Chairman, I respectfully submit that I brought this issue up at other times and it was in the Prime Minister's office discussions.

Mr. Chairman: The member for Windsor West.

Mr. H. Peacock (Windsor West): Mr. Chairman, I share the concern of the member for Windsor-Walkerville about the extent to which the Prime Minister neglects our home community, but I wonder if I could turn to another matter which I hope he will find within the purview of his departmental estimates—the ordering of the business of the House and the way in which members of the Legislature can participate in that ordering of the business and the various services which support members' work in the House.

I just want to say very briefly that I would like to urge him to prepare a motion for introduction at the next session of the Legislature which will adopt the recommendations of the select committee on rules and procedures for the establishment of a continuing standing committee of the House on procedure and organization.

I know the Prime Minister has been giving consideration to reforms of the procedures of the House itself, but I would just simply like to point out that the select committee's recommendation proposed to extend the scope of such a committee to organization as well, and all of the various aspects of service, ordering of the business of the House that come under that broad heading of organization.

Hon. Mr. Robarts: Mr. Chairman, really, we adopted certain parts of that report on a trial basis. From where I sit, I think that the trial procedures are proving to be pretty satisfactory. I would hope that by the time this session ends and the next session commences we will be able to have dealt with the entire report of the select committee. When we reconvene in a new session, I would think one of the first orders of business will be for the House to deal with that report, so that this matter to which you are referring will be dealt with at that time.

I would anticipate between the completion of this session—prorogation here—and the commencement of the next session, I would hope that we will get together and come to agreement as to what we want to do with the rules. It may very well be that what you are suggesting will be adopted at that time if it meets with the approval of all concerned.

Votes 1501 and 1502 agreed to.

Mr. Chairman: This concludes the estimates of The Department of the Prime Minister.

ESTIMATES, THE OFFICE OF THE LIEUTENANT-GOVERNOR

Vote 1201 agreed to.

Mr. Chairman: This completes the study of the estimates of the Office of the Lieutenant-Governor.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, in view of the hour I do not think it would really be in anybody's interest that we deal with something else for ten minutes, so I move that the committee of supply rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to leave to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, on Monday we will consider the estimates starting with The Department of Civil Service. I mention this because normally University Affairs is to come next, but with the standing committee on education still in session, it is not possible for us to consider the estimates of University Affairs; so we are moving to the next one on the list which is Civil Service.

Mr. R. F. Nixon (Leader of the Opposition): Might I just ask, Mr. Speaker, if, when the civil service estimates are completed, we will be going to University Affairs, or Energy and Resources Management?

Hon. Mr. Welch: Assuming that The Department of Civil Service may be completed before the standing committee is finished, then we will go on to the next one, Energy and Resources Management. We will catch up with University Affairs as soon as they come out of the standing committee.

Hon. Mr. Welch moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12.50 o'clock, p.m.

No. 216

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 17, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER, 17, 1969

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: This afternoon our guests in the east gallery are students from the Royal York Collegiate Institute in Toronto; and in the west gallery, students from the L. S. Beattie Vocational School, in Willowdale.

Statements by the Ministry.

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): Mr. Speaker, I wish to make—

Mr. Speaker: If I might just point out to the Minister that if, in future, he would let my office know—I should call the order, I know, but both of us missed today.

Statements by the Ministry.

Hon. Mr. Rowntree: Mr. Speaker, I wish to make a statement to the House with respect to sections 20 and 35 of The Ontario Securities Act.

On November 6, The Ontario Securities Commission held a meeting in connection with equity based variable contracts issued by insurance companies licensed under The Insurance Act and subsequently issued an order in writing.

Firstly, this order found that such contracts were securities within the meaning of The Securities Act. Secondly, it exempted such insurance companies licensed under The Insurance Act from compliance with the disclosure provisions set out in section 35 of The Securities Act until such time as this order might be rescinded, continued or varied.

Section 20 of The Securities Act requires such a decision to be published and this is being done by a notice of the decision in the forthcoming bulletin of The Ontario Securities Commission.

In addition, section 20 of The Securities Act requires such an order to be tabled in the Legislature if the House is in session.

This I now do.

The reason behind this decision is that the life insurance companies involved are already licensed by the superintendent of insurance and their activities are supervised by his office. The sale of such contracts is of relatively recent origin. Such equity based variable contracts do not necessarily involve a policy of life insurance. Indeed, some of these contracts involve no life insurance component as generally understood by the public. There is a case presently before the courts on this point arising from a decision of The Manitoba Securities Commission.

You will recall the establishment of a government sponsored study on mutual funds generally which involves all of the provinces and the federal government. This report, which may or may not have a bearing on this subject, is expected to be made some time before the year end.

In the meantime, The Ontario Securities Commission decision that while such contracts were a security within the meaning of the Act, the most desirable course at the moment was to leave such contracts under the supervision of the superintendent of insurance—and the supervision I refer to has to do primarily with the disclosure requirements.

Accordingly in making this statement, I am complying with the requirements of tabling the decision of The Securities Commission in this matter as required by section 20 of The Ontario Securities Act, 1966.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, on a matter of clarification on the Minister's statement, I wonder if he could tell us just what, "equity based variable contracts" are?

Hon. Mr. Rowntree: Mr. Speaker, may I ask if the House is sitting this evening?

Mr. Speaker: Yes.

Hon Mr. Rowntree: The answer, Mr. Speaker, is that an equity based contract is one in which one purchases a contract from a company which invests the money in equity stocks or investments. There is a great similarity between this type of contract and what we also know as a mutual fund.

In some instances, the contract is made up of a package—if I might put it that way—

which involves a factor of like concern. In some other contracts—also issued recently by the life insurance companies—there is no component of life insurance involved. This matter must be faced and dealt with in an orderly fashion.

There is no doubt in the minds of the Ontario Securities Commission that such contracts are securities as defined within The Securities Act itself. And as securities, they must comply with The Securities Act itself. In the meantime, however, the life insurance companies, which are the ones involved, are also licensed under, reported to and supervised by the superintendent of insurance office.

Until the report of the mutual funds committee comes down in the next several weeks, it would seem advisable that the commission deal with the matter, which they have done. They found that the type of contract was a security within the definition of the Act and that dealing with it they would have to invoke the provisions of section 20, and exempt them for the time being, until policy is established with respect to the disclosure provisions which must be complied with in future.

In the meantime, the superintendent of insurance is requiring and making his own demand from such companies with respect to disclosure.

Mr. Nixon: Mr. Speaker, a supplementary question: I am correct in assuming then the reason the Minister made a statement with regard to this is simply because the Act requires the announcement to be made to the Legislature rather than just for the securities commission to act by itself in this regard?

Hon. Mr. Rowntree: When the new Act was drawn, the theory was that wherever an exception or an exemption was made—and there is provision for this in the Act—it should be, firstly, published; and secondly, if the House is in session, the matter should be brought to the attention of the House.

Mr. Speaker: A supplementary question by the member for Humber.

Mr. G. Ben (Humber): If the Minister believes—and he has informed the House he does believe—that the subject matter of the business of the companies in this regard is a security, then why give it an exemption at all? Why not simply demand that they comply with the disclosure rules that exist with reference to all other securities?

Hon. Mr. Rowntree: There is the question of cost involved, and there is the question of duplication of requirements and of services within the department. The superintendent of insurance, as members may recall, was originally the vice-chairman of the securities commission. And when he was appointed superintendent of insurance, the government left him as a member of the securities commission itself.

There is complete co-operation between the two bodies, but I think it must be obvious that there is a high degree of desirability in not having both the securities commission, and the superintendent of insurance dealing with the same matters.

In the meantime, I would expect that the report of the mutual funds committee would be available some time during the week of December 8.

Mr. Ben: A supplementary, Mr. Speaker, I imagine it is a convenience that both these departments are under the jurisdiction of the—

Mr. Speaker: Question. The hon. member is making a statement.

Mr. Ben: Since it has been established that these items are security, why not simply remove from the insurance companies the right to deal with securities, and vest the whole matter in the hands of the chairman of the securities commission?

Hon. Mr. Rowntree: That would not avoid the double attention or the duplication of effort with respect to both the superintendent on the one hand, and the securities commission on the other. Because there is a continuing supervision by the office of the superintendent of insurance.

On the basis of the suggestion the hon. member has just made, that would simply add another body to go over much of the same material—as the superintendent would be bound to do in any event.

I might say that it is our desire that a decision be made, at some point, whether this matter will be taken as a security under the wing of the securities commission, or determined as life insurance and left under the superintendent.

It is a security, as I have said. But to avoid the duplication they are being exempted for the moment. But, in the meantime, the disclosure requirements are being demanded by the superintendent.

Mr. V. M. Singer (Downsview): Mr. Speaker, by way of supplementary, could the Minister tell us the extent to which equity based variable contracts are dealt in by the public? Do many people ordinarily buy them as they buy shares of companies, or is it between insurance companies dealing with each other?

Hon. Mr. Rowntree: Oh no, not dealing with each other. They are sold to the public. I would think within the last couple of years there has been a substantial growth in the sale of this type of contract.

I call it "contract" to distinguish it between that, and what we generally call a security.

I have already said in my statement that some of the contracts involved an element of life insurance. And others do not have any life insurance component at all in the package. It is a very interesting development here.

Mr. Singer: By way of supplementary again, has the Minister any figures? How many of these contracts would have been sold, say, in the last 12-month period? Can he give us any idea of the volume traded?

Hon. Mr. Rowntree: No, I could not. But I would think there is sufficient growing consequence that the matter should be dealt with.

Mr. Nixon: Mr. Speaker, I have a question for the Premier: I wonder if he is prepared to make any statement or comment on the possibility of establishing off-track betting in the province of Ontario under the control of the government?

This has come forward in the last year two or three times, and I would ask him if he has anything to say about the development of government policy; and any communication that he might have had through the Attorney General with the government of Canada on this matter?

Hon. J. P. Robarts (Prime Minister): I might say, Mr. Speaker, there have been various matters outlined and propositions put to the Attorney General. The government is examining this whole matter very carefully and it has been under consideration by the Attorney General for some time.

I am not in any position to tell the leader of the Opposition at this moment what the government proposes to do. I can only tell him the matter is under consideration—as we attempt to develop what we would consider to be a proper policy.

When we reach that point, of course, then we will be in a position to tell the House what it is.

Mr. Nixon: Mr. Speaker, I have a question of the Minister of Public Works: Has he any information he can give to the House on the timetable for building the further additions to the office complex associated with Queen's Park, between here and Bay Street?

The reason I ask it is that the trees are being cut down over there, and it looked as if they were going to proceed with construction.

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, I understand the question was asked Friday last, and I have prepared a short statement. With your permission I would like to read it to the House. May I have your permission, sir?

In reply to the question I wish to announce that The Department of Public Works is proceeding with the final stage of the construction programme initiated in 1964 to provide adequate office accommodations for the consolidation of government departments within the Queen's Park area.

As the House has been informed previously, Phase II of this project comprises two towers—the largest, to be known as the Mowat Block, will be 24 storeys, while the other, to be called the Hearst Block, will reach nine storeys.

The construction cost of this final stage of the Queen's Park project is estimated to be $24 million.

A construction management contract has been awarded to Pigott Project Management Limited, and we anticipate completion of the Hearst and Mowat Blocks by November, 1971.

It long has been the goal of the government to provide adequate office accommodation—for the various departments—within walking distance of this assembly. This not only is of major convenience for all members in fulfilling duties for their constituents, but it allows us to keep accommodation costs in check, while at the same time improving efficiency through consolidation and making it possible for the public to complete dealings with a variety of government departments or services within a single general area.

I should note, too, Mr. Speaker, that a start of construction of Phase II has been delayed for nearly two years for the simple reason that austerity is something governments

must live with. To achieve this goal and still provide necessary services the reasonable approach must be the establishment of priorities and concentration on those needs which currently hold top priority.

The schedule of priorities now dictates that the time is at hand for work on the Hearst and Mowat Blocks. This decision was prompted by the fact that space for various departmental operations has reached an acute stage and further postponement or delay will bring mounting costs and demands that will override the economies possible through further changes in our schedule.

I should like to comment, too, that at this time The Department of Public Works now is awarding construction management contracts for many major construction projects.

Mr. Speaker, the construction management contract is not new to the construction industry. It is a procedure which now is gaining favour and receiving more attention and use because it offers management a new tool to control spending and meet construction deadlines in building programmes generally.

In these times it is becoming more practical and economical to proceed with larger construction projects on a basis other than the stipulated-sum contract. Today a minimum of 90 per cent of the work is carried out by sub-contractors with the general contractor performing in the area of eight to ten per cent of the work with his own forces.

The construction management procedure is one in which the prosecution of the work is carried out on a "fixed fee basis" by the general contractor. The awarding of sub-contracts is done in association with the management contract.

The construction management form of contract provides the owner with maximum flexibility and control throughout the building project.

Mr. Ben: A point of order, Mr. Speaker. This is a period for oral questions, and we can understand in some instances it takes quite a bit to answer a question. But in this particular instance I submit that the Minister is giving a Ministerial statement and he ought not to be depriving the members of the Opposition the right to ask questions. If he wishes to make a Ministerial statement, he should do it in the time allotted.

Mr. Speaker: I agree with the hon. member and the Minister indicated that his answer to the question would be a lengthy statement —and it has proved to be so.

Consequently, I shall extend the period of the oral questions, if necessary, to cover the period of time which I have observed that the Minister has been speaking. If the Minister will complete his statement, we will get it done with.

Hon. Mr. Simonett: The construction manager becomes part and parcel of the owner's management team providing a co-operative management structure. It provides greater opportunity for the management team to live within the established budget. It is definitely a time-saving factor which permits earlier starts and also acts as a stabilizer in keeping the project on schedule.

Under this system much of the subcontract work is not tendered for until it is actually required. Hon. members can appreciate that it is not reasonable to expect smaller subcontractors to quote and guarantee prices on items not required until, say, two years later. If a firm quotation is required it is impossible to anticipate escalation costs of both labour and materials. The construction management contract system is equitable to both owner and supplier. The construction of the Ontario Showcase at the CNE waterfront is proceeding on this basis.

Mr. Nixon: Two supplementary questions, Mr. Speaker.

The first one is directed toward the latter part of the Minister's statement. Are we to gather then that this construction management type contract is, in fact, a cost plus contract?

Hon. Mr. Simonett: No, Mr. Speaker, it is not cost plus. This is where we ask for tenders from construction management teams to manage a project for us. Then as work proceeds we call for the sub-contract as needed. But they will be all tenders as well. It is all done on the tender basis.

Mr. Nixon: But the tenders would be finalized even though the material would not necessarily be delivered for two years following the acceptance of the tender?

Hon. Mr. Simonett: No, Mr. Speaker. As the building proceeds, we call for steel first, and then perhaps the mason work. Then as we go along with the contract, we call for, of course the electricians and the plumbing. Then you call for your finished work, and these proceed along with the contract. So you are not asking a sub-contractor two years ahead of the time that we might be using his material or labour and to give us a firm price.

Mr. Nixon: Then there is no firm price. As a supplementary question, the $30 million is simply the broadest estimate that is available at the present time?

Hon. Mr. Simonett: Twenty-four million dollars.

Mr. Nixon: Twenty-four million dollars. Well, the second supplementary I had on the Minister's statement, Mr. Speaker, is as follows:

Since the $24 million construction project was withdrawn, after it had been originally planned two years ago—to take the heat off an inflationary economy, does the Minister now feel that it will not have a similar effect on an even more sensitive inflationary economy that we experience at the present time?

Hon. Mr. Simonett: I would say no, Mr. Speaker. We gave this a lot of consideration and we have a large department that we have got to move into that building by 1971, That is The Department of Education, who are in rented premises now.

We have a couple of other smaller departments that need space, so it seemed to us that perhaps, when we had the base work in these towers, we have heating, we have air conditioning and a cafeteria in the phase that is built now, so it seemed to be perhaps the best thing to do to proceed with those, to accommodate two or three departments.

Mr. Nixon: Is it possible the Minister might make a further statement about the construction for the Ontario Institute for Studies in Education in conjunction with what he has just said?

Hon. Mr. Simonett: Mr. Speaker, I think that question was asked by an hon. member last week and it is placed on the order paper and we hope to have an answer tabled within the next ten days.

Mr. Speaker: The member for Hamilton East had a supplementary?

Mr. R. Gisborn (Hamilton East): Yes. My supplementary to the Minister is along the lines of the last question put by the leader of the Opposition.

Is it recognition by the Minister of increasing unemployment, that brought about the hurry-up decision to go ahead with the Queen's Park complex?

Would he elaborate on the budgetary situation in the various departments as to the departmental work that is contemplated to be started at this particular time? If this is involved we would like to have a detailed statement on each department and their budgetary condition.

Hon. Mr. Simonett: Mr. Speaker, if I understand the first part of the question—was the reason we proceeded now, because of the unemployment situation?

Mr. Gisborn: The increasing unemployment situation.

Hon. Mr. Simonett: The increasing unemployment situation. No, I do not think that had much bearing on our decision. It was the need for space and we already had a start on these towers and had all the services in, so we felt it was better to proceed with them now, so they would be ready for 1971 when some of the larger departments, who are in leased premises now, will have to move.

As far as the second part of the question is concerned, I think the member meant, how do we plan our priorities for the different departments. Of course, as members know, we are just agents for the other departments in government and these priorities are looked at every month, and, of course, one thing you must have is space to house your employees in Toronto; this is why the decision was made.

I do not think we backed up on any other project. We had money enough in our budget this year to carry on until the next fiscal year, and of course in next year's estimates, we hope we will have money to complete this new tower.

Mr. Speaker: The member for York South.

Mr. D. C. MacDonald (York South): A further supplementary, Mr. Speaker. Do I understand the Minister correctly, that this management contract was granted after tenders had been called, or was it awarded without tenders?

Hon. Mr. Simonett: No, after tenders were called.

Mr. MacDonald: It is a new kind of animal and I would be curious to know the specifications that are set out when the Minister seeks tenders.

Hon. Mr. Simonett: No, no, this is not something new, Mr. Speaker. This is something that is old. There are buildings in Ontario, and it is done all the time by larger industries. They invite tenders to manage a building project, and then, as the building proceeds from one stage to the other, tenders are again called. Instead of on an overall

complex, they tender on the single units in which they are interested.

Mr. MacDonald: I have a further supplementary then. Does the fact that a company has been awarded the management contract, preclude it from tendering on the many sub-contracts later?

Hon. Mr. Simonett: I am sorry, I cannot answer that question. However, I can see no reason why it should; because after all, it has to go to the lowest tender, so if they wanted to tender on a certain phase, I can see nothing wrong with that. After all, we are going to look at the tenders.

Mr. MacDonald: They might have a real advantage.

Mr. Speaker: The member for Essex South has a supplementary.

Mr. D. A. Paterson (Essex South): Yes, a supplementary question. The hon. Minister has mentioned The Department of Education receiving priority in this particular building. Has the department requested additional square footage to the premises they now have on Eglinton Avenue? Is this an expansion of that department or simply the termination of a lease?

Hon. Mr. Simonett: No. Mr. Speaker, we will be moving them down here in this complex as soon as the tower is built.

Mr. Paterson: Yes, but are they getting more space down there than they had up on Eglinton? Or, are you aware of that?

Hon. Mr. Simonett: I am sorry I do not have those figures with me, but I suppose if the department grows we will have to furnish them additional space. At the present time, I think we anticipate the same space they are using up on Eglinton now.

Mr. M. Gaunt (Huron-Bruce): Supplementary, Mr. Speaker. Is the Minister saying that the lease up at Eglinton runs out in 1971?

Hon. Mr. Simonett: Yes.

Mr. Speaker: Has the hon. leader of the Opposition completed?

The member for York South.

Mr. MacDonald: I have a question for the Prime Minister: In view of the announcement this morning that Texaco is following the lead of Shell and increasing gasoline prices, would the Prime Minister now consider the proposition of establishing some tribunal for bringing these companies before it to justify the price increases?

Hon. Mr. Robarts: Mr. Speaker, I have not read this before—

Mr. MacDonald: The London *Free Press* apparently has it.

Hon. Mr. Robarts: I do not read the morning London *Free Press* and I rather doubt that the evening *Free Press* is here yet. However, as I say, I have not seen the report and therefore my answer must be no.

Mr. MacDonald: By way of supplementary: Some of the Prime Minister's colleagues indicated the other day that there was a great difference between bringing Hydro, as a public agency, before a body to justify it than private enterprise, because presumably they were free to do as they pleased. Does the Prime Minister not agree that both public and private sectors of the economy should justify their increases? Therefore in this instance, is it not as valid as bringing Hydro?

Hon. Mr. Robarts: No, I do not think that one can necessarily make that comparison. I think there is quite an effort being made here to get the government to agree to some form of price increase tribunal. There is no doubt about that. I would like to say, that as a matter of policy, this government does not have a tribunal to be used to make people justify wage increases, price increases or any increases of this type. As a matter of government policy, we never have subscribed to this.

There is a commission, sitting, which was established by the federal government, as we all know, and it is free to make what study it chooses of price increases. These are really on a national basis, rather than a provincial basis; but we have no such policy. I would think we would look at it very long and very hard before we did establish such a policy.

I would point out that it is impossible to say we are going to make the oil companies come before us and justify a price increase because that happens to be the one we read about this morning. What about an increase in the price of bread? What about an increase in the price of milk? You would have to go right across the whole gamut.

Now then, is the proposition being put here that this provincial government should establish a wages and prices increase board,

which would examine every price increase and every wage increase that took place in this province? I would suggest the member cannot separate them. This board would make those who are wishing to increase the price of their product justify that price increase, and then there is the follow-up situation on price increases, salary increases and wage increases.

I do not think that this is feasible; and it is not the policy of this government to establish such a wages and prices increase board.

Mr. Nixon: Mr. Speaker, a supplementary question: we have had this discussion before and the Premier usually ends up asking a question, as he did in this answer.

Hon. Mr. Robarts: I did not. I ended up telling the House what the government's policy is.

Mr. Nixon: The Premier ended up with a question mark, and we will check it out if he wants.

Now, Mr. Speaker, could I ask the Premier this: if he is going to have the public interest served by some committee or committees of this House in examining increases in the cost of living—such as we are doing now with Ontario Hydro—then surely he would agree that it is essential these examinations take place before the increases are *fait accompli*. Now, I think that this is a reasonable proposition and one that he would agree with.

Hon. Mr. Robarts: Of course. I can only say this: if one proceeds on the basis that the member mentioned, then the assumption must be that if one does not agree, there cannot be any price increases. The member is going to say that people must come before a tribunal of this government and get permission to increase the price. This is, in effect, what the leader of the Opposition said.

Mr. Nixon: They are coming to justify—

Hon. Mr. Robarts: What if, in the opinion of this committee, it is not justified—the government says, "You cannot increase your prices." I just want a clear understanding among everyone concerned as to what we are talking about.

Mr. S. Lewis (Scarborough West): We understand it full well.

Hon. Mr. Robarts: As far as Hydro coming before the committee on privileges and elections, Hydro is a creature of this government and, of course, they have to come before it and justify what they are doing, regardless of what area of policy it may be. It is not only prices. We have had policy in regard to extension of rural lines and a whole host of things examined by the committee on government commissions. But I suggest to you that is a far cry from asking Shell Oil, Steel Co. of Canada, or Loblaws to come and explain why they increased the price of beef last week.

Mr. Lewis: The Prime Minister is not serious about inflation, it is just as simple as that.

Mr. Nixon: Mr. Speaker, a further supplementary question. Does the Premier differentiate in his own mind between those price changes—usually increases in the last many years—which affect every citizen of the province from those which are simply day-to-day changes over the counter at a number of retail centres? I think the Premier is misleading us when he tries to—

Hon. Mr. Robarts: It is not my desire to mislead members and I do not think I am misleading them, but I just tell them this. I do not see how one can take prices in any one segment of our economy and say, these we are going to control but these others we are not. How can we do it in that way? In my humble opinion we cannot.

Therefore, I am not asking a question, I am simply saying it is a matter of government policy that we do not propose to establish a wages and prices increase board before which wages and price increases must be justified.

Mr. MacDonald: Mr. Speaker, a final supplementary question on this: assuming that the government is sincere in its anti-inflationary statements and policy, how can you achieve the objective if you do not bring the private sector as well as the public sector forward to justify price increases, even if it is only to provide the information, so that we know why it is being done?

Hon. Mr. Robarts: Mr. Speaker, that is an assumptive question, if I may put it that way.

Mr. MacDonald: I thought that was a fair assumption. I assumed the Prime Minister was sincere in his statements.

Hon. Mr. Robarts: We are of course, interested in the control of inflation, but there are many ways of controlling inflation. We do not control the monetary and fiscal policy of this country. We have asked for—

Mr. MacDonald: We are not talking about that.

Hon. Mr. Robarts: Well, that is where your ultimate control of inflation will lie and you know it and I know it. It is just politically proper to take a posture that you are not going to allow the price of bread to go up, or something of that nature.

Mr. MacDonald: That is an old-fashioned approach.

Hon. Mr. Robarts: It may be old fashioned, and it may not, but I will tell you this: This is a national problem, the problem of inflation. We do not have constitutional power to deal with fiscal and monetary policy in the country, and I think that no useful purpose at all would be served by the course of action you are suggesting.

Mr. Nixon: Mr. Speaker, a supplementary.

Mr. Speaker: Has the hon. member for Wentworth a supplementary question?

Mr. I. Deans (Wentworth): A supplementary question, Mr. Speaker. Might I ask the Premier if what he has said is that, in effect, regardless of the increases in the public sector, there will be no effort by this government to maintain a cost at a reasonable level.

Hon. A. Grossman (Minister of Correctional Services): Remember what the member said yesterday, Mr. Speaker.

Hon. Mr. Robarts: Mr. Speaker, there is one other point I think I should make. If we have control over the price of gas, or something of that nature—and there are certain areas that we do have control over—we do this because we grant franchises, because there is an element of monopoly in the situation. Otherwise, the basic philosophy in this country is that the market looks after itself. If there is to be competition and one company raises its prices above those of another company, then I presume that the flow of business will go through the company that sells its product cheaper. Where we do—

Interjections by hon. members.

Hon. Mr. Robarts: Now, now, come on. If you want to make a speech, find your spot.

Mr. MacDonald: The Prime Minister is revealing he has no real intention to go after inflation.

Hon. Mr. Robarts: Oh, come off it.

Mr. Lewis: This is not the eighteenth century.

Hon. Mr. Robarts: In any event, Mr. Speaker, this is the policy of the government and I do not think we should get into a debate in this question period.

Interjections by hon. members.

Mr. Speaker: The hon. member for York South.

Mr. MacDonald: I have a further question.

Mr. Speaker: I do not think we will allow any further questions, this has been examined as far as possible. The hon. member for York South has the floor for another question.

Mr. MacDonald: To the Minister of Health: Is it true that charges for medical services for welfare recipients and old age security recipients, who qualified for free OMSIP, are no longer being paid by The Department of Social and Family Services, but rather are being paid by The Department of Health? If so, does that mean that the $24.6 million in the item 4, vote 2002 in The Department of Social and Family Services has been transferred to The Department of Health?

Hon. T. L. Wells (Minister of Health): You would have to ask that question, I think, of the Minister of Social and Family Services. I have not heard of any item being transferred from their estimates to ours.

Mr. MacDonald: Well, that was my second question. My first question: is your department now paying the free OHSIP for welfare recipients and old age security recipients rather than The Department of Social and Family Services?

Hon. Mr. Wells: It is my understanding, Mr. Speaker, that now all the residents of this province come under the same programme. The federal government contributes to OHSIP and we cover them under our premium assistance programme.

Mr. MacDonald: In other words, The Department of Health is paying, rather than the other one?

Hon. Mr. Wells: This is my understanding. I would have to check it, but the big thing to remember here is that the federal government has cut out its contribution under the Canada Assistance Programme for these people.

Mr. MacDonald: The Minister has really anticipated the supplementary question I wanted to put to him. Will the province be able to collect a portion of these costs from the federal government now that it is being handled as a Health matter rather than a Social and Family Services matter?

Hon. Mr. Wells: It is my understanding, Mr. Speaker, based on negotiations at the present time, that we will not. Of course, this is part of the hypocrisy of the federal government in making their grants to us on one hand and taking money away on the other.

Mr. Nixon: They expect you to use the money they give you to reduce premiums, not the hypocritical use you are putting them to.

Mr. MacDonald: Mr. Speaker, I would request the Minister, if he would, to clarify before his estimates come to the House, whether or not that vote 2002—which we have already passed in The Department of Social and Family Services—is now going to be switched to The Department of Health.

Hon. Mr. Wells: On this point, Mr. Speaker, of course you must remember that there still would be a portion of the fiscal year to which this estimate applies—we are talking about from October 1 when OHSIP began—so at least part of that vote would apply—

Mr. E. A. Winkler (Grey South): All part of the Trudeau "just society."

Mr. Speaker: Has the member for York South any further questions? The member for Rainy River.

Mr. T. P. Reid (Rainy River): A question for the Minister of Lands and Forests. Has the Minister received the draft resolution from the Algonquin Wildlands League in regard to Quetico Park and does the Minister intend to take any action in reclassifying Quetico Park as a primitive wilderness park?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, in reply to the hon. member, I have not yet received it. I have been away, as the hon. member knows, the last week, and I have not had a look at my correspondence. It has not come to my attention as yet, I will be pleased to look into it.

Mr. Speaker: The member for Port Arthur.

Mr. R. Knight (Port Arthur): Mr. Speaker, I have a question for the Minister of Transport: After January 1, when the cities of Port Arthur and Fort William and the townships of Neebing and McIntyre become the one city of Thunder Bay, will it be mandatory under The Highway Traffic Act for all commercial vehicles to carry the name "Thunder Bay"? Exactly what does the Act require that commercial vehicles carry in writing on the sides?

Mr. Speaker: It would be my opinion that this matter is one which should not take up the time of the oral question period. This is not, at the moment, urgent and is not of wide public importance. I would suggest the member redirect that question to the Minister either by telephone or in writing. I am sure he will get an answer.

Hon. I. Haskett (Minister of Transport): Mr. Speaker, I think perhaps there is a certain urgency about this that might appeal to the people at the Lakehead. If, with your permission, sir, I could take the question, I could perhaps deal with it adequately at the moment.

Mr. Speaker: By all means, then, please do so.

Hon. Mr. Haskett: The advent of the new municipality of Thunder Bay poses some problems for our department, but the specific question raised by the hon. member today, with respect to provision of the owner's name and address on the side of the vehicle, is not one of those pressing problems.

Section 51(1) of The Highway Traffic Act requires that the owner of a commercial vehicle provide only the name of the owner, and not the address. So the change of name to Thunder Bay will not affect that aspect.

But we are having some very real concern about the matter of the change of name with respect to the address on the vehicle registration and the driver's licence. As soon as the postal authorities in Ottawa can give us the designation of those new addresses, we will be able to deal with the matter of vehicle registrations and drivers' licences and I will be happy to inform the House of the steps being taken at that time.

Mr. Speaker: The member for York South.

Mr. MacDonald: I have a question of the Minister of Agriculture and Food—in fact two questions. The first one: Has the Minister received the report of the study which he commissioned on industrial milk?

And if so, would he make it available to members of the Legislature and of the industry, who are rather anxious to find out what guidance it provides?

Hon. W. A. Stewart (Minister of Agriculture and Food): Well, Mr. Speaker, I have received the report. Inasmuch as that report was done by the milk commission, I really did not feel it was a document that should be of necessity made available either to you, the members of the Legislature, or to the general public.

Now, really, I think the time will come when there may very well be interest expressed in the report or the findings of the report. But at the present time there has been no public dissemination of the report or its findings.

Mr. MacDonald: And when would that time come, Mr. Speaker? I can assure you that as late as last Saturday the rather well-known representatives of some of the farm organizations expressed a keen interest in it at a mini-caucus meeting they held in Owen Sound. How much pressure does the Minister have to have before he decides when he will make the report available?

Hon. Mr. Stewart: There is no pressure needed, Mr. Speaker. We would like very much to look at many ramifications of the matter. First of all, there are suggestions in the report of certain things that should be done. Now, we are taking the preliminary steps that are necessary in this particular regard.

When we feel that we can move ahead with those recommendations, then I want to have a full discussion with the people who are involved.

But until that time comes, it would be completely premature for me to make a public announcement of what is in that report at this time. This is the way I feel about it, quite frankly, and I am only doing this, Mr. Speaker—if I may say to the hon. member, and his point is well taken—in the interests of the public. This is what I am trying to do.

Mr. MacDonald: Is the Minister expressing the desire and the wish of the milk marketing board? Or was it the milk commission that did the study?

Hon. Mr. Stewart: The milk commission.

Mr. MacDonald: The milk commission—do they wish it to remain in a secret document, at least for the time being? Or are they in favour of it being made public?

Hon. Mr. Stewart: As far as I know, they have no objection to it remaining in its present state until we have taken the preliminary steps, of which they are well aware at this time.

Mr. MacDonald: A question to the Minister: Is he in a position to indicate to the House when we might expect the Barber commission report on farm machinery? I know it is a federal document, but has the Minister received any indication as to when this oft-postponed report might become available?

Hon. Mr. Stewart: Well, Mr. Speaker, happily I can answer that question, to a degree at least. I understand the report has been printed, and that it is now being translated to French, and that as soon as the translation is completed the report will be published.

Mr. MacDonald: By Christmas?

Hon. Mr. Stewart: I cannot answer that.

Mr. Speaker: The hon. member for Wentworth was on his feet.

Mr. Deans: Yes, Mr. Speaker—but the Minister has fled.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Mr. Speaker, I have a question of the Minister of Health: Is Mr. E. G. Coulson, whom I questioned the Minister about last week—the ex-president of the Ontario Pharmacists' Association, who gave his speech to the pharmacists saying that the $1.95 fee for dispensing did not preclude from charging for deliveries—the same E. G. Coulson who was hired by the Minister's department on September 15, 1969, as the assistant co-ordinator of drug pricing programmes?

Hon. Mr. Wells: Well, we do have a Mr. Coulson, I believe, working for the department. I am not sure—I guess it is the same one, Mr. Speaker.

Mr. Shulman: As a supplementary then, Mr. Speaker. Does the Minister think it is wise to have as his assistant co-ordinator of a drug pricing programme, the same man who was advising the pharmacists how they can avoid this very same drug pricing programme?

Mr. MacDonald: That is par for the course.

Hon. Mr. Wells: Of course, Mr. Speaker, there has been a great deal of innuendo thrown by this member about this programme in statements in this House last week. I am

led to believe that he told only part of the story in his comments about this. In fact the $1.95 maximum set in this province is lower than it is in other provinces where any kind of a programme such as this is in effect. And it is certainly lower than the pharmacists might want.

Now, this gentleman—if it is the same one who is working in my department to help in our programme—is a competent person and we are confident when the complete programme unfolds and is put together, it will help reduce the cost of drugs to people of this province.

Mr. Shulman: As a further supplementary, Mr. Speaker, is *Hansard* correct as of last Monday, November 10, when I asked the Minister if he was aware of Mr. Coulson's speech and he replied: "I have read that speech, Mr. Speaker"? Does the Minister wish to change that reply?

Hon. Mr. Wells: "I have read the speech"? I said I was aware of his comments. If I said I had read the speech, I will change it. That is, not "read his speech", but "I was aware of his comments."

Mr. Shulman: The Minister had better let *Hansard* know and check the tape.

Mr. Speaker: Any further questions? The hon. member for Sudbury East.

Mr. E. W. Martel (Sudbury East): A question of the Minister of Mines. In Saturday's *Globe and Mail*, and I quote: "Inco, which is building a refinery at Sudbury, plans to send more of the nickel oxide to Wales for refining."

Now, has the Minister given International Nickel Company a concession to refine more of its raw materials outside of the country?

Hon. A. F. Lawrence (Minister of Mines): No, Mr. Speaker, I was a little bit disturbed myself when I read that newspaper report. And, in contemplation, perhaps that the matter may be raised in the House today, I made sure that I brought along a copy of a letter which went to the International Nickel Company this morning about that report. If it is agreeable to the House, Mr. Speaker, it is a short letter and I will read it. It is dated today. It was delivered this morning to Mr. Foster Todd, the senior executive vice-president of International Nickel:

Dear Foster:

I was very relieved to read in the weekend newspapers of the acceptance for the Sudbury operation of the settlement terms ending the strike. We are all very gratified to know that production will be resuming in the Sudbury area as soon as possible.

However, in Saturday morning's *Globe and Mail* of November 15, 1969, I noticed the following paragraph in the lead story on the strike settlement:

"Inco, which is building a refinery at Sudbury, plans to ship more of the nickel oxide to Wales for refining, and to market a higher proportion of the unrefined nickel than it has in the past."

I realize that these words may not have come from any source within your company, but I thought I should point out to you that both aspects of the published story are very decidedly contrary to the announced policy of this government.

Firstly, it is not the intention of the government to permit International Nickel or any other mineral producer in this province to export any greater quantity of unrefined mineral products than the amount exported during the calendar year 1968 and, indeed, it is the determined policy of the government to require a progressive reduction in the future of any such exports.

Secondly, while the government could have no objection to the company marketing a higher proportion of unrefined nickel than it has in the past, it is obvious that to conform to our general policy as above indicated, we would require that any unrefined nickel sold by the company over and above the amount sold in 1968, would have to be sold to companies who would have to refine it in Canada. If the opportunity presents itself, company spokesmen should correct, I believe, any future news stories relating to this matter.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: A question to the Minister of Financial and Commercial Affairs.

Is the Minister aware that Kelloggs is advertising a free hand puppet with every package of Sugar Pops?

Is the Minister aware that the hand puppet that is given out is made of plastic, and is potentially extremely dangerous for young children?

Hon. Mr. Rowntree: No, I am not aware of that.

Mr. Shulman: Would you have your department take whatever action you feel is necessary in this matter, sir?

Hon. Mr. Rowntree: Yes, I would be glad to. What is the name of the product?

Mr. Shulman: Sugar Pops.

Hon. Mr. Rowntree: Sugar Pops? I eat shredded wheat.

Mr. Lewis: By way of supplementary, Mr. Speaker. The Minister will know that this is a puppet of Drooper. For those of us who are avid devotees of the "Banana Splits" on television, would he have the hand puppet produced in some less lethal material, but still reproduced for children?

Mr. Speaker: The hon. member for Oshawa.

Mr. C. G. Pilkey (Oshawa): A question of the Minister of Trade and Development.

Is the Minister keeping abreast of the review of the Canada-U.S. free trade agreement as it relates to the auto industry and if he is, has he anything to relate to the House in terms of the review of the Canada-U.S. trade agreement?

Hon. S. J. Randall (Minister of Trade and Development): I have something to reveal to the House. At the present time Mr. Reid Cooper, of my department, in trade and industry, is working very closely with Mr. Woods, of the automotive parts agreement here, and the people involved in the discussions in Ottawa and I get a report from him periodically as to what is going on.

As you know these negotiations have not been completed as yet. I spoke to Mr. Pepin myself, a week or two ago when I was in Ottawa, and they seemed to feel that while there are going to be some changes recommended by the American government, nonetheless they are going to get a pretty healthy argument from our side of the border and, until such time as Ottawa has finished the negotiations, I have nothing further to add to what has already been said and read in the newspapers on the negotiations that are under way at the present time.

Mr. Pilkey: A supplementary, Mr. Speaker: Because of the profound effect the agreement has on Ontario, is the department participating, in any sense of the word, in the review along with the federal government?

Hon. Mr. Randall: No, we are not invited by the federal government to participate in these discussions but we are in contact with the people in Ottawa who are in on the discussions. They have not invited us to go to the meetings with them, but they are keeping us fairly well informed as to what is going on and they know the interest we have, with about 98 per cent of the automobile business in this province.

We have always had a close relationship with the people in Ottawa since the agreement was negotiated and when the auto pact originated, and they recognize our interest, but we are not invited to attend those discussions in Washington.

Mr. Pilkey: I have a question of the Minister of Labour.

Mr. Speaker: I am sorry, the member for Sandwich-Riverside has the floor.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Health.

Does the Minister feel that it is wise to permit the continued sale of meat tenderizers, at least one of which consists of over 99 per cent monosodium glutamate?

Hon. Mr. Wells: Mr. Speaker, I think I indicated privately to the member that has asked this question, that our department has made representations to the food and drug directorate about monosodium glutamate and I certainly feel that this is something that comes under their jurisdiction. We have asked and we are happy to co-operate and work with them. We have no power really, I think, to take any action in this matter and, indeed, it should be done on a national level.

Mr. Speaker: The member for Oshawa.

Mr. Pilkey: In view of the headline in the Toronto *Telegram* of November 11, "Ontario Suggests Welfare for Poor Workers", which was attributed to the Provincial Treasurer, I wonder if the Minister of Labour has contemplated any increase in the minimum wage as the result of his statement?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, the minimum wage was increased as of January 1 this year and I said during the course of my estimates and other times, that the matter is under review.

We have conducted certain surveys to obtain reports on the matter as to the effect of the change in the minimum wage. When

those are completed we will review the matter.

Mr. Pilkey: A supplementary, then, of the Minister. Would the Minister think that an increase in the minimum wage would be the answer to the working poor, as opposed to handing out welfare cheques or some other kind of help?

Hon. Mr. Bales: I think it is a matter of consideration of the effects of the change in the minimum wage, but certainly I believe it is a good thing to see people working, rather than receiving money for not working.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. Gisborn: I have a supplementary.

Mr. Speaker: A supplementary? I am sorry, the member for Hamilton East.

Mr. Gisborn: Would the Minister explain what he and his department expect to find from their review of those industries now affected by the last increase in the minimum wage, that would influence his decision on whether he increases it or not, again?

Hon. Mr. Bales: We wanted to see the impact of the change of the last minimum wage on certain industries because the greatest impact we found from our previous review, came in reference to the service industries.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. Gaunt: Mr. Speaker, I have a question of the Minister of Highways.

Is the property branch within the department being reorganized and, if so, will that mean that the buying, on behalf of the department, will be done by private firms?

Hon. G. E. Gomme (Minister of Highways): There is no reorganization, Mr. Speaker, and we will continue to purchase property. There are occasions when we find it necessary to use private firms, but not in all cases.

Mr. Gaunt: May I ask the Minister if the use of private firms is on the increase?

Hon. Mr. Gomme: The answer to that, Mr. Speaker, probably could be yes or no. "Yes," because we are purchasing more property, and we might need the assistance more, but in theory it is not any greater than it was before, percentage-wise.

Mr. Speaker: Has the hon. member for Huron-Bruce completed his supplementaries?

Mr. Gaunt: If I may, Mr. Speaker, is it fair to say that you will be keeping all of the buyers presently employed, in the department?

Hon. Mr. Gomme: I would assume so, Mr. Speaker, as long as they want to stay with us.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: Mr. Speaker, I have a question of the Prime Minister.

In view of complaints in the local Oakville paper that the Halton County Progressive Conservative Association, on their new letterhead, lists among their executives the local Crown attorney, will the Prime Minister intervene with the local Conservative Association, to ask them to make their connection with the Crown attorney a little less blatant?

Mr. Speaker: This, of course, is not urgent; it may be of public importance, but it certainly is not urgent and not a proper question for the question period.

Mr. Shulman: Sir, if that is not urgent, may I ask another question in that case. I have a question of the Provincial Secretary.

Has the Provincial Secretary yet had an opportunity to add up the number of members of the civil service association who resigned during the week of October 19, as he promised us he would three weeks ago?

Hon. R. S. Welch (Provincial Secretary): I know very well I undertook to collect this information, Mr. Speaker, but as I told the member at that time, it was a payroll deduction matter spread throughout the entire province and we are awaiting the results of all these cancellations.

At the time the question was asked, or not long afterwards, there was a preliminary estimate of about 500, but I did not want to give any guesstimate. There was a preliminary estimate of about 500, but I am waiting until such time as we have the final figures which the payroll deduction people would have and I just assumed that the hon. member would want the accurate figures rather than any guesstimates.

Mr. Nixon: He would not want to be misled.

Mr. Speaker: The hon. member for Oxford.

Mr. G. W. Innes (Oxford): I have a question of the Minister of Transport, Mr. Speaker.

Could the Minister inform the House whether studded tires are permissible on front wheel drive vehicles?

Hon. Mr. Haskett: Mr. Speaker, under the present regulations with respect to use of studded tires for the period prescribed, studded tires should be used only in pairs and if not used on all four tires, should only be used on the rear pair of wheels.

However, the question does come up, and I suppose this is the reason the hon. member asked as regards cars with front-wheel drive including some imported models. I do not think there is any provision for using studded snowtires on the front wheels only. According to regulation as it now stands, studded snowtires would have to be on all four wheels.

Mr. Speaker: The member for Wentworth.

Mr. Deans: A question of the Minister of Transport. Did the Minister investigate the recent losses of radioactive material in transit, for the city of Hamilton and will he take whatever steps are necessary to change the regulations to ensure that radioactive isotopes and material cannot be lost in transit during the movement from Toronto to Hamilton by freight?

Hon. Mr. Haskett: Mr. Speaker, this is a matter on which I will make inquiry, but I do not think it falls within the responsibility of the Minister of Transport. However, I shall look into it.

Mr. Deans: If I may, surely it falls within—

Mr. Speaker: Order. The hon. member cannot ask a supplementary because the question has not been answered and he cannot make a statement. Now if he—

Mr. Deans: But the Minister said—

Mr. Speaker: The hon. member is out of order. The Minister has said that he will look into it and presumably that means he will bring back an answer. The member for High Park.

Mr. Shulman: A question of the Minister of Public Works, Mr. Speaker. Has the Minister received three requests in the past four years from The Department of Trade and Development, that they are housing people on University Avenue and that the Zurich Building be moved because of the fire hazard; and if he has received such requests, why has nothing been done about it?

Hon. Mr. Simonett: Mr. Speaker, perhaps we have received a request in the department, but this is the first I have heard about it.

Mr. Shulman: Would the Minister look into the matter and report back to me?

Hon. Mr. Simonett: Yes, I will. In fact, if the member would like to call me in the morning, I will give him the answer.

Mr. Speaker: The member for Brantford.

Mr. M. Makarchuk (Brantford): A question to the Minister of Agriculture and Food. Some time ago, I asked the Minister of Agriculture and Food if he would table the amounts paid to members of the farm income committee. I wonder when he will answer that question?

Hon. Mr. Stewart: Mr. Speaker, I thought I had these figures right here and I believe they are in this desk someplace. I brought them back to the House to reply to the hon. member and he was not here. I was of the opinion that we dealt with that during the estimates of our department and committee. Perhaps you were not in the room, but if memory serves me correctly, we annunciated each one of those. However, I have the figures and I would be pleased to table them, Mr. Speaker.

Mr. Speaker: I think that was the member's question, when will they be tabled, sir?

Hon. Mr. Stewart: I will be glad to do that.

Mr. Speaker: The member for Timiskaming was on his feet.

Mr. D. Jackson (Timiskaming): I have a question, Mr. Speaker, but the Minister is not in the House at the moment.

Mr. Speaker: The member for Oshawa.

Mr. Pilkey: A question to the Minister of Health. Are all the administrative problems with OHSIP being ironed out? If I could just make this point: First of all, the letters that people are sending are not getting any response. Four or five letters, and no response. And there are refunds to people who have not even paid any money into OHSIP.

Hon. Mr. Wells: That is not a question.

Mr. Speaker: The hon. member asked a very broad question which the Minister, of

course, could not answer. He, in my opinion, is now trying to delineate the areas towards which the question was directed. Now, I think that he has deliniated them sufficiently. Perhaps the Minister may read his comment or answer it.

Hon. Mr. Wells: Yes, Mr. Speaker. If the hon. member, as many of the other members do, would like to give to me any specific examples where problems are occurring, we will have them looked into. Of course, the administrative problems are not completely ironed out and a plan like this is going to take a while to settle in. Considering the number of requests, the number of claims being paid out and so forth, I think that actually the problems are minimal. As I said before, I am much impressed with the quality of work that our staff members are doing in trying to solve them, but they cannot solve them all. They will try to get answers for any questions that you have.

Mr. Pilkey: Mr. Speaker, I do not know if this is a supplementary, you can rule on that, but all I am saying is, that when people—

Mr. Speaker: No. The hon. member has the right to ask the Minister a supplementary, not to ask Mr. Speaker if you can say—

Mr. Pilkey: I just want you to rule whether it is a supplementary or not.

Mr. J. E. Stokes (Thunder Bay): Just ask the question!

Mr. Pilkey: Okay. Does the Minister believe that the department is working out these administrative problems when a person sends four letters in regard to his OHSIP and—

Mr. Speaker: I would rule on that question that it is quite out of order. If the member wishes to draw to the Minister's attention the problem of the party with four letters unanswered, the Minister said that he will have it dealt with. I think that the question, otherwise, is much too broad. The member for Hamilton West.

Mr. Gisborn: Question to the Minister of Health: Has the machinery been ironed out yet as to the forwarding of the premiums collected by industrial plants' designated agents to the department?

Hon. Mr. Wells: Maybe the hon. member could amplify his question a little, I am not sure just what he is getting at.

Mr. Gisborn: I will, Mr. Speaker. The designated agent in industrial plants that have group coverage, collect the premiums and I understand they will then forward the premiums to OHSIP. The question is: Is that happening at the present time?

Hon. Mr. Wells: Oh yes. I think this has all been straightened out, Mr. Speaker. Again, there may be individual cases where there is a problem, but by and large the policy has been set. As I say, our staff are trying to work it all out with the minimum disruption.

Mr. Gisborn: Then my question is this: would there be a 15-day or a 30-day lapse between the collection of the premiums at the plant before the OHSIP department gets the money?

Hon. Mr. Wells: This is very difficult to answer in generalities, Mr. Speaker. I would have to know the exact plant and what the situation is there—who the designated agent is—and we could look into it and find out. There should not be, generally, but I do not know what the situation is.

Mr. Gisborn: The point of the question is as a supplementary. Is it possible that the designated agent will have some returns on invested moneys for a period of time before it reaches the hands of the OHSIP department?

Hon. Mr. Wells: Absolutely not, Mr. Speaker. The premium moneys are made out to the Treasurer of Ontario and the money in no way passes into the private hands of any of the designated agents.

Mr. Speaker: The member for High Park.

Mr. Shulman: Question for the Minister of Health: What action has the Minister taken about the OHSIP claims that had been sent back by the various designated agents, by the various insurance companies as reported here in the House last week when those claims were sent in with the word "applied" on them?

Hon. Mr. Wells: Mr. Speaker, I have drawn this to the attention of our staff and we have agreed that the policy, as stated here before, is the policy which we adopted. We are attempting to get each of the designated agents to operate properly. Now, as I indicated, by and large a great majority of them are but in a plan of such magnitude there are bound to be places where these problems arise. The staff is attempting to get over them as quickly as possible.

Mr. MacDonald: Its magnitude is of your own creation.

Hon. Mr. Wells: Oh no.

Mr. Speaker: The extended oral question period time has now expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Mr. MacDonald: Mr. Speaker, before the orders of the day, I wonder if I might, on a point of order, ask the House Leader if he could confirm what the new sequence is for estimates. There have been some changes that he is aware of. Are we now moving to the Lieutenant-Governor's, the civil service and, if that is correct, what beyond that?

Hon. Mr. Welch: The Lieutenant-Governor's estimates were cleared on Friday and there is no change in the list except that we would begin now, under the arrangement, to deal with the estimates of The Department of University Affairs. That Minister is tied up in education committee and so therefore we will move to the next estimate, which will be civil service.

When they are completed, if the Minister of University Affairs is still in committee, we will then move to Energy and Resources Management. We will deal with University Affairs as soon as the estimates are then completed. They will just fall right into line after that.

I would assume that we will, in fact, start on The Department of Energy and Resources Management before the education committee is completed and perhaps University Affairs will then follow Energy and Resources Management.

Mr. MacDonald: Do I assume correctly that the reports back from those estimates that were considered in committee will come after we have considered all the present estimates?

Hon. Mr. Welch: No, not necessarily. They become an order of business on the order paper and I just assumed that we could call those orders at any time as part of the general time allocated for estimates.

Mr. MacDonald: The House leader will give us 24 hours' notice?

Hon. Mr. Welch: Of course, in keeping with our usual generous policy, we will announce on the Thursday the programme for the following week.

Mr. MacDonald: Very good. Sometimes the generosity becomes a little qualified.

Clerk of the House: The 25th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, THE DEPARTMENT OF CIVIL SERVICE

Hon. R. S. Welch (Provincial Secretary): Mr. Chairman, I am very happy to submit for the consideration of the committee of supply, the estimates of The Department of Civil Service.

I think I would prefer to comment, as we discuss the votes, but perhaps at this stage I might be permitted to say the Civil Service Commission and The Department of Civil Service became my responsibility as of August 1. I am very pleased to work with the staff of the commission and the department in carrying out the responsibilities which are established for this government function under The Ontario Public Service Act. In doing so I pay tribute to my colleague, the Treasurer of Ontario (Mr. MacNaughton), who had the responsibility up till that time.

There have been some changes. Mr. Robert Johnston is the new Deputy Minister of The Department of Civil Service. And General Anderson, who assumed the responsibilities as chairman of the civil service commission, comes to us with a very distinguished record in the armed services. We welcome him to that responsibility. He, along with his commissioners, carry out the responsibilities which are set out there.

Although my tenure of office is brief with respect to this responsibility, I certainly enjoy working with the staff as they carry out their central service function, and would welcome the comments of the various members of the Legislature as we consider these spending estimates.

Mr. Chairman: May I suggest to the committee before we proceed with the vote, that perhaps we could deal with the entire department in total. The estimates do not seem to lend themselves to detailed vote by vote. We will take each vote along in total then.

The hon. member for Perth.

Mr. H. Edighoffer (Perth): Mr. Chairman, I have a few comments to make regarding this department. I might not be quite as brief as the Minister has been this afternoon.

First of all I would like to congratulate the hon. Minister on his department's acquisition

of the Civil Service. Now, in view of the government's previous attitude towards this catch-all department of the Provincial Secretary, we hope this is not a reflection of a negative attitude on the part of the largest employer in the province towards its employees. We hope, rather, that it is a further recognition of the good Minister's proven abilities.

It is the usual practice of the Opposition to try to build on the positive points of a department, and to suggest reasonable alternatives for the negative aspects that exist. In the case of the civil service, however, it is virtually impossible to find the positive side, and I regret that my perusal of this department has led me to conclude that the government has built its house on a foundation of sand. For as the personnel policies of the immense machine go, which of course is the government of Ontario, so goes the efficiency with which government policy is formulated and implemented.

I suggest to the hon. Minister, Mr. Chairman, that we have in the civil service department, a microcosm of the workings of the Conservative government. And if he will consider a few examples with me, I am sure he will see my point and he might even agree with me.

On November 3, 1969, the Provincial Treasurer made a statement in this House setting forth the objectives of the productivity improvement project. The eight-month delay in the formalization of the committee is, I hope, not a forerunner of the outcome of the study.

We most sincerely hope that it does not join its predecessor, the select committee of the House appointed on April 4, 1960, to examine into, and to study the administrative and executive problems of the government of Ontario.

I have been unable, Mr. Chairman, to turn up even a final report of this committee—and the only evidence that it was read by the government is the fact that we at least have a public accounts committee, as recommended by the report which occasioned the select committee study.

Now early in the statement made by the Treasurer, when he announced PIP, he stated: "If any waste, duplication, and inefficiency should be found to exist, we want it eliminated."

I ask you to come back with me, Mr. Chairman, to the recommendations of the report of the committee on the organization of government in Ontario, dated September 25, 1969. Recommendation 18: That there should be fewer departments. Recommendation 19: That the temptation to create new departments should be resisted.

Subsequent events showed us that an efficient, economical measure such as this was ignored, and is now under review again. At what cost to the taxpayer, nobody knows. I fear, Mr. Chairman, that should the committee find—and let us take a random example—the Minister of Revenue superfluous, and his department a waste of money, then that recommendation will not reach the ears of the members of this House.

And if by some miracle it does, there will likely be a select committee set up to study the report of the productivity improvement project.

What has happened to the civil service is described in the Orillia *Packet and Times,* February 19, 1969.

At that time an editorial dealt with a speech made by Mr. William Cranston, chairman of the Ontario Economic Council—a speech in which this gentleman gave full vent to his frustration at the waste and inefficiency rampant in government offices. He placed the blame, I believe, where it belongs, and I would just like to quote one paragraph from that editorial:

> General tax increases are blamed on new welfare measures, but in fact a larger percentage of the tax dollar goes to support the bureaucracies. It starts at the top, in the office of the Prime Minister, who has turned what was a small personal staff into a small army of assistants and secretaries. Each Cabinet Minister in turn is busy building up his own empire. It is a natural instinct that, in private industry, it is in check. But in government it is allowed to run rampant.

Then he went on to say:

> The taxpayer, whose pocket is being pilfered to foot the bill, should demand an accounting and a standard of efficiency in government, just as a shareholder does in a private company.

That, Mr. Chairman, is the view of a recognized expert on the state of affairs of the Ontario Civil Service. We hope that the appointment of a new Deputy Minister will go a long way towards solving this many-faceted problem.

Now let me just illustrate with one example what happened to one man who came up against the "labyrinth of bureaucracy". I would just like to follow through these events

very briefly, events which I believe, carry this man's problems right back to the source—the Minister of Highways.

This was a gentleman, formerly employed by The Department of Highways and who resides in my constituency. For political reasons—so say some people—he was transferred to northern Ontario at one point in his career. He could not adjust and decided to retire early—on July 11, 1968 at the age of 60, after 26 years with the department.

On January 21 of this year, he was advised by the Deputy Minister that he was not eligible for retroactive pay. Also on April 15 and 30 of this year, I was advised by the Minister of Highways that he was not eligible.

Now in June of this year, I advised the Minister of circular No. D-137, a circular issued on January 17, 1969 to all Deputy Ministers. This circular clarified the fact that an employee who had served more than 25 years was eligible.

On Jue 19, 1969 the Minister informed me that my constituent would receive his retroactive pay because of a personnel administrative circular No. E-90, dated May 13, 1969.

Why was this second circular issued? I do not know. But one thing is clear—the Minister and his Deputy were unaware of the directives that were being issued by the Deputy Minister in charge of civil service. I am sure that all members of this House will recognize in this capsule summary similar cases of their own, cases that drag on for months, even years.

Common to these cases is one glaring fault —lack of communication. In other words, the Minister, his Deputy, and his senior civil servants are not aware of changes in regulations, and how they affect employees, and so the employee suffers loss of time and money.

Who knows how many cases go unreported? Where does the fault lie? Is it with the Minister, for not keeping himself informed of his employees' rights? Is it with the Deputy, for not keeping his Minister informed? Or is it with the Deputy Minister in charge of civil service for not seeing that his memos receive proper attention?

I ask the Minister through you, Mr. Chairman, to study this problem with his new Deputy. Perhaps the new brooms will sweep clean. Let us hope so.

Another recommendation of interest going back to the 1959 study was "that the civil service commission should move towards increasing independence similar to its federal counterpart."

Now the actions of the Ontario government in refusing to allow civil servants freedom to join the union of their choice is without a doubt, one of the most blatant denials of basic human rights to be exhibited by a government that professes to be the champion of those same human rights. A government that has brought forth excellent legislation in this field, but apparently believes that these obligations rest with every other employer in the province—but not with the largest.

I wonder, Mr. Chairman, if the government is prepared for the consequences of such an action. CUPE has stated that it will organize civil servants so that they may strike, if necessary, to gain this right.

I ask the hon. Minister, through you, if he will not consider these consequences and take the steps necessary to avoid such a costly and crippling eventuality. It has to come, either by an intelligent reappraisal of the stand on this question by the government, or by a long and messy series of confrontations. The end result has to be that civil servants will ultimately earn the right to join the union of their choice with bargaining rights.

The Liberal Party has gone on record in this matter, and I will say it again—the government is dealing with employees who are intelligent, well-informed people who will not tolerate being forced to be members of a company union.

We have, and we do again, advocate complete freedom of choice for all public servants at whatever level they may serve. Federal civil servants have this right—and without the kind of polarization that has resulted in Ontario, with CUPE at one end, and the CSAO at the other.

The right to strike must also be there. We hope that it will not be necessary to call upon this right, but it must be there.

The very few exceptions, like the police and hospital workers, must be guaranteed such rights and wages that the need to strike will be no more. The CSAO must survive on merit, in free and open competition with other bargaining units. Only then will we have a healthy employer-employee relationship.

In conclusion, Mr. Chairman, I should like just to return to PIP. It is a rather frivolous title for a body entrusted with the very necessary task of studying the operation of the civil service and streamlining the manner in which it effects its job.

The Provincial Treasurer, in introducing the makeup of the committee, set forth its main objective as that of eliminating waste. I would like to ask the hon. Minister why this study is not being done by a firm of management consultants? How can he expect an unbiased study from a committee made up of Deputy Ministers who are expected to "offer guidance," or five otherwise capable men who cannot help but be influenced by present or past interest in such areas as mining, insurance, health, education, food, and so on?

The committee has already started on a rather shady note. I am recalling the time that there was certain embarrassment on the part of the hon. Minister of Lands and Forests when he had to admit, when questioned by my leader, that he did not even know that his Deputy Minister was on the committee—and his further shame, of course, when learning that his Deputy had known for several months.

Is this the kind of inefficiency we can expect from this committee? Have coming events cast their shadow before? I am afraid that a report of this kind will suffer the same fate as that of the 1959 report and select committee study.

I therefore ask the Minister to take the steps necessary, and reconsider the kind of study that he wants done. He must not choose the means to bring about a desired end unless that end is, in fact, a complete reorganization of the machinery of government—and not just a smoke screen at a time when his department is under fire.

Mr. Chairman, in closing, I just want to read one sentence which was contained in the opening statement of the Treasurer: "In recognition of the increasing complexity of the governmental role, we want to redesign our machinery wherever necessary and desirable, to meet the challenges facing Ontario in the 1970s."

Mr. Chairman, the first meeting, I believe, is to be held on November 24, 1969. I certainly hope that in the five weeks left, as we are coming to the 1970s, that this group will be able to redesign and get ready for the 1970s. I really do not think that we have the right leadership in the field. I hope it changes now.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, because of the schedule that we have agreed to—regarding dealing with the estimates—we are not going to have much time to deal at any length with this department.

I did deal with the Little report regarding collective bargaining in the civil service during the estimates of The Department of Treasury and Economics. I would hope that we can get some questions answered by the Minister regarding this department.

One cannot see very much improvement in imaginative approach to a government-employee relationship in the past years—unless the Minister has something to reveal to the House during consideration of his estimates.

I notice in the annual report—the pages are not numbered—that, in about the third or fourth page, it tells us: "We are after the best people from business and industry, university and high schools". Then on page 14—I am sorry they are numbered following that page—they say "pay and classification", like classifying jobs and paying employees according to current standards.

It is easy to say a day's pay for a day's work, but who is to decide what a day's work is really worth and how much more a college graduate should be paid than a secretary? What is the price for brain power as opposed to muscle power?

I think, in those statements, it lays out the basis for looking at personnel recruitment, and satisfying their needs as well as the needs of the employer.

Certainly in the past we have pointed out that we have been very disappointed in the wage levels in the civil service. Members of this party pointed out—I mean those who were spokesmen for civil service previously, during 1965 estimates—that 17 per cent of the employees were receiving $3,000 a year or less, and another 18 per cent were receiving less than $3,600 a year.

They made the comparison and the analogy that this number—about a third of the civil service—would be eligible for a subsidy—under the formula—under the OMSIP health programme—and this pointed out a pretty disappointing figure, and was certainly not in keeping with the wishes and demands of the report of this year.

I am not aware of how this picture has changed. That is one of the answers we would like the Minister to give to the House: Just how proud can we be of the wages that are paid to the civil service employees in this province?

I, myself, raised the question and showed some concern about the multiplicity of classifications throughout the civil service. I have not got any of the figures that I received at that time, but I know that they go into

the hundreds, or possibly 130 or 150 different rates. Of course, we pointed out the absolute nonsense of having six groups under such classifications as cooks—cook 1, cook 2, and so on—and this was related to most of the institutional service employees work which just did not make sense at all.

I want to put one proposition to the Minister, and I mentioned this facet before, that somehow or other we have to get down to more concise terms of classifications in the civil service. If we do the kind of a job that I feel should be done, I think it will put into clear perspective the opportunities for people in the civil service and, of course, for those in the general public who may wish to advance to the career of a civil servant.

I am sure your department, or some of your department officers, have studied various job classification studies—and I do not mean to go back to the earlier days of the imposition upon employees in certain industries of systems, such as the Bedoe system and peace time rates and this sort of thing—I mean a clear, functional, co-operative wage study. And I did present to the House the type that they are using, particularly in the steelworkers' union. That is what is called the co-operative wage study, which was developed during the war, between 1941 and 1945, by the American government and the unions and management, with representation from the economic departments of various colleges and universities, to arrive at a job relatively based on description of the work.

Hon. Mr. Welch: Job relativity?

Mr. Gisborn: Job relativity. It was devised with some importance because of the spread of wildcat strikes and because of the differential in wages among the industries at that time.

For instance, in the American steel industry at that time, that precipitated the study, there were 206 different wage rates. For example, in labour departments you would find maybe 36 different rates and no uniformity when an increase was given, at that time by the foreman at the foreman level, to an employee who he thought was using more initiative, was more progressive and a harder manual worker. He would tell him at the end of a shift, "You are going to get two more cents in your wage package, do not tell any of the other employees." This started to create dissatisfaction and dissention, and from this flowed wildcat strikes, inter-department wildcat strikes, rather than on a plant basis.

They went into this programme and it finally evolved in the early 1950s in the American industry and was adopted for adaptation in Canadian industry in 1954, where there were joint committees established by the unions.

These committees were continuing committees—to this day they have what they call their co-operative work study committees, who continually review job changes, new jobs, and that sort of thing—they up-date them because of new methods, so that the relativity stays the same, and they are increased on an increment basis.

This has worked very satisfactorily in the industries that have adopted the co-operative wage study programme, inasmuch as it settles that problem once and for all on an inter plant basis, and it has also rectified and, to some extent clarified, collective bargaining, where they just bargain for an across-the-board increase at the base rate, and an increased increment between the job classes.

Stelco, for instance, ended up with 28 job classes. There are only 28 job class rates in the Stelco plant for those in the bargaining units, and it certainly solves a lot of problems and it was agreed upon by the industrial relation in the United States and Canada, as being a very effective measure.

Of course, it is a long and drawn out process, but it has to be to arrive at the objective of the programme. You have to establish committees, you have to review each job in the industry, or, in this case in the civil service, the job description that applies to that job; you leave the individual completely out of the picture. Everything is done based on the job description and the final classification is based on the factoring that is arrived at through the process of dealing with 12 factors. I do not remember them all, but there is responsibility to materials, responsibility to others as far as safety goes, physical effort; mental effort; pre-training experience, and all of these things, and there are 12 factors.

They are factored and marked, and then, when they arrive at the final addition of the factoring, it slots them into a position of classification, and I would hope that this plan would be given consideration to remove some of the concern about the great number of pay classifications throughout the civil service.

That entails my presentation at this point. I have several questions to ask regarding pay scales and the operation of the department.

We are concerned about the Minister in charge pre-empting the Little report, without more discussion.

I notice that the civil service association, themselves, have put out their regular leaflet saying that Judge Little's recommendations are to be implemented. I do not know what kind of dialogue or discussion took place with the association, prior to the implementation of three of the important principles. The Minister, likely, will tell us what took place.

I am certainly disappointed with the government's acceptance of Judge Little's pronunciation, because, as I said, I thought he was somewhat out of place in making the recommendations with the experience he had in the industrial field.

One of my strong complaints was that he said he would establish the principle that the civil service of Ontario would have the right to join a union of their choice, under the principles of The Labour Relations Act of Ontario, but certainly the action does not follow. If that had been the intention then there should have been a determination made by the government, there should have been an open vote to establish it once and for all.

We get information that things are not just as well as they might be throughout the civil service in regard to their union affiliations. It is no use an outsider interfering to any great extent as to the validity of them because we believe those employees should be able to make up their own mind. But when they have been under what I have always said was a sort of paternalistic environment for so many years, they maybe do not know exactly what rights they should have in this field to make a determination.

We, of course, are getting various complaints. I will raise them later with the Minister. If he cannot explain their validity we would like him to investigate because from what I am told there have been some intimidations carried on throughout the departments by supervisors which have deterred the employees from taking the kind of action or exerting themselves to the degree that they feel they should be allowed to. So, I will leave my opening remarks rest at that and be willing to listen to the explanations of the Minister and carry on under the procedure set down by the Chairman.

Hon. Mr. Welch: Mr. Chairman, may I be permitted to comment just briefly on the remarks by the hon. members for Perth and Hamilton East. Indeed, to thank them for underlining certain matters here for our consideration.

The comments of the hon. member for Perth dealing with the PIP study I think, perhaps, are not quite in place here in the estimates of The Department of the Civil Service since I am sure the hon. member will understand that we are really the central personnel agency of the government. We seek through the procedures established here, in co-operation with the various departments who have vacancies, to establish the procedures whereby people are interviewed and references made to the departments for the filling of these positions.

Any general study with respect to complement, we assume, is done by each of the departments and, of course, the PIP study is being supervised by the Treasury Board, which, of course, explains why the Treasurer of Ontario made the announcement in the first place. So I just mention in passing, that there is no money being asked by this department as far as the PIP study is concerned, and although the comments of the hon. member for Perth were interesting and were his point of view they perhaps would not have any relevance with respect to this particular department.

The question as to the growth of bureaucracy, the whole internal organization of government, the facts as to whether there are too many staff or overlapping staff, the constitution of the committee to conduct this study—of course he is entitled to his opinion —is a matter to be decided and you will have an opportunity, no doubt at some appropriate time to comment on that.

I am really not able to comment on the particular matter to which the member makes reference with respect to his constituent who was an employee of The Department of Highways for some 26 years except, perhaps, to offer a few comments.

First of all, I assume that if he was dissatisfied, or had been dissatisfied with his working conditions, that he would have been familiar with procedures available to him as a civil servant to place his grievances before the proper groups within his department and ultimately before the grievance board, because the hon. member did make some references to the disenchantment of this constituent with the change in his working conditions.

Secondly, I would make some reference to the fact that generally speaking retroactive pay is not granted to persons who have left the employ of the government before the date of implementation of the pay increases, but

the particular bulletin to which he makes reference does set out exceptions to that general rule. Although I am not familiar with the contents of the bulletin, I assume that the hon. member for Perth has read that and as a result of that particular bulletin, D-137, I think the hon. member said, or whatever it was, I take it that his constituent fell within the exception and therefore was entitled to have his retroactive pay.

The hon. member used this, I take it, as an example for the need of improvement of communications with respect to directives and general personnel policy as they cut across all departments of government, and I would be the first to agree that in any organization as large as the public service you have to keep very actively involved in making sure that those lines of communication are, in fact, open.

I am not commenting upon this in any particular way, except to indicate to the hon. member that there is a communications branch within the department of the civil service itself. Perhaps you have seen the newest addition to the communications family of the civil service in the new newspaper called *Topical* and there will be many ways explored to make sure that all government information is, in fact, known.

The particular directive to which the hon. member makes reference was, in fact, circulated to all departments, and we assume that once these circulars are sent the Deputy Ministers and other people who have this responsibility to keep in touch with staff are, in fact, familiar with the contents of these directives. But, this is not to minimize, in any way, the importance of constantly ensuring that the lines of communication are open, and I accept the example and the comments about communication in that spirit from the hon. member.

This whole question of the Judge Little report—and if I might, as I comment on the remarks by the hon. member for Perth, also make some reference to the member for Hamilton East on this subject and just deal with it this one time.

As was indicated, and I think we want to be fair about this, it was certainly indicated in that statement when we made the announcement of the two orders-in-council dealing with the Judge Little report—one, dealing with the exclusions from the bargaining agent, and the other order-in-council dealing with the whole question of union security.

It was made quite clear, in fact during the course of the statement itself we highlighted some of the recommendations of Judge Little's report and indicated it was the intention of government, very early in the next session, to introduce legislation by way of an amendment to The Ontario Public Service Act to implement some of these principles, one of which, of course, was the very point that has been stressed, quite properly, by the members who have already spoken—the procedures whereby employees will be able to make this determination.

That was clearly spelled out at the time and in order—also in keeping with the comments as I recall them in Judge Little's report, and this as the member for Hamilton East pointed out—came up in discussions under The Treasurer's estimates because collective bargaining still rests within the responsibility of the Treasury Board. But at that time we pointed out that Judge Little, in his report, indicated he was satisfied the present bargaining agent had the voluntary support—do not hold me to these figures, but I think he mentioned 60 per cent of the present employees—and therefore felt that some recognition should be given to that particular agent by virtue of the voluntary support it already enjoyed.

Mr. Gisborn: They had no other choice.

Hon. Mr. Welch: Well, at the moment this is the arrangement proposed by Judge Little and therefore, by order-in-council, the necessary steps were taken at least to implement that recommendation and to start with that particular bargaining agent. It is recognized, and I underline this, it is recognized that some procedures will have to be developed in order for future determinations to be made, and this is exacly what we plan to do. So, I think it is a little unfair, at this stage, to say that we are denying the employees their right to choose, because at the moment we have to bring in the necessary legislation to provide the procedures by which they can, in fact, make this determination, and this is being done in this way.

I mention this now because I feel the House will have ample opportunity to debate this whole issue when those amendments are proposed and it will, I am sure, be a very profitable and worthwhile debate at that time when the amendments of The Public Service Act are placed before the House and this whole principle and indeed all of the principles which these amendments will propose to enshrine in legislation, will then be up for

that type of full and frank discussion and debate.

The references with respect to the CSA, the amount of support it enjoys, the suggestion of the hon. member for Perth that it is a company union; all these are matters of opinion as far as they are concerned, and I do not think I can add anything to the general principle that is involved here now that we have Judge Little's report. We now have some basic recommendations which we can use for the implementation of further legislation.

The hon. member for Perth ended his comments as he started with respect to the PIP study—and I simply want to re-emphasize the fact that this is not a study which has been initiated by The Department of the Civil Service. It is a matter of government policy cutting across the whole operation of government and one which I feel on the basis of newspaper comment really has received a great deal of public support, and I do not agree with the hon. member for Perth when he questions the objectivity of such a committee.

I think that the very practical men in the business world outside of government, will bring to such a study, a great deal of objectivity which will no doubt be very beneficial in assessing the overall operation of government.

I turn now to some of the comments, if I may, of the hon. member for Hamilton East. He makes reference to the whole area of government-employee relationships and I see this as a great responsibility and challenge that faces the civil service commission constantly and The Department of Civil Service. You think in terms of the size of the civil service alone—over 55,000 people plus all the families this represents—and it is quite a responsibility to make sure that every possible effort is exerted to maintain government-employee relationships at the highest level.

I do not argue it nor do I dispute that point —in fact I would emphasize it as one of the great responsibilities which we have—and not only the size of the civil service—the diversity within the operations of the public service, and indeed the fact that it is spread throughout the entire province. Here once again is something we have to work at and make sure we are employing every possible means to keep those relationships, as I already have mentioned, at the highest level.

In this connection, if I have understood the hon. member for Hamilton East correctly, and please correct me if I am wrong, he talks about two very important matters—the whole question of recruitment and the question of pay research, because of references made to wage levels.

I emphasize that much effort is exerted to this whole area of recruitment and the importance of recruitment you have seen in that report, the high school and university programme—I am sure you see constantly the programme within the Metropolitan Toronto area with respect to the advertising of job opportunities in the Ontario public service.

I am sure you will agree we are anxious to attract into the public service of this province, the very competent people, the best possible people, and in order to do this we have to meet the competition in the labour market to pay what good employers are paying for similar functions outside the public service. This particular point is made quite clear in the report, that our pay research people are constantly gathering the information necessary for the commission to recommend wage levels in the various classifications to the government, and also that the same pay research people have to keep the staff relations group of Treasury Board advised with respect to the whole process of collective bargaining.

I have made it my business to find out and to be briefed on the steps that are taken to satisfy themselves with respect to the adequacy of those levels and I am quite satisfied we have a very active group who have been able to collect in this advisory role, which is theirs, all the up-to-date information to ensure that the government of Ontario is in fact meeting the competition outside and paying what good employers pay for similar functions outside.

If any member of this House has evidence to the contrary then this is the opportunity for him to share this particular information with us.

Before I forget I would draw to the hon. member for Hamilton East's attention—I agree with him that about page 34 the numbering system stops in the annual report, but if you go to what would be page 36 there is a breakdown by salaries within the civil service and you will notice that only 2.5 per cent of our employees, according to this report, are paid under $3,500 a year.

I do not say this to defend the salary one way or the other, but I would draw your attention to the salary intervals as the table is headed, so that you might get some percentage breakdown of our civil servants and the pay rates or the wage levels they are paid. This might provide you with some of the

information you asked for by way of comments on the introduction of these estimates.

This question of classifications, I think, is a very legitimate point to interject into this particular discussion. As a member of the Treasury Board, myself, I know there have been some very real efforts made by the civil service commission to reduce the number of classifications.

This is a tremendous job and I have appreciated the fact that the hon. member for Hamilton East has treated it the way he has and I know from experience as a member of the board, and of course more so now as the Minister responsible for the commission, of the attempts that are being made to simplify this question of classifications, and reduction to a reasonable number of classifications.

I am sure the members of the committee would be the first to agree that it is quite a job, when you think of the size of the civil service. I must admit I have listened with some interest to the member as he discusses co-operative wage study. I know nothing more about it than he has shared with me today and would make it my business at least to become familiar with it—but to what extent it could apply to our situation here, I would not have the slightest idea; but I would make it my business at least to do this.

I suppose the question of job relativity and this whole question of the objective standards by which classifications are measured in the first place is part of the function of the audit section of the civil service commission. In fact I suppose I should say at this stage, one of the great principles enshrined in the establishment of the civil service commission is this whole principle of classification. The commission brings a certain, indeed a great degree of objectivity to the question of classifications and to the merit system.

I am a little disturbed to hear references by the hon. member for Hamilton East about intimidation on the part of supervisors in various branches of the government. Of course if he would provide us with some specific evidence of this fact it could be brought to the attention of the appropriate departmental people.

Now, I end as I started by thanking both members for their general comments and would hope that during the consideration of these estimates they would feel free to share any advice or comments and indeed ask any further questions in connection with the operation of this department.

On vote 301.

Mr. V. M. Singer (Downsview): Mr. Chairman, I would think this matter comes under this general vote. The Minister will recall, we were having a discussion a while back about the location of spies within the civil service and at that point the Attorney General drew to the attention of the House the fact there was a section in The Public Service Act which requires every civil servant to swear an oath of secrecy.

Hon. Mr. Welch: Section 9.

Mr. Singer: Section 9. At that point, as I understood the Attorney General (Mr. Wishart), it was his suggestion that anyone who broke that oath had committed some offence. I wonder if that is the Minister's opinion? I want to lead on from that. We could perhaps just stop at that point.

Hon. Mr. Welch: Well, I do not know whether or not I share such an opinion. Perhaps what we should do at this stage is draw attention to The Ontario Public Service Act. Perhaps I should say this. There are two ways I would like to answer the question or attempt to answer the question. In the first place, the ultimate decision to hire within the departments is made by each department. It should be pointed out that except for employees within The Department of the Civil Service, we do no hiring.

Mr. Singer: I did not ask the Minister that.

Hon. Mr. Welch: No, but it is important. The member will understand that when we come to this next point. Section 9 of The Ontario Public Service Act requires that every civil servant shall, before any salary is paid to him, take and subscribe before the Clerk of the Executive Council, his Deputy Minister or a person designated in writing by either of them, an oath of office and secrecy in the following form—and the form is set out here. Now, as to what a breach of this may do, the member's opinion is just as valid as mine. I am not going to get involved in an exchange of—

Mr. Singer: Well, Mr. Chairman, I have no definite opinion at all but I would have thought that since the matter was raised and since the Attorney General seemed to have a pretty definite opinion, the Minister would either be prepared to confirm it or deny it, because I got a little confused about the approach of the Attorney General in this matter as contrasted to the approach of the Premier when he was answering questions at

a later time. And I would think that the Minister responsible is the one that perhaps could set us right.

If the oath is meaningful, if section 9 means what it says, one would presume that when this Legislature has established a procedure and says all civil servants shall do so-and-so and if it involves the swearing of an oath, that if one breaks that oath then one would have committed an offence. And I wondered if that was the opinion of the Provincial Secretary, and I think he should have an opinion about it.

Hon. Mr. Welch: Well, let us put it this way, Mr. Chairman, as far as I am concerned if a civil servant has subscribed to that oath, and it could be proved that that particular civil servant has in fact violated that oath, then I would draw your attention to section 15, subsection 3, where a Deputy Minister may, for cause, dismiss from employment in accordance with the regulations any public servant in his department. It may be reasonable to argue that if, in fact, you could establish the breach of that oath on the part of a named civil servant that this may well be considered cause for dismissal, in violation of his oath.

Mr. Singer: Is that the Minister's only answer? I would have thought that that would have been pretty obvious. I was wondering if—as so many provincial statutes do—when you provide such-and-such shall be done, and if a citizen of the province decides not to do it, then an offence has been created. Following the procedures of The Summary Convictions Act, somebody could do something about it in court. That is the specific opinion I am asking the Minister for.

I am quite aware of the sections he referred to and I quite agree with him that it would be cause for dismissal, but is there no sanction other than possible dismissal; is there no form of prosecution available to the government? Might there be under The Highway Traffic Act or any of these other statutes?

Hon. Mr. Welch: I would think a dismissal is a pretty significant sanction. Now, as far as I am concerned, my learned friend—and I put it this way quite respectfully because, after all, he is trained in the law—as to what other charges may be laid against such an individual—and a breach of an oath is well known to him—I am not qualified to say, nor do I think it is relevant in this particular section of my estimates to discuss exactly what I would do if I found such a violation, or evidence of it, other than what I have already said.

Mr. Singer: Mr. Chairman, it is obvious the Minister is afraid of the question and I am surprised that he is ducking it. If the section in the Act is meaningful, and if the government is concerned about keeping secrets as it should be—

Hon. Mr. Welch: Quite right.

Mr. Singer: Then, I would think if they have a section like that in the statute, they should have a present opinion as to whether or not a breach of that section constitutes an offence. If it does not constitute an offence, then, Mr. Chairman, it would be my thought that whoever is responsible should quickly bring in an amendment to the appropriate statute which would make it constitute an offence.

Now, I can imagine in time of emergency, various government officials discussing certain matters that affect the real safety and security of the whole of the province, and if information that should not be discussed by anyone, other than those persons immediately concerned with it, becomes known to other people, it might be to the danger of all the people in the province.

It seems surprising to me that the Provincial Secretary says the best we can do if we catch him is to fire him. That is what he has said. Does he have another opinion?

Hon. Mr. Welch: No, there may be some misunderstanding.

Mr. Singer: That is why I am trying to find out.

Hon. Mr. Welch: I thought the member was talking about the statutes provided for in The Ontario Public Service Act; the offence the member is talking about now, I presume, is under the Criminal Code of Canada.

Mr. Singer: No, I am talking about what—

Hon. Mr. Welch: And the member got his opinion from the Attorney General on that particular subject. I am talking about The Ontario Public Service Act.

Mr. Singer: That is right. I am talking about the sanction that the government of Ontario can bring against someone who has sworn an oath and then breaches it. I am asking the Minister if in his opinion—and I think he has to have this opinion, it is just not enough to say he does not know, maybe the Attorney General can advise me—whether

in his opinion there is any other sanction than firing. Now, that is a simple question and I would think the Minister should be able to give us a simple answer.

Hon. Mr. Welch: I am really unable to add anything more to it except that I am advised there is a public officers Act, which I do not administer and with which I am not familiar.

Mr. Singer: Public officers Act?

Hon. Mr. Welch: Apparently so.

Mr. Singer: A provincial statute?

Hon. Mr. Welch: Apparently.

Mr. Singer: I just wonder, Mr. Chairman, and my legal knowledge in these matters of course is minimal—I am sure it is not nearly as extensive as my learned friend, the Provincial Secretary—perhaps he might be referring to the section of the criminal code which deals with breach of trust by public officers. Now, that may well be the section and that section is used once in a while.

The leading case on that section comes to my mind, Mr. Chairman, I am sure it does to the Provincial Secretary's mind as well, where the government of Canada prosecuted a wool controller during the war because he had control of the wool and he happened to allocate it to companies under his control, all of the priorities.

Rightly, the federal government came to the conclusion that this was not the sort of thing to be done. This was one of the first effective prosecutions under that section of the criminal code. But I am not talking about that sort of thing, Mr. Chairman, I am talking about someone becoming aware of a borrowing being effected by the government. If information of that leaked out perhaps someone else could capitalize on the market; about some new kind of government policy that has been discussed in the secrecy of Cabinet, and someone typing out the memorandum dealing with that reveals it.

It would seem to me quite apart from the political importance of this thing. All political parties have secrets amongst themselves, and the government must be most concerned about keeping matters of this type secret until they decide the time has come to reveal them. The Minister says: "We can only fire". I suggest that is not enough.

So let me again ask the simple question—

Hon. Mr. Welch: I did not say we could only fire them.

Mr. Singer: Well, what can you do? The Minister says maybe there is a prosecution under something he calls The Public Service Act, which I suspect the Minister means is the section of the Criminal Code, dealing with breach of trust by public officers. But where it does not approach that, surely in so many provincial statutes where we create a prohibition we follow it up by saying: "If someone breaches our sanction, then they are guilty of an offence". After summary trial then they can be convicted and punished in accordance with the scale of punishment we have laid down. Now, this is not an unusual concept. And I am asking the Minister if it is his opinion, and I think since he administers this Act he should have an opinion on it, as to whether or not there is any sanction other than firing that attaches to a breach of this section of The Public Service Act.

Hon. Mr. Welch: It is the same as any declaration that anybody would take. If it is established that somebody has in fact sworn to something and violates that particular oath then that is an offence under the Criminal Code. The point I am trying to make is that under The Public Service Act, I assume if we can establish that fact by virtue of the wording of section 9, the Deputy Minister would have cause for dismissal of the employee. The other matter then leaves The Public Service Act, and I suggest it could be dealt with as any such violation would be as an offence under the Criminal Code of Canada.

Mr. Singer: That is good. All right, we have got an opinion. The Minister is of the opinion that it could be dealt with under the Criminal Code of Canada.

Could I ask the Minister for the next opinion? Would conspiracy to breach that section, which could be dealt with under the Criminal Code, not be equally dealt with as an offence?

Mr. J. Renwick (Riverdale): Attorney General Mitchell of the United States is hanging all his prosecutions on conspiracy.

Mr. Singer: I am not interested in the Attorney General of the United States at the moment. I am interested in the Provincial Secretary at the moment. Would a conspiracy to commit a criminal offence not be a criminal offence as well?

Hon. Mr. Welch: Mr. Chairman, I am not the Attorney General and I do not know of

any such section of The Ontario Public Service Act which covers the question of conspiracy. Perhaps we could have an academic discussion about this some evening.

Mr. Singer: No, I think it is much more important, Mr. Chairman, than being an academic discussion because the Minister, with reluctance, has finally given an opinion that a breach of the oath would be an offence under the Criminal Code.

Hon. Mr. Welch: I suggest that that step might be taken.

Mr. Singer: Yes, all right. Now the Minister, Mr. Chairman, is a good enough lawyer certainly to know, as I do, that if a matter is an offence under the Code, that a conspiracy to commit an offence under the Code is equally a criminal offence. Would he not agree with that?

Hon. Mr. Welch: That is usually true.

Mr. Singer: Yes, all right. Now that we have brought the Minister that far, would it not—

Mr. J. Renwick: You would get five marks on an examination paper for that answer.

Mr. Singer: Would it not be apparent, Mr. Chairman, that since we have got that far, when a member of this House rises in his place and said he has entered into a conspiracy to commit a criminal offence, that the government should take some action.

Hon. Mr. Welch: I have no opinion on this.

Mr. Singer: You have no comment on that?

Hon. Mr. Welch: No comment.

Mr. Singer: I see. All right, that is fine.

Mr. J. Renwick: Well, Mr. Chairman, perhaps while the member for Downsview is clarfying his thinking about this topic I might pursue it in another context.

I wonder really whether or not the Minister's very able replies to the member for Downsview do not indicate really that this is very much of an anachronism in the public service law of the province of Ontario?

I would like to make just two or three comments about it. As I understand it, first of all there is the question of the oath of loyalty to the Queen, which is separate and distinct from the matter that the member for Downsview was dealing with. I am just curious to find out in a province such as Ontario, to what extent that is a disability imposed on the many people who come to the province, and perhaps are employed in the service of the province—but are not as yet Canadian citizens. And whether or not there are perhaps a large number of people still on the probationary staff of the government by reason of this disability?

Hon. Mr. Welch: I think I would have to admit there would be some people who would be, in fact, unable to take that oath until such time as they secured the necessary requirements, and so therefore would have to be kept on the probationary staff for that period of time.

Mr. J. Renwick: I am not certain in my own mind as to whether or not—

Hon. Mr. Welch: I am sorry I cannot give you any numbers in that regard, but I think it is fair to assume that there would be some.

Mr. J. Renwick: I am just going to ask—and I am speaking because it is a matter which is of some concern to me—whether there is not some more adequate classification of persons in the civil service of the province of Ontario who should be required to take an oath of allegiance? Whether there is some better standard by which a particular grouping of the civil service may be required to take an oath of allegiance as such—and to exclude, in fact, a large number of people from that requirement?

There are areas dealing with national security, of course, where an oath of allegiance is an important aspect. But I would suggest that, in the province of Ontario as such, that aspect does not operate with the same force as it does at the federal level of the government. I would leave it with the Minister to do two things:

One, is whether he would consider that it is a little anachronistic to ask every person who is on the regular civil service employment rolls to take the oath of allegiance? And secondly, whether, having that in mind, there are not some better standards—if, indeed, it is necessary at all—by which those persons on the staff of the civil service could be judged as coming within a classification which required them to take that oath?

A third item of information which, in due course, he or his staff might obtain for me, and send to me at some later date, is just how many people who are on the probationary staff of the government at some convenient date, such as June 30, or September 30, of this year, and have been in the employ

of the government for at least a year, are precluded from becoming permanent members of the civil service because they are not, as yet, Canadian citizens?

Perhaps the Minister might just comment on that before I go on with one other matter.

Hon. Mr. Welch: Starting with your last question, I hope we will find some way to provide you with that information as soon as we can.

You pose a very interesting question because our system of government is based on the type of government we have—with the regal representative and so on. We have our common loyalty to the Queen. As you look through The Public Service Act, we talk about the Crown employees, and so we have this common Act. All members of the Legislature pledge their loyalty to the head, to the monarch.

Having heard this for the first time, and the proposition, I do not know how we could develop any other system as long as our system of government is the way it is. We have to have some pledge of loyalty to the head of that government in the same way we, as members of the Legislature, pledge our loyalty to her, or to her successor.

The proposition, as I understand it—and, as I say, I heard it for the first time today—is that you might sort of re-classify, even within this body, where you would expect some to take such a pledge, and others not to, because the type of jobs they have, or the responsibilities which they discharge, are really not quite as serious from a security point of view or from a government function point of view as others.

This, I feel, would really provide some difficulties in ascertaining. We might have to have six more committees on classifications to decide that which would create some administrative problems.

All I can say at this stage is that I have listened with some interest to this, and I really feel that our system is based on the fact that we would have this common expression of allegiance and loyalty to the reigning monarch, because it falls consistently within our system of government.

Mr. J. Renwick: Mr. Chairman, I would like to deal with a couple of other areas of this same problem, because I think it is one which merits consideration.

To put it another way, what I am saying is that I do not see any particular reason why a citizen of Canada and a resident in the province of Ontario should be required to pledge allegiance to the Queen any more than the general run of citizen of the province is required to pledge allegiance to the Queen. I do not think that it is a function of his employment by government.

Hon. Mr. Welch: Well, except as anyone other than a natural-born Canadian must in order to obtain—

Mr. J. Renwick: I agree. And I was speaking now of persons who are Canadian citizens—

Hon. Mr. Welch: By birth.

Mr. J. Renwick: —and residents of the province of Ontario; and therefore are persons who, one way or another, are bound by their allegiance to the Queen whether they have taken the oath or not—as I take it to be in the case of a natural-born Canadian citizen. Therefore, I fail to see the distinction which requires a person on entering upon his employment with the government of the province of Ontario, to take a formal oath of allegiance in addition to whatever his obligation as a citizen is to the Crown as the unifying concept within our system of government.

I put it in that way again—what is the distinguishing feature that requires a person who becomes an employee of the government of Ontario to take an oath of allegiance; and what does that do to him that puts him in a different classification from any other Canadian citizen, be he a natural-born Canadian citizen, or a Canadian citizen by reason of naturalization.

Well, I just do not think it will take another six groups to re-classify the civil service in order to come to the conclusion that there are very few, if any, members of the civil service of the province of Ontario whose obligations or responsibilities are increased one iota by having to take that particular oath of allegiance, over and above what his obligations, or that person's obligations would be, as a citizen of Canada in any event.

I think it deserves a little bit of consideration by the Minister about this kind of anomaly in employment procedures of the government, as distinct from employment procedures of other enterprises in the province.

If I could come now, Mr. Chairman, to the point that was raised by the member for Downsview. I would like to ask the Minister the same question, starting on the premise, or the assumption, that every employee has

an obligation to his employer by law, not to disclose information which is confidential to him in the course of his employment—or to use it for purposes which are inimical to those of the employer, as such.

Starting on that premise, why is it that, in addition to the oath of allegiance, the government should at this particular point in time, consider that it is required that a civil servant, or all civil servants, as is this case, should take this procedure in order to protect the confidentiality of the information that comes to the attention of that employee in the course of the work?

Because again, and I pose the question, is that any different an obligation than any other employee has to his employer, be it the government of the province of Ontario, or any other employer?

As I took it, Mr. Chairman, what the member for Downsview was posing was that, yes, it did impose a higher obligation than the regular obligation of an employee to an employer. And I think he was trying to get from the Minister the extent of that additional obligation.

Mr. Singer: What you are talking about is civil obligation.

Mr. J. Renwick: —without, of course, giving any indication of the factual circumstances in which he was speaking about a violation of the oath or of a conspiracy to cause someone to violate his oath. I think—

Mr. Singer: The member for Riverdale gets very sensitive about hypothetical questions.

Mr. J. Renwick: I think, Mr. Chairman, what I would perhaps say to the Minister is that, having gone through this elaborate procedure of establishing valid and proper collective bargaining within the civil service—and we hope it will be much improved—is it not time to look at the real reason for that oath of secrecy? Is it not time to face up to the fact that it is anachronistic at the present time and that the government of the province of Ontario is, in fact, well protected in the same way in which any other employer is protected in the case of a breach of the obligation of confidentiality between the employee and the employer.

Hon. Mr. Welch: How is any other employer protected? How is any other employer protected?

Mr. J. Renwick: By way of civil action—

Hon. Mr. Welch: Oh, yes.

Mr. J. Renwick: —in the court for damages, because we are always, in these cases, speaking about after the event.

These cases only come before the court when the event has taken place. In other words, the information has been disclosed. The information has been disclosed, otherwise there is not the offense of breaking the oath of confidentiality. If that is the case, should we not face up to the fact that we should not, by the requirement in The Public Service Act of an oath such as this—in fact, if I may use the word, which for want of a better one is somewhat too strong, but reflects the character of meaning that I want to get—place the employees of the government of Ontario in a position where they have been, in a sense, threatened, by having to go through this procedure of swearing an oath?

Is the reason, in this day and age, why a civil servant in Ontario should be required to go through that procedure? I have made the point. I want to refer to one more aspect of it.

Mr. Singer: Before the member leaves that, could I perhaps get into that discussion, just at that point?

Mr. J. Renwick: Mr. Chairman, could I just finish the one point because, perhaps then, the Minister would like to comment on all aspects of it.

Mr. Singer: I just want to deal with that one.

Mr. J. Renwick: Mr. Chairman, may I ask the Minister if there is anywhere within the civil service of the province of Ontario, something called a security operation? In other words, are there any members of the civil service of the province of Ontario that go through some form of security clearance? Are there any areas of information, within the knowledge of the government or the possession of the government, which are of such importance to the security of the province—to use the phrase of the member for Downsview, which is rather straining it somewhat—that has required the government to institute some form of security clearance operation and provide access for some information because of security clearance to some civil servants as distinct from others?

I had assumed, certainly until we got into this discussion, that there probably was no such security clearance operation within the government of the province.

Hon. Mr. Welch: Certainly not within this department whose estimates are before the

House, other than the sections to which we have been directing our comments. I do not know what some other departments, for instance, the provincial police and special investigations there, might require, but that would be something which they, themselves would institute.

But to answer your question quite quickly, there are no other steps or systems, within The Department of Civil Service or its recruitment programme, that would fit into this category at all.

Mr. J. Renwick: Mr. Chairman, just one last question if I may. I take it there are no places within the province of Ontario where, from a security point of view, any civil servant of the government has to go through a special procedure in order to gain entrance to that place, by way of obtaining a security clearance and becoming a person who falls within a class who can go somewhere where other civil servants cannot go.

Hon. Mr. Welch: We certainly do not administer such a test. That is my point. I do not know of any such test. It may be that the Ontario Police Commission or some other agency or department of government might have some special requirement which would be, in fact, implemented by them. We do not know of any such procedures.

Mr. Singer: Mr. Chairman, I would have thought that as able a lawyer as the hon. member for Riverdale, would have been able to distinguish between apples and oranges, and when he compares the civil law sanction of damages for breach of information that relates to betraying secrets from a person's business, that he would have recognized that the parallel between that and the public business, is just non-existent.

When you use the word, "damages", surely the hon. member for Riverdale must recognize, Mr. Chairman, that the measure of damage is the damage caused to that individual's business by reason of the betrayal of its secrets. In other words, if somebody engaged in a private business, reveals a secret process to that business' competitors, it can be measured in dollars and cents. That is a very simple thing and a very obvious thing and that is why, in that kind of betrayal of information, the civil remedy of damages is available, and if the complainant can satisfy the civil court that because of this breach of his duty to maintain business secrets, that damage has resulted, and that the damage can be measured, then, and only then, will a judgment follow that action. But here, as I say, Mr. Chairman, the member for Riverdale compares apples to oranges. Surely, the civil service must be different; how do you measure the damage done in dollars?

If someone reveals a new borrowing; if someone reveals some particular kind of Cabinet secret; if someone reveals some particular kind of police investigation, that sort of thing, it is impossible to measure it. That is why I say, Mr. Chairman, that there must be—and I think the Provincial Secretary's remarks follow through—some kind of quasi-criminal or criminal section attached to that section in the Act.

The civil remedy is meaningless insofar as the breach of trust would be concerning a civil servant.

Obviously, Mr. Chairman, and the member for Riverdale does this on frequent occasions, he is trying to muddy the waters to protect the member for High Park. In case the member for Riverdale had any doubt about what I think, what I was addressing to the Minister is this:

Having established, one, that it apparently is some sort of an offence, punishable either criminally or quasi-criminally—

Mr. J. Renwick: Mr. Chairman, on a point of order.

Mr. Singer: On a point of what?

Mr. J. Renwick: On a point of order. I do not worry very much—

Mr. Singer: It is not a point of order whether he worries very much.

Interjections by hon. members.

Mr. Chairman: Let us hear the point of order.

Mr. J. Renwick: The point of order is that the member for Downsview imputed motive to me and I do not particularly like it.

Mr. Singer: I am sorry, Mr. Chairman, if I imputed any motives to the hon. member for Riverdale. I most certainly apologize. Let me put it this way, Mr. Chairman—

Mr. J. Renwick: Mr. Chairman, on that same point of order, if I may, I want to say that the reason I arose on this occasion and that is this is the first time I have ever—

Mr. Singer: Mr. Chairman, this is not a point of order. I have listened to his point of order once and now he is abusing that privilege.

Mr. J. Renwick: This is the first time that I have ever actually, in fact, recognized somebody imputing a motive to me.

Mr. Singer: Mr. Chairman, if I imputed any motives to the hon. member for Riverdale —who is as motiveless a person as I know—I apologize. However, if he had any motives which might have been directed to protecting the hon. member for High Park—and I am sure he did not, Mr. Chairman—then let me make it quite clear Mr. Chairman—

Interjections by hon. members.

Mr. Singer: Since the Minister has admitted that there are criminal or quasi-criminal sanctions attached to a breach of that section, section 9 of The Public Service Act, and since it would seem to follow from the Minister's admissions that a conspiracy to create that offence existed as confirmed by the remarks of the hon. member for High Park, it would seem to me, Mr. Chairman, that the time has come that the government should be concerned about the admitted action by a member of this House who says he took part in the conspiracy to break a section of a statute of this province.

Mr. J. Renwick: Mr. Chairman, I do not want to belabour that particular matter.

Mr. G. Ben (Humber): Sit down, then.

Mr. J. Renwick: I make the one comment to the Minister, Mr. Chairman—that the member for Downsview has omitted—a very crucial fact—that is whether or not a member of the civil service of the province of Ontario conveys information to a member of the legislative assembly of the province of Ontario. This raises, certainly in my mind, the very good question whether any court could conceivably consider that to be a breach of the oath.

That is one very essential ingredient of this strange case that the member for Sudbury (Mr. Sopha), and now in his absence the member for Downsview, is attempting to make. I am stating it categorically that I do not consider that if a member of the civil service of the province of Ontario comes to speak to me as a member of the legislative assembly of the province of Ontario about matters of public concern to the province within the purview of the work that I am doing that in any sense that civil servant is under any persuasion by virtue of his oath, not to do so.

The member for Downsview went on to deal with one other aspect of it that, of course, it would be quite clear, Mr. Chairman. I think the Minister would recognize that the government of the province of Ontario could be damaged in the sense that a civil suit would lie. Of course, the clear case of damage would be in the disclosure of an impending increase in tax, for example, on some kind of commodity, which if it was disclosed, would cause considerable damage to the revenues of the province. It would certainly provide for a civil action if one thought that one could ever recover the lost revenues of the province from the person who did it. Now, whether or not in that kind of a case there should be in addition some penalty or not I think we have to leave to the Criminal Code to determine and not to The Public Service Act of the province of Ontario.

Therefore, I would like to leave those thoughts with the Minister that perhaps—as we move into a modern setting for the civil service of the province of Ontario—the civil service of the province of Ontario should not be hung up with unusual requirements which are not required of other citizens of the province who are in the employ of other bodies within the province. In one last little addendum to that is that The Public Service Act, as I understand it, only covers a certain area of the Crown's operations within the province. It is not wide enough—perhaps the Minister would correct me if I am wrong—to include all the so-called emanations of the Crown, or so-called Crown agencies. If that were the case, then, it is very difficult to distinguish one from the other.

Mr. Singer: Mr. Chairman, just by way of one final addendum to this discussion that we have been having, I think that even the member for Riverdale would admit that there is some substantial difference between an individual civil servant, who has made a substantial career of being a civil servant, coming to a member of the Legislature and complaining about certain processes that exist within a particular department and the admission by a member of this Legislature that he has hired spies who he has inserted into the civil service, who he is paying $65 a week to so that he can elicit secret information. I think that that is a distinction that even the member for Riverdale must admit is an important one.

Mr. Ben: Not only that, it could be causing an inflation.

Mr. Chairman, I want, just on this point to say this: I am at a loss to understand the position of the member for Riverdale. Surely,

it is of public importance that the dealings of the securities commission be kept private and confidential. Surely, it is essential with reference to the dealings between the Union Gas and the Consumers' Gas that this government's intention is not leaked to the public. This pertains almost throughout the whole civil service as the member for Downsview said that maybe some complaints as to the procedures—

Mr. J. Renwick: We are not—

Mr. Ben: —that are being carried on—

Mr. J. Renwick: We are not in disagreement about that.

Mr. Ben: You are trying to make a special rule for the member for High Park.

Mr. Singer: Of course you are.

Mr. J. Renwick: No, no.

Mr. Ben: What is there to prevent the member for High Park with his reputation for dealing on Bay Street, hiring a man for $70 to work to ingratiate himself with the department of the office of the securities commission and find out which prospectuses are going to be approved and which are not and what is going to be a primary distribution and what is not?

Interjections by hon. members.

Mr. Ben: Oh yes, we always whip a dead horse. No, Mr. Chairman, I would like to ask the Minister, how many civil servants—not members of the civil service—but how many civil servants were there in the province of Ontario during the fiscal year 1968, during the fiscal year 1967, during the fiscal year 1966 and how many do we have now?

Hon. Mr. Welch: You will find it on the back of the report, Mr. Chairman.

Mr. Ben: Just answer the question.

Hon. Mr. Welch: I do not mind doing the member's reading for him then. On page 35, we have the total staff December 31, 1967 at 50,507 and then in the same report, the total staff on December 31, 1968 at 55,733. These are the most up-to-date figures I have, and they are here.

Mr. Ben: So there is a 10 per cent increase. The federal government is cutting down on its staff requirements, why is the provincial government increasing it? Is it becoming bureaucracy heavy?

Mr. J. Renwick: Do you really believe that?

Hon. Mr. Welch: When the member for Perth was discussing this matter we pointed out at that time that the overall government policy with respect to complement was one which was negotiated between the particular department itself and the Treasury Board. I can assure you that this is reviewed very, very carefully by the Treasury Board. I think, too, to be fair in taking that into account, you will realize that there was the provincial take-over of the administration of justice. I think some 2,800 or 2,900 employees were added in that provincial take-over alone so that in consideration at all times you have to weigh and take into account the added work load that was assigned.

But to go to your other question. I think that I would point out the fact that I am aware of what the government of Canada has done but by virtue of the fact that when the government of Canada announced in this regard, it was made, of course, by the head of that government because I assume that it, too, was a Treasury Board function there as to the overall complement.

Here, this is monitored—if that is the right word—or under the jurisdiction of a Treasury Board which reviews the staff requirements of each department. As far as we are concerned, as a department—and it is this department's estimates that are now before the House—it is not our job to be questioning other departments of government whether they need these people. They would requisition us as the central personnel agency to advertise these job openings and to go through the steps which we go through in order to help them fill these jobs.

It is not for us to raise any questions as to whether the jobs are still current or whether they should be or whether they should not be combined; that is for that department to settle with the Treasury Board.

Mr. Ben: But surely you should ask some questions whether they need these people or not.

Hon. Mr. Welch: I am awfully glad, Mr. Chairman, that the member hais raised this point. We are the central personnel agency of government. We have no power to deal with departments with respect to whether or not they need the personnel in the openings for which are being discussed. We simply provide this as a service department of government. But, I tell you, there is, Mr. Chairman, an agency of government very much

concerned with this—namely the Treasury Board.

Mr. Ben: Mr. Chairman, the Minister said that a good number of the people—he did not say which number—but a good number of the increase of 5,200 involved personnel taken over with the administration of the courts.

Hon. Mr. Welch: I said 2,800 or 2,900.

Mr. Ben: Two thousand, nine hundred, all right. Today we listened to the Minister of Public Works (Mr. Simonett) indicating that a project which we were led to believe had been cancelled in the austerity programme is now proceeding. I am not discussing the merits of proceeding or not proceeding but this project involves 31 floors of space or 22 floors plus nine floors.

Most of the staff that was taken on are already in buildings—administration of justice—they are not coming here they are staying in their court houses in Toronto and Hamilton, London and Peterborough—wherever the county towns are. Very few of those require new office space and yet the Minister of Public Works announced today that they will carry on with the construction of two buildings which involve 31 floors of space.

No, this bureaucracy is becoming just that—bureaucracy. You are elected, and you keep on multiplying of your own accord. Where are these other 3,000 people used that you took on? Two thousand eight hundred of them are attributable to take over administration of justice but how about the other 3,000 —what are they doing?

Hon. Mr. Welch: I would have to actually break this down by departments, Mr. Chairman, but I used that one because it was a large number and it explains some of the increases, namely the take-over of justice. I want to remind the committee again that these comments are very interesting and very worthwhile of a general nature. To address them to this department of government is of no particular relevance because we are not the department which determines the policy in that regard.

We, I repeat again, are the service agency which provides the procedures for recruitment and classification and so on, for those departments who indicate to us that they need these people. Other than that I really cannot provide the member with any further explanation except that one would have to take each department, study their complement, look in terms of increase and decrease—a measure which the Treasury Board uses with great effect—I can assure you, as a member of that board.

Mr. Ben: What was the R. V. Hicks case, for which you paid out $1,100 to Miller, Thompson, Hicks, Sedgewick, Lewis and Healey.

Hon. Mr. Welch: Pardon? Would you like to repeat that?

Mr. Ben: What was the R. V. Hicks case with reference to which you paid the sum of $1,100 to Miller, Thompson, Hicks, Sedgewick, Lewis and Healey—a legal firm? Why did you require the services of that firm?

Hon. Mr. Welch: May I just—before I answer that question—go back to your other point. This may be of some help, Mr. Chairman, to the other question, on that same page 35 from which I took the total. There is a breakdown by department as to their staff. That is their complement at December 31, 1967 and 1968 and there it might be possible to get some reflection of increases and decreases within the department which lead to those totals. I should have pointed that out to the member—it would be helpful there.

Mr. Hicks was retained by the commission to represent the commission at a hearing on an alleged violation under the Ontario Human Rights Commission legislation. This was his fee for such representation, which we paid. I take it that you are referring to the public accounts and I am afraid I do not have them in front of me.

Mr. Ben: How did the civil service get involved engaging a large firm of lawyers to represent—I presume—the civil service commission before the Ontario Human Rights Commission. Was Mr. Hicks alleging discrimination against the commission?

Hon. Mr. Welch: Mr. Hicks was our solicitor—

Mr. Ben: Beg your pardon.

Hon. Mr. Welch: Mr. Hicks was our solicitor for the commission. He represented the civil service commission in the determination of those charges.

Mr. Ben: This is not the way it looks. It is hard to tell from this. It just says—Miller, Thompson, Hicks, Sedgewick, Lewis and Healey—re R. V. Hicks. And one would presume that the matter concerned R. V. Hicks. Is R. V. Hicks one and the same person as the Hicks in the title of the firm?

Hon. Mr. Welch: Right.

Mr. Ben: All right. What did you pay him that money for? What did the case involve?

Hon. Mr. Welch: The "re Hicks" had reference to the particular lawyer in the firm who was, in fact, our lawyer and that was the fee.

Mr. Ben: All right. What work did he render to receive $1,100?

Hon. Mr. Welch: He represented this commission in the hearing before the Ontario Human Rights Commission on an alleged violation under their Act. He was retained by this commission to represent this commission at those hearings and for which he charged $1,100.

Mr. Ben: Who was the employee that was involved? Was there an allegation of discrimination against the government? Give us the facts. Have you been discriminating? That is what we want to know.

Hon. Mr. Welch: Mr. Chairman, you should point out that this is not in the estimates of this department.

Mr. Chairman: They want to know whether it is in the estimates of this department.

Mr. D. C. MacDonald (York South): The human rights committee felt that there had been some—

Mr. Chairman: Does the Minister wish to answer?

Hon. Mr. Welch: Mr. Chairman, I was about to raise this point but I will answer the question although you are now going into the public accounts, which I did not think was a function of the consideration of estimates in this budget. There were some allegations that discrimination in fact had been experienced by certain hospital employees at North Bay and at Byron. Once these allegations were made it resulted in the hearing before the Ontario Human Rights Commission. In order to make sure that our case was presented, we retained the lawyer in question for which he billed us.

Mr. Ben: Was it necessary to retain the lawyer in question? Do you not have enough legal counsel in The Attorney General's Department?

Hon. Mr. Welch: We felt at that time that it was necessary.

Mr. Ben: What was the outcome?

Hon. Mr. Welch: We were successful. Apparently we split. We were successful in the one involving the largest number of employees and we were not successful in the second.

Mr. Ben: I take it that means that there was a finding of guilty of discrimination in one instance.

Hon. Mr. Welch: Oh, yes.

Mr. Ben: I see. Now, I also see the Chairman always interjects about things here. He talks about public accounts. I wish he would stop that nonsense. Anyway, you paid out a considerable amount for printing. I notice there is one amount of general printers for $24,448, and another one to the Queen's Printer. In addition, you had an item of $191,000 to an agency, Drake Advertising Limited. Is that all you do, is print, print, print, and pay out money for advertising?

Hon. Mr. Welch: Mr. Chairman, I am really not here to defend or to comment on the public accounts, and the items of this department are public accounts. I did not think this was the function of the committee of supply.

I presented a budget for 1969-1970, spending estimates of this department. Now if we are going to start getting involved in all kinds of particular questions on public accounts—I thought that was what the public accounts committee was for.

Now I am being very frank, I am not prepared—

Mr. Ben: How many accounts have been up before the public accounts committee?

Hon. Mr. Welch: I do not know. I mean I—

Mr. Ben: Do not make such asinine remarks here. Look you are supposed to speak for the department.

Hon. Mr. Welch: I do not like your language, anyway.

Mr. Ben: Why do you have to hire an advertising firm and pay them $184,000? How much have you budgeted in this budget, and for what advertising firm?

Hon. Mr. Welch: That is a very reasonable question, the latter part, and we will tell you.

Mr. Ben: You will tell me?

Mr. R. F. Nixon (Leader of the Opposition): As soon as you find out.

Hon. Mr. Welch: Well now, are we on vote 303 at the moment, because it is vote 303.

Mr. Ben: We only have one hour left, Mr. Chairman.

Hon. Mr. Welch: Of course, you are critic for this particular estimate and I want to do it vote by vote. I do not care, I just want to know how we are doing it.

Mr. Ben: Well, I do not know management and information service would come under that, or administrative services.

Mr. Chairman: We are dealing with vote 301.

Mr. Ben: That is right.

Hon. Mr. Grossman: You say information; what about the $148 million the federal government is spending on information?

Hon. Mr. Welch: Now, it is under vote 303, Mr. Chairman, and it is more advertising. We are asking for $107,000, which is an increase of $1,000 over last year.

Mr. Ben: Asking for how much?

Hon. Mr. Welch: $107,000.

Mr. Ben: Last year you spent—oh I am sorry the year before you spent $191,000.

Hon. Mr. Welch: Well I have got 1968-1969—we asked for $106,000.

Mr. Ben: Oh I am sorry. For 1968-1969, you are asking for how much?

Hon. Mr. Welch: $106,000.

Mr. Ben: $106,000 then. What agency will be involved?

Hon. Mr. Welch: I do not know if there is any agency involved. Here is our advertising as to how we have broken it down, it is for the general staff requirements, or recruitments ads that are run, you—

Mr. Ben: I take it from that statement, Mr. Chairman, that for the past fiscal year the Minister has been using his own department to advertise rather than engaging an advertising agency?

Hon. Mr. Welch: I am advised we do retain the agency in question, because we find in the long run it it less expensive, because we have the benefit of their expertise, in the consolidation of the ads and the service they have rendered has been quite satisfactory, and we use this in the attempt to employ our money as economically as possible for this particular function.

Mr. Ben: The Minister is telling me that after being in business for 102 years, they still have not been able to develop their own employment agency?

Hon. Mr. Welch: Mr. Chairman, I am having a bit of difficulty, as is obvious to you. We are not talking about an agency, an employment agency, I am talking about an advertising agency, and I hope the member understands, Mr. Chairman, that all of that $107,000 does not go to the agency; it goes to the papers and trade journals where the ads are placed. Now he raises the question of an employment agency.

Mr. Ben: This government, after being in business 102 years under the present system—under The BNA Act—102 years—still has not developed to the point where it can put out its own advertising. It has to hire an advertising agency, paying out over $100,000, of which I believe their cut is around 15 per cent. Now when are you going to develop your own system of advertising, so you do not have to pay advertising agencies to do it?

Surely after all this time you should be able to write your own copy? Surely after this time, since you do it day in and day out, day in and day out, year in and year out, you should be able to decide to which papers it is supposed to go? Not only that, but I question, Mr. Chairman, why this government has to advertise at all, when people are always coming here and applying for jobs?

Mr. Chairman: What section of vote 301?

Mr. Ben: That is under the policy of the main office.

Mr. Chairman: I find advertising under 303.

Mr. Ben: This is under the policy of the office; what their policy is—

Hon. Mr. Welch: I wonder if I could—I am anxious to provide the member with this information. There are two or three points that have been raised here, Mr. Chairman, and I agree with you that this is certainly jumping all over, but Drake advertising places our newspaper advertising, and as a result, I am advised is eligible for the 15 per cent reduction in fee, which is available to agencies, and it is good economy in our opinion to use this agency for this type of work.

Now to follow the method which the hon. member makes reference to, I think, would

have the implications of increasing our staff, and we are not necessarily advertising every day. This is the sort of thing which I think makes sense to farm out and to retain professional people to do on a fee basis as we need the service rather than, to us the hon. member's own reference a few moments ago, increasing our staff, to do this. Now, it is very interesting.

Mr. Ben: You do not have to increase your staff, if you do so little of it, why not assign it to somebody who has a desk in the corner of the room?

Hon. Mr. Welch: Well, we are assigning it to Drake Advertising, and there is nobody in any corner in any room in this department, doing nothing, Mr. Chairman. This is not the case, let me make that point quite clear as well.

And, the other point I think we have to make under the circumstances is, that if we were to follow the hon. member's advice and not advertise, then about a year from now, when this Minister or somebody presents the estimates, they will say: "Why are you so secretive about job opportunities in the civil service, why do you not make them known to the people?"—and we have certainly heard that tune around here before. We feel it is our obligation to make known to the public of this province, the job opportunities in the civil service, so you cannot have it both ways.

Mr. Chairman: Vote 301, the hon. member for Oshawa.

Mr. C. G. Pilkey (Oshawa): Mr. Chairman, to follow up, just for a moment, on something the member for Humber alluded to, and that is the question of the number of civil service personnel enrolled and staff requirements.

The Minister stated that really it did not come under his purview, this whole question, it belonged to Treasury. But it seems to me that somewhere we have to be able to raise this, and if it is not true, then it would appear to me that it is through the estimates that we ought to make our point, and I was looking over this annual report you distributed.

It appears to me the civil service enrolment has increased 40 per cent since 1961, while the population in the province of Ontario has increased considerably less than 40 per cent—something like half that much. It appears to me that what is happening in this province is that we are setting up bureaucracies, and empires, and I also want to make an observation in this area, that the total payroll has increased in four years from $214 millions to $350 millions, not as a result of any substantial wage increases to the civil service of this province, but as a result of the growth in terms of employees.

And I also want to make this observation because the Minister pointed out there was only about 2 per cent of the total civil service receiving less than $3,500.

Now let me point out that 61 per cent are receiving less than $6,000 and 36 per cent are receiving less than $5,000. In other words, more than one-third of the personnel in the civil service is either on the poverty line or below the poverty line, and this is the kind of wage scale that you are perpetrating in this province, and yet you say that they should be treated equally with the employees in the private sector because you are going to have to recruit people that are as competent as those in the private sector. Now I do not know how you are going to do it with those kinds of wage scales that you have alluded to throughout this report.

As I recall Judge Little in this regard, he said:

> However governments are demonstrating by their conduct, they are increasing realization that their employees are entitled to be remunerated for their services on a scale comparable to that in effect in the private sector.

If Judge Little meant that, then I fail to see it as a result of this report. I fail to read what Judge Little meant and alluded in his report on page 43. I want to make that observation and I want to ask the Minister to make a comment on this empire building that appears to be going on in this province and the additional cost.

I am primarily concerned about the approximately 40 per cent increase in personnel as opposed to about a 20 per cent increase in the population during the same period. The other point that I want to make is that I understand that you set up—this has been rather quiet, I have not seen too much in the newspapers about it—this PIP, that is a good name for them, PIP—that this group is going to make a review and assessment as per the personnel as far as the government is concerned.

I am also given to understand that you recruited a number of top executives and senior civil servants to participate in the review. It appears to me that this government is really, in a dramatic sense, indicating

that no one else could make that kind of a determination. It seems to me that the general public—some representatives other than top executives of corporations and senior civil servants should be represented. I think that the trade union movement in the province of Ontario should have been represented there as well, because they have a tremendous concern in relationship to the civil services of this province.

Many of them are paying the bill, make no mistake about that, and my guess is the greater portion of a tax bill is being paid by these people. Yet you are not giving them any right to make a determination and make an assessment. This has been the historical role of the Conservative government, to go to the top executives of the big corporations and the senior civil servants and ignore everyone else in the province as far as making any determination and assessment. I raise those three or four points and I was wondering if the Minister would comment.

Hon. Mr. Welch: Mr. Chairman, we have had an opportunity by way of replying to the member for Perth in connection with the PIP study and perhaps we can start there once again. I am really hard put to understand why any members of this Legislature would say that this announcement was a very quiet one. The follow-up of the PIP study was on the front page of every newspaper within the last ten days following the announcement of the Treasurer.

It goes back some eight months prior to that time when the Treasurer made the announcement with respect to their overall guide lines for such a study and what he hoped to be accomplished by this study. Then, as I say, he recently announced those who are going to do it.

Keep in mind, once again, that this Department of Civil Service is not asking for five cents for this study in these estimates. I appreciate the fact that you want some opportunity to express yourself about the study. Fine, but it has nothing to do with The Department of Civil Service or the civil service commission, because we are not conducting the study.

The government, particularly through The Department of Treasury and Economics and the Treasury Board itself is having this review made in accordance with the terms and the conditions set up in the announcement and, in keeping with the spirit of that study, recruited top executive people from the private sector to assist in this assessment. I really cannot add much more than what has already been stated by the Treasurer himself on the occasion of both of those announcements, and at other times.

I do, however, want to make some reference to this whole question of wage raise. I would not want the impression to be getting around that we, as employers, are not concerned about wage raises. After all, what I said earlier this afternoon—and I want to underline it—we have a moral obligation to insure that people are being properly paid for the services they perform.

Under those circumstances I stood here and I stand again to underline the fact that we have satisfied ourselves, with the best possible research, that it is not possible to enlist through the pay division classification, that we are, in fact, for the classifications involved, paying what a good employer would pay people to do the same work outside in the private sector.

It is not reasonable to take that particular schedule on page 35, and just add up a lot of figures. I invite the hon. member for Oshawa to do this in the days to come. Take the classifications, take the job evaluations, see what the Ontario government is paying for those services and then see what the private sector is in fact paying for these services.

You cannot do it just talking in terms of percentages of the total and salary schedule. You have got to compare jobs. The member for Oshawa is too clever a man not to know that there is no other way of doing it. He is an expert in this field, and I invite him to provide us with information.

Interjection by an hon. member.

Hon. Mr. Welch: It is not just soft soap. I believe that. I come from a riding where this man is very well known and he is welcome in my riding any time.

Mr. J. B. Trotter (Parkdale): Not as a candidate.

Mr. Nixon: Why do you not run down there?

Mr. J. Renwick: Does he have to take an oath?

Hon. Mr. Welch: Yes, he may have to take an oath that he will return home after he does come into my riding. That is right but I am quite sure that you cannot just make generalizations about this. I have made the general statement that we satisfied ourselves in all these negotiations that we are paying comparable wages as paid by good employers

in the private sector. We are going out of our way to make sure that this review is always going on and that this information is available.

If you have evidence, sir, that the member for Oshawa has evidence to the contrary, then I invite him precisely to provide me with cases where that statement is not being practised. Now just before I sit down to allow the member—

Mr. Pilkey: Could I ask one question on that point? Is it not true that you are considering wages or fringe benefits at arbitration? It has been at arbitration for a whole year, and that point is not solved to date?

Hon. Mr. Welch: Well I can answer that. That matter is still before the arbitration board. But what does that have to do with what I have been saying now?

Mr. Pilkey: Well you said that you would like us to cite a case where there was not fairness involved. As opposed to the private sector, surely a case should not take a whole year to find a solution? It would be very interesting to know how the government is trying to resolve it, as opposed to arbitration in the private sector.

Hon. Mr. Welch: Well, of course Mr. Chairman, the member for Oshawa changes tracks. We are talking about salary levels and the comparison between salaries of the public service and the private sector. All of a sudden we are now into the procedures of bargaining—which is another matter.

I am taking what you are saying is that the member, Mr. Chairman, is taking the schedule on page 36, trying to show us that we are a poor paying employer. And I have invited him now not to use general facts like this, but start comparing jobs in the government and the private sector and the pay paid for them. Then he stands up and raises some question about the length of time of something that is in arbitration. Now that concerns fringe benefits. This particular matter will come down, I am sure, as soon as the board is ready for its decision.

But I go back to the point that I am trying to make with respect to the research which is done in order to satisfy the civil service commission, with respect to what other good employers in the private sector are paying.

How else can we function as an employer in this province if we do not? And I think this is something which is to the credit of the commission they have maintained.

I go back to your first point which will be my third in reply, when you talk about the rate in the growth of the civil service, and I point out once again, as I have to other members of this House, that we are not the department of government that makes these determinations.

Once again I say we are the service department which functions as the central personnel agency of government.

Treasury Board scrutinizes the complement of each department; I can assure you, very, very carefully. You make some comparisons to that growth as they are set out on page 38 in the chart there.

May I join with you in pointing out to all of the people that, as government is expected to do more, therefore the growth of employment within the government will increase. As long as we are expecting government to perform many of the functions over the years, then we are going to have this growth. It is inevitable.

Now the rate of that growth, the size of complement increases, will be determined by Treasury Board as new programmes are taken over by government. But let us not kid ourselves. As government is expected to do more and more in this day and age, the size of the government employee group is therefore going to increase to provide that service. And really, having said that, we accomplish nothing more than simply to engage in the exchange; because I am satisfied, as a member of Treasury Board, under the chairmanship of the Treasurer, that certainly matters of complement and overall staff needs of the departments and agencies of this government, is a number one question that is scrutinized very carefully.

Mr. Chairman: The hon. member for Humber.

Mr. Ben: Well, Mr. Chairman, looking at the figures, I note that by salary interval 40 per cent—as a matter of fact, it is 60 per cent, considering the increase that they received in 1968—of the people that work for the province of Ontario receive a salary less than what the department of works employees at the city of Toronto receive—those who push a broom, doing the very essential job of keeping our streets clean.

Now you are talking about comparison in private industry. I would hardly put the man who cleans the streets in the same high category as I would civil servants. I always presumed that most of the civil servants require some kind of an education which

will qualify them for the job. But 60 per cent of them have an income of less than what the street cleaner has—36.9 of your employees in 1968 had an income of less than $5,000; 64 per cent had an income of less than $6,000; and, of the people you are taking on, distribution by appointment, a full 66 per cent were taken on at less than $5,000 a year.

As a matter of fact, to get up to what a street cleaner of the city of Toronto does you would have to take in 84 per cent of your employees, rather than just the persons taken on staff. So how can you tell us—give us this malarkey—that you do the same as they do in private industry, that we have to compare with it. Then in the next breath you say we should be doing more. When should we be doing more? How can you justify things like that?

You may blame the Treasurer for the number of people that are taken on staff, but it is your department that determines the qualifications and what salary shall be paid for particular qualifications. That is your department's responsibility, not the Treasurer's—so those particular chickens come to roost in your coop.

How can you justify in this day and age the fact that this government has to pay 60 per cent of its employees less than a man who does a menial job—but a necessary job, I will admit—like cleaning the streets of the city of Toronto, gets.

You say that is leadership, that is giving employees a decent wage? I say, shame on you. Do not stand up here and give us this con business about comparing it with private industry. I just compared it with another comparable unit, another government, and they put you to shame all down the line. Simon Legree would look like Santa Claus compared to you.

Hon. Mr. Welch: Mr. Chairman, that is a little unfair at this time of the year, as we get so close to that particular time, to make those comparisons. But I can add nothing more—

An hon. member: You will have to do something.

Hon. Mr. Welch: Have to do something about that. If this gets home now it will be bad.

Mr. G. Bukator (Niagara Falls): I will tell them.

Hon. Mr. Welch: The member for Niagara Falls, from a neighbouring riding, will ensure that it does.

I cannot add very much more to what I have already said, Mr. Chairman. The pay research people have to take a very wide survey through the entire province, since everybody in the public service does not work here. We have to have a broad base to this whole discussion. I am satisfied that they, in fact, are doing this.

I tell you once again that I am sure every member of this House shares the view of the hon. member that every employee of the government of Ontario is paid a fair wage for the work they do.

Mr. Trotter: I doubt that.

Hon. Mr. Welch: Perhaps the member for Parkdale would not agree with that, but I am sure the rest of us do.

Interjections by hon. members.

Hon. Mr. Welch: Now the point is this: How else do you satisfy yourself that this is being done except by the methods we employ—I mean by the pay research—in order to get these rates that are being paid outside?

I do not know anything about the rates of pay for the type of employees to which you make reference. I take you at your word that that is the case, and I am not prepared to go into these generalizations. I do not know what a sweeper gets here compared to sweeper in a private industry. But these are the sort of things that we can provide for you.

Mr. Pilkey: Considerably less.

Hon. Mr. Welch: Well I am sure the hon. member would know this—but the point is, that on the basis of the procedures adopted by the civil service commission, particularly its administrative arm, the department of the civil service, this is the principle on which the pay research programme is, in fact, based. I really cannot add anything more to it. It is constantly being reviewed, and we get the advice in order to determine these rates of pay.

I want to correct one thing. I was not standing up here blaming the Treasurer for anything. I was just trying to straighten out the policies which are employed by this government to discuss matters of complement and the rate of growth in the civil service. It is not a case of blame—just typical of our anxiety to have things straight.

Mr. Ben: I would not want it to be thought that I was accusing the Civil Service of passing the buck, because it is obvious the Treasurer does not give the Civil Service the buck to pass. What I want to point out is this: This Minister, the Provincial Secretary, comes here because, according to the set-up, The Department of Civil Service reports to this Legislature through him.

Now either we have a system of ministerial responsibility or we do not.

Hon. C. S. MacNaughton (Treasurer): Indeed we do.

Mr. Ben: Either this Minister is responsible for what happens in that department, or he is not. Now, if he is responsible for what happens in that department, he should not come here and say: "I do not know what the salaries in the private sector are for any given task."

He should know all those things, because he is responsible for that government. Otherwise he is just a mouthpiece. Let him sit in some dark and dismal corner. Let us get the civil service commissioner up here. Let us ask him the questions. He obviously must have the answers. But I do not want the Minister to get up here and say: "I do not know what is being paid as a comparable wage in the private sector."

Actually he was telling the hon. member for Oshawa that what they are paying in the Ontario Civil Service is comparable to what they are paying in the private sector. How can he make such a statement to the hon. member for Oshawa, and then make the statement to me that he does not know what is being paid in the private sector? Talk about talking out of both sides of the mouth. Goodness gracious!

Mr. Chairman: The hon. member for Dovercourt.

Mr. D. M. De Monte (Dovercourt): Mr. Chairman, I would like to ask the Minister what departments of governments are not covered by the workmen's compensation board—workmen's compensation loss?

Hon. Mr. Welch: Mr. Chairman, it is my understanding that none of them are. It is a matter of adjudication; that the board itself adjudicates the claims and so on.

Mr. De Monte: Does that mean, Mr. Chairman, that there is no civil servant covered by unemployment insurance?

Hon. Mr. Welch: Oh, wait a minute now.

Mr. De Monte: Unemployment insurance, the federal Act, are there any of the—

Hon. Mr. Welch: You said something about workmen's compensation?

Mr. De Monte: Oh, pardon me. I meant unemployment insurance, excuse me.

Hon. Mr. Welch: Well, it is my understanding that they are not covered by unemployment insurance.

Mr. De Monte: Mr. Chairman, what happens if, tomorrow say, because of economy cuts or something, you had to lay off some civil servants? What happens. Do they go out on to the street with nothing?

Hon. Mr. Welch: I understand that the answer should be qualified to this extent that some of our probationary employees are, in fact, covered under this system. But as far as the regular employees are concerned, with their positions and with the security of employment which they have, it is not considered necessary that they undergo that particular deduction. It is a very academic question which the member raises.

Mr. De Monte: It is academic. But is it not the law, Mr. Chairman, as I understand it, that an employer is not really allowed to opt out of unemployment insurance? Is there a concordant between the provincial government and the federal government that—

Interjections by hon. members.

Hon. Mr. Welch: There are exceptions—

Mr. Bukator: Civil service employees collecting $7,000 a year as salary, who do not make a contribution to unemployment insurance. That applies to the private sector too, does it not?

Mr. I. Deans (Wentworth): Yes.

Mr. Bukator: Well, then, these are the people in the civil service who are not covered by unemployment insurance, because they come within the income bracket that does not warrant or call for it legally? I just want to know. I think I am right on that.

Mr. De Monte: Well, I merely want to know, Mr. Chairman, why the civil service has opted out of the Act?

Hon. Mr. Welch: Well, two or three things. The member for Niagara Falls raises a question. To my understanding, in the private sector there are certain exclusions from the necessity which are based on salary. If my

memory serves me correctly they were changed not too long ago. But we are talking about the application of the federal statute to Crown employees, and I think there is some difference in this, but the point I am making, I am advised that there is very little claim for this because of the security of the positions which our regular employees have, it would really be an unnecessary deduction for them because there are seldom any occasions where they are laid off. We have a system whereby they rotate or apply for other positions if their jobs become redundant, then there are some procedures whereby they can apply for other positions in the civil service. Therefore, there is not a necessity for lay-off that way.

And with a civil service of 55,000 employees plus other agencies there would be, with normal transfers and resignations, retirements and so on, ample opportunity within that family, to find positions for people rather than lay them off. That is why I say the practical implications of the member's question are such that we would not have any example for this need and, indeed, in terms of the pay and the pay cheques of our people, an unnecessary deduction.

Mr. Pilkey: Members of the Legislature should be covered, they are more susceptible to losing their jobs.

Mr. De Monte: Mr. Chairman, that might be true, it might be that no civil servant is ever laid off, is that correct then? The point I am trying to make is: Is it correct that none of the civil servants are covered by unemployment insurance?

Hon. Mr. Welch: Except our probationary people, because they are not part of the regular service. I am talking about people in the classified service, who are civil servants.

Mr. De Monte: Then may I ask this, what happens if one is laid off? Suppose one is laid off? May I ask this question: How many civil servants are laid off in a year?

Hon. Mr. Welch: The point I am trying to make, is that I have no figures, but they are absorbed, if their positions no longer exist they are absorbed within the civil service in some other position, some other similar position. Very seldom do we have the necessity of laying a person off, because if their job has disappeared, we find a job for them elsewhere rather than going out and hiring a new employee for a vacancy which exists. I remind the member of the size of the civil service.

Mr. De Monte: I am reminded of the size of many large companies that employ 50,000 people. I simply want to know, and I do not know, and I do not seem to be getting the answer, Mr. Chairman, what does happen to a civil servant who is on permanent staff, if he is laid off? I mean, it is all very well to say, Mr. Chairman, "Oh, we really do not lay many people off", well, I would venture to suggest there are not that many people laid off by companies in private business, unless they have to lay them off, but I would like to know what happens to a civil servant when he is laid off?

Hon. Mr. Welch: I tell the member it is a very academic question.

Mr. De Monte: To me it is not academic, although it might be to the hon. Minister.

Hon. Mr. Welch: The member has raised the question, and if that ever happens, he does not have unemployment insurance benefits.

Mr. De Monte: He is thrown right out on the street.

Hon. Mr. Welch: Let us not make it very dramatic, because it does not happen. But if that is what the member wants to quote, I am not going to become a party to that particular conclusion, because I am telling the member for the record—and it is very important here—that that does not happen because of the opportunities we have to place these people in other jobs within the civil service. So, let us not have a dramatic headline that we throw—

Mr. De Monte: I am not trying—

Hon. Mr. Welch: In 1968 there was not one employee laid off, not one.

Mr. Pilkey: There were 261 fired.

Hon. Mr. Welch: Two hundred and sixty-one were dismissed for cause.

Mr. Trotter: What is the difference between laid off and fired?

Mr. De Monte: What happens to them, Mr. Chairman, what does happen?

Hon. Mr. Welch: They do not have unemployment insurance.

Mr. De Monte: None? The Minister is laughing, Mr. Chairman, it is not a laughing matter for me. I mean, 261 people of Ontario are as important to me as the

50,000 people who are employed, and I think perhaps if the hon. Minister thinks they are not important, that is all right, but it is important to this party and to me.

I am glad that the Minister has said they fired 261 people who do not get any unemployment insurance, that they are put out on the street, whichever way they are put out.

I would also like to ask the Minister—

Hon. Mr. Welch: I wonder if I could comment on that now, since the member has raised the point and drew attention to the fact I was smiling. I was smiling because I did not know how many more ways I could say that they do not have unemployment insurance. That is why I was smiling, because I could not find another way to say it, let us have the record clear on this.

I am just as interested in my fellow man as the member for Dovercourt. What I am talking about is, there were none laid off. We have a civil service of nearly 56,000 people; with the incidence of lay-off being what it is, is the member suggesting that we impose unemployment insurance deductions on 55,000 people, to cover 261 people who are fired for cause in the civil service? Now let us get that straight.

Mr. De Monte: How about a company—

Hon. Mr. Welch: Just answer the question.

Mr. De Monte: I am going to answer—I am not here to answer questions, the Minister is here to answer. Mr. Chairman, are we playing games here? The Minister seems to think this is a great big joke because I happened to try to find out from him about unemployment insurance. He seems to think I have to answer questions for him. I am in the Opposition, he is in the government, he is the one who answers the questions.

What I would also like to know is, how about workmen's compensation?

Hon. Mr. Welch: And you are going to stay there too, if you have not got any answers.

It is my understanding that the way we do this, is that we use the services of the workmen's compensation board to adjudicate claims, just as they would do it in the private sector, they have the full benefit of The Workmen's Compensation Act, just like any other employee in the province.

Mr. De Monte: Do you pay for this service?

Hon. Mr. Welch: We pay the results of the adjudication of the board, yes.

Mr. Chairman: On vote 301, the hon. member for Hamilton East.

Mr. Gisborn: Mr. Chairman, I think it is very plain this afternoon, that the Minister is wearing a different mask than heretofore, because it is evident that he is presenting a very weak case on behalf of both the report and some of the statements he has made.

Mr. Pilkey: I thought so.

Mr. Gisborn: I want to go back, just briefly, to the Minister's reply to my opening remarks in regard to the Little report. He has told us that in due process of time, he will bring in legislation to implement the relevant sections of the Little report. As I said, I cannot see what kind of legislation is going to be necessary unless it is to implement the pre-empted sections that have already taken place. There are three principles, as I mentioned: The scope of the bargaining unit, union security and, of course, the decision on the prohibition of strikes in the face of the plea by the civil service association that that past tradition not be disturbed—and that is a foregone conclusion, as I can understand those three principles in the Little report—but, nevertheless, if they are now pronounced, we are not going to have very much to do with the implementation of those basic principles by legislation.

There will be other areas that will have to be clarified by legislation in regards to that position. I want to refer now to the wage salaries that we have been talking about and I raised a question, in fact, reminded the Minister that we had raised it four years ago, the very miserable position that 18 per cent of the civil servants were in, as far as wages go, and now we find that after four years, it was 1965 when 18 per cent was below $3,600, and now it is four years later, 1969. Surely the Minister cannot justify what he has just told us that the classification officers have instructions, or it is their desire to relate the salaries in different classifications to that in private industry, but if he just takes a look at it, he will find the discrepancies on the wages set in 1968, never mind 1967, when there is only 24.3 per cent that are over the $7,000 figure, he now has 37 per cent below $5,000.

I do not know what yardstick his department has been using. It seems to me that they have taken a percentage of those on the minimum wage in the province, they have

cut a swath through the difference between the minimum wage and the average wage in Ontario, which is $122 a week and comes to around $6,200 a year, and set up another percentage. When we are so far below the average way in the province, how can you justify the fact that you are trying to relate civil service employees' wages with that in private industry? The Minister must know that the latest settlements in industry, in basic industry, have been about $3.25 an hour for the lowest rate in the plant.

That is a rate for those people that are relegated from maybe a better paying job to a, what we call, caretaker, one that looks after the change-room, the sweeper-up sometimes he is called, and he does not start with Class 1, he has the base rate and he is making very much more than the 37 per cent that we are looking at under the civil service association. So it just does not make sense, when we take the minimum wage in the province which at $1.25 an hour—$2,600 which is just below that 18 per cent bracket of four years ago. So, we cannot, in any way, say that we can be proud of the wage structure of the civil service in this province if these are the facts that are presented to us by the salary tables in the report that is given to us. It does not add up at all.

That is why I say the Minister is putting up a very weak case to try to tell us that he has related, in any way, the wages to those in the private sector. I did raise in my remarks—and the Minister expressed his disappointment at the remarks I made in my opening—about the fact that there may be some intimidation in the various departments in regard to the implementation of some parts of the Little report. Mainly the compulsory check-off features, and I said that we get these complaints.

I have some letters that are unsigned, I have some letters signed and some that I do not know how to validate. You cannot get through to individuals, but, I understand, one of the strong complaints I got was that many departments were being told both by supervisors and by officers of the civil service association that if they checked out of the civil service association they would no longer be entitled to representation by that civil service association and they would not be given consideration as to wage classification. Now, this must be nonsense. I want the Minister, not to try to clarify whether these allegations are true or not, but to make a firm declaration that in no case, will any employee who is not member of the civil service association or who has checked out, be deprived of any service of the civil service association or consideration regarding classified rates.

In the private sector, The Labour Relations Act provides that whether you are a union member or not, you get the representation and enjoy the services provided by that contract. That is one declaration that I would like the Minister to make, to clear up in the minds of those people who may be under some misapprehension.

Another point was brought vividly to my attention that in the Whitby Hospital, they provide a 30-day training programme for new employees. This sounds like a good sensible approach, but I am also informed that on one day at the end of that training period, the supervisors allow the civil service association to send an officer to present facts to the employees about their organization and reasons why they should belong to it.

Now this—if this is the case, I would just like to know—points up the kind of paternalism that I was trying to present in this whole approach from the Little report. You are not giving the employees the right to self determination. If you allow the civil service association to meet the employee on a specified time, then you should allow other unions that might be interested in that jurisdictional area to do the same thing.

I would like the Minister to clarify other reports we get because of the terms of the Little report. Is it correct that of the 320 full-time employees in the bargaining unit of The Department of Mines that there are only 43 remaining as members in the civil service association? You see, we raised this question under the question period and we were told that someone was making a review. Now, I have also been asked that question. Has someone been instructed to make a review of the various departments as to how many have exercised their right to opt out of membership in the civil service association and if so, who laid down the instructions and for what reason?

Mr. Chairman: Before the hon. Minister replies, perhaps I should point out to the committee that under the informal arrangements, there are exactly two minutes left for this particular department.

Hon. Mr. Welch: May I give a two minute answer? The clarification which I am very, very happy to give—if there is any misunderstanding at all—you realize that by virtue of the order-in-council that was passed, it

made it quite clear with respect to who was to be a part of the bargaining unit or not and also, the fact that those who had not voluntarily agreed to the check-off would not be covered by it, and we provided a period for people to revoke their voluntary assignment to the civil service association. Any settlements that are made apply to everyone, whether they are members of the bargaining agent or not.

The grievance procedures laid down are available to any employee whether he is a member of the CSAO or not and I hope that none of our employees would feel any discrimination at all with respect to this matter. I am awfully happy you have raised the question so that we could clarify that point. The other matter, I cannot add much more to this question about this wage business, we all want to make sure that people are properly paid, I hope that is understood. I am advised that as far as 1968 was concerned, the average weekly salary of an Ontario Civil Servant was $120.88 and that the Ontario industrial composite, the figures as provided by the DBS was $113.52. I do not know what that proves except that there are some averages.

Mr. Pilkey: It proves that you have got a lot of guys at the top rate.

Hon. Mr. Welch: All I am pointing out to you is this: When you start using some of these figures—and I want to say this as quietly as I can—you have got to take classification by classification to make your comparisons without taking general amounts like this.

Mr. Gisborn: We have got to believe your figures.

Hon. Mr. Welch: As far as the review which the hon. member for Hamilton East asked for, I can assume that the only reason the review is being done is in order to provide the answer to the question which the hon. member for High Park (Mr. Shulman) raised so that we could have that information eventually to provide him with his answer, and to have the review—also to talk in terms of how that is actually reflected in the payroll deduction branch in Treasury.

Mr. Chairman: Vote 301, the hon. member for Oshawa.

Mr. Pilkey: I thought the member for Hamilton East said he was not finished.

Mr. Gisborn: I understand, Mr. Chairman, you said we had two minutes—

Mr. Chairman: I should point out to the hon. member that the Chairman is not bound by the provisions of any informal arrangement. I was simply pointing it out for the information of the committee. If the hon. Minister has answered the questions, and there are further questions by the hon. member for Hamilton East, he may proceed.

Mr. Gisborn: I just want to make one brief comment on the Minister's reference to the wage schedule. He can argue all night about what they are doing, but these are the figures we are given to deal with. In 1968, where there are 1,376 that are under $3,500 of an income, 4.4; 2,469 under $4,000, 15.4; $8,566, under $5,000; and 14.6 for 8,150 under $5,000, it is over 37 per cent. If the Minister can justify that as being a fair and equitable wage for anyone working a full year, then he is going to have to try a lot harder than I can assume.

Mr. Trotter: I would like to know, Mr. Chairman, from the Minister—do they still have in the department or in the government what they call casual labour? And if so, how many? Because I do not think it is listed in this book.

Hon. Mr. Welch: They do not form part of the civil service because they are unclassified, but depending on the season, the time of year, it could range anywhere from 3,000 to 5,000.

Mr. Trotter: Well, Mr. Chairman, I would just like to mention this, that I think that the use of casual labour in some areas is a real abuse, because what happens really is the same so called casual labour work year in, year out. It is mainly the people who work on the highways and there are some particular districts where one of the main cash incomes is working for the government despite the fact that this work may only last a few months a year.

They are never known as civil servants, they are just called casual labour, and as a result they get no pension, they have no protections whatsoever and I think it is unfair to them as individuals. But one of the real abuses is that political parties have abused this system over the years.

I am not saying that prior to 1943 the Liberals were not guilty, but certainly since 1943 there has been only one government in the province that could be guilty, and it is this. The man in a district, who is usually appointed by a Conservative government, hires and retains this casual labour which never

appears on the books, and yet we know there are over 3,000 jobs.

Hon. A. F. Lawrence (Minister of Mines): Does that happen in your riding?

Mr. Trotter: It does not happen so much in the big cities as in areas where incomes are relatively low. For example, in the Haliburton district of the former Premier of this province, Mr. Frost, it is used and abused. I had occasion two years ago to go into it to see how much it could be abused, and I object to it on two grounds.

First, the people are not paid enough, they have no fringe benefits, and secondly, it is used as a political gravy-train on people who have no way of getting out of their poverty cycle. And I have known in the past of many cases where individuals, unless they played up to the local small-time Tory czars, simply did not get a job on the highways, in some of these areas. I gave an example in Victoria. I see a couple of Ministers of the Crown who think it is a joke—but it is becoming a pretty serious thing in the province because I say that no doubt governments have done this in the past, and I repeat whether "Mitch" Hepburn did it or not, does not make it right; he probably did. What has happened, though, is far more people are hired in this way than ever before, and so you have, they told me, three or four thousand people—

Mr. F. Young (Yorkview): Five thousand.

Mr. Trotter: And these are people who in many cases get their only cash incomes from The Department of Highways. I am just giving an example; go into the Minden area, into the Haliburton district. I believe, Mr. Chairman, there should be a policy in this government that we do not use casual labour, particularly where people are re-employed each year, unless they receive the fringe benefits. They should have some protection no matter what the politics are.

But believe me, in this province, not so much in the big cities, because of the competition of business, but in so many areas of the poverty cycle, this is a very important matter, and I am quite convinced that many people just keep their mouths shut because of the politics it involves even to get the very menial jobs on the highways, and I have spoken on this before.

I am going to question the Minister of Highways about it. He says it is not his responsibility, he does not set the hiring policies. Well, somebody in that government does, and I would assume that department does, and finally, Mr. Chairman, I would like to emphasize this, and then I shall take my seat, since this administration went into power in 1943, civil servants have increased by 420 per cent.

Now, I realize that government has expanded tremendously and you are going to need more employees for the greater amount of work. At the same time, if you analyze large business concerns, you will find their production and their sales have increased tremendously just like government revenues and expenditures have increased tremendously, but it is only in government where the number of employees retained have got completely out of hand.

I have seen comparisons, and I regret that I do not have them in front of me, where a business firm, a large concern in the United States, in fact, an international firm, about 20 years ago had the same budget as the province of Ontario. In that period of time the province of Ontario has just about doubled its number of employees, while the large firm has stayed the same. Why private industry can use computer machines, and IBM—

Mr. M. Makarchuk (Brantford): Are you saying government should operate like business?

Mr. Trotter: I am saying they should be more efficient.

Hon. A. Grossman (Minister of Correctional Services): My goodness, I could make a profit in my department if we had to run government like business.

Mr. Trotter: I think we should look at the system and say, "Why is it the number of civil servants have increased 420 per cent?" There is no point in letting government grow just as Topsy did, because today, the government of Ontario is the second biggest financial operation in the country, and I, for one, do not believe it is run efficiently, and one of the weaknesses is in this department.

Mr. Chairman: Vote 301, the hon. member for Oshawa.

Mr. Pilkey: Mr. Chairman, the regulation that was submitted to this Chamber a few days ago with regard to the civil servants maintenance of membership dues structure, and the whole question of opting out, I want to say that in my opinion the government again has set up a double standard in relationship to the private sector. When I asked the Minister of Labour if he would bring in

legislation to provide maintenance of membership in the private sector, he disagreed and said no; it should be done through the collective bargaining procedures.

But you bring in this kind of legislation that does not provide the freedom of choice of the individuals in the civil service as was enunciated in the Judge Little report. Now, in addition to that, the other point that I wanted to make was on this section that says that the moneys so collected from the civil servants shall not be used for activities carried on on behalf of any political parties.

If we are so democratic and we want to give the people a freedom of choice, surely they have to be able to make that decision whether it be to participate in the functions of the Conservatives or the Liberals or the New Democratic Party. What we are saying on this side of the House is this: If you are really serious about this question of contributions to political parties, then you should bring in a law that reveals the source of financial contributions of everyone. Then this government will be doing something and not passing legislation to deny the people a free democratic choice and a free democratic right to make such a determination.

It seems to me that what the government is really saying here is that they are frightened that, or fearful that, they are not going to support the Conservative Party. Well, I do not think you should really be so fearful.

Mr. Makarchuk: I wonder why they are concerned?

Hon. Mr. Grossman: You would not mind if the Ministers asked that of their own staff?

Mr. J. Renwick: Do not be so sure!

Mr. Pilkey: And I also believe that these regulations that were made under The Public Service Act should have been debated in this House. It should not be just a unilateral decision in the form of an announcement, and put in effect. Surely, the Opposition members in this Legislature ought to have the opportunity to debate those kind of important announcements.

Hon. Mr. Grossman: You are doing it now.

Mr. Pilkey: Yes, we are doing it now, after the fact—after the fact.

Hon. Mr. Grossman: Oh, you have said that about ten times.

Mr. Pilkey: Well, I am saying it again. I probably did not get through to you the first time, or the second time. I am saying it again that we should have had the opportunity to debate this question and—

Hon. A. F. Lawrence: Go on, we do not understand.

Mr. Pilkey: And I want to suggest to the Minister that the employees in the public service should come under The Labour Relations Act as opposed to The Public Service Act—so that the employees are treated exactly the same in the public sector as in the private sector.

I do not think that they should be treated as second class citizens, and that is exactly what this government is doing to the civil servants of this province. They are being treated as second class citizens.

Hon. A. F. Lawrence: In the words of the member for Brant: just as if it was a private business.

Mr. Pilkey: Judge Little said first of all:

> I agree on the system of free collective bargaining in the private sector despite its defects and occasional failures. I am opposed to the settlement of disputes by compulsory arbitration.

That was Little. Now I want to tell you, he did not include the public sector in that regard. But that was his initial announcement. He went on to say:

> Such a right can only be characterized as a fiction and mockery under such circumstances. It is therefore more prudent and certainly more honest to recognize initially, without equivocations, that the welfare of the community must prevail, and simply not grant a right which may prove completely abortive.

Surely the government has protection against those things that might not be in the public interest? You have all the machinery at your disposal to take care of those kinds of situations. Now here is what you have really done, or what you are doing. You are denying these people the same right under free collective bargaining that other civil servants have—and I speak of the Ontario Hydro as an illustration.

Now the Ontario Hydro have the right to strike and, as a matter of fact, did strike, but not at the expense of the public. Now, everybody was watching it very carefully, particularly on that side of the House. But here was a responsible union that took on a strike and in no way did it encroach on the public interest.

I want to suggest to this government that the right to strike should prevail throughout the whole of the public service. And I want to suggest that the trade union movement in this province is a responsible organization, and that if it were engaged in something that were not in the public interest, I am sure that they would not carry it out.

Yet the government is so fearful of that, that they want to propose compulsory arbitration for the civil servants. I want to suggest that the civil servants of this province will not get their equity in our society under compulsory arbitration as illustrated by the hospital workers, and those in the homes for the aged. They are not getting their equity in this society because of the laws of this province.

Hon. Mr. Welch: We will have a chance to debate that later.

Mr. Pilkey: Well, we may have a chance to raise it later. But we are going to raise it now. I also want to say that taking the personnel out of other jurisdictions and placing them into the civil service—in other words, eroding other bargaining units—is not a correct posture for this government. It is, again denying a freedom of choice. I believe that the erosion of bargaining units . . . Are you going to put the vote? I am sorry. I just want to conclude, then, by saying that these matters when they are enunciated in this Legislature ought to be done through proper debate and not through regulations.

Votes 301 to 303, inclusive, agreed to.

Mr. Chairman: This concludes the estimates of The Department of the Civil Service.

It being 6.00 o'clock p.m., the House took recess.

No. 217

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Monday, November 17, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 17, 1969

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Chairman, since this is the first occasion on which I have had the honour to present the estimates of the department to the Legislature, and since there have been some significant changes in the department since last year, it seemed to me to be a suitable time to review the broad functions of the department before dealing with individual programmes.

I would like to examine with you the function of the department in the context of the total provincial government programme and I might mention, in passing, the increasing degree of co-ordination required of all departmental programmes which is becoming more apparent as time goes on.

Hon. members will recall the statement by the Prime Minister (Mr. Robarts) last March that The Department of Energy and Resources Management was to be the principal vehicle for the government's programme of environmental management and pollution abatement and that there would be some consolidation of programmes and staff from other departments under my department.

The former air pollution control service of The Department of Health is now the air management branch of my department, and the staff formerly dealing with waste management in The Department of Health is now the waste management branch of my department.

As a result of these changes, the printed estimates no longer reflect the present expenditure forecasts in the two departments as they relate to these programmes and I wish to provide the leaders of the Opposition parties with two sheets of figures which show the changes. Briefly, an amount of $3,258,900 is being transferred from the estimates of The Department of Health to this department and is being set up under two new votes. Vote 6-11, air management branch, is established at a total of $3,126,800, and vote 6-12, waste management branch, is being established at a total of $132,100. I would ask that these votes be considered at the same time as the votes included in the printed estimates.

Since the air management branch is a fairly new element of my department and since the programmes of this branch are rather new in Ontario, I wish to provide the members with a fairly detailed description of the programmes being carried out by this branch.

The abatement section, the largest section of the branch, supervises and assesses the operation of the control programme throughout Ontario. It seeks to achieve an ambient air quality which is consistent with a high standard of public well-being and which will permit an orderly, healthy growth of the province. The task of this section is mainly that of enforcement of the Act and regulations. Where there is a pollution problem, this section must establish the effect of the contaminants by observation and through technical knowledge. Then subsequently, if necessary, request a programme to reduce emissions to acceptable levels.

For the purposes of abatement or control, the branch has divided the province into seven regions, each of which is subdivided into districts. Each region and district is, or will be, staffed by a resident engineer and inspectors who work throughout the districts.

Inspectors are responsible for enforcing regulations governing smoke from the operation of combustion equipment, for observing and reporting pollution from other sources, and for investigating complaints made by the general public. District engineers conduct emission surveys of all sources of air pollution in their district. They survey industrial air pollution sources and meet management to secure abatement; they follow up to ensure that control equipment is properly installed, operated and maintained; they feed back to the head office the district's needs for new approvals and abatement programmes; they act as community liaison officers on all air pollution matters and secure specialized head office assistance where required.

This branch expended great efforts in the careful selection and training of professional

engineers who conduct much of the work of the abatement section and the branch has expanded the numbers of inspection personnel to a present complement of 41.

Inspectors are trained in the science of combustion and in the good operating practices of boilers, heating plants and incinerators. They are competent to instruct operators of most commonly occurring combustion sources in those methods of operation that are most likely to result in minimum contribution of air pollution to the atmosphere.

During 1969, each inspector entering the air management branch received at least four weeks initial training. This period was devoted to instruction in smoke-reading, field orientation and supervised field training within the inspector's assigned area. Formal instruction courses for inspectors were held in the theory and practice of combustion.

The branch has opened additional abatement offices in Thunder Bay, Kingston, Peterborough, North Bay and Barrie. One effect of the opening of new offices is the establishment of a closer link with local authorities, industries and the general public. This, in turn, has produced a greater willingness on industry's part to discuss problems in detail.

Detailed investigations have been started with a number of different types of industries. This has been done with a view to writing regulations applicable to each specific type of industry so that adequate and sensible air pollution control measures will be taken by each industry consistent with the competitive nature within the industry.

During 1969, regulation 228/69, for all ferrous foundries, has been published. The regulation for the control of air effluents from the asphalt paving industry is in the final stage of completion prior to being published. Work with other types of industries is continuing and will lead to further regulations in the near future.

In 1969, countless on-site investigations were undertaken. These numerous surveys involved detailed examinations of complete processes from small single process plants to multiple, large-scale operations. They range in variety from small foundries to large oil refineries and ore smelting refinery complexes.

Organization and planning has been a major activity of the meteorology and air quality section during the year, as existing networks were revised and new systems were planned and installation started.

A systems approach has been taken to plan a province-wide air quality and micrometeorological network of stations. These stations will provide continuous information regarding existing and potential air pollution problems in the major industrial centres.

"Continuous air monitoring" central stations measuring the concentrations of sulphur dioxide, carbon monoxide, hydrocarbons, hydrogen sulphide, nitrogen oxides and particulate matter have been in service. Instrumentation has been purchased and installed. Equipment has been received to telemeter data from these stations to the branch head office.

During 1969, air quality data have been sent to the computing services centre for processing. A programme to determine concentrations from multiple stack sources has been completed in conjunction with The Department of Highways computing centre. Modifications were made to a hemeon sampler to measure short-term concentrations of suspended particles. An early model fluoride analyzer was modified and is now being tested for reliability and performance. An instrumented mobile van has also been purchased for studying conditions, wherever air pollution is causing concern. The van is presently located in Etobicoke to monitor pollution emitted by jet aircraft at Toronto International Airport.

In addition to the central stations, plans have been made for each large city to be surveyed for sulphur dioxide, particulate matter and carbon monoxide. Auxiliary stations are spaced across each city for proper coverage according to the latest scientific practice.

This year, surveys were in operation at Port Maitland, Atikokan, Guelph, Lambton county, Port Robinson, and many other centres including Courtright and Toronto. Equipment will be installed in the vicinity of Nanticoke in November. This section has also prepared plans for the extension of the surveys of Hamilton, Dunville-Port Maitland and Guelph. Plans to determine the air quality surrounding Anaconda and Goodyear plants were prepared and sites for monitoring instruments have been selected. A survey plan for the air quality surrounding a new Allied Chemical hydrogen fluoride plant was recommended to the company.

Meteorological towers are in operation at Toronto and Windsor. These towers measure temperatures and wind velocities at heights varying up to 300 feet above ground. Another such tower is being erected south of Sarnia at Courtright, Ontario. The operation of a fourth tower at Hamilton is being taken over from that municipality by the branch.

Data from these towers will be telemetered to the head office.

The meteorology and air quality section is providing technical consultation to all sections of the branch, departments of government, educational institutions and industry in the province regarding methodology and techniques in the control of air pollution.

The automotive emission section has continued its co-operation with the Ontario Automotive Transport Association and considerable progress has been reported by engineers and inspectors in connection with the suppression of smoke emissions from diesel-engined vehicles.

The scheme requires operators of diesel vehicles emitting excessive smoke to investigate the cause of the emission, carry out any maintenance necessary to stop the emission and submit an inspection report within 28 days.

In June, this section took delivery of its first mobile test laboratory. The van was put into full operating condition, after which time it was exhibited at The Lakehead, Ottawa and London exhibitions as part of the air management branch presentation at the Ontario government pavilions.

Routine testing of motor vehicles was started after attendance of the vans at exhibitions had been completed. The test work will be carried out initially by joining with The Department of Transport safety group in its province-wide programme of spotchecks of vehicles.

At the end of July, the new automotive regulation came into force, covering the emissions from 1970-model vehicles. The regulation is more stringent than the corresponding 1968 regulation and, in addition, covers the emissions from heavy commercial motor vehicles. Hydrocarbons, carbon monoxide and smoke are the pollutants controlled under this regulation. In addition, crankcase emissions are prohibited.

The phytotoxicology section researches and evaluates the relationship between air pollution and vegetation injury.

This section investigates complaints concerning suspected air pollution injury to all types of vegetation in both rural and urban areas. In doing this, it is necessary to distinguish air pollution injuries from similar injuries caused by insects, disease, adverse weather, poor nutrition and mismanagement.

During 1969, complaint and surveillance vegetation and livestock investigations were conducted in all seven air management regions in Ontario. In the first eight months of 1969, a total of 1,471 samples were taken for laboratory purposes.

Intensive vegetation surveys were carried out in 1969.

Now to deal with the energy side of the department's activities, I wish to report that exploration for oil and gas is continuing at a high rate in the province. In the Hudson Bay lowlands, some four million acres have been leased and geophysical surveys are continuing. In southwestern Ontario last year. a 20 per cent increase in the drilling programme occurred and this heightened level of activity is being maintained during this year.

The drilling programme on Lake Erie is continuing under close supervision from my department. All suitable precautions have been taken against any possible pollution of the waters of the lake and the result has been a successful drilling programme without incident. An impartial review of this programme has been undertaken by the International Joint Commission and a report of the International Lake Erie Water Pollution Board was published in September. The board expressed satisfaction with the present regulations and noted that oil and gas explorations have been conducted in the Canadians waters of Lake Erie since 1913, without a serious pollution incident.

The work of the energy board continues at about the same rate as last year. Hearings are being held on a wide variety of matters, including approval of gas franchises, certificates of public convenience and necessity for distribution systems, leave to construct pipe lines, the granting of authority to expropriate land for pipe lines in certain cases and allowable rates to be charged for gas.

During the current year, The Ontario Energy Board Act was amended to give the board the power to review changes of ownership in gas utility companies and, subsequently, arrangements were made to review the Consumers' Gas-Union Gas stock transaction, under the new legislation.

The recent accident and fire at Malton has resulted in my asking the engineers of the energy branch and the officials of the energy board to review the safety precautions now in operation and to consider additional safeguards to reduce the possibility of a similar accident occurring in the future.

A number of new requirements are being considered in detail and I would expect these will lead to legislative and regulatory proposals by early next year.

Briefly reviewing energy demand, I would simply advise hon. members that present trends in the various forms of energy are continuing. Last year, oil product sales increased about 5.7 per cent over 1967; gas sales increased about 10 per cent, while coal and electricity sales each increased about 8 per cent.

The steady growth, both in population and in industrial development, in Ontario provides a challenge to the energy supply industries which I am happy to report is being capably met. I might mention some recently completed projects which illustrate this activity.

The new 1,000-mile 36-inch pipeline of Great Lakes Gas Transmission Company was completed in October, 1968. The additional supply of natural gas from western Canada was immediately used to fulfil increased sales contracts between Trans-Canada Pipelines Limited and Ontario's natural gas utilities. The net result has been the elimination of temporary imports of natural gas from the United States into southern Ontario, the delivery of natural gas to Sault Ste. Marie for the first time, and generally, provision for the additional requirements throughout Ontario.

Interprovincial Pipeline Limited concurrently completed the first stage of its second loop from Superior to Wisconsin to Sarnia. This stage of 464 miles of 34-inch pipe runs from Superior to the Chicago area. The second stage of the new loop—200 miles from Chicago to Sarnia—is expected to be built by 1970.

However, U.S. deliveries are already being routed through the new line. This diversion has resulted in increased transport of crude oil from western Canada to Ontario's refineries through the main line between Superior and Sarnia.

Ontario's first large-scale gas liquefaction plant was commissioned last September. This plant permits Northern and Central Gas Corporation Limited to liquefy and store natural gas during the low-demand summer periods for use in peak winter periods. This new facility is located at Hagar, about 30 miles east of Sudbury.

In electrical generation, Ontario Hydro brought one million kilowatts of new capacity on line. Included were the last three units at Lakeview, the extension of Barrett Chute, two combustion turbine units at Thunder Bay generating station and power from Douglas Point. Also just recently the Lambton generating station was officially opened providing a further one million kilowatts of power with an eventual capacity of two million kilowatts.

With Ontario lacking resources of domestic coal while possessing large deposits of rich uranium and a strong background in nuclear science, it is natural that Hydro should look also to the atom for future generating capability. Consequently, the current Hydro commitment for new plant construction over the next ten years provides for 5.2 million kilowatts of nuclear power, 6 million kilowatts of conventional coal thermal power and 653,000 kilowatts of water power. This additional capacity of nearly 11.9 million kilowatts represents an ultimate doubling of current capability and is commensurate with normal electrical load growth in the province.

The 500-mile, 230,000 volt tie line, currently under construction, will bring together for the first time Hydro's two power networks —the east and west systems. Also, it will create a direct physical link between electrical utilities from Saskatchewan to Quebec, a major step towards achieving ultimately what might be called a national power grid.

The joint programme of construction of the Pickering nuclear generating station is continuing and the estimates include an amount of $20 million which represents the province's share of the estimated costs for the current year.

Also included in the estimates is an amount of $1 million to continue the rural electrification programme which has been so beneficial to many areas of the province, and especially northern Ontario.

The conservation authorities in Ontario continue to gain in strength and stature. During the past year, two new authorities were established, these being the Mississippi and the Lower Trent. In addition, three existing ones, Big Creek, Grand and Lower Thames were enlarged.

The staff of my department and that of The Department of Municipal Affairs have reviewed the role of conservation authorities in relation to new regional units of local government and have made such adjustments as have been found necessary.

For some years, my department has been fortunate in securing the assistance of the federal government in a number of large construction projects. These included the recently-completed Parkhill Dam under the ARDA programme, as well as a multi-project flood control programme under the Canada Water Conservation Assistance Act involving The Halton Region Conservation Authority, The Upper Thames River Conservation

Authority and the Metropolitan Toronto and Region Conservation Authority.

As members all know, the hon. Joe Greene, my federal counterpart, recently introduced the proposed Canada Water Act for first reading in the Commons. It is my understanding that a whole new philosophy of federal-provincial co-operation in water management is visualized under this new Act and The Canada Water Conservation Assistance Act will be repealed. Accordingly, the future cost-sharing possibilities are somewhat vague at the present time but I have already expressed on behalf of Ontario my support of a joint federal-provincial approach to water management and conservation programmes and I am hopeful that discussions to be held in the near future between the two levels of government will prove fruitful in furthering this joint approach.

The attendance at conservation authority parks, which provide numerous day-use facilities, increased almost 25 per cent last year, both in summer and in winter. This reflects the steadily increasing demand for facilities of this type by the public.

Many conservation authorities have experienced pressure to use their open-space lands to provide for sites for refuse disposal and it is appropriate to consider this question in the broad context of environmental management and land use planning. It was particularly appropriate, therefore, for the waste management section to be transferred from The Department of Health to my department.

At the present time, this is a small branch consisting of six engineers, working in regional locations to assist municipalities with the technical problems of solid waste disposal. I anticipate introducing in the next session of the Legislature, an Act to provide for a reasonable degree of control over these waste disposal operations by the province and I would anticipate fairly detailed regulations will be required to support the legislation.

I anticipate that it will be possible to maintain this branch as a small but effective technical arm of the overall pollution abatement programme by providing additional assistance from other specialized groups. For example, the engineers of the waste management branch arrange for ground water samples to be taken in the vicinity of waste disposal areas where contamination of the water is a potential problem. I have arranged for these samples to be tested in the Ontario Water Resources Commission laboratories rather than have the waste management branch set up similar facilities.

The primary concern of the water resources commission is the control of pollution and the provision of adequate supplies of water to meet the growing demands of Ontario's increasing population and industries. In presenting the estimates of the OWRC for the year 1969/1970, I would like to highlight some of the programmes which are enabling us to achieve further progress in the field of water resources management in this province. These programmes appear in the estimates under three separate headings: "Management of the quality and quantity of water"; "Provision of sewage and water facilities and related funding"; and "Commission administration".

Under the first, "Management of the quality of water", in the commission's responsibility for the supervision of all surface waters and ground waters in Ontario used as a source of water supply, a constant surveillance programme is maintained. Water pollution surveys are performed in all populated areas to locate and eliminate sources of pollution and individual reports of pollution submitted by the public and municipal officials, are investigated.

Mr. V. M. Singer (Downsview): What did the Minister do about the Don?

Hon. Mr. Kerr: We are resurrecting it.

Mr. Singer: Oh!

Hon. Mr. Kerr: Water quality surveys and drainage basin planning are carried out under the commission's river basin surveys programme and the Great Lakes surveys programme. With respect to the latter, the commission has, as you know, participated in the Great Lakes study undertaken in 1965 as part of the International Joint Commission's pollution reference. This work which has represented a co-ordinated effort on the part of agencies of the Canadian and U.S. federal governments, state governments and the OWRC has culminated in a formal report on the lower Great Lakes and the interconnecting channels. This report was submitted to IJC this fall. The recommendations which it contains, when implemented, will have far-reaching effects in the restoring of the quality of Great Lakes waters.

The commission has responsibility for the appraisal of all engineering reports, plans and specifications submitted by municipalities or industries for the approval of water works and sewage works to be undertaken. This

programme is designed to ensure that facilities to be installed will be adequate to do the job intended.

The commission is also responsible for the inspection of all water and sewage works facilities operated in the province. This programme covers some 800 waterworks and 600 sewage works systems.

The commission's boating regulation which became effective on January 1, 1969 is designed to further safeguard the quality of the water of Ontario. The level of activity in this area has accelerated since the beginning of the year. Emphasis has been placed upon the development of an enforcement programme in order to ensure conformity with the regulation.

Marinas have been visited in order to promote the installation of shore-based sewage pump-out and disposal facilities and to render technical assistance with respect to such installations. Evaluation is made of manufacturers' plans and specifications for approved marine sewage devices. Communications and correspondence have been carried out with governmental agencies in neighbouring provinces and states to achieve compatibility of legislation, equipment standards and implementation policies. Altogether, these activities are effectively contributing to the development of the province's watercraft pollution control programme.

The problems of industrial waste pollution control are receiving increasing attention. Continued pressure is being brought to bear upon those industries which have not yet achieved the water quality objectives established by the commission for waste water effluents. The regular inspection of all industries in the province which have a significant industrial waste discharge to natural water courses constitutes an important part of the commission's field staff activities. The preparation of engineering reports on these routine investigations form the basis for obtaining compliance with the terms of The OWRC Act in the negotiations carried out with the industry concerned.

Notwithstanding the industrial waste problems yet to be completely solved, it will be of interest to the members of this House to know that since the commission was formed some $167 million have been spent by industry on pollution abatement facilities, with approximately $40 million of this amount having been undertaken since 1965.

Supporting services to the commission's water quality management programme are rendered by the commission's laboratory and research facilities. A total of 127 members of staff are directly involved in analytical and research activities.

The regional laboratories which have been established in conjunction with the commission's regional offices are proving to be most valuable in view of the perishable nature of many of the samples and the need to provide fast analytical service to all parts of Ontario.

Equally important is the work being carried out by the commission's division of research. The development of criteria resulting from laboratory models and field pilot-plant installations serve to improve the knowledge and practical applications of water and waste water treatment methods. As the province continues to develop, research into more extensive treatment of waste water will be required. The recent announcement which I made concerning the results of the commission's research into the use of lime in nutrient removal in sewage treatment plants is an example of how research is being effectively used to further the programme of water management. The publication of research bulletins enables a wide dissemination of research information to universities, consultants in the field of water resources, industries, municipal, provincial, state and federal departments and agencies, as well as other interested persons.

With respect to the quantitative aspects of water management, the commission has a regular programme involving water resources surveys, ground water exploration and development, collection, analysis and publication of basic hydrologic data, scientific studies of a hydrologic nature, regulation of water takings and a water well management programme including the regulation of the water well construction industry.

Under the second heading, "Provision of sewage and water facilities and related funding", emphasis continues to be placed by the commission on the planning and construction of water supply and sewage treatment facilities. In the municipal field, the construction of facilities continues unabated, with the value of all works undertaken since 1957 having now exceeded $1.7 billion.

Projects undertaken on the basis of OWRC/municipal agreements since 1957 had reached the total of 431 at the beginning of this year, valued in excess of $171 million. Sixty OWRC/municipal projects are currently being developed.

In the area of provincial financing, when the ownership of the facility is vested in the province, the number of projects undertaken since 1964-1965, when this programme was just introduced, has experienced a marked acceleration. As of September this year, 24 provincial programmes had been completed or taken over and put into operation at an approximate value of $61 million. An additional 261 provincial programmes are in various stages of development and when completed will have a combined estimated value in excess of $440 million.

Included in this figure are both individual municipal programmes and extensive area systems. Increasing emphasis is being placed upon the development of area systems of water supply and sewage treatment because of the economies that can be effected over the development, on an individual basis, of separate facilities within the area. The most extensive of these area systems to be undertaken to date is the South Peel system, involving the five municipalities of Mississauga, Port Credit, Streetsville, Brampton and the township of Chinguacousy. The signing of the agreements with these municipalities took place in December, 1968 and opened the way for the development over the next 20 years of an extensive water supply and sewage system for that area at an estimated cost of $88 million. Other area programmes are under study or active development. It is becoming increasingly apparent that these area programmes will become more and more essential in the future, particularly with respect to the supply of water to communities inland from the Great Lakes.

The recent announcement which I made in this House concerning two important financing programmes designed to (a) assist small municipalities in acquiring water and sewage facilities; and (b) to ensure that area projects will be adequately sized for future development; will further accelerate the provincial financing type of programme and will represent a great step forward in ensuring that adequate water supply and sewage treatment facilities are available.

In order, therefore, to provide for the construction of projects undertaken either on the basis of OWRC/municipal agreement or on the basis of provincial financing, a total of $32 million will be required during the year for disbursements, as well as an additional $1,475,000 general expenditure in support of the three divisions responsible for this programme.

Under the third heading, "Commission administration", of vital importance to the effective functioning of any organization is the overall administration, together with its supporting administrative services. Provision has been made under this vote for the normal expenditures associated with salaries, travel and maintenance relative to the commission's administration.

Of particular importance is the proposed establishment of an executive planning and management information support section. This section will have a dual function. It will be responsible for the long-range planning of the commission, particularly with the development of OWRC projects throughout the province as well as the economic considerations related thereto. It will also form the nucleus of a management information system as a forerunner to the implementation of the planning and programming budgeting systems for the commission in line with the recommendation of Treasury.

Of importance also is the gradual decentralization of the field activities of the commission through the establishment of area offices. OWRC offices have already been opened in Kingston, London and The Lakehead, with accompanying laboratory facilities now in operation in the latter two cities. A further office will be opened in the city of Sudbury by the end of this year. These offices are staffed by the various divisions responsible for the commission's field programmes and enable the commission to give immediate attention to problems as they arise, as well as facilitating the routine work carried on in these areas.

To provide for the overall administration of the commission's programmes, as well as supporting administrative services, a total of $2,657,000 will be required in this vote.

In summary the general expenditure required for all purposes is $9,543,000 and $32 million is required for disbursements, making a total appropriation of $41,543,000.

Mr. Chairman, this concludes my introductory remarks in respect to the estimates of my department, and I will be pleased to answer questions from hon. members relating to the various votes and items.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, I had the opportunity to congratulate the Minister privately on his appointment to this very important portfolio, and I am glad now to do so publicly. I am sure he would agree with me, having reviewed the ambit of responsibility of his

department, that perhaps second to no other, he has a finger, or at least an arm of administration, in the development of almost every important aspect of life in this province.

In his opening remarks he referred to his programmes to abate pollution in the water and in the air, and beyond that the administration in his department through the OWRC and the air pollution control branch. He has indicated that they are to be expanded with new responsibilities, and with new programmes. Beyond that, his reference to conservation, a brief one in his opening remarks, is just an indication of the fact that not only is this area in his department concerned with flood control, and the quality of the waters in our river systems, but, to a growing degree, with the provision of recreation, and in this area, of course, he overlaps the hon. Minister of Lands and Forests (Mr. Brunelle), as he does with many of his other colleagues in the decisions that emanate from his administration.

Beyond that, of course, as well, through the OWRC the relevant decisions taken as to where new sewage disposal plants and water systems are to be installed have an important bearing on how a province is going to grow and develop, and his application, whether rigid, or perhaps less rigid, of the air and water pollution regulations, which are his responsibility, to a great extent influences the quality of life, particularly in the urban centres.

So I would say this Minister, with the responsibilities that have accrued to his department, has the main responsibility for providing guidance to his colleagues who are concerned with the development of the Ontario community; Guidance to the Minister of Trade and Development (Mr. Randall)—

Mr. Singer: And he needs it!

Mr. Nixon: —who, in his own right, has decisions which he must make associated with the location of industry; guidance to the Minister of Economics (Mr. MacNaughton) who, with the bureaucracy that has developed under his tender care and guidance, has developed what he promises us—an expanding programme for the industrial plan of the province. And, perhaps as much as to anyone else, guidance to the Minister of Municipal Affairs (Mr. McKeough), who has the main responsibility for developing the community planning that is so important in so many of the smaller regions as well as the large urban centres.

So this Minister, the Minister of Energy and Resources Management, has really a catch-all department—a department which has areas of responsibility that I would venture to submit to you, Mr. Chairman, he did not even know were associated with the department when he became Minister. I notice he is not nodding, but from time to time, when questions are directed to the Minister in the House as some new area raises its problems, he must feel that he certainly has accepted a heavy job indeed, as Minister of Energy and Resources Management.

There are two other areas, of course, that he must deal with as the responsible Minister. These are the Ontario Northland Railway, which is the main developmental project for Moosonee and the whole of northwestern Ontario; and, for the opening of my remarks tonight, Ontario Hydro, which, more than anything else, surely is the basic tool upon which the industrial and economic development of this province has been based in the past, and must be based in the future.

Ontario has had a very fortunate record down through most of its history, where, based on the development of our water resources, we have been able to promise industries looking on a world-wide basis for areas of development, the significant attribute that we have had, more than any other area perhaps in North America, of the availability of cheap power, based on running water. Cheap power that has made the wheels of industry turn here, and, more than anything else, has been responsible for the growth of Ontario.

I was interested to hear at the committee on commissions just a few days ago the chairman of Ontario Hydro indicate that our significant resources of waterpower have been developed. Now, of course, as we have for the last 10 to 15 years, we must turn even more than we have in the past to alternative sources of electrical energy—fossil fuels and atomic energy.

This is really the area where the Minister may have his greatest problem in the next two to three years—to make the decisions and direct the policy which will see that Ontario does not run short of power. And perhaps more important, that we do not run short of dollars and the credit to borrow dollars to develop an electrical power base which will continue to be operating to the advantage of our growing economy.

I want to deal with this in some detail, Mr. Chairman. The Minister, in his opening remarks, referred to the expanding responsi-

bility that Ontario Hydro faces; the doubling of our present generating facility in less than ten years. And the Treasurer (Mr. MacNaughton), of course, is interested in this because it is under the credit of the province that $250 million a year must be borrowed in order to finance the development of this generating facility for the next ten years.

Probably the rate of growth will expand beyond that, but we are concerned in the period between 1969 and 1979 in the estimates that are associated with Hydro. I want to direct your attention, Mr. Chairman, to the period ending in 1969 and beginning in 1959. 1959, of course, was the beginning of the atomic era as far as Ontario was concerned. I would like to draw your attention, sir, to our history over this ten years: what we have accomplished, what we have had to pay out and what our experience in this ten years indicates as a matter of policy must be accepted by the present administration if between now and 1979 we are going to accomplish the expansion on a practical and efficient and economical basis of a power development facility that is going to meet modern needs.

As you know, Mr. Chairman, Ontario Hydro has worked with a consortium. We established a consortium with Atomic Energy of Canada Limited in the development of nuclear power in this province. Canada's first nuclear plant was developed at Rolphton on the Ottawa River, and is referred to by the letters NPD. It was experimental only, and within the limits of its requirements it has been reasonably successful. It is still operating, although we were interested to hear the statement made by Mr. Gray, the president of Atomic Energy of Canada, that because of the shortage of heavy water, it might be necessary to reduce the level of operation even at Rolphton, which depends on heavy water for the moderation of the atomic reaction in that plant.

The same is true of the atomic reactors that have been built and are operating under the jurisdiction of Atomic Energy of Canada shared with Ontario Hydro, and those which are presently building and in prospect, beginning, I believe, in the year 1971 to the year 1976, those which go on line, go on stream, or whatever the proper phrase is, if all goes well.

The last phrase in that sentence "if all goes well" is significant because unfortunately during the ten years of our first experience with atomic energy relating to Hydro, very little has gone well. It has been a record of overexpenditure of budgets, it has been a record of late fulfilment of contracts, and a very disappointing performance on the part of those installations which, while they are designated experimental, are very significant, as they indicate the future of the tremendous installations that are building in Pickering township and the new Bruce plant, also in the Douglas Point locale.

I think it is important that we put on the record some of the information associated with the problems that we now face in Ontario Hydro. And, Mr. Chairman, I would like to read a brief paragraph which was put before the public of Canada by an engineer whom the Minister, I am sure, knows has been associated with criticism of the the development of the heavy water type of reactor from the very start. The name may be familiar to the Minister and his colleague, the vice-chairman of Hydro; it was Mr. Winnett Boyd, who has really taken a continuing interest—in the views of some people a perhaps negative interest—in the efforts of Atomic Energy of Canada and Ontario Hydro to use the programme called CANDU, that is associated with a natural uranium moderated by heavy water in a method to produce electrical power in Canada and to sell it abroad.

Mr. Boyd made this statement on October 15, 1959. It was at the time when the CANDU process was being examined by the appropriate committee of the Parliament of Canada, although he made this statement in speaking to the Ottawa regional technical conference at the Engineering Institute of Canada, and I quote the paragraph:

> Canada is going to conduct a very expensive but interesting experiment rather than build a practical power plant. Clearly the choice today—

that is in 1959:

> —of the best type of reactor for power generation should be made on objective scientific and engineering grounds rather than because we in Canada happen to have more technological experience with one type of reactor than with the others. Today it is significant that in spite of the United States having the world's only heavy water production plant—

and I add, myself, that was in 1959:

> —heavy water reactors are almost completely absent from the serious development programmes of the many private companies working in the nuclear power field.

That is the end of the quote from Mr. Boyd at that time.

You may recall—I am quite sure the vice-chairman of Hydro will recall—that the testimony that came from Mr. Boyd and others at that time tended to cast a real shadow, a shadow of doubt, on the possibility of the CANDU principle ever being developed to the stage where in fact it would become an atomic workhorse for the purpose of producing electrical energy or for any other purpose.

Nevertheless, the decision was made by competent scientists and supported by the government of Canada, that Atomic Energy of Canada Limited should proceed on this principle, and we are not here tonight to argue with that decision, although certainly it would come into any reasonable debate. We are talking about the principle of Ontario Hydro to deliver power at cost and heaven knows this cost is escalating, particularly with the announcement just a few days ago of a further six per cent increase in Hydro rates across this province.

Mr. Singer: Right, yes; yes!

Mr. Nixon: The Minister and I had a bit of an argument over what the increases in cost have been since 1966. He gave the House one figure, I had another one, and I suppose I was adding the increases beginning with 1965 and including the increase announced a week ago, when I said it was close to 24 per cent since 1966. Even though the cost of Hydro has escalated dramatically —and the Treasurer knows that while Hydro used to be able to borrow its funds at 3.5 per cent, that in the last nine years this rate is now up very close to 8.25 per cent or 8.5 per cent—still an increase close to 25 per cent in the rate that Hydro is charging is surely in itself a factor contributing to the inflation of our provincial economy, a factor which obviously could be and should be controlled as a matter of government policy, particularly in light of the fact that there is a substantial fund within Hydro financing itself, an equalization fund or stabilization fund, I should say, which is designed to smooth out those periods when Hydro finds its costs escalating because of factors beyond its control.

Now, it is admitted, we have heard it, that some of these factors are associated with acts of God: low water levels, icing conditions, the fact that certain of our installations might not be working perfectly at a time when we have to therefore buy expensive power from nearby jurisdictions. But the size of this fund, approaching $180 million, is surely such that on this particular occasion when the pressures of inflation are so easily measured, it would be recommended by any reasonable person that the government as a matter of policy should roll back this price increase and see that the stabilization fund is brought into play to stabilize the rates, since that is obviously what it is for.

But when we talk about escalating costs, we must not forget that one of those escalating factors has been associated with our involvement with Atomic Energy of Canada in a commitment to the CANDU reactor which has been established experimentally at Douglas Point and which is being developed on a grand scale at Pickering in what should be the next major step forward in the development of our atomic, electrical facility.

I should remind you, Mr. Chairman, that the present price tag on the Pickering development is close to $500 million, I believe it is about $480 million, and even though that is still just in the process of building and its prototype at Douglas Point still has not been satisfactory in its operation, still Ontario Hydro has committed itself to a further tremendous expenditure, making a total of almost a billion dollars in the Bruce Generating facility which is presently under some discussion. We will be referring to that again a bit later.

So that when we talk about the problems associated with the process that Ontario Hydro is committed to for the utilization of atomic energy, we are talking about the CANDU process which has been criticized from the very start. Atomic Energy of Canada and the Government of Canada made the commitment to proceed with the experimental development of this particular process, and then Ontario Hydro became deeply involved as a partner in the consortium which has seen the involvement of more than a billion dollars with the development of little or no electricity as a result.

There are one or two quotes which I think should be put on the record. This one comes from the then second vice-chairman of Hydro, the member for Muskoka, and it was put into *Hansard* on March 27, 1963, at page 2296 and I quote the hon member:

> Plans call for Ontario Hydro to operate the 200,000 kilowatt nuclear electric plant upon completion in 1965—

I add myself that he is referring to Douglas Point—

> —and to purchase it from Atomic Energy of Canada Limited when proven suitable for operation in the system at a price which will permit the production of energy at a cost comparable to a modern, conventional thermal electric station of similar capacity.

I draw to your attention, Mr. Chairman, the fact that he was predicting its stabilization and its effective development of energy in 1965. And I would draw to your attention further, Mr. Chairman, that it is still unproved, it is still uncommissioned in 1969, and rather than talking about taking it over from Atomic Energy of Canada, we are now treated to comments from the hon. member himself and other spokesmen for Ontario Hydro, which would indicate that, in fact, it is going to be relegated to providing steam for the new heavy water plant that is required for reasons that have been discussed already in this House. I am sure that there will be some power developed there but it appears that the sights of the hon. gentleman, the first vice-chairman of Hydro and the Minister himself have changed from their goal of regarding Douglas Point as an effective contributor of power to Ontario's grid to something much less important: to something which is going to contribute energy to power the heavy water plant that is presently building in the Douglas Point area.

Mr. Singer: It is a disaster, that is what it is.

Mr. Nixon: I would say that it would appear now that Douglas Point will never go on-stream, that is the electrical stream, at the capacity that it was rated. It is now a full four years late in its commissioning; it may never be commissioned as it was originally intended because of the problems that had been experienced there, not with the fact that uranium—natural uranium, mined and refined in Ontario—cannot produce power because obviously it can and it will, but that the commitment to the CANDU process has turned out to be an unfortunate one. It is a process that is so cumbersome that even the best talents that had been hired by Hydro in conjunction with Atomic Energy of Canada have not yet been able to iron out the bugs, which would give us a working system. In fact, a workhorse which must work at an efficiency close to 90 per cent—as a matter of fact, above 90 per cent—if in fact it is going to be economically feasible.

Now I have a further quote and this one comes from the chairman of Hydro, Mr. Gathercole. It was made in a speech to the joint conference of American Nuclear Society and Canadian Nuclear Association in Toronto on June 12, 1968. I quote from page 8:

> The decision of Atomic Energy of Canada Limited and Ontario Hydro to proceed with the 200,000 kilowatt Douglas Point station was reached before any operating experience from Canada's first nuclear demonstration plant—NPD—had been gained, let alone catalogued. Supported by both the federal and provincial governments, our decision to go ahead with the $0.5 million two million kilowatt Pickering nuclear station was made two years before Douglas Point generated a single kilowatt of energy.

I add on my own that Mr. Gathercole may have been looking for plaudits, having been one of the persons arriving at the decision to proceed with this commitment without having had experimental facts to back up the decision.

I continue with the quote from Mr. Gathercole's remarks:

> The risks are not merely monetary, although they will be substantial. No utility such as Ontario Hydro can afford the luxury of two and a quarter million kilowatts of experimental nuclear capacity, about one-quarter of its total. You cannot abort capacity of that magnitude without arresting the growth of the economic community that the utility serves; accordingly much more is at stake than money. I think this illustrates that while we expect having problems in running this prototype equipment, we have full confidence in the effective performance of the Canadian heavy water natural uranium reactor.

Mr. Chairman, I ask you to think about what the chairman of Hydro says there. He says that the decision to go ahead with Pickering—and I would think that an extrapolation would be a similar decision to go ahead with the Douglas Point project announced just about ten months ago—was arrived at without suitable experimental backing.

He then goes on to say that this is a very serious matter—a decision that was taken without this experimental fulfilment, if I might call it that, and that no utility can afford the luxury, in his own words, of two and a quarter million kilowatts on an experimental basis. Yet this is precisely what we have done in Ontario. The experimental basis at Pickering and the Bruce plant is very much unproved since their method of producing energy is directly related to that which is presently giving such considerable difficulty at Douglas Point.

Mr. Singer: It doesn't work.

Mr. Nixon: I will remind you that the Douglas Point installation is four years late

and it still has not achieved that full power basis which is associated with a continuing production of electricity. It is true that Douglas Point has achieved full power for short periods of time, but it has never been on the sustained basis associated with refuelling a reactor under power.

I hope, Mr. Chairman, that many members have visited the Douglas Point facility. I have, within the last two years, and I believe I mentioned this during the debate a year ago. I will not go over the details of the visit again. Needless to say that I and my colleagues were well received and I thought that we were given a very full tour of the plant and a frank discussion of the problems that they were experiencing.

It was just at the time that they were heading for the whole power development of Douglas Point. We are running into the problems which the Minister's predecessor, who is presently now engaged in conversation with the vice-chairman of Hydro, had indicated to me were, in fact, mechanical; that they were problems associated, not with the nuclear reactor, but with, in fact, the transference of the nuclear energy to electrical energy.

I certainly would not say that the hon. gentleman was wrong, other than his emphasis was wrong. I would be the last to deny the fact that natural uranium moderated by heavy water will produce heat energy.

I was a graduate of McMaster University back in the early days when atomic energy was experimental there. As a matter of fact, there is a swimming pool reactor with natural uranium, modified not by heavy water but with ordinary water, which is delivering energy at that university right now on an experimental basis.

I can well recall visiting a similar swimming pool type of storage at Douglas Point where some of the moderating and control rods, which had given them such difficulty, had had to be transferred in a bed of concrete by a metal pipe into the bottom of that great swimming pool storage point there. The experts on the scene, as we looked down at this thing lying at the bottom of 20 feet of water, said, "There it lies. We had difficulty using it to control the atomic pile at Douglas Point; we managed to get it out of there and get it in the bottom of the swimming pool—the pool, they call it a swimming pool—but it is impossible to remove it from there."

I would think probably 200 years from now there will be people going up there and looking at it in the bottom. I hope it will not be joined by too many of its fellows, that is the other control rods. There is no technology —there was not at that time—which would enable them to make use of the concentrated uranium, enriched uranium, which, of course, was purchased from the United States, and forms the basis of the control procedures, not the moderating procedures, in the CANDU atomic reactor.

I do not want to attempt to give any physics lesson in this regard, but still these are the facts that we have got to come to grips with as we contemplate the expenditure of more than $1 billion in a procedure which has yet to be proved anywhere, let alone here in the province of Ontario.

Mr. Chairman, to pick up the story at that point, Douglas Point—

Mr. Singer: A lot of money we have wasted in Ontario.

Hon. S. J. Randall (Minister of Trade and Development): Depends where you spend it over there.

An hon. member: What we spend over here is ours, not the public's.

Mr. Singer: The Treasurer squirms and well he should.

Hon. C. S. MacNaughton (Treasurer): Why do you not listen to your leader instead of yacking?

Mr. Singer: You should squirm. The greatest foo-ferrah that has ever been made in this province.

Interjections by hon. members.

Mr. Nixon: Mr. Chairman, I wonder if you would bring the House to order so that I could continue with my remarks.

It is true that Douglas Point went critical; that is, the control rods were adjusted so that the atomic reaction began to give off energy. It went critical a year late, in November, 1966, and fed its first power to the Ontario Hydro system on January 7, 1967; but in the 30 months since it has been out of action close to 40 per cent of the time.

There has been a succession of problems, each one of which might be considered by those people—perhaps blind to the implications of four years delay and four years of a succession of problems—each one of which might have been called purely mechanical, and not associated with the concept of the CANDU reactor. But still after all these

years, and we must remember that the decision to build Douglas Point was made in 1959, in 1969, as far as the information I have is concerned, it has never been refuelled under full load.

Any time it became necessary to replace the rods of natural uranium which constitute the fuel of the reactor it was necessary to shut it down and allow it to cool, for the radiation to dissipate to some extent, before the new fuel rods were put into position.

Such difficulties are perhaps to be expected in the progressive commissioning of a nuclear generating station. But the breakdown in the fuelling machine which occurred, the main breakdown on March 6, gives rise to a rather different order of concern because it is the reliability of these machines which will really determine whether Douglas Point is to be a 200,000 kilowatt producer of electricity, or just—in the words of Harold Greer who wrote a very interesting column on this—"Just a noble, ten-year, $81.5 million experiment". Not just Douglas Point but its fuelling machines were developed at the cost of $3 million by the power projects division of Atomic Energy of Canada at the Sheridan Park Research Centre, west of Toronto. Essentially the same machines are to be used for the reactors at Ontario Hydro's $500 million Pickering station and the recently announced $760 million expansion at Douglas Point. The power projects division is also designing a fuelling machine for natural uranium—ordinary water reactor which AEC are building for Quebec Hydro at Gentilly, across the St. Lawrence from Three Rivers-Trois Rivieres.

This is the situation. As far as the public and that includes those of us in Opposition, are concerned the last time the fuelling machine was used, part way through the fuelling process the machinery broke down. I understand the pilot has been modified but still it is not satisfactory as far as its main job is to make the Douglas Point project work on a continuing basis. There is no one, no reasonable scientist or engineer, who would expect such a project to work at full power 100 per cent of the time. But when we see that it will not work unless it is shut down for refuelling then it is just the noble $82-million experiment that Mr. Greer referred to. It is not, in fact, the workhorse using Ontario uranium and the heavy water system that is all-Canadian that the hon. Minister's predecessor held out to us with such glamour about six years ago when he made the announcement about the beginning of the Pickering plant.

I recall that occasion, as a matter of fact. The hon. Minister does not have the power to excite the House that often, but the discussion of the possibility of Ontario Hydro and Atomic Energy of Canada being in the vanguard with a safe, efficient package for the production of atomic energy which would be useful for the development of our own industry first, but which would then become one of the most popular international sales articles that could possibly be imagined was certainly exciting for us all.

Unfortunately, it appears that this experiment, certainly for the last 10 years, has been disappointing in the extreme. That in fact our best efforts bolstering the attempts of Atomic Energy of Canada to sell such a package to CANDU programme on an international basis has been a complete failure. The only sale that we have been able to make outside of Canada was to Pakistan, where the Colombo plan, heavily supported by Canada itself—the Treasury might be interested in this—was able to finance the purchase of the reactor by Pakistan on the basis of an interest rate of, I think, ¾ of one per cent over a period of 40 years.

Mr. Singer: They gave it away.

Mr. Nixon: It was a fairly good situation for Pakistan and, of course, they have gone for it.

I do not believe that reactor is as yet turning out significant quantities of energy but I was interested when I was up at Douglas Point to see that there were a substantial number of Pakistani scientists there learning about the procedures of control and modification which would be essential if the reactor they had purchased under these circumstances was going to be an effective part of the Pakistani power grid, if such there is. So this is a bit of the history of the development of the situation as we now find it.

I was further interested, Mr. Chairman, to hear both the chairman of Hydro and the Premier in statements recently say, "Well, we have not got a full commitment to atomic energy, we do not have all our eggs in one basket." Now this is true, if you consider the distribution of our developmental dollars in the requirement of decisions to produce power based on the fact that the light must not go out and the wheels must not stop turning. In fact, Ontario Hydro has made a tremendous commitment since the beginning of the nuclear age as far as Ontario is concerned in fossil fuel developments. The station at Nanticoke is often described here. We

know the problems associated with regional development of the area and sometimes we forget the problems that Hydro has, even in building a fossil fuel generating plant. I believe the one at Nanticoke, when it is completed, will be one of the most efficient in the world, but the problems that Ontario Hydro is having in transmitting the energy from Nanticoke into the grid have been referred to frequently, particularly as Ontario Hydro tried to negotiate a right-of-way across the Six Nations reserve.

Everyone knows, of course, that neither Ontario Hydro nor any other provincial emanation has the right of expropriation or eminent domain in Indian lands, and the last time the chairman of Hydro and his advisors went down to discuss this matter with the council of the Six Nations they were rather unceremoniously ushered off the reserve, and at that time it appeared that there would be continuing problems in gaining a right-of-way.

I was interested to read that the chairman said publicly that they were at that point looking for alternative ways of transmitting the energy away from Nanticoke into connection with the main grid of the province. We have heard nothing since then, either from the Indian community or Ontario Hydro as to what the disposition was. But beyond Nanticoke, the new generating plant at Lambton was put into official operation just a week ago when the Premier pressed a button, or cut a ribbon or threw a shovelful of coal into the furnace, or something, and this is, again, a major programme, one which is going to relieve the immediate shortage of electrical energy which was so much a part of the discussion in this House about a year ago now.

Everyone knows that as the days grow short and the cold weather comes on Ontario Hydro's advertising programme over the years has given it a tremendously high commitment, particularly over December to meet the energy requirements simply to keep the lights on and the electric heating facilities warmed up and the wheels of industry turning. Last year we came within an ace of having to withdraw some of our special contract energy from industries, and, as a matter of fact, the chairman sent out word to the municipalities that they might expect Ontario Hydro to come short of its peak commitments during at least certain hours of some days in December. But, I understand that with the coming on stream of the Lambton plant, we do not have that worry for this Christmas and that this tremendous development down there, which is fossil fuelled, of course, and has no connection with nuclear energy, has saved the day as far as Hydro is concerned in meeting its capacity, its peak requirements during the next few months. But beyond that, the development in Kingston—I forget the name of that community that is attached to that particular generating facility, but it is near Kingston—

Mr. G. Ben (Humber): Bath.

Mr. Nixon: What is it? Bath! Right, that is the Bath development plant.

Pickering is under development, the Bruce area is under development, and, of course, the residual water power that is still available in some parts of the province close enough to developing industry to warrant its development, is being built. So that we have these projects under way as well as some projects that we do not hear too much about, like the new headquarters for Ontario Hydro which it was announced about a year ago would be built on the corner of College and University at a cost of $28 million. The architect's design indicated a general shape like a pyramid and I presume the chairman and vice-chairman would be up on the point at the top looking out over their domain and probably, from all I can gather about Ontario Hydro, they would be looking down on Queen's Park from a great height.

Mr. Singer: Surveying the atomic energy.

Mr. Nixon: Yes. I notice, however, that little or nothing is said about that development and I hope that the vice-chairman is adding his voice to the very reasonable suggestions that have been coming forward, that Ontario Hydro need not have its headquarters on one of the prize pieces of real estate in all of North America, that they might very well establish their headquarters in an area where they would have a closer association with the electrical grid, perhaps even somewhere up in Muskoka, who knows? But perhaps that would be a little extreme as far as the vice-chairman is concerned.

However, I would submit to you, that if we are concerned with developing plant facility, and, of course, administrative facilities as well, we should get it out of our minds that these headquarters have to be built in the heart of downtown Toronto, just because at the present time that great concrete building on the west side of University Avenue is the ivory tower from which many of the decisions that I have been talking about tonight have emanated.

These fossil fuels, these new programmes at Nanticoke, Lambton and elsewhere, are not equipped with the safety factors that we might have hoped for, because when we come to talk about pollution in these estimates —and probably even more than Hydro, we will be talking about the pollution programme that is under the direction of this Minister—it is fairly easy to say that we can have these fossil fuel plants, as long as we burn low sulphur content coal and the Minister surely is aware of the problems associated with that because everybody has got the idea that coal of a low sulphur content is the answer to the pollution problems that are occurring in industry as well as in power development.

I want to read a brief paragraph from an article in *Business Week* of July 5, 1969 entitled, "The Coal-Bin is Running Short." I add myself, this is, of course, referring to coal:

> While output dropped, demand increased. The National Coal Association, the coal operators trade group, last week forecast that demand this year would be 16 million tons above last year's consumption of 549.5 million tons; up as much as the half year's output was down.
>
> "These are the most aggravating shortages we have had since the Suez crisis of 1957," says William Velano, President of the Island Creek Coal Company, third ranking U.S. producer.

And then further on in the article,

> Since air pollution codes are also forcing other domestic coal users into the low sulphur market and only 20 per cent of all coal mined is low sulphur, that is 1.5 per cent or less sulphur content, an acute shortage has developed in this category.

I might say, Mr. Chairman, that it is an interesting article indicating that while there are extensive coal and oil resources remaining to be used for electrical development if necessary, that still the low sulphur content of the coal mine production is in very great demand and is certainly going to command a tremendous premium in price.

I know that Ontario Hydro has contract commitments leading into the early 1970's, although, when questioned about this, the chairman of Hydro said that in fact the contracts do not go much beyond 1970 and that there would be some re-negotiation beyond that point. Mr. Chairman, I would indicate then that when the Premier and the chairman of Hydro say we have not got all our eggs in one basket, he meant that we have them in the fossil fuel basket, if I may continue the analogy, and this, too, has its problems, particularly when communities are becoming hard to find which are going to stand for the increased pollution associated with the burning coal.

The Minister's commitment to building high stacks is not well received in most communities where this is a part of the polluted environment. The fact that a new coal-fired electrical development is going to go in with a high stack is certainly difficult to sell to a community as a pollution-abatement measure when obviously the pollution is going to be in the atmosphere. You can have a stack a mile high and still it will affect the surrounding territory, perhaps even in a larger radius than under other circumstances.

There must be alternative means of control and I know that other hon. members, the member for High Park (Mr. Shulman) among them, have brought to the attention of the House, on many occasions, the alternative procedures which have been developed in other jurisdictions and which Ontario Hydro, or at least this Minister who is responsible for the development of power and the control of pollution, does not apparently have under sufficient investigation.

But to get back to the phrase, "all in one basket." Essentially, our commitment to nuclear energy is all in one basket; it is all in the heavy-water-moderated natural uranium programme which has yet to be proved, either here or anywhere else in the world. The next thing that I want to talk about in connection with this programme—the only reason, Mr. Chairman, that I am spending so much time on building this case is that it involves a commitment of more than $1 billion which is a very important commitment indeed. But second, it involves a commitment of policy on the part of this Minister to a process which has not been proven.

While his advisors may reassure him, there is always that ugly spectre that perhaps his advisors are wrong. And that, in fact, Douglas Point is as bad as I am suggesting it may be and that Pickering will never get to the stage where it will produce, in an efficient and continuing way, the amount of energy at which it is rated; and that our commitment further, at $750 million for the additional facility at Douglas Point may have to be withdrawn and we will have to start fresh.

Whether we have got time to do that remains to be seen, but the alternatives in my

view are still stretching before this Minister and are going to require of him a more hard-headed decision than was ever taken by his predecessors, and perhaps additional advice from those less committed to the principle of the CANDU reactor. A further problem associated with this reactor is that unless we have heavy water to moderate it, it simply will not function.

I questioned the Minister about this earlier in the month. He rather pointedly indicated in his answer that Atomic Energy of Canada had to provide the heavy water, that there was a contract to this effect. I would submit that even though Atomic Energy of Canada would be delighted if they could possibly provide the heavy water, the plants that have been built under their jurisdiction in the Maritimes have been a tremendous disappointment. The flaws in them have been so obvious that either the hon. Minister or one of his colleagues pointed out to us in the House that the engineering development had gone wrong simply because the whole system was predicated on the use of fresh water. They built it down in Nova Scotia and used salt water for the purpose; and all of the fantastically intricate and expensive plumbing had simply corroded and the thing was not going to work.

This seems incredible and I cannot blame the hon. Minister, there is certainly no doubt about that. But still, the functioning of his electrical programme depends entirely on the adequate supply of heavy water which apparently is not forthcoming. I read from the Toronto *Globe and Mail*, October 17, 1969, from an article by David Crane:

> A critical shortage of heavy water may force Atomic Energy of Canada to close temporarily its Chalk River research reactor or delay the full opening of Ontario Hydro's nuclear power project, AECL president, J. L. Gray, said yesterday. He confirmed that Canada has made an informal bid to obtain heavy water from the Soviet Union but added "I do not think they have got any. Because of the expected shortage, Hydro may not be able to operate all its plants," Mr. Gray added.

I submit, Mr. Chairman, that Hydro is hardly in a position to have a choice on the operation of its plants. These great developments at Pickering and at Bruce based on nuclear power are simply inoperable without heavy water, and for reasons which are beyond the Minister's control at this time, there is no heavy water. One of the arguments for the development of the natural uranium programme for the production of electricity was that we did not have to depend upon the United States for enriched uranium. We could dig it out of the ground up at Elliot Lake; we could refine it and purify it ourselves and use it in a reactor of our own development. We were therefore independent of any foreign restrictions.

But now we find that our plants will not operate unless Atomic Energy of Canada is able to get the unfortunate situation down in the Maritimes remedied and unless they can buy heavy water on the world market from the Soviet Union. It is interesting that the decision to go ahead with the CANDU programme was so that we did not have to depend on the Americans for enriched uranium; now we find ourselves asking the Russians if they can spare us a few hundred tons of heavy water so that our particular programme will work.

I call this a $1 billion blunder. There is no doubt in my mind that the Minister is responsible—particularly he and his predecessor—and they are finding themselves with less and less time to remedy a situation which simply cannot be permitted to go on if the experiment which now approaches more than $1 billion is going to be less than satisfactory, less than efficient, less than fulfilling the predictions made by the optimistic engineers back in 1959.

Mr. Singer: No wonder the Treasurer walked out, no wonder he left. You are on your own now.

Mr. Nixon: In talking about the heavy water reactor to which we are totally committed, we have no other eggs in that basket —none at all. I quote from an article published by *Nuclear Engineering* in November, 1967, entitled "Heavy water power reactors":

> A symposium on heavy water reactors, sponsored by the International Atomic Energy Agency, took place in Vienna from September 11-15, 1967, and was attended by over 220 delegates from about 30 countries. Many of these delegates were enthusiasts already associated in some way with heavy water projects, or studies, making much preaching to the converted inevitable. However, also represented were countries which still looked hopefully for a viable, natural uranium reactor to avoid tying themselves to the tyranny of someone else's fuel enrichment.

I add myself, Mr. Chairman, that so far the United States and Russia and, to a lesser extent the United Kingdom, are the only ones who can enrich natural uranium for the purposes of extracting energy, for they do not want to be tied to the tyranny of anybody else's enrichment procedure. I continue from the article:

> The discussions were reasonably lively and if the sniping by the proponents of the various types of heavy water power reactors never wholly died away, at least it abated somewhat as the basic dilemma of all varieties was brought home with increasing starkness as the symposium progressed. How can utilities outside Canada be induced to buy heavy water reactors?

Now at that time, Canada was the only jurisdiction, and Ontario certainly the leading area within that jurisdiction which was concerned to put public dollars on the line—up until now a billion of them—in support of this method of extracting electrical energy from atomic reactions. I quote further from the article, and this was in 1967:

> The operation at Douglas Point has been long awaited as it is the first heavy water reactor in the substantial power range. Its turbo-alternator was first synchronized on January 7, 1967 but the story since then, told with great frankness by G. H. Williams of Canada, is a sorry one.
>
> The plant has been up to 50 per cent load

this was in 1967:

> —but there have been three major outages, two of about two months duration each, and it has remained out of service since it was shut down for the third time on July 24. Two of the outages were due to failures of the coolant circulating pumps and one to a hole rubbed in a calandria tube by a failed booster rod. Since these are reactor faults, the familiar cry that it is the conventional plant which let the nuclear station down does not appear to be valid. Significant modifications to Douglas Point are planned for 1968 and 1969 and they still expect to achieve their targets of an annual load factor of 92.8 per cent and a winter forced outage rate of not more than 3.3 per cent by 1970 or 1971.

But we still have not achieved that. There have been extensive modifications but as far as we in Opposition know, and there has been no further information available, still the Douglas Point programme has been below expectation.

A final quote from this article which I bring to your attention, Mr. Chairman, in an international publication. It is not based on anything other than a symposium of atomic scientists at a meeting in Vienna back in 1967. This is the final quote from this article:

> At this point it has to be admitted that utilities order only what exists or what has been economically proven and the heavy water reactor does not fall into that category as far as Europe is concerned. In this respect the present situation at Douglas Point is not just a private Canadian grief but affects the image of all heavy water reactors. Everyone who hopes heavy water reactors have a major part to play in power generation should wish the Canadians well, for the demonstration of Douglas Point as a viable unit is the first essential to the sale of other heavy water reactors.

I point out to you, Mr. Chairman, that even though there have been these substantial modifications, there have been no sales. We have not been able to convince any other jurisdiction, particularly a jurisdiction which was economically viable itself and had a credit rating which permitted it to shop on the open market rather than to pick up the essentially improved sales propositions that might be forthcoming in an effort to sell a heavy water plant. I think this is an indication of the open market, particularly among countries where funds are hard to come by but which must be spent for plants that work, that our CANDU reactor has been supported by Ontario Hydro, to an extent which is becoming unreasonable; that we have yet to get a plant that works; and that our commitment is so extensive as to be a serious concern to every thinking citizen in this province.

Mr. Singer: It does not work here or anywhere else.

Mr. Nixon: I want to bring to your attention, sir, that Ontario and Canada are not the only jurisdictions that have faced this problem.

I read an article, and I do not want to read too much, but I believe this makes a case which must be put in the public interest to the hon. Minister, to the executives of Hydro and to those people across this province who are concerned not only about a six per cent rate increase effective in the immediate future but also about the continuing ability of Hydro to meet its power commitments in the foreseeable future.

I quote from the *New York Times* of Saturday, October 18, 1969—an article by Eric Dace headed:

FRANCE MAY ADOPT U.S. DESIGN FOR POWER REACTORS

A high French official has declared that France's nuclear reactors which use natural uranium as fuel are uneconomic and that he favours the construction of reactors of American design using enriched uranium. The Director of the National Power Agency, Marcelle Boiteux, said yesterday that while the French reactor design has proved technically successful "our pride is tinged with bitterness because economic success has escaped us."

And I add myself, this is one way to describe Ontario Hydro's experience. To continue with the article:

Mr. Boiteux was reporting at a news conference in the village of St. Laurent in the Loire Valley on the performance of the nuclear centre there, as President General de Gaulle had encouraged French scientists to develop their own natural uranium reactors at St. Laurent and elsewhere. He seemed to fear that France would become dependent on the United States if she built reactors that used enriched uranium of which the United States is the only major supplier. Now under President Pompidou the government appears to have become less jealous of its sovereignty in technical matters, although it is maintaining the nuclear striking force on which the General set such store. Mr. Boiteux' statement and the wide publicity given to it in the French press fitted the pattern of relative modesty and realism that Mr. Pompidou and his government has set with such measures as the devaluation of the franc.

Mr. Boiteux, a 47-year-old mathematician and engineer has for two years headed Electricité de France, the government power system. He said that taking into consideration the international market, Electricité de France considers it desirable both for itself and for French industry to concentrate its efforts on the construction of centres using the American system of enriched uranium. He contended it would be a short-sighted policy for France to renounce the use of nuclear energy entirely and he predicted that American-designed reactors would dominate the world's nuclear power industry in the foreseeable future. Natural uranium requires the use of large fuel cores to withstand corresponding large pressures and therefore costly equipment.

The St. Laurent installation was planned in the early 1960's to produce power at a cost well below that of oil-fuelled plants, but in the meantime the cost of power has fallen to well below that of the St. Laurent installation. It is not expected here that reactors of American design would necessarily be cheaper to operate than conventional power plants here, but they would be expected to be considerably cheaper than the present French installation.

Now I submit to you, Mr. Chairman, that while the French experience is not precisely the Ontario experience, there are areas of similarity which are frightening.

We do not have a General de Gaulle at Ontario Hydro or in this government I presume, and yet a commitment to what the Premier might very well call all the nuclear eggs in one basket is difficult to maintain, as the facts from the experimental procedures that I have been discussing build up.

When we talk about economics, I want to quote from the last article I am going to subject you to, Mr. Chairman, and it is taken from the *Columbia Journal of World Business*, Volume 4, No. 5, September-October, 1969. It is by Mr. Philip Sporn, who is a member of the Advisory Council of the Columbia Business School, and former president of the American Electric Power Company.

The title of the article is, "World Nuclear Energy, How Competitive?". In the body of the article he points out that the development of American atomic capacity, particularly as geared to the production of electrical energy, got off to a very poor start. Those of us who remember the exciting days in 1945 when President Truman made the decision, the much discussed decision, to use the atom bomb, are perhaps even more concerned about the peaceful use of the atom. And we are very proud that Canada, and the United Kingdom, and the United States of America formed a consortium to begin with for the development of a peaceful use of atomic energy.

Canada made a commitment to the heavy-water-moderated programme. The British approach was that they had to use atomic energy for electricity very early on, and they sprang into the lead with certain programmes that are still functioning, but which are functioning with less and less efficiency compared to developments in Russia, some in Europe, but particularly to developments in the United States. So be it, it is not my intention to be a salesman for American technology, but this is

not a case where chauvinism, or unwarranted patriotism, should blind our judgment to a problem which is becoming a crisis.

One of the pieces of information in the body of this article is that in the total of Europe, the United Kingdom, France, Germany, Italy, and the rest of the countries that are in Europe who are developing atomic energy, there is a commitment for ten million kilowatts of electrical energy based on atomic reactors; whereas in the United States there is a commitment of 74,100,000 kilowatts, a commitment that is easily seven times as big as that which is taking place in Europe.

I have already indicated to you the decision made by France to abandon a procedure for electrical development based on atomic reaction which has turned out to be disappointing in its experimental phases. But the American development has resulted in the following statement from the article by Mr. Sporn:

> The current estimate of competitive atomic power is 26.3 cents per million British thermal units of fossil fuel equivalent.

It is a very difficult thing to compare the cost for the production of electrical power from atomic forces as compared with hydro sources —which are bound to be less—and from fossil fuel sources. But the Americans have developed a system which uses the figure 26.3 cents per million BTU fossil fuel equivalent. But I think the significant feature in this article, which reviews the development of atomic energy around the world, is that specifically about Canada. I quote:

> Ontario Hydro has decided to build a four-unit 3,000 mwe—

which is a million watts electric:

> —nuclear power station. The first of the big plants is scheduled to go on the line in 1976 and others are to follow a year apart. Total construction costs are estimated at $760 million.

This has now escalated to $950 million.

> All four are to be equipped with natural uranium-fuelled, pressurized heavy-water-cooled-and-moderated reactors.
>
> The significance here is Canada's determination to continue as almost the sole sponsor of the pressurized-tube, heavy-water-moderated and cooled reactor utilizing natural uranium as a fuel. The economics of this reactor, based upon the announced capital costs and figures for fuel and operating costs, at 14 per cent capital charges, are close to a 33 cents per million BTU competitive coal cost and are poorer than a pressurized water design by 6.5 cents per million BTU—representing a poorer position in competition with coal of over $1.60 per ton. One cannot help but wonder at this persistence in going through with a development carrying such a heavy technological and economic burden.

It is true, Mr. Chairman, that this is an American publication. It comes from the *Columbia Journal of World Business* which is published at Columbia University. Whether or not the American author can be said to be guilty of a certain super patriotism himself remains to be seen. But this is what is written about our attempts in at least the international professional journals.

There is one further quote from this article that bothers me distinctly and it refers to what the writer calls chauvinism in the development of atomic reactors and electricity. Chauvinism—perhaps I should have looked it up in the dictionary for my own benefit as well as perhaps for some other members—means, as I understand it, "an unwarranted patriotism."

Hon. A. Grossman (Minister of Correctional Services): It means "when you want the plant in your own riding."

Mr. Nixon: "An unwarranted patriotism"—and so I read—

Mr. E. A. Winkler (Grey South): How do you spell that?

Mr. Nixon: The word is spelled C-H-A-U-V-I-N-I-S-M for the hon. member who may have his dictionary up his sleeve. The quote goes as follows:

> Chauvinism deserves to be given a prominent place among the major reasons for the failure of the European effort, because it is certainly today adversely affecting some policy in the atomic industries in Italy, France, the United Kingdom and Canada. In Canada, the decision is to concentrate on natural uranium, pressure tubes, heavy water moderation, even though the economics are significantly inferior to those of pressurized water or boiling water and moderately enriched uranium.

I am not going to spend any further time, Mr. Chairman, in assuring the hon. Minister how I hope that our heavy water experiments do, in fact, turn out to be successful. I am sure you will not permit me what you might

call "crocodile hypocrisy," because the Minister and his advisors may be right. I would say with great sincerity I hope the Minister and his advisors are right.

I believe it is essential that our dollars not be spent on experiments amounting to more than $1 billion which, in fact, will in the future be unsuccessful and have to be replaced with some other approach to the provision of atomic energy. I would say that my efforts tonight, and perhaps they have been too long, but they have been well researched, have been to point out to the Minister the great dangers in the policy that his government is pursuing in the use of this particular programme.

Of course, we cannot completely back away from the CANDU system and say it is no good and try to sell the Pickering facility for the storage of hay bales or something like that. It has got to be made to work at least in some degree. I come to this essential plea—that Ontario Hydro, which reports to this Legislature through the hon. Minister whose estimates are before us, has the responsibility to produce power at cost. From time to time, we have had the feeling that this phrase "at cost" is, in fact, *carte blanche* for Ontario Hydro. They go ahead and develop what they think is best—and I suppose that is what we expect of them—but without sufficient reference to the policy-making arm of the people of this province—and I am talking about the Minister and his government.

I believe Ontario's commitment to the CANDU programme can no longer be supported at the present level. We have given great support to CANDU and Atomic Energy of Canada, which certainly had committed tremendous federal resources. Ten years of our commitments, more than $1 billion of our money—and we hope the experiment works.

I simply point out to the Minister that the basic experiment has not worked. Douglas Point is four years late and the Pickering project is late as well, with all of the problems attendant on a development which should have been ironed out in the prototype at Rolphton many years ago. Now the government has made the decision to go forward in their own words—simply with the confidence of the advice that has come from Atomic Energy and the very best engineers available to Hydro.

But even they can be wrong. Even they can get a commitment to a procedure which almost becomes oriental in its effort to maintain itself against a loss of face, no matter what the facts are.

I would submit to the hon. Minister that he is the one with the energy eggs of this province all in one basket. We have fulfilled our patriotic responsibility in channnelling our time and our dollars into a programme which, if it comes to fruition and comes up to the expectations, however belated, of our best engineers, will be a great victory for what we would have achieved. We would, in fact, have a power package which would put Ontario and Canada in the forefront in the international demand for power which is going to outstrip anything we might imagine in the next 25 years.

It is unfortunate that objective people, scientists and engineers—I do not class Mr. Boyd as an "objective" scientist in the sense of his being detached from the issue, I simply quoted him at the beginning because he did give one of the first warnings—but objective engineers and scientists whom I have quoted at length tonight, have indicated that Canada, and essentially Ontario, is the only jurisdiction committed to this method. France, once they got rid of de Gaulle, came down to the reality of abandoning their natural uranium reactor and looked to the United States simply as a source to purchase a reactor which will produce electrical energy at reasonable cost.

There are two things that I would put to the Minister.

First, we must begin the practice of evolving our specifications for our atomic reactors and allowing Atomic Energy of Canada to have some, perhaps, competitive advantage in bidding on them. But essentially Ontario Hydro, in fulfilling its commitment to produce power at cost, must allow bids on an international basis for the provision of these plants that will provide the electrical energy to turn the wheels of industry here in the future.

If Atomic Energy is successful, and the Minister has said frequently that it is Atomic Energy operating Douglas Point, fine, but we have given them every advantage for ten years, everything that patriotism would demand, and that anything beyond that commitment is surely unreasonable as far as the Minister and the policy of this government is concerned.

Now the second thing is this. I am afraid that the Minister's advisors in Hydro and from Atomic Energy of Canada have a commitment to the heavy water programme that extends far beyond what is warranted by the results of their experiments over the last 15

years. It is true the government of Canada has a similar commitment, but the government of Ontario still has the right to make its independent choice and we must begin to do this on the basis of tenders for the specifications that we need for the expenditure of the $2.5 million that we are so concerned with over the next ten years.

I would further suggest that the Minister should avail himself of some external assessment of the programmes for the provision of nuclear energy in this province. That we pay a lot, it is true, for the professional advice that comes to us from Ontario Hydro, and that we do have confidence in Ontario Hydro, but it is true of every other department of government that we do not hesitate to get another opinion, particularly when the facts indicate to a layman who is trying to assess the progress of such a programme, the facts would indicate that there have been errors, that it is not coming up to expectations, and that even Ontario is not a bottomless pit with dollars and credit to finance the expansion of a system which is unproven.

I would say, Mr. Chairman, that it is essential that the Minister avail himself immediately of some sort of external review of Ontario's commitment to the heavy water reactor, and that we should embark on this at the earliest possible time. It may be that the Minister can indicate to the House that he has such an external review, but if not, then I think there is at least one feature of administrative control that is available to him and to the government as a whole, that they have not made adequate use of, certainly not public use, and which they must avail themselves of at the very first opportunity.

Mr. Chairman, at length I have put forward a case which indicates that Ontario Hydro policy, as set by this Minister and this administration, is faulty. I would not say that it has been faulty for ten years. I believe we have had to make a commitment to Atomic Energy of Canada and to the programme which has been associated with our nation, and which has been on an experimental basis more than anywhere else in our province, but the facts are now piling up. Objective assessments are piling up to the extent which I think we must start taking some of our eggs out of the CANDU basket and distributing them elsewhere, so that Ontario Hydro will be able to produce power at reasonable cost, and with assurance to the public of this province that there is going to be sufficient power to allow for the expansion of this province which must be part of our destiny in the immediate future.

Mr. Chairman, as I said at the outset, this Minister has a tremendous range of responsibilities. There will be ample opportunity, I am sure, in the four sittings that are available to us, to discuss his responsibility and the policy of this administration, particularly as it pertains to the expenditure of the dollars we are asked to vote.

As far as the pollution abatement programmes are concerned, the provision of sewage and water facilities to our growing community and the role that this Minister has in the actual planning of the province, the Premier, who is now in his seat, was quick to correct me the other day when I said that the Minister of Trade and Development, the Minister of Economics, and the Minister of Municipal Affairs had, essentially, control of Ontario's planning in their hands. Because he said, very correctly, "The Ontario Water Resources Commission is," and I quote him out of context, but something to the point that it was, "just as important."

I believe he was right. And that means that this Minister, sitting as he does in the second row, a new Minister, has a wide ranging responsibility. Some of those responsibilities are peaking into crisis proportions. Some he has dealt with in a very frank and open and effective way in the few weeks that he has been in his important office.

Ontario Hydro is the one that is coming into this position now in which a new approach, a new administrative approach, a new policy approach, must be enunciated. The other areas we will discuss from time to time during the discussion of these important estimates.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I should like to take a leaf out of the Minister's notebook tonight and skip over part of my speech. This page represents the congratulatory remarks I was going to give him, and there they go.

However, I must say that I congratulate the Minister on the vigorous start he has made in his new department. I consider the control of pollution of such paramount importance that if there is one area in which the discussions in this House should be non-partisan, this is it, and for my part any contribution I may be able to make to the discussion, I shall make and offer in that spirit.

As long as the Minister appears to be waging an all-out war on pollution of all

kinds, preventing new pollution and cleaning up the old, he will have my unqualified support.

Mr. Chairman, I intend to speak about nuclear power, but my speech will complement, perhaps, that of the leader of the official Opposition, and before I begin, as a background for what I shall say, I should like to speak very briefly on ecology.

The ecologists maintain that an environmental setting that has developed over millions of years must be considered to have some merit. Anything as complicated as our planet inhabited by more than a million and a half different species of plants and animals, all of them living together in a more or less balanced equilibrium, in which they continuously use and re-use the same molecules of soil and air, cannot be improved by aimless and uninformed tinkering.

Every change in a complex mechanism entails some risk and should be undertaken only after careful study of all the facts available. Changes should be made on a small scale at first in order to provide a trial period before they are widely applied. When the information is incomplete, changes should not stray far from the natural processes which have in their favour the indisputable merits of having supported life adequately for a long, long time. Of the million and a half species of flora and fauna, man is, I believe, the only one that has deliberately tried to tinker with his environment.

Now, nuclear fission is the most dangerous of all the changes that man has yet devised. As evidence of this, I merely quote the statement of former President Johnson when he was explaining why atmospheric nuclear testing had been abandoned back in 1964, his words were simple but frightening. He said:

> The deadly products of atomic explosions were poisoning our soil and our food and the milk our children drank and the air we all breathe. Radioactive poisons were beginning to threaten the safety of people throughout the world.
>
> They were a growing menace to the health of every unborn child.

Yet few of us probably remember that only eight years before President Eisenhower had said:

> The continuance of the present rate of H-bomb testing by the most sober and responsible scientific judgment does not imperil the health of humanity.

Now, politicians, Mr. Chairman, it seems to me, are inclined to look upon scientists with a little too much awe, forgetting that just a few years ago they were ordinary babies in playpens, ordinary kindergarten children and the only difference has been their specialized training. They have acquired considerable knowledge but they have not developed any supernatural or defined wisdom.

To repeat, in 1956, the most sober and responsible scientific judgment was that H-bomb testing did not imperil the health of humanity, but by 1964 the scientists had reversed their position completely.

Now, Dr. Edward Teller, the father of the bomb, states that nuclear power plants should never be built above the surface of the earth. Question one for the Minister—I have a series, about eight or nine, I believe—question one, I would like him to answer, eventually, is why is this advice ignored in Ontario?

Ionizing radiation has become the most serious pollutant and the greatest threat to man's survival. It poses an incredible, incomparable and unique hazard for human life. As you know, insurance companies are reluctant to insure nuclear power stations anywhere in the world against third party risks, with the result that special legislation has had to be passed in the United States whereby the state accepts huge liability.

Question two for the Minister: who is insuring against third party injury at Douglas Point and other nuclear stations?

The new hazard lies in the fact that whenever man creates reactive elements, there is nothing he can do to reduce their radioactivity once he has created them. Only the passage of time reduces the intensity of the radiation. Carbon 14, you may remember, has a half-life of 5,900 years; that is, it takes nearly 6,000 years for its radioactivity to decline to half of its original strength. Strontium 90 has a half-life of 28 years; some radiation continues indefinitely.

All we can hope to do is put it in a safe place. Where is that safe place? At the bottom of the ocean? No. Wherever there is life—and that includes the bottom of the ocean—radioactive material is absorbed into the biological cycle. Within hours, these materials have largely been absorbed in living organisms—plankton, algae and many sea animals have the power of concentrating these substances by a factor of 1,000 and in some cases a factor of one million.

As one organism feeds on another, the radioactive materials climb up the ladder of life and find their way back to man.

Hon. Mr. Grossman: That is a good article, I read that too.

Mr. Burr: It is alarming, is it not?

Associated with a nuclear power plant, there is a continuous movement of radioactive substances from the hot chemical plants to the nuclear power stations and then back again from the nuclear stations to waste processing plants; from the waste processing plants to the disposal sites. A serious accident, either in production or transportation, can cause a major catastrophe. High level wastes are being dumped into the ocean. Intermediate and low level wastes are being discharged into rivers and into the ground. A prominent British economist and philosopher, Dr. E. S. Schumacher, recently said this:

> The most massive wastes are, of course, the nuclear reactors themselves after they become unserviceable in 20 or 25 or 30 years. They cannot be dismantled, or shifted, but must stand there for centuries, perhaps for thousands of years, an active menace to all life, silently leaking radioactivity into air, water and soil. No one has considered the number and location of these satanic mills which will relentlessly accumulate. Earthquakes, of course, are not supposed to happen, nor wars, nor bombings.
>
> Disused nuclear power stations will stand as unsightly monuments to unquiet man's assumption that nothing but tranquility from now on stretches before him, or else that the future counts as nothing compared with the slightest gain now.

I was interested to hear the leader of the official Opposition mention this rod which had been buried in concrete and dropped into the bottom of the pool at Douglas Point and his remarks that maybe in 200 years it would still be there.

The above statement by Dr. Schumacher may sound an extremely pessimistic one, but perhaps we need it as an antedote to those rosy pictures of cheap, clean power painted by the nuclear power advocates. Compared to coal-burning electric generating plants, the nuclear power plant appears remarkably clean, giving off no smoke and no soot, but it has two great disadvantages. It gives off much greater waste heat and the rest of its contamination is radioactive.

By 1990, if the present rate of constructing and using nuclear fission reactors continues in the United States, and the present increasing demand for power continues, the accumulated radioactive waste has been estimated as follows:

Thirty-six million curies of tritium—now that needs a little explanation. A curie is a unit of measurement of the activity or strength of radioactive material. One gram of radium has an activity of one curie. One curie represents so much radioactivity that units for measuring radioactivity in the environment are usually expressed in microcuries—that is, a millionth of one curie—or even in picocuries—which are trillionths of a curie—so the figures I am quoting now are not the usual millionths of curies, they are in millions of curies.

In 20 years' time, there will have accumulated 36 million curies of tritium. By 1990, there will be 1,160 million curies of krypton 85, and 10,800 million curies of strontium 90, with 848,000 million curies of all the other radioactive elements, including cesium 137, which has a half-life of 30 years, cobalt 58, cobalt 60, iodine 131, and numerous others.

When one considers, Mr. Chairman, that a few years ago the world's total supply of radium was only ten grams and its radioactivity measured only ten curies, the fantastic increase which has already taken place in the polluting of the earth's environment with radioactive material can be faintly grasped.

The "Pollution Reader", based on the national conference on pollution held in Montreal in early November, 1966, states on page 156,

> The quantitative relationship between low doses of radiation and genetic and leukemia-producing effects in man is not well established, though there does not appear to be any threshold or 'safe' level of radioactivity.

The United States radiation control agency, which is known as the federal radiation council, stated in its staff report No. 2, back in September, 1961, that "any radiation exposure involves some risk".

My third question: has the Minister anyone to consult who has any knowledge of what might be called nuclear medicine? In other words, are the nuclear consultants all technologists, or has he anyone to act as a kind of a devil's advocate from a health point of view?

A number of authorities are now engaged in defining mpc's—maximum permissible concentrations—for various radioactive elements. An MPC purports to define the quantity of a radioactive substance that the human body can be allowed to accumulate. But it is

generally agreed that any accumulation causes biological damage. The United States Naval Radiological Laboratory says:

> Since we do not know that these effects can be completely recovered from, we have to fall back on an arbitrary decision about how much we will put up with, that is, what is acceptable or permissible—not a scientific finding but an administrative decision.

Now that you have heard that, I might just read again what President Johnson said:

> The deadly products of atomic explosions were poisoning our soil and our food and the milk our children drank and the air we all breathed.
>
> Radioactive poisons were beginning to threaten the safety of people throughout the world. They were a growing menace to the health of every unborn child.

He was referring to the fallout from atmospheric nuclear testing.

Every teenager, it is claimed, who has grown up in the United States in the period of the Nevada nuclear tests now carries in his bones a burden of strontium 90, which generates a potential hazard of bone cancer and leukemia that will not be fully evaluated until many more years have passed. Some members of this generation, particularly in Utah, have absorbed in their thyroids sufficient iodine 131 from the Nevada tests to prompt a medical survey in that area, a survey which has already detected an increased incidence of abnormal thyroid nodules.

Now let me give just one concrete example of the dangerous game we are playing with nuclear fission. Although Iodine 131 has a very short life with only about eight days before it decays or disintegrates compared with others that have a half-life of 28 or 30 years, still a study by the U.S. Public Health Service early in 1968 found that cattle thyroids in Georgia, Iowa, Kansas, North and South Carolina, Oklahoma, South Dakota, Tennessee and Texas all contained Iodine 131. Atmospheric nuclear testing had not been carried on for about five years. There had been no nuclear explosions capable of nationwide dispersal of radioactive iodine. The only apparent source of iodine 131 that could maintain this level, namely, from one to 68 pico-curies, is the exhaust gases from nuclear reactors and associated fuel processing plants.

Other studies show that when radioactive iodine appears in cattle thyroids, it also enters the thyroid glands of human beings. If, as appears, this radioactivity is a product of nuclear reactors, then we must determine the hazard to human thyroid glands. The point is, Mr. Chairman, that very serious hazards may have already been created by the so-called peaceful uses of atomic energy, affecting not merely the people alive today but all future generations, although so far nuclear energy is being used only on a statistically insignificant scale. The real development is yet to come on a scale which few people are capable of imagining. If this is really going to happen, there will be a continuous traffic of those radioactive substances from the nuclear stations to the waste disposal areas which I described before. And any serious accident in that process will cause radiation levels to rise throughout the world and inevitably and relentlessly there will be a rise from generation to generation of genetic changes. That is unless all living geneticists are in error.

Mr. S. Lewis (Scarborough West): They are not!

Mr. Burr: They are not, my friend assures me.

Hon. Mr. Grossman: Now you have the final authority.

Mr. Lewis: They were not wrong on all the fallout, were they? They are right on this as well.

Mr. Burr: K. Z. Morgan of Oak Ridge Laboratory emphasizes that the damage can be very subtle, a deterioration of all kinds of organic qualities, such as mobility, fertility, and the efficiency of sensory organs. I am quoting him now. He says:

> If a small dose has any effect at all at any stage in the life cycle of an organism, then chronic radiation at this level can be more damaging than a single massive dose. Finally, stress and changes in mutation rates may be produced even when there is no immediately obvious effect on survival of irradiated individuals.

Leading geneticists have warned that everything possible must be done to avoid any increases in mutation rates. Leading medical men have insisted that future use of nuclear energy must depend primarily on researches into radiation biology which are as yet still totally incomplete. Perhaps that is the kind of a man that I was asking the Minister about. Has he any of those? Radiation biologists?

Leading physicists say that measures much less heroic than building nuclear reactors

should be tried in order to solve the problem of future energy supplies—a problem which is at present not too acute. And another disturbing point: storage tanks built to keep radioactive wastes safe for 1,000 years are already leaking in the United States, and they are leaking strontium 90, cesium 137 and krypton 85.

Question four to the Minister: where are the radioactive wastes from Douglas Point being stored, and any related information? Now the leader of the Opposition referred to the International Atomic Energy Agency. A report at that meeting in Vienna in April 1967 was headed "Risk Evaluation for Protection of the Public in Radiation Accidents", and I quote just one sentence

> Clearly the benefits which a community will derive from a nuclear reactor are an extremely important factor in deciding how much risk the population should be asked to accept.

I wish to comment on the almost complete absence of any suggestion by the news media concerning the dangers inherent in use of nuclear power stations for the generation of electricity.

The recent announcement concerning the possible danger of gaseous emissions at Douglas Point is the first intimation that I have heard or seen from any Canadian news media. A similar news blackout exists in some parts of the United States. The leader of the Opposition has dealt with the financial aspects of Douglas Point and its technology difficulties, there is no need for me to make any mention of those.

"Atoms for peace", and "peaceful uses for nuclear power" are two of the popular themes that we have heard for many years. Yet protests from scientists and from citizens' groups are now increasing in the United States. During the current year, the Atomic Energy Commission held hearings at Crugers, New York, on the application of Consolidated Edison's proposal to build a third atomic reactor at Indian Point on the Hudson River. The second unit was approved in 1966 and is still under construction. The first unit was installed in 1961 and it has had various malfunctions and mishaps. One during a nuclear fuel reloading. It is allegedly common knowledge in the local engineering circles that abnormal amounts of radioactive wastes into both air and water, resulted from these mishaps—these mishaps, repairs and shutdowns, which have totalled about 20 months since 1962.

In case you thought I was talking about Douglas Point, from the sound of those details, that was Indian Point on the Hudson River. No one objected to the first two units at Indian Point. Public officials publicly acclaimed the new taxpayers and their good clean neighbours. But at the 1969 hearings, a committee to end radiological hazards reported that a certified check of mortality records, showed that in an area of only a few blocks in the village of Montrose, situated between one and 1¾ miles downwind from the Indian Point reactor, there had been 17 deaths plus a number—this is from cancer—plus a number of existing cancer remission cases, in addition to others described as arrested cases.

These amounted to a local rate that exceeded many times the national rate of cancer incidence. A few weeks after the hearings, the death list had reached 20. Most of the victims were mothers of young families. The village of Montrose lies in a kind of natural wind tunnel through which prevailing winds would carry escaping radioactive gases from the nuclear plant whether routine or abnormal. Two of the cases were leukemia, six were brain cancer.

Although he was subpoenaed to explain the frequent omissions of reports on Hudson River's Beta radiation levels at Indian Point, in the radioactivity bulletin, of the New York State Health Department, the commissioner in charge refused to appear. The Atomic Energy Commission upheld his right to refuse. Another witness who did appear admitted that no preparations had been made to handle New York City's water supply in case of a serious flash disaster at Indian Point, which is about 30 miles from New York City.

Apparently he relied upon an Atomic Energy Commission report prepared by United States atomic experts who said, "Reliable and practical methods of containing a reactor meltdown do not exist today," adding that, "It is not considered possible to ensure the containment if meltdown of large portions of the nuclear fuel core were to occur." In other words, Mr. Chairman, there is no guarantee that any atomic plant is safe from disaster.

In 1961 at the Atomic Energy Commission's nuclear reactor testing station in Idaho, a severe nuclear accident did occur, killing three of the operating personnel and exposing many others to more than the so-called maximum, permissible concentrations. The cause of the accident could not be definitely identified. The surrounding region was contaminated, but fortunately, it was in an isolated

area and presumably, no further harm was done to human beings.

A few miles from Essex county, between Toledo and Detroit, at Lagoona Beach in Michigan, about 29 miles from Detroit, is the Enrico Fermi reactor, which was built by the Atomic Energy Commission, against the advice of its own advisory committee on reactor safeguards, and in spite of the opposition led by the governor of Michigan. The plant was built only after a supreme court split decision had granted permission, but it never operated properly.

Eventually, in 1966, it suffered an accident involving some meltdown of the core, the kind of accident that had been described in the Power Reactor Development Company's safety analysis as, "incredible." As far as I can learn it has not yet returned to operation. It sounds like a familiar story by now.

In California, the Humbolt Bay plant, after prolonged emission of undesirable amounts of radiation close to the maximum permissible concentration limit, even though it was operating at only 40 per cent capacity, closed down for replacement of equipment, which, incidentally, failed to solve the problem. In New Jersey, the Oyster Creek plant No. 1, has been out of operation because of a defective pressure vessel and because of welding faults in 123 out of 137 stub tubes.

An attempt to construct a 700,000 kilowatt nuclear reactor in the heart of New York City was defeated by opposition led by the scientists committee for radiation information. In one of its reports it said:

> Although the probability of a serious nuclear accident may be very low, it should be emphasized that major accidents in nuclear facilities differ qualitatively from those in conventional industrial facilities. A major accident in a conventional industrial facility would not contaminate a large area with long-lived, highly potent toxicants. By contrast, a nuclear reactor produces the most toxic contaminants. An accident would be a catastrophe of staggering proportions.

So they did not put it in the centre of New York. David Llienthal, the past chairman of the Atomic Energy Commission, termed this proposal, "A very risky business."

In the face of mounting opposition, Consolidated Edison withdrew its proposal, giving as its reason, that power could be obtained more cheaply via long-distance transmission lines from hydro-electric stations in Labrador, Mr. Chairman.

So question five for the Minister: if this reason is valid and genuine, why could Ontario not develop hydro-electric sites in the north, and transmit power to the south. It would apparently be just as cheap as a Labrador to New York City transmission.

I might further ask, Mr. Chairman, whether with the continuing increase in the cost of fossil fuels, the day might not come fairly soon when hydro electric power from the North would be economically on a par with other kinds.

Just a few more short questions for the Minister to ponder and this one has to do with thermal pollution. All the power plants draw in water from rivers and lakes or the ocean for cooling purposes and return it at a higher temperature. The usual procedure seems to be as follows: from time to time, a flushing treatment with chlorine, hydrochlorine acids, detergents and corrosion inhibitors add more pollutants to the lake and small amounts of radioactive materials are routinely released in the waste water.

Now the alternatives to this flow through are three in number. First, a special reservoir or lagoon instead of the lake and river; the second one is afforded by closed circulation cooling systems; and thirdly there are the cooling towers.

Question six for the Minister: which of these devices are used in Ontario; and where?

Question seven: what method is used to aerate or restore oxygen to the water before it is returned?

Question eight: why must all electric generating plants in England or Great Britain have cooling towers in spite of the great additional cost?

With one eye on the clock, Mr. Chairman, I will conclude with one more question. The background for it is that down near Minneapolis a nuclear plant has been proposed and it is estimated that the waste heat that would be discharged from this one plant would, in winter, furnish the entire heating for 100,000 Minnesota homes. The final question, number 9: are there any plans, at any of the electrical generating plants in Ontario now under construction, to take advantage of this source for the heating of homes and other buildings?

That is all I have to say at this point, Mr. Chairman. Once again, I wish the Minister well in his fight against pollution and I am sure that all members in the House will give him their support.

Hon. A. F. Lawrence moves that the committee of supply rise and report certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, tomorrow we continue with the estimates. I move the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 o'clock, p.m.

No. 218

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, November 18, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 18, 1969

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Today we have many visitors; in the Speaker's gallery we have students from Oakdale Junior High School in Downsview, and we have ladies from the Lambton County 4-H Club Leaders.

In the east gallery, we have students from North Toronto Collegiate Institute in Toronto, and in the west gallery students from Queen Alexandra Public School in Toronto.

Later this afternoon in the east gallery we will be joined by students from Centennial Road Public School in West Hill.

Mr. D. A. Evans (Simcoe Centre): Mr. Speaker, I introduce to you and through you to the members of this House an outstanding young athlete in the field of baseball. Born in Bradford, Ontario, next door to me, he played ball for Bradford in the early part of his career; joined the Leaside ball club of Toronto where he set a record of 23 strikeouts in one game. That record still stands.

He was signed by Detroit Tigers and became a relief pitcher this year. Part way through the schedule he was elevated to a starting pitcher and wound up with an enviable record of eight wins and six losses. Four of his wins were shutouts, with the result that he makes up the fearless threesome for the Detroit Tigers.

The other members are Denny McClain and Mickey Lolick. Detroit Tigers' management have great hopes he will pitch them to the world championship in 1970.

Mr. Speaker, a great Ontario southpaw star pitcher, Mike Kilkenny.

Mr. Speaker: Statements by the Ministry.

Hon. R. S. Welch (Provincial Secretary): Mr. Speaker, it is my pleasure to inform the members of an announcement made today in Ottawa by the Professional Institute of the Public Service of Canada.

The announcement concerns the awarding of the professional institute gold medal to Carson W. Martin, a language and citizenship training adviser in that branch of my department.

Mr. Speaker, the professional institute gold medal is the highest honour which that institute can bestow. It has come to be known as one of the top awards in the Canadian public service, either federal or provincial.

It is with extreme pleasure—and I hope I can be excused, too, if I say "pride"—I advise the members that this is the first time it has been awarded to a provincial civil servant.

Mr. Martin's award is for his work towards national wellbeing, in a sense other than pure and applied scence. It is made in recognition of his outstanding services to the public service of Ontario, to newcomer residents of this province and his contribution to the teaching of English as the second language.

I am sure, Mr. Speaker, the hon. members will join with me in extending congratulations to Mr. Martin who is in your gallery this afternoon.

Hon. A. Grossman (Minister of Correctional Services): I am pleased to announce the appointment of Dr. Lionel Paul Solursh, MD, Doctor of Psychiatry, Fellow of the Royal College of Physicians, to membership of the Minister's advisory council on the treatment of the offender.

The other members of this committee are distinguished representatives from the legal, educational, rehabilitation and ministerial professionals. Dr. Solursh is a most valuable addition from the medical field.

Dr. Solursh graduated from the University of Toronto's faculty of medicine in 1959. He obtained his diploma in psychiatry from the same university in 1962. Graduating with the top marks in his class, he was honoured as the Minister of Health Gold Medallist.

He achieved specialist status as a psychiatrist in 1964, and in the following year became a Fellow of the Royal College of Physicians (Canada). In 1966, he was awarded an R. S. McLaughlin Travelling Fellowship to Columbia University.

Dr. Solursh became a Fellow in the departments of medicine and psychiatry of the

University of Toronto in 1964, and subsequently served for a year as a clinical teacher with these departments. He has been an active attending psychiatrist at the Toronto Western Hospital since July 1966 and, in addition, is currently an assistant professor at the department of psychiatry, University of Toronto.

Dr. Solursh is chairman on the committee on non-medical use of drugs of the Canadian Medical Association. In addition he is a member of the board of directors of Project Ossington, a Toronto youth hostel.

Dr. Solursh has been involved in research with illusinogenic drugs since early 1961 and has contributed more than 25 articles, many of them connected with chemical abuse and treatment, to professional journals. He has a clinical practice which is largely composed of adolescents and young adults.

Dr. Solursh is 33 years old, married and has three children. With his extensive community contacts and his broad knowledge of the problems related to drug and chemical abuse, he is a most valuable addition to MACTO at a time when increased misuse of such substances poses particular problems for all medical, law enforcement and correctional agencies.

I am most gratified that Dr. Solursh has agreed to give of his valuable services to my advisory team which has been of great assistance to me, the department, and the government.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, there is a fairly small target over there, but I would ask the Minister of Lands and Forests if he has any knowledge of charges being laid by the OWRC against the pulp mill at Red Rock—I believe it is Domtar—having to do with pollution matters.

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, I am not aware of any charges having been laid.

Mr. Speaker: The member for York South. Any targets?

Mr. D. C. MacDonald (York South): If it were small I would fire, but it is not there at all. Oh, I am sorry, part of it has arrived.

I have a question of the Minister of Financial and Commercial Affairs: Does the Minister concur in the contention that has been advanced that the Toronto Stock Exchange is exceeding powers granted to it under its charter, and usurping powers of The Corporations Act when it interferes in the internal operations of companies whose shares are trading on the market?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): That is quite a question, and it being a hypothetical question I do not think that I can answer it without considering the facts that must be in the mind of the hon. member for York South. I do not, at the moment, recognize the situation to which he is referring.

Mr. MacDonald: Is the Minister aware of the fact that this contention was advanced, with documentation, at a hearing of the securities commission last month by J. R. Sheridan, and since then there has been echoing silence?

My point is whether the Minister is going to acknowledge whether or not this is valid? Is the commission going to acknowledge these rather serious accusations or are they going to be ignored?

Hon. Mr. Rowntree: The matter is something that has been handled by the commission, and when the member mentioned those names, I recognized the cases that were before the commission. I will look into the matter and state our position in due course.

Mr. MacDonald: When?

Hon. Mr. Rowntree: In due course.

Mr. MacDonald: "In due course." What does that mean?

Mr. Nixon: A question for the Minister of Tourism and Information: Is it true that the counties of Lincoln and Welland have withdrawn from the Niagara Iroquois regional tourist association? If so will there be a change in the grants awarded to that organization?

Hon. J. A. C. Auld (Minister of Tourism and Information): Mr. Speaker, I am not aware of any withdrawal. I have not seen anything about it myself. I will make inquiries.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, I wonder if I might ask a question of the Minister of Transport. Is the Minister aware that the radioactive material which I mentioned to him yesterday, and requested information about, has not yet been found; that the method of transporting this radioactive material is by flat truck without any means of assuring it will not become lost in transit?

Will the Minister take some action to ensure that this kind of situation cannot prevail in this province?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, when the member questioned me about this matter yesterday, I indicated that I did not think it was a matter that came under my jurisdiction, but I said I would make inquiry about it.

I am still trying to get the particulars on it, and I thank him for this particular information. Sometimes materials of this kind are moved by taxi or in private car, and I repeat what I said yesterday. I do not think it falls within our jurisdiction, but I shall make enquiry and let him know.

Mr. MacDonald: As a supplementary—in view of the fact that the Minister, a year or so back, laid down regulations with regard to the transportation of gasoline, as to what kind of a truck it should be carried in to protect the public following an accident that burnt up the whole main street of the town of Aylmer, would the Minister not consider that at least, when this material is being transported on a truck, there will be certain regulations to avoid it bouncing off and getting lost?

Hon. Mr. Haskett: Mr. Speaker, I repeat my statement. I do not think that comes within our jurisdiction. I think the movement of dangerous materials falls elsewhere; but I will get the answer.

Mr. Deans: May I, by way of a supplementary question, ask the Minister—

Interjections by hon. members.

Hon. Mr. Haskett: This could not improperly come under the jurisdiction of the Minister of Energy and Resources Management. Movement of reactive material of this kind is by licence from the Atomic Energy Control Board of Canada.

Mr. Deans: And the method of conveyance is also by licence of the Ontario Energy Commission?

Mr. Speaker: Has the hon. member for Grey-Bruce a supplementary question?

The member for Sarnia.

Mr. J. E. Bullbrook (Sarnia): A question to the Minister of Public Works: In connection with the statement made by the Minister relative to companies hired in a management capacity for Public Works, I am interested in two matters, Mr. Speaker.

First, has this been on a tender basis, that is, the hiring of these management companies?

Second, can it be on a tender basis?

Third, relative to the hiring of sub-contractors by the management consultants, would those be on a tender basis? The concern I express, Mr. Speaker, is—

Mr. Speaker: The hon. member has asked his question and that is it. If the hon. member had wanted he could have phrased it to include that, if he had wished. But he did not do so. The Minister has the floor for an answer.

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, I am advised that there was invitation to tender on the consulting job. I think there were 12 or 13 bids. I am not sure, but I could find out for the hon. member. As the job proceeds, then it will be by public tender for the different phases of the building.

Mr. Bullbrook: So by way of supplementary, I take it that we can be assured that the hiring of the original management company, in effect, is by tender, or at least by invitation. So the government has the benefit of the lowest cost plus factor, and the hiring of sub-trades and sub-contractors will be by tender.

Hon. Mr. Simonett: That is right, Mr. Speaker.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Minister of Municipal Affairs.

Mr. Speaker: Just a moment, the hon. member for Thunder Bay is motioning me. I would point out that there is nothing which says that I must divide Opposition time equally between one party with 20 members and one party with 28 members. I do my best to see that the time is properly allotted between the parties, and the hon. member for Huron-Bruce now has the floor.

Mr. S. Lewis (Scarborough West): Twenty-six—twenty-one, one independent and one Liberal-Labour.

Mr. Speaker: My arithmetic has never been that good, but there still is a spread. The hon. member for Huron-Bruce has the floor.

Mr. Gaunt: Thank you, Mr. Speaker. I have a question of the Minister of Municipal

Affairs: Could the Minister indicate roughly when the report on farm assessment and taxation will go to the agricultural committee?

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, there is no reason, of course, for it to go to the agricultural committee at this point in time particularly, but I discussed it with the chairman of the committee, the member for Prince Edward-Lennox (Mr. Whitney) this morning. He suggested to me that it might be appropriate if the committee did question the people responsible, insofar as possible, for preparing the report and have a general discussion of it.

I do not think that at this point the government or the committee for that matter are looking for concurrence or otherwise. We will have to wait until the testing process is complete before any of us can say that it will work, or will not produce an undesirable shift the other way.

The chairman of the committee, thought it would provide a good subject for discussion at the standing committee. Both the member for Huron-Bruce and the leader of the Opposition expressed some doubts as to the validity of the report, or the effectiveness of the report.

I think the members of the committee, and certainly my staff, would be delighted to discuss it with the members of the agricultural committee.

Specifically, I understand from the chairman that the committee has meetings lined up, or days set aside, for meetings on other business which has been referred to it. I think he told me that the earliest date would be sometime after December 3.

Mr. Gaunt: December 3?

Hon. Mr. McKeough: So the chairman will be arranging the date.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, I have a question for the Minister of Municipal Affairs.

When might it be possible for the Minister to indicate whether or not there will be a townsite built at Shebandowan, and where it might be built?

Hon. Mr. McKeough: Mr. Speaker, I have a note on my desk to discuss this with the staff.

I must have in some way anticipated the question from the member—just in the last couple of days—I think it was really for my own information—there was a report received from the consultants which suggested, as I understand it, a site, the best possible site, which can be used for the limited purposes which INCO feels is necessary now.

I think they talked in terms of perhaps a camp really, or some single men and perhaps ten houses or so, with the majority of the work force coming from the Lakehead.

Then, depending on the further potential of the area as it is developed, the townsite could be expanded into a much larger area to serve not only the INCO mine but also the other things which may come into fact in that area over the next five or 10 or 15 years.

I know that the report has been received, but I do not know what the present disposition of it is. I will discuss it with the staff and I will make the information available to the member.

Mr. Stokes: If I might ask a supplementary. Does it mean that once a determination has been made, you will lift the subdivision restrictions on the entire area?

Hon. Mr. McKeough: No I would think not. No, definitely not.

Mr. Speaker: The member for Grey-Bruce.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, I have a question for the Minister of Financial and Commercial Affairs.

In view of the fact that Shell Canada last year showed profit of $53 million—8.9 per cent over the industry average in profit—and in view of their one cent per gallon increase this week, would the Minister consider the setting up of a price review board in this regard?

Hon. Mr. Rowntree: Mr. Speaker, this matter was dealt with in some detail yesterday during the question period, when the Prime Minister made a statement on this matter.

For specific reference I would refer you to the Prime Minister's statement which will be in *Hansard.*

Mr. Speaker: The hon. Minister is quite correct. This matter was discussed at considerable length in the House yesterday and I would refer the hon. member to yesterday's *Hansard.*

The Minister of Health advises me that he has replies now to a group of questions posed to him by the member for High Park on

November 10, and taken as notice. Of course, our procedure should be that this now being a question from the New Democratic Party should be answered by the Minister in the turn of the New Democratic Party.

The hon. Minister has the floor for the purpose of answering those questions.

Hon. T. L. Wells (Minister of Health): Mr. Speaker, yesterday in this Legislature the hon. member for High Park asked me several questions about the drugs and biological programme and made certain statements and implications which I considered should be answered in perhaps a little greater detail than we normally do under this question period.

I think that a feature of yesterday's questioning and earlier questions of Monday, November 10, by the hon. member, showed that he was perhaps taking some of the material that he had, out of context, and placing interpretations on these extracts which were not justified or relevant.

With reference to the question which he asked yesterday, the identification of the member of The Department of Health staff was correct. Mr. E. Coulson is on our department as the assistant co-ordinator of our drug pricing programme.

Before this he was a president of the Ontario Pharmacists Association and he was also a chairman on the Ontario Pharmacists' Association government liaison committee for about three years.

The statements attributed to Mr. Coulson by the hon. member for High Park were made on October 1, 1969. At this particular time he was on the staff of this department, The Department of Health, and was explaining our departmental pricing programme to the group he was speaking to. He made it clear in his opening remarks that he was speaking for the department and not the pharmacists association.

The question was also asked yesterday, does the Minister think it is wise to have your assistant co-ordinator of drug pricing programme the same man who was advising the pharmacists how they can avoid this very same drug pricing programme?

I want to make it very clear at this point, Mr. Speaker, to the members of this House, that this statement is completely inaccurate. At no time did Mr. Coulson advise the pharmacists how they could avoid our programme. On the contrary, over the years his efforts have been consistently directed towards establishing more compatible relations between the Ontario Pharmacists' Association and our department.

As a matter of fact, Mr. Coulson's role in the negotiations for this particular programme were instrumental in accomplishing a practical dispensing fee for a service concept acceptable to both the pharmacists' association and the department.

In previous questions I think the hon. member tried to put an incorrect interpretation on information taken from surveys which were carried out to determine an equitable dispensing fee. A dispensing fee, I might say, Mr. Speaker, covers not only professional services, but also all expenses of overhead, carrying on business, rotating of stock and so forth.

In practice, the price of a prescription to the patient includes the basic cost of the drug, plus the dispensing fee as defined above.

Now, the services included in the obtaining of this dispensing fee has not included the cost of deliveries. This is a service which applies to all the goods that are carried in a drug store, and, therefore, this was not considered to be a component of the dispensing fee. The option was given to pharmacists to charge an extra fee for delivery if they so wished.

I might point out that the material that the hon. member asked me to look into—some data he had, which showed an average dispensing fee of $1.89—and this is what I am referring to now. This was an across-the-board figure that was arrived at as an average of some studies done by the Ontario Pharmacists' Association.

However, in that same study they pointed out that approximately 30 per cent of the prescriptions are classed as low-cost maintenance drugs and are dispensed usually at a fee lower than that $1.89.

But in order to continue that practice, and dispense those drugs at a lower fee, they would have to have a maximum fee of somewhere around $2.19 on the remaining 70 per cent of the prescription items.

Now our department became aware that this study was not a study in sufficient depth upon which to base any negotiations. So we instituted a second study in the fall of 1968. It was a very detailed study of 500 prescriptions from 14 different pharmacies in this province.

The total cost of the prescription was taken, the cost of the ingredient was deducted from the total cost and from this study we became aware that the average

dispensing fee was $1.97, and that this was a very equitable dispensing fee. Therefore, in negotiations with the pharmacists' association, a maximum dispensing fee of $1.95 was arrived at.

We are satisfied that this is a reasonable and equitable dispensing fee and returns a reasonable amount for the professional services provided by the pharmacist.

I would like to tell the House in answer to these questions that in our negotiations, co-operatively with the Ontario Pharmacists' Association, they feel, and we feel, that we have arrived at something that is realistic and is indeed lower than the dispensing fee in many other jurisdictions.

For example, British Columbia has one of $2.35.

I am sorry to take the time of the House, but I felt that this series of questions over two days necessitated this answer. I promised the member I would give him the answer. I would be happy to discuss the whole programme at much greater length in my estimates which will be up in a week or so.

Mr. M. Shulman (High Park): I have a supplementary question, Mr. Speaker. If the purpose of this programme is to lower the costs of drugs to the public, and if the Minister has decided, to quote his words, "that $1.95 is a reasonable dispensing fee", how does he equate these statements with the fact that at the present time, no drug store is charging for delivery?

The head of his price fixing programme, in his own department, gets up and says he is speaking for the department and it is okay to charge for deliveries in the future. Is this not going to produce higher prices instead of lower prices?

Hon. J. H. White (Minister of Revenue): No, it is not.

Hon. Mr. Wells: Well, no, Mr. Speaker. Of course it is not. As I indicated, there is no provision for deliveries in that component of $1.95. Indeed, if we did not allow an optional charge for delivery, which is optional—and we are told that most of the pharmacies will not charge it—they would want to include a component for deliveries in the dispensing fee. We feel that this is a very equitable arrangement that has been worked out with the pharmacists and that it will accomplish the ends of the plan.

Hon. Mr. White: If the member had been on the cost of drugs select committee he would know this is a great step forward.

Mr. Speaker: The hon. member is now endeavouring to make this into debate.

Mr. Shulman: May I rephrase the question?

Mr. Speaker: The hon. member is now endeavouring to make this into a debate.

Mr. Shulman: I have a right to ask a supplementary. You cannot rule that it is out of order before you hear it.

Mr. Speaker: The hon. member has already indicated by his supplementary question that he is trying to make this into a debate. I will hear the hon. member's next supplementary question and if it is along the same lines then, of course, it will be out of order and we will proceed to the next question.

Mr. Shulman: Is it proper for a member of your department to suggest ways to evade the minimum, or the standard maximum fee?

Mr. Speaker: I would rule that that question is a matter of debate and should be more properly taken up in the Minister's estimates as he has suggested.

The next question. The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Minister of Municipal Affairs—who has left.

Mr. Speaker: The hon. member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Thank you, Mr. Speaker. I have a question for the Minister of Labour and he is not in the House. May I be permitted to ask the question and put it on the record so the Minister could prepare an answer for us?

Mr. Speaker: No, this is an oral question period. If it is one where the hon. member wishes to have a prepared answer then he should put it on the order paper.

Mr. Knight: Thank you, Mr. Speaker.

Mr. Speaker: The hon. member for York South.

Mr. MacDonald: A question of the Minister of Health. Since taking over the portfolio, has the new Minister intervened with the council of the College of Nurses with regard to the unduly restrictive regulations concerning Grace Hospital nursing graduates who now have to write exams to upgrade their standards for RNS? And if so, what was the result of his intervention?

Hon. Mr. Wells: I do not believe I have been asked to intervene, Mr. Speaker. I would be happy, if the information was put before me, to look into the matter.

Mr. MacDonald: I think the matter is before the Minister. His predecessor indicated he has intervened with no success. We are nearing the deadline—

Mr. Speaker: The hon. member for York South is now making a statement; he is not asking a supplementary question.

Mr. MacDonald: I grant you, you are dead right, Mr. Speaker, but I am a little appalled at the Minister who is not aware of an ongoing problem that his predecessor dealt with and presumably is on his desk.

Mr. Speaker: There are other ways of dealing with that than in the oral question period, I would hope.

Interjections by hon. members.

Mr. MacDonald: Did the Minister receive a letter from the hon. member for Sandwich-Riverside concerning this issue last Friday?

Hon. Mr. Wells: I recall receiving a letter from the hon. member and it is now in the process of being considered in the department.

Mr. MacDonald: Would the Minister then explain how he is not aware of this whole problem since he received the letter and says that it is under consideration?

Hon. Mr. Wells: Mr. Speaker, I might say that I have counted, since I have come into this portfolio, about 150 letters a day. When he said Grace Hospital I had no idea which Grace Hospital he was talking about.

Mr. MacDonald: Grace Hospital nursing graduates, I said.

Hon. Mr. Wells: Well, as soon as you identified it with the member for Sandwich-Riverside I knew the situation you were talking about, but in terms of just Grace Hospital graduates I did not know.

Mr. Speaker: The hon. member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Speaker, a question of the Minister of Mines.

Does the hon. Minister intend visiting my riding within the next few weeks to honour an invitation to observe sand sucking operations and the shoreline erosion caused there?

Hon. A. F. Lawrence (Minister of Mines): I will be very happy to go down into the bailiwick of my hon. friend. I know the situation he is referring to. I hope to get down there and make a personal inspection of the problems before January 1, but it may not be possible. If I do not make it by January 1 it will certainly be by the end of January in any event, providing the House is not sitting in January as well.

Mr. Speaker: The member for Wentworth.

Mr. Deans: Mr. Speaker, I have a question of the Minister of Health: Can the Minister indicate when the direct line from Hamilton to OHSIP will be in operation, the direct telephone line.

Hon. Mr. Wells: We are working on it. I cannot say the exact date.

Mr. Deans: By way of supplementary question. May I inquire of the Minister whether, in the intervening period, he might staff the office on James Street South so that the people in Hamilton can have some service?

Mr. Speaker: The member for Grey-Bruce.

Mr. Sargent: I have a question for the Minister of Correctional Services.

Has the Minister ever considered the feasibility and the possibility of retaining, on a part-time basis, psychiatrists and sociologists in universities who would like to have experience in our institutions, either on a paid or unpaid basis?

Hon. Mr. Grossman: Mr. Speaker, we have not only considered it, we have been doing it for years.

Mr. Sargent: I mean that—

Mr. Speaker: A supplementary question?

Hon. Mr. Grossman: Just ask the member what answer he wants and I will give it to him.

Mr. Sargent: You are getting to be the biggest con man in the world.

Hon. Mr. Grossman: Well, tell me what answers you want.

Mr. Sargent: I talked to these people in the universities and they say they would welcome the opportunity. I have a daughter—

Mr. Speaker: Order! The hon. member can ask a supplementary, but not make a statement.

Mr. Sargent: Would the Minister, sir, do me the honour of giving me a report on what he is doing in this regard?

Hon. Mr. Grossman: Read the annual report.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: I have a question for the Minister of Health, Mr. Speaker.

In view of the many representations that have been made by the numerous private license homes who are keeping your mental patients at $4 a day; that it is impossible to feed and clothe such patients for $4 a day, and in view of further representations which the Minister received in the mail yesterday from doctors involved, does he intend to raise this figure to a reasonable amount so these people can live?

Hon. Mr. Wells: Mr. Speaker, this is, of course, a matter of government policy, but it is one that we have under active consideration.

Mr. Shulman: A supplementary. Inasmuch as the Minister's predecessor said the same thing, when does he think his active consideration will get around to some action?

Hon. Mr. Wells: The member will hear about it when we do.

Mr. Speaker: The member for Sandwich-Riverside was on his feet a moment ago.

Mr. Burr: I have a question for the Minister of Municipal Affairs.

When do the banks and mortgage companies who pay taxes for home owners whose mortgages they hold, receive the shelter rebate, and when do they pass them on to the home owners?

Hon. Mr. McKeough: Well, I assume, Mr. Speaker, that they receive their rebate when they pay their taxes. Presumably it would be deducted from their taxes and they would receive them at that time. The taxes are due on a certain date and the date will vary across the province. At whatever date the tax bill is due, presumably that is when they receive the rebate, or part of it; it may come off in two instalments.

As to when they pass this along to the people who have their mortgages, this is laid out in the Act.

Mr. Speaker: The hon. member for Huron-Bruce.

Mr. Gaunt: A question to the Minister of Health: In view of the difficulty which has been experienced by some employers in respect to setting up mandatory groups under OHSIP, would the Minister consider the extension of the deadline insofar as the participation is concerned. That is to say October 1 rather than November 1, if in fact the group was not organized until, let us say, October 22?

Hon. Mr. Wells: I would be happy to look into that for the hon. member, Mr. Speaker. I do not know whether there are any other implications involved, but I would certainly be happy to look into it, and if we can do anything to facilitate the matter we will.

Mr. Speaker: The hon. member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, I have a question for the Minister of Revenue.

Can the Minister explain to me his ruling that farm fences have a sales tax and farm fence posts do not? I cannot just figure myself the thinking in the one being exempt and the other being taxable.

Mr. Speaker: Before the hon. Minister even gets into the involved calculations I would suggest that this perhaps is a type of question which is certainly not urgent and which might better be answered in writing so the hon. member will have something to show.

However the Minister may certainly answer it if he wishes.

Hon. Mr. White: I would say, Mr. Speaker, that your suggestion is a very good one in that I have not the faintest idea.

Mr. Ruston: They are paying for this in the meantime.

Mr. Speaker: The member for High Park.

Mr. Shulman: I have a question for the Minister of Health, Mr. Speaker: What action does the Minister of Health intend to take in reply to the request that has been sent to him by the *White Cross Crier*, an organ published by former mental patients, in which they complain of the very poor after-care that is given to mental patients by his department?

Hon. Mr. Wells: I will take that as notice, Mr. Speaker.

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: A question which I think should be directed to the Minister of University Affairs: Does the University of Toronto have to state its intent to the department prior to using its expropriating powers? Does the Minister have a veto on those expropriating powers once the object is discussed with his department?

Hon. W. G. Davis (Minister of University Affairs): Mr. Speaker, I do not have a copy of the legislation here, but my recollection of the alteration to the expropriation procedures as they relate to universities, is that the university must get the consent or concurrence, not of The Department of University Affairs or its Minister, but of the Attorney General.

I think if the hon. member checks the legislation carefully this is the procedure that must be followed. I think—and once again I am going by memory—that the University of Toronto probably has not passed any expropriating or filed any expropriating by-laws that I am aware of since The Expropriation Procedures Act was amended. As I say, I think if he checks the legislation he will find that it is subject to the approval of the Attorney General.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Sargent: A question for the Minister of Education, Mr. Speaker.

A number of times I have asked the Minister what can be done with regard to the case of the hundreds of municipalities across Ontario, in the outlying parts of the province, who have to send their sons and daughters to universities at an expense of $2,000 to $3,000 per year, an expense that people who live in—

Mr. Speaker: Order! The hon. member is supposed to be asking a question, not making a statement.

Mr. Sargent: I want to know, Mr. Speaker, if there is any way whereby these people who do not have a university available to them, can have this $2,000-$3,000 a year expense allowed to them, an expense which Toronto people do not have?

Hon. Mr. Davis: Yes, Mr. Speaker. I will try to explain without getting into a long detailed explanation of the student aid scheme which, in spite of the many studies and the problems that are inherent in any type of scheme of this kind, perhaps it is still one of the better schemes of student assistance available, certainly in this country.

The student aid scheme is based on the fact of student need. If a student is coming from Owen Sound or some area that is not close to, or within commuting distance of, an existing Ontario university, then the cost that is required for living in residence, or boarding or what have you in whatever urban centre the student may wish to attend university, this cost is calculated in their need assessment. The allocations related to the amount of support they will receive are based on this factor.

For instance, if a student comes from Toronto, and not living in residence, but living at home, his calculations are not the same as a student from Owen Sound, North Bay, or what have you; so that the question of distance, geographic locations—

Mr. Sargent: I am talking of parents, not the students.

Hon. Mr. Davis: It is the students or the parents, who are putting out the money for fees, tuition, and room and board.

When considering the possibilities of assistance for students who are outside these areas, this is taken into consideration and there is no question that they are given additional funds for this type of support. I think it is fair to state, Mr. Speaker—

Mr. Sargent: What funds are they given? I am not asking about student loans, I am asking about allowances for the money it costs parents to send their children down there.

Hon. Mr. Davis: Mr. Speaker, this is just what I have been saying. If the hon. member is saying to me that it is the parental responsibility to send them and pay the cost, all I am saying is that the student award programme takes into account what the parental contributions would be and what money is involved for a student who is coming from some area outside and having to live, say, in the city of Toronto, London, or what-have-you. This is calculated in the amount of assistance that a student can receive. It is very equitable—

Mr. Sargent: I am not talking about that at all, I am talking about a tax benefit for the parents.

Hon. Mr. Davis: Mr. Speaker, I would like to think I understood the hon. member's question. When it comes to matters of tax credits, quite obviously the question of whether there should be tax credit related to income tax, is something perhaps the hon. member should take up with the Minister of Finance, somewhat east of us here.

Mr. Sargent: The Minister said he was doing that two years ago.

Hon. Mr. Davis: Mr. Speaker, we have made representations, as have other provinces I think, relevant to this. We still feel—and I am speaking personally now—that this is a very reasonable type of deduction. But I am pointing out that students who come from outside the urban centres, where there are no existing universities, do receive extra assistance to attend universities.

Mr. Sargent: This is not the case.

Hon. Mr. Davis: It is the case.

Mr. Sargent: I am talking about a tax benefit for the parents.

Mr. Speaker: Order! The hon. member is out of order now.

The member for High Park has a question.

Mr. Shulman: I have a question for the Minister of Labour, Mr. Speaker, who is now with us: Does the Minister think in light of the tight financial situation which—

Mr. Speaker: I wonder if I could interrupt the member for a moment? It is quite obvious that the Minister of Labour is now with us or I would not allow a question to be directed to him. I would feel that we are not only wasting our time, but doing the House an injustice when we preface questions with such remarks.

The hon. member may now continue properly, please.

Mr. Shulman: The natives are restless today, Mr. Speaker.

I have a question of the Minister of Labour. In view of the fact that the Treasurer (Mr. MacNaughton) has pointed out our tight financial situation, does the Minister think it is a proper way to waste money by buying full-page advertisements in the press of this province to extoll the virtues of his department?

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, there is a budget in our department which is strictly adhered to. We think it is advisable to tell the people of this province of the services that are available so we can help them.

Mr. Shulman: As a supplementary question, Mr. Speaker, what particular service was the Minister trying to tell the people about in the advertisement which he is running today?

Mr. B. Gilbertson (Algoma): Read it again, the member will find out.

Hon. Mr. Bales: A number of services within the department.

Mr. Shulman: The Minister obviously has not read his own advertisement, Mr. Speaker.

Mr. Speaker: Order. The hon. member is entitled to ask questions, but not make statements.

Are there any further questions? The hon. member for Sarnia.

Mr. Bullbrook: Mr. Speaker, I have a question of the Minister of Transport: In view of a comment I made yesterday at a committee as to the ultimate obvious strangulation of our highway system by public commercial vehicles, I wonder if the Minister of Transport would consider making it mandatory that public commercial vehicles use one lane of traffic? That is question number one.

The second question: Has his department undertaken any type of conceptual studies in connection with some other type of transportation availability to public commercial carriers other than the highways of our province?

Hon. Mr. Haskett: Mr. Speaker, I am unaware of the comments made by the hon. member in committee yesterday and I am sorry I did not know what he was referring to.

The question, first of all was, are we considering some other way of carrying traffic than on our highways by trucks. There are the other alternatives of air and water and rail.

Mr. Bullbrook: Mr. Speaker, if I may clarify the question. Firstly, would the Minister advocate, as they do in some states of the United States, that PCV traffic be restricted to one lane on the highway? That is the first question.

Secondly, I am interested in whether the Minister's department is involving itself in the total picture of inter and intra-urban carriage of persons and property in view of what I consider, Mr. Speaker, to be the ultimate strangulation of our highway system.

Hon. Mr. Haskett: Mr. Speaker, there are studies being made both in our department, The Department of Transport—

Mr. D. M. Deacon (York Centre): That is the Minister's department.

Hon. Mr. Haskett: —and The Department of Highways with respect to the more efficient

use of our highways by allocating a single lane of traffic to commercial carriers. As the hon. members knows, there are some roads where commercial traffic is required to keep to a single lane, the outside lane. And as regards the further studies of other uses of highways or better uses of highways, this is under continuous study by our department and Highways.

Mr. Bullbrook: Well, I wonder if by way of supplementary, the Minister would consider communicating with me privately and advising me of the studies that are presently being undertaken as far as this whole problem of transportation of people and property are concerned, which is certainly the incumbency of his department?

Mr. Sargent: That will be a good study to get.

Hon. Mr. Haskett: Yes, I will be very happy to inform the member of some of the work that is being done in this area.

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: I shall turn ultimately to the Attorney General, Mr. Speaker, but to the Minister of Municipal Affairs in this instance—has the Minister latterly received representations from any groups affected by the expropriation and expansion policies of the University of Toronto?

Hon. Mr. McKeough: Not in the last several weeks. At about the time, Mr. Speaker, that the Toronto official plan was approved, there was a resolution received a couple of days later from the Kensington area ratepayers' association to which some reference was made in the press in the last few days.

Such references were incorrect in my view because they said the University of Toronto had complete control over their own zoning, which is not correct.

The University of Toronto may have powers of expropriation subject to the approval of the Minister, but they must conform to the zoning laws in the same way as everyone else must do.

This may have been an incorrect quotation, I think, from Mr. Schwam, in the paper. But that is the last that I recall. Now perhaps something has come in in the mail in the last week or so, which I do not recall. Offhand I cannot think of anything coming in the last several weeks.

Mr. MacDonald: Mr. Speaker, a supplementary question. Do those agencies that have particular power for expropriation, subject to the Minister's approval, have to conform to the new regulations laid down under The Expropriations Act?

Hon. Mr. McKeough: I think that is a question the member should ask the Attorney General (Mr. Wishart), rather than me because he administers The Expropriations Act. I think the answer is yes to the member's question. I would say it would be yes.

Mr. MacDonald: May I ask, is this the Minister to whom they must come and get the right to exercise their special powers?

Hon. Mr. McKeough: The universities?

Mr. MacDonald: Yes.

Hon. Mr. McKeough: No, they would go to the Minister of University Affairs, according to my understanding.

Mr. Lewis: No, he says they would go to the Attorney General.

Hon. Mr. McKeough: Well, with great respect to our colleague, we had a discussion about this at this end of the Treasury benches and we think our colleague may be wrong, perish the thought. Undoubtedly we will consult the law and find out, but it is either the Attorney General or the Minister of University Affairs.

Hon. Mr. Davis: It is someone anyway.

Mr. MacDonald: By way of a final supplementary question, I think it might be useful if not only this point were clarified, but if the Minister inquired as to whether or not the exercise of expropriation power by any authority in the province must now conform to the new regulations laid down under The Expropriations Act?

Hon. Mr. McKeough: Once again, I say this is a question which should be asked to either the law officers of the Crown or to the Minister of Justice, and not to me.

Mr. MacDonald: I was just trying to help clarify the confusion in the Cabinet ranks.

Hon. Mr. McKeough: The member was just trying to get me out on a limb. But except where the expropriation perhaps had been registered prior to the passing of the Act, which was a year ago now, I would not think there would be many of those left.

Mr. MacDonald: I am not interested in that quibble, but in the future.

Mr. Speaker: A supplementary question?

Mr. Lewis: Well, I guess I had better direct my question back to the Minister of University Affairs when you so permit.

Mr. Speaker: Well, I think we might just as well complete this particular matter so the member for Scarborough West might redirect his question.

Mr. Lewis: In view of the fact the Minister of University Affairs has now been corrected by the wisdom of his Cabinet colleague, could I ask him, sir, whether he is not sufficiently concerned about the expansion tendencies at the University of Toronto, to request some review by his department of what the University of Toronto is doing, and what effect it will have upon the communities in the immediate environment?

Hon. Mr. Davis: Mr. Speaker, as I indicated in my answer, and while my impression of the law is always subject to correction by the Minister of Justice, I am still somewhat of the opinion that approval must be obtained from him by the universities under the legislation. But we will leave it up to the Attorney General to determine this.

The other point that has to be made, Mr. Speaker, and I am only going by memory, is that since the passing of The Expropriation Procedures Act, I do not believe the University of Toronto has filed an expropriating bylaw. We are concerned about the expansion of any university in, shall we say, a downtown urban situation.

We are quite concerned that it is done intelligently and logically with the degree of planning that is necessary. I think I am right in stating that since the passing of this Act some years ago, that they have not filed any expropriating bylaw or have sought our, or the Attorney General's concurrence to it, but I will check this out for the hon. member.

Mr. Speaker: The member for Port Arthur.

Mr. Knight: Thank you, Mr. Speaker. I have a question for the Minister of Labour. I would like to ask the Minister, Mr. Speaker, whether he has had any indication that the workmen's compensation board has allowed one of its officers to reveal confidential information from the file of one of the workmen; and whether he would investigate the case of Mr. John Neveu, of the Just Society, who has made charges along these lines that this has happened to him?

Hon. Mr. Bales: Well, Mr. Speaker, the case of Mr. John Neveu, has been before me and that has received a good deal of attention from the board. I know that they have given consideration and tried to deal with it fairly and equitably, as they do in other cases.

Mr. Speaker: I would like to point out to the members that this is the type of question where a single individual is involved. Unless there is some wide public importance to it, it should be dealt with directly by the member with the Minister and I am sure that good service and information would be given.

Mr. R. S. Smith (Nipissing): I have a question to the Minister of University Affairs. Will all the appeals with regard to the student award programme, now in the hands of The Department of University Affairs students award branch, and some of which have been there for more than two months, be dealt with prior to the Christmas break?

Hon. Mr. Davis: Mr. Speaker, it all depends on the status of the appeal. If the appeals that have been referred to The Department of University Affairs from the student awards officers are completed, if they have gone through the proper channels, they will be finalized.

If it is a case of further information and a student having to refer the matter to the student award officer at the university, this we cannot predict, Mr. Speaker, because it depends on the activity of the student and the student award officer at the individual institution. The time tabling of these, Mr. Speaker, we have no control over.

Mr. R. S. Smith: All the appeals that are in order, then, will be dealt with?

Hon. Mr. Davis: Mr. Speaker, all those appeals that have come from the student award officers that have been handled in the appropriate fashion with all the relevant information available to us—I would think that we would not only have these dealt with—but perhaps can keep pace with any of those that might come in prior to, shall we say, the Christmas recess.

Mr. Speaker: The member for Sudbury East.

Mr. E. W. Martel (Sudbury East): A question to the Minister of Labour. Did not the

Minister advise me several months ago that staff personnel at Falconbridge and INCO were not involved in doing work for which they were not qualified? And if so—and the Minister made the point that they were not doing this work—how does the Minister account for the death of Mr. Jerry Gervais last week, who was doing work for which he was unskilled at the request of the company?

Hon. Mr. Bales: Mr. Speaker, I am not aware, nor do I recall the correspondence that I think the hon. member may refer to. I will be glad to look into it. Nor do I have any particulars with reference to this other matter, but I will deal with it.

Mr. Speaker: The member for Kent.

Mr. J. P. Spence (Kent): A question for the Minister of Agriculture and Food. Is the Minister aware of the announced intentions of the provincial government of Saskatchewan regarding the distribution and sales of potash in and from the province? Would the Minister initiate talks with the province of Saskatchewan with regard to the press reports and the effects these changes will have on the consumers of potash in the province of Ontario, and the increased cost to the farmers in the production of agricultural products?

Mr. Speaker: While I think the Minister may answer it if he wishes, my recollection is that this was very fully discussed in the question period last week and the Minister made certain statements. However, if the Minister has something further I would be glad to have him elaborate on it.

Mr. Spence: Mr. Speaker, my question is, would he initiate talks with the province of Saskatchewan.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, you are quite right, sir. This question was asked of me last week and I did reply to the question. I am sure the hon. member would be able to read that reply in *Hansard*. There is really no change in the figures that were given at that time.

As far as initiating talks with the province of Saskatchewan are concerned, I believe that perhaps the press items that I have been favoured with from the province of Saskatchewan indicate that the Resources Minister out there feels that my figures are quite unjustified.

I expressed the fact, Mr. Speaker, if you will recall, that we used an estimated 150,000 tons of actual potash in the province of Ontario. With an increase in costs of $6.75 per ton as is proposed, this amounts to something over a million dollars.

The fact is that the misunderstanding with the people in Saskatchewan seems to be that they thought we were talking about total usage of fertilizers, at 150,000 tons, and anyone would know that the percentage of potash used in total fertilizer would be much less than that. But the fact is, Mr. Speaker, that in Ontario we use 835,606 tons of fertilizer according to the Dominion Bureau of Statistics figures.

When one takes the content of potash out of those mixed fertilizers and adds that to the direct muriative potash that is used in Ontario farms today, it amounts to just about 150,000 tons. As a matter of fact, I think it is closer to 160,000 tons.

Now, multiply that by $6.75. If indeed, all our potash fertilizer came from Saskatchewan in the past, that would indicate that increase in cost to the farmers of Ontario. But in discussions that I have had with fertilizer manufacturers in Ontario—many of them as recently as yesterday—I was given to understand that they are already looking for offshore sources of potash fertilizer.

So, as I said last week in this Legislature, Mr. Speaker, it would look to me as if the province of Saskatchewan intends to go ahead and intends to establish that price for fertilizer in Saskatchewan and that they may very well lose the sales of that much fertilizer to the province of Ontario, if, indeed, our farmers can find potash at a price that is less than that being established in Saskatchewan.

I have discussed this with the Minister of Agriculture from Saskatchewan and he quite appreciates the position in which we find ourselves. It is purely a business deal as far as I am concerned. But I do feel that it just does not make quite good sense to me that you set a price that is so high that some of your best customers cannot buy.

Mr. MacDonald: A supplementary question —in view of this, would the Minister consider implementing the recommendation of the farming committee report for the appointment of a fertilizer review board so that this kind of examination of the cost of fertilizer could be done automatically, since it is a problem that has gone on for years and likely will go on for years?

Hon. Mr. Stewart: Mr. Speaker, as was so well said by the Prime Minister yesterday when he was replying to the hon. member

for York South, who had asked concerning a review board, really a price review board for fertilizer is no different in principle than that which he was talking about for other commodities.

Mr. MacDonald: The Minister is opposed to both.

Hon. Mr. Stewart: I am indeed. As far as our party is concerned, I am indeed, because I believe that the competitive aspect of this thing is certainly the controlling factor. What is more, Mr. Speaker, that goes much farther than just this. The question the hon. member for Kent has asked indicates the inter-provincial and the international relationships of the fertilizer industry.

I suggested, you will recall, at the Seaway Towers Hotel when the Plant Food Council of Canada asked that there be a Royal commission established to study the fertilizer industry in Ontario, I said that I thought if there was going to be such a study it should be done on a national basis by a Royal commission, because it has very, very broad ramifications, far beyond the borders of Ontario.

Mr. MacDonald: Now we know where the Minister stands.

Hon. Mr. Stewart: The figures as far as Ontario is concerned in the production or sale of fertilizer are determined far beyond our own borders because of the source of supply.

Mr. Speaker: Has the member for Oshawa a supplementary?

Mr. C. G. Pilkey (Oshawa): No.

Mr. Speaker: The member for Huron-Bruce.

Mr. Gaunt: Mr. Speaker, if I may ask the Minister in specific reference to his comment about the Royal commission. Has the Minister approached Ottawa in regard to the Royal commission, and if so, what was their reaction?

Hon. Mr. Stewart: I have not approached them in a direct request. It has been suggested and discussed with them. I do not think there has been any positive action taken on it. But as far as a Royal commission enquiry in Ontario is concerned, we do not feel it would serve the purposes intended because of the limitations of the terms of reference within the province.

Whether Ottawa will do something about this or not we do not know. It has certainly been discussed with them.

Mr. Speaker: The hon. member for Oshawa.

Mr. Pilkey: I have a question for the Provincial Secretary.

Would the Provincial Secretary care to comment on the headline of the Toronto *Telegram* dated November 18, today, that "3,145 Civil Servants Quit the Union in Ontario—the CSAO"?

Hon. Mr. Welch: Mr. Speaker, as the hon. member will appreciate, that is a news item which has some reference to a libel action going on between two unions and I do not want to go into—

Mr. Shulman: But you said 500 yesterday, that is quite a difference.

Hon. Mr. Welch: Well, if the interjector would read the article he would realize that the article has absolutely nothing to do with the question he has raised in the House twice insofar as those who have used the regulations to be excused. Which is indicative of the fact that perhaps he just spends most of his time reading headlines rather than the contents of the stories.

Mr. Lewis: It is indicative of what you are doing to the CSAO.

Hon. Mr. Welch: The article in question has reference to people who voluntarily decided not to support that organization. The figures have to do with those who have, in a two-year period up to September 30, 1969, exercised their privilege to do this. As you know, September 30, 1969, is a significant date because it is before the regulations which we brought in, which is into October.

It has reference to those in that two-year period as of September 30, 1968, and September 30, 1969, who have elected quite independently of the regulation to resign or not to support the CSAO.

I have some figures here because I was interested in that story, as well. I have some figures here from the CSAO with respect to their membership and so on, which I would be glad to provide the member so that he could, in fact, have the information by way of explanation.

Mr. Martel: Put it on the record.

Mr. Pilkey: A supplementary question, Mr. Speaker: Would the Minister not agree that this number is correct in terms of those

people who have cancelled their membership in the CSAO?

Hon. Mr. Welch: That is not the point; there is no question about that particular point. In fact, if you would like to have it on the record, this is the information which I have.

The members of the CSAO, as of September 30, 1967, totalled 30,251. There were 2,108 cancellations. There were 2,093 terminations of service which left 26,050. During that same year, 5,601 joined the Civil Service Association, so the total of members as of September 30, 1968, was 31,651—in fact a gain of 1,400. We carry this over and as of September 30, 1968, we start with our 31,651; 1,037 decided to cancel their authorization for fees; another 3,405 civil servants terminated their employment in the public service, as a result that gives us a net of 27,209. But in the same year, 6,445 civil servants decided to join the association, which left us with a total in the association, as of September 30, 1969, of 32,654. So that as of that date, there is a net gain of 2,003. That is the information which perhaps would be—

Hon. Mr. McKeough: The member would have been better not to have asked.

Hon. Mr. Grossman: Are hon. members opposite trying to bust the union?

Mr. Speaker: Has the member another supplementary?

Mr. Pilkey: No.

Mr. Speaker: Has the member for Timiskaming a supplementary question? The leader of the Opposition then has the floor for a question.

Mr. Nixon: Mr. Speaker, I wonder if the Minister of Energy and Resources Management can tell the House if he has received representations from the council of the city of Chatham, or perhaps the member from Chatham, to delay the hearings of the energy board in the matter of the takeover of Union Gas by Consumers' Gas, so that they can prepare a brief to appear before the board?

Hon. G. A. Kerr (Minister of Energy and Resources Management): No, Mr. Speaker, I have not received any such representations and I sincerely hope that there will not be any delay in those hearings. It is important that they go on when they are scheduled.

Mr. Speaker: The member for High Park.

Mr. Shulman: A question for the Minister of Public Works, Mr. Speaker.

Have you received complaints from your safety department that the building at 44 Victoria, which is operated by The Department of Labour, is unsafe because there is no proper means of egress?

Hon. Mr. Simonett: The answer is no.

Mr. Shulman: As a supplementary, Mr. Speaker, is it not correct that there was a fire alarm at 44 Victoria and all the people got trapped in the stairwell because the third floor was blocked and the panic doors locked and could not be opened again?

Hon. Mr. Simonett: Mr. Speaker, I have not heard of anyone being trapped in the building because any fire alarm did not work or any fire doors would not open.

Mr. Shulman: Mr. Speaker, will the Minister inquire, because he is just uninformed?

Hon. Mr. Simonett: Yes I will inquire, but that was not the question, Mr. Speaker.

Mr. Sargent: I have a question for the Minister of Energy and Resources Management.

In reply to a question from my leader, the Minister implied that there was a hurry to get these hearings finalized. Will the Minister tell me what is the motivation, what is the hurry? Who is putting the heat on to finalize this takeover?

Hon. Mr. Kerr: Mr. Speaker, it is not a question of hurry, not a question of motivation; nobody is putting the heat on. There is sufficient notice given to anybody who wants to appear before these hearings; there is sufficient time given for preparation of any briefs or submissions. I would think that out of courtesy to the energy board—

Mr. Sargent: Who says they are sufficient?

Hon. Mr. Kerr: I would suggest that the time given and the notice given for these hearings is sufficient for any group, company, or otherwise, to prepare submissions to appear before the board. Therefore, there should be no reason for somebody coming in at the last minute, or making an application on the day the hearing is held and asking for it to be adjourned or postponed. These hearings usually take up to two days so it is quite possible that if anybody appears on the first day asking for a postponement he could be, shall we say, placed on the list of the

agenda so that he would be the last person to be heard, to convenience him.

I have dealt with this matter during the debate on the bill, The Energy Act. And I feel that it is important that the hearings should go on as scheduled.

Mr. Sargent: Why?

Hon. Mr. Kerr: For the reasons I have just given.

Mr. Sargent: Would the Minister agree, Mr. Speaker—

Mr. Speaker: The oral question period has now expired. I would point out to the hon. member that the estimates of this department are on deck, as it were, and he will have plenty of opportunity to question the Minister at that time.

Petitions.

Reports.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 25th order; House in committee of supply, Mr. R. D. Rowe in the chair.

ESTIMATES, DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT
(continued)

On vote 601.

Mr. Chairman: The hon. Minister.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Chairman, I would like to reply to some of the remarks made last evening by the hon. leader of the Opposition (Mr. Nixon) and the hon. member for Sandwich-Riverside (Mr. Burr), who raised certain points in their remarks that possibly could be dealt with at this time before we get into the vote-by-vote items under the estimates.

I think the hon. leader of the Opposition dealt quite extensively with Hydro and the plans for provision of nuclear power in Ontario. He reviewed mainly a speech he made last year and I think most of the questions he raised at that time were answered by the hon. member for Muskoka (Mr. Boyer), regarding nuclear power plants, heavy water plants. However, I feel that I should briefly review this programme again.

Mr. Chairman, the idea of Atomic Energy of Canada Limited and Ontario Hydro was to take advantage of the sources of uranium in this country, to have low-cost power and to use the technology that was already available. The CANDU process, which the hon. leader of the Opposition referred to, is one that involves the use of Canadian uranium.

Atomic Energy of Canada Limited favoured the CANDU process. It was an effort to utilize Canadian raw materials, Canadian expertise gained in wartime, and turn it to peaceful purposes. The prototype plant at Rolphton, which was also referred to, was initiated by AECL to demonstrate the feasibility of the process. Rolphton was successful in demonstrating the feasibility of using the CANDU concept. Rolphton was completed and became operational in 1962, using Canadian natural uranium with heavy water.

As a result of this successful operation, AECL decided to move on and construct a larger operational plant at Douglas Point. This plant was built and is still owned by Atomic Energy of Canada Limited. Ontario Hydro has been purchasing power from that plant but will not take it over until such time as they are satisfied of the capability and performance of the operation and are satisfied that the plant can operate in the manner for which it was designed and built.

Mr. E. Sargent (Grey-Bruce): You said you were not taking it over.

Hon. Mr. Kerr: That is what I said.

Mr. Sargent: You said you were not taking it over.

Hon. Mr. Kerr: I just said that.

Mr. Sargent: You said you would not take it over "until"—

Hon. Mr. Kerr: That is right. Ontario Hydro has no capital cost investment in the Douglas Point plant. When we do decide to take it over, we will pay the conventional price for that of a fossil fuel plant that size, which will be much cheaper than the cost of a nuclear plant.

Now to review Douglas Point briefly, Mr. Chairman. I understand it started operating in late 1966 and reached half power within two months. In 1967 difficulties, mainly with heat transport pumps and a damaged calandria tube resulted in that station being out of service during several months of that year. However, during Ontario Hydro's peak power

demand from the middle of December, 1967, to the end of February, 1968, the plant had very high availability and an operating level of 75 per cent of full power.

After two shut-downs in the spring and summer of 1968 to improve the heavy water containment and recovery systems, it operated at full power during the week and was refuelled on weekend's off-power while the fuelling systems were being commissioned for on-power fuelling.

In spite of the difficulties and the continuing modifications made by AECL, since 1968 Douglas Point has produced close to one billion kilowatt hours and has reached maximum capacity of more than 200,000 kilowatts.

Again, Mr. Chairman, I would like to stress that Atomic Energy of Canada Limited has made a number of refinements in the equipment at Douglas Point and continues to do so. For this reason, Ontario Hydro, as I indicated earlier, will not be accepting this plant or making any financial commitment until the operation of the station is completely satisfactory.

It has been Hydro's policy to diversify its generating resources so that it would have a composite system and be able to maintain a balanced complementary system of nuclear, conventional, thermo and hydro-power generation.

Hydro, as hon. members know, has already developed all available sites for economical water-power generation. Thermo-power is costly and Hydro is required to import high-cost fuels. And in our efforts to control pollution from these stations and reduce the SO_2 emissions, Hydro is required to have a supply of the most expensive low sulphur fuels. It was natural that Hydro would look to other methods for providing power in this province, particularly in the future, and at the same time develop Ontario's own natural resources.

Under base load conditions, nuclear power is less costly and there is no air pollution problem.

A balanced power system with all three methods of generation is able to respond to changing load demands at the lowest cost per kilowatt hour.

Mr. Chairman, the hon. leader of the Opposition, in his remarks, discussed thermo plants and expressed concern about the use of fossil fuel and the resulting air pollution problems. What plants would the hon. leader of the Opposition have Hydro use? He is against nuclear plants; against fossil fuel plants; we do not have enough water sites; what do we use? He suggests the use of SO_2 removal process. Certainly this is being considered by Hydro at the present time but as yet the technology is not adequate for complete removal of the pollutants and the process, as we know it, is very costly.

Now, Mr. Chairman, we are the first to admit the tall stacks are simply one stage in the total programme of pollution control and the immediate answer to alleviate the current problem pending further technological developments. Higher stacks do help. Hydro has convinced its critics of this. They do diffuse the toxic emissions from plants and lessen the concentration of pollution or fall-out.

The use of nuclear power will decrease the burden on the Great Lakes transportation routes which otherwise will be subject to greater bulk transport of such fuels as coal, requiring increasing dockage and storage facilities. From a broad economic viewpoint, three important prospects are offered, Mr. Chairman, through nuclear power; keeping—

Mr. Sargent: You do not know that.

Hon. Mr. Kerr: —electric power costs low, developing an engineering industry to build nuclear reactors and developing markets for uranium. The Pickering plant is being designed by Atomic Energy of Canada Limited but will be built, owned and operated by Ontario Hydro. The difficulties encountered by Douglas Point provided invaluable experience for designers and operators—

Mr. Sargent: And a costly one, too.

Hon. Mr. Kerr: And this experience is being put to good use at Pickering. I would emphasize that since the Pickering station will be owned and operated by Hydro, that modifications after the operational phase is reached will be at a minimum since emphasis will be on the production of a reliable supply of electricity. At the same time this nuclear programme began and particularly the construction of the Douglas Point and Pickering stations, there was no concern about adequate supplies of heavy water or that heavy water would not be available when required.

Recently, Mr. Chairman, there has been some concern about this but the responsibility for providing the supply of heavy water rests with AECL. However, I might mention that the hon. leader of the Opposition made a remark that the heavy water programme, because of the situation in Nova Scotia, is a tremendous failure. However, he does not appear to realize that there are two

plants in Nova Scotia; one being constructed at Glace Bay, using salt water; and one being built at Port Hawkesbury by Canadian General Electric, using fresh water. The problems have been in respect to the one at Glace Bay. It is expected that the plant at Hawkesbury is on schedule and will be producing heavy water next year.

The atomic energy heavy water plant now under way at Douglas Point is expected to be able to provide supplies of heavy water about the time the Pickering plant becomes operational. I hope, as I am sure all hon. members hope, Atomic Energy will have a sufficient supply of heavy water for the Pickering plant when it is operational.

Mr. Chairman, the hon. member for Muskoka, who is vice-chairman of Hydro, will also be making some remarks on this subject on the Hydro vote.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, if you would permit just one point of clarification before the Minister continues, to give me the opportunity to emphasize to him that I am not against the use of atomic power plants. One of my deepest disappointments was that the heavy water programme was not as successful as it was predicted when it was first announced in 1959, and later in 1963, and that in fact, Ontario Hydro had to opt for a fossil fuel plant at Nanticoke and Lambton. This was a serious disappointment for me and for everybody else surely connected with this. To imply that, for some reason, I am against atomic fuel plants is simply not correct and I hasten to set the Minister straight on that. I think that our commitment to fossil fuelled plants is unfortunate, but necessary, in the circumstances that the Minister and Ontario Hydro find themselves in in the present difficulty.

Hon. Mr. Kerr: Mr. Chairman, I accept that. However, there seemed to be, perhaps the hon. leader of the Opposition will agree—

Mr. Sargent: On a point of order. The Minister, before we leave this one point, has glossed over the fact—

Mr. Chairman: That is not a point of order. We are not discussing Ontario Hydro at this moment, the Minister is replying to the lead-off statements of the other two parties. Members will have plenty of opportunity to discuss the details of Hydro in votes 602 and 603.

Hon. Mr. Kerr: I just want to say, Mr. Chairman, that I think there was some implication in the hon. member's remarks last night that Ontario Hydro was the main villain in this whole programme, was the main culprit and was responsible for the billions of dollars being spent.

Mr. Nixon: Is it not?

Hon. Mr. Kerr: I think it is important to realize AECL's role in this whole programme. Mr. Chairman, as the Minister to whom Hydro reports, I will continue to review this whole programme and the Ontario Hydro Power Commission commitment for future power, water, thermal and nuclear. As a matter of fact, since the joint statement some weeks ago of Atomic Energy Canada Limited and Hydro, regarding the change of site of the proposed Bruce station, this review has been going on and certainly all discussions that have taken place in the Legislature will be part of that review. Conditions under a programme of this magnitude must be kept under constant review and it will be my intention to keep hon. members informed of any major changes in this programme from time to time.

Mr. Nixon: Might I ask the Minister if independent engineering advice will be a part of his review?

Hon. Mr. Kerr: This is something that could be considered, yes.

Mr. Nixon: It should be, I believe it should be.

Hon. Mr. Kerr: I would also like, Mr. Chairman, in courtesy to the hon. member for Sandwich-Riverside, to deal with his questions—I think he had about nine questions last night and I will attempt to answer them as briefly as possible. I might say that I feel the hon. member is over-emphasizing the dangers of fall-out from nuclear power. He was making comparisons to nuclear testing and explosions in places like Nevada, and really, I feel it is a poor comparison. I think he is unduly pessimistic. He poses a question: "There is no guarantee that any atomic plant is safe from disaster."

Mr. Chairman, is there any guarantee against disaster from a chemical plant, or is there any guarantee against disaster from a thermal hydro plant? It is my information that to compare U.S. atomic plants with our plants, is really not a good analogy. We use, as has already been mentioned many times, safe natural Canadian uranium in contrast to

many U.S. stations using enriched uranium and fuel. Natural uranium is in its most diluted form and in the event of an accident, cannot sustain any chain reaction.

Question number one discusses the advice of the result of nuclear testing in the U.S. I would say in answer that we do not conduct our tests or make our storage underground because we can achieve a satisfactory degree of containment of any possible free radiation by the present system of surrounding the reactor vault with reinforced concrete and certain other safety precautions.

The second question was on insurance, who was insuring against third party injury at Douglas Point and other nuclear stations. My information is that the federal government insures nuclear plants in Canada.

Question three: Has the Minister anyone to consult who has any knowledge of what might be called nuclear medicine? I think he uses the phrase that someone is a kind of "devil's advocate." My information is that the radiation protection services of The Department of Health have both the physicians and physicists on their staff who are available to us as consultants.

Mr. S. Lewis (Scarborough West): What? Do you mean by way of cancer-inducing agents as well?

Hon. Mr. Kerr: Anything as a result of radioactivity. We would receive any advice, information or recommendation from the radiation protection services of The Department of Health.

Question four: Where are the radioactive wastes from Douglas Point being stored? Information is that the only radioactive wastes are spent fuel rods and provision is made for the safe storage right in the plant.

Question five is regarding the development of hydro-electric power sites by Ontario Hydro in the north. I would say, Mr. Chairman, to the hon. member that there is nothing Hydro would like better than to have a Churchill Falls in Ontario. Churchill Falls, for example, is a thousand times larger than the most promising developed power site in this province. I might also mention that Hydro has already assessed all possible hydraulic sites and this was done, certainly before the thought of building any thermal plants was concerned.

Question six discusses thermal pollution. He discusses three alternatives for cooling devices to be installed in thermal plants, one, a special reservoir lagoon instead of the lake and river; two, closed circulation cooling systems; three, cooling towers, and he wants to know which of these devices is used in Ontario. My information is that all cooling water used by Hydro in its plants is discharged at a temperature which will not detrimentally affect the receiving waters. I might also refer to the method used to aerate or restore oxygen to the water before it is returned; I would like to just briefly refer to an article by a biologist named Dr. Effer, dealing with thermal discharges, and I am reading from part of his article:

> In what specific ways can thermal discharges adversely affect life in the lakes? There was a statement in an article in the local newspaper last month that the plant at Nanticoke on Lake Erie would heat the cooling water so that 40 per cent of the dissolved oxygen would be removed.
>
> If this were true we should be quite concerned about the effect of this deoxygenation on fish and other aquatic life in the area. In actual fact the oxygen depletion will be insignificantly small; that is, less than one per cent of that present. Over a period of a year I have made measurements at the Lakeview generating station to determine how much dissolved oxygen was removed during passage through the condenser tubes, and when it was discharged into the lake.
>
> At no time of the year was any significant loss of dissolved oxygen measured.

I also mention one other paragraph here which may be of some interest to the hon. member:

> As far as total heat imput to the lake is concerned, it has been calculated that over a one-year period the heat discharge from an average-size generating station is equivalent to that absorbed by the lake in about a half a day of average sunshine.

The only thing more I would want to say about that, Mr. Chairman, is that at the present time in the construction of new plants the Ontario Water Resources Commission is working continuously and watching closely so that there will not be, as the hon. member suggests, any thermal pollution or adverse deterioration of those waters that affect fish life.

Mr. Chairman: I might just point out that in the lead-off speeches for the three parties there has been quite a bit of concentration on Ontario Hydro. Vote 601, of course, is just departmental administration generally. Ontario Hydro will come under vote 602-3.

On vote 601 then, the member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, I would like to take a moment to deal with the administration of the department. I must say initially that when the change was made and the Minister took over the portfolio I was quite happy to see it, not so much because of the Minister's obvious abilities, but because of the previous Minister's obvious inabilities.

Mr. Chairman: Can we keep to the estimates?

Mr. Deans: Since the Minister has taken over though, I have become somewhat concerned about inconsistencies in his manner of handling the department; some difficulties that he seems to be having, in particular in rationalizing his view of the war on pollution with that of other members of the Cabinet, not only in fact with other members of the Cabinet, but with members of his own department, and in fact, even with himself.

The matters that I refer to are that not too long ago the Minister seemed to be in definite and direct conflict with the Minister of Municipal Affairs as to the manner in which the pollution of the pulp and paper industry should be handled. This is general administration, and at the time it was discussed it seemed to be fairly obvious that the views of the Cabinet *vis-à-vis* the views of the Minister in the handling of the department were at odds, and this is understandable, but I was a little surprised to find that the Minister was also at odds with his own employees, the people that he was responsible for. When the federal government indicated its plans in the field of pollution he came out very strongly in favour of them while Mr. Collins, who is in charge of the department dealing with pollution, indicated his complete disfavour with the federal government's position. This shows again, I think, that there is definitely either a lack of communication or an obvious inability on the part of the Minister to understand the workings of Cabinet, or perhaps the workings of the department that he administers, or perhaps both.

Mr. R. Gisborn (Hamilton East): You have got to admit he has done a good job by headlines.

Mr. J. Renwick (Riverdale): That was the downfall of his predecessor.

Mr. Deans: The final thing, the thing that really shocked me, and I must confess that this took me by surprise, was that on August 25, the Minister indicated in a speech, and it was referred to in the newspapers, that the cost of assisting municipalities to treat their waste was all that they could afford and that the Ontario government would not be able to give industry financial assistance to acquire equipment to combat pollution. Lo and behold, not two months later the Minister is standing up saying that some form of loan bank should be established so that smaller industries, in particular, could obtain funds for treatment programmes at minimum interest rates.

Now I can understand the Minister not being able to get at the problem of relating to the Cabinet; I can well understand the difficulties he faces with the other Ministers in trying to get them to understand the value and need for a pollution control programme. I can even understand the lack of communication between the Minister and his own officials. I could realize that there are sometimes difficulties, that a Minister may speak, or an official may speak, without each having consulted the other. But I certainly cannot understand how, in a two-month period, a Minister can stand in one place and say two entirely different things.

This certainly shows, to me, a lack of administrative ability, and because of this, and because of what my colleague refers to as the difficulties the Minister seems to have in putting into action many of the things that he is claiming are going to be done in the newspapers, it seems to me that the same actions are being followed by this Minister as are being followed, and have been followed over the years, by the Minister of Trade and Development. If we could equate the two it would seem that we are going to have pollution control by headlines. We are going to be polluted by the headlines and we are going to have no control, it seems obvious.

I would suggest to the Minister that if he is going to be at all active in the field and if he is going to administer the department he ought to first of all try to get along with the people in his Cabinet and get them to back him up, and this is a major area of concern.

Secondly, he should exercise some control over, or at least some relationship with, those people in his department who are obviously able to give out policy statements. But third, before he makes any statements he should be sure he knows what he is saying.

Mr. Lewis: He should check with himself.

Mr. Deans: He should check with himself before making statements to make sure they are not contradictory to statements he has made previously.

Mr. Lewis: And do not forget your executive assistants.

Hon. Mr. Kerr: Mr. Chairman, I would like to deal with one or two points raised by the hon. member.

He deals first of all with a statement by Ontario Water Resources Commission in respect to the proposed Canada Water Act. When it was first announced to us in this government I was in agreement with many of the points that the OWRC raised in respect to press releases and statements that preceded a meeting with the Hon. Otto Lang. Really, the way this whole matter was introduced to the people in my department was almost by sort of studied flamboyance. The press release was delivered to us at 12 o'clock I think, by a Brinks courier and we had a meeting at 2 o'clock with the Minister and his advisors.

When the information and material from the federal department was made available, the representatives from the commission pored over that material and there were certain things there regarding the establishment of river basins, regarding the control of municipal effluents, industrial effluent on inland waters and lakes, that the OWRC questioned, and quite rightly so. We have felt all along that the federal government, in its areas of jurisdiction such as the Great Lakes, navigable waters and harbours, have not been doing enough, have not been co-operating enough, and this is really where they should be concentrating.

However, the Act, and the whole preamble of publicity releases that preceded this Act, seemed to concentrate on things that were always the responsibility of OWRC and in which, in my opinion, they had been doing a competent job. However, I realize that the proposed legislation is for all ten provinces and there are areas in this country where there are no water commissions, there is no effort to clean up effluent and waste or pollution of waters, particularly in the smaller provinces. But after a meeting with the hon. Mr. Lang and his representatives and advisors—I think it was at least a two-hour meeting—we received answers to questions regarding these points, and assurances that there was no intention to duplicate efforts, it was then at the press conference that I indicated my enthusiasm for this legislation and indicated that we would co-operate. So there is no confliction with any member of my department as far as I am concerned. Certainly there is not going to be any blind obedience to any edicts that I might lay down.

I think these people have a right to offer their opinion. Really, they are much more knowledgeable in the operation of the commission than I am, and a little disagreement really does not hurt. Certainly we got across the point that OWRC is doing the best job in this country as far as cleaning up effluent waste in water is concerned.

The hon. member also discussed the confliction—or what he submitted was a confliction —regarding grants or loans to industry. My earlier statement, Mr. Chairman, indicated that I could not see how we could make grants to industry to acquire pollution abatement equipment or to clean up their waste.

I indicated that I thought that was a part of the cost of production. But there is no confliction between saying that, and suggesting a loan bank for small industries. I am still hoping that, before too long, such a provision may be made by the hon. Treasurer (Mr. MacNaughton) that next year we may be able to have funds set aside, whereby loans will be made to those industries that are marginal and small, but generally efficient, for the purpose of acquiring the equipment we say they should have to meet our laws and regulations. I am still hoping that will be put into effect.

But as far as outright grants are concerned, I do not think I ever said at any time that there should be a grant to industry to acquire pollution abatement equipment.

The only other thing I can say is that we have, in recent weeks or months, some new programmes, particularly the one of assistance to small industries. This is a tremendously popular programme. We have had an awful lot of applications from small municipalities to enable them to install water and sewage works. This is the type of incentive and help that we might think about before those other areas that discharge waste into our streams and rivers.

Mr. Deans: Did I understand the Minister to say that they did have a programme at the present moment of assisting small industries and that it was going well? You said that you have a programme?

Hon. Mr. Kerr: I am sorry, I mean small municipalities. I did not know I said industries. I am sorry.

Mr. Deans: When the Minister indicated previously, I did not say that he indicated there were grants. What I said was that he had indicated that he was not able to assist —not in the form of grants. He made it quite clear that they might give some consideration to some form of tax incentive, but that they would not be able and were unwilling at that point to consider making money available—cash.

Within two months this position appears to have changed. I just wonder how this can happen over a two-month period, where things can change so quickly in all areas.

Mr. Chairman: The hon. member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Chairman, I might just pass one comment on that.

I recall reading a few months ago that the hon. Minister thought it was a good idea, possibly, that the province withdraw the sales tax on the purchase of pollution control equipment by various firms in the province. I think this is the area where possibly he has changed his mind. Certainly this was reaffirmed in the statement of the Minister of Revenue in his estimates.

We put this proposition to him and it should be considered. I do trust that the hon. Minister of Energy and Resources Management will continue to press this point.

Under this particular vote, there is a sum of money going to the Great Lakes Institute; the sum of $141,000. This is approximately a ten per cent increase in allocation of funds from last year, in addition to the $35,000 that was granted under the OWRC vote.

It is my understanding that the Great Lakes Institute is a graduate faculty of the University of Toronto. Certainly one of its ships, the Port Dauphine, is no stranger to myself and the people of my particular riding, as it has been operating on the Lakes for approximately 11 years.

But, specifically, I have to ask the Minister: How is the work of the Great Lakes Institute co-ordinated with that of his Department, the OWRC, the federal government programme—I believe it is located out near the Minister's home—in relation to surveys on the Great Lakes? Is there any duplication or overlapping of a particular work that is going on in this area?

And just how is this co-ordinated with the U.S. agencies concerned with the Great Lakes and the pollution therein? I might further ask what reports do we get from the United States itself? Do we get them from the individual states bordering the Great Lakes, or through secretary Hickell's office—the secretary of the interior? Or are these all channelled through the International Joint Commission.

The previous speaker has mentioned The Canada Water Act and the Minister's reply in the method that it was introduced. I just wonder, how does the Minister feel—when this new Canada Water Act is presented to the federal parliament, and eventually comes in force. Does he anticipate that there will be significant changes in the areas of co-operation, or the jurisdiction of operation, between the senior levels of government, the water resources commission, or his department in the international joint commission?

I realize this is somewhat hypothetical at this point, but there have been continuing talks between the Minister's department and officials concerned with The Canada Water Act.

The reason I ask this is that one of the principles of the proposed Canada Water Act—one that is certainly going to be a factor in the policy decisions of this department—has set out, as its main aim, the co-ordination of a major federal-provincial fight against pollution, which I can assure we all endorse. One of the proposals of the Act is the establishment of federal-provincial borders, by regions, along natural, provincial, regional, or lake or river basins. Has the Minister taken any steps so far to establish any such borders? Has he entered into any talks with Ottawa in this regard?

How would they affect the present system in jurisdictions of the Minister's department, both in conservation practices and in the Ontario water resources? And also will the International Joint Commission accept the agreements that no doubt will be forthcoming between the two levels of government?

At the time the one report came in concerning this, I made a comment to the effect that I thought the Detroit River area, as one of the focal points of pollution in North America, should be given a priority for establishing an international authority on this river. An authority which would look into the aspects of air pollution, water pollution, erosion—all matters affecting this—as this is probably the worst and most serious area of pollution on the North American continent. I really feel that this should be given priority.

As was suggested by the member for Wentworth, apparently there was some misunderstanding between the hon. Minister and the new chairman of the water resources commission in the intepretation of this Canada Water Act on the initial day. I realize it was a matter of time and the inability of the departmental people to read the full report.

But can the Minister assure the people of our province that he will give full co-operation to those federal authorities, if the intent of this Canada Water Act is to spearhead and expedite our fight against pollution?

One of the other matters related hereto is in relation to policy announcements of the Minister. I think it was back on October 10 that he made a report to this Legislature concerning an International Joint Commission study taken in relation to oil and gas drilling in Lake Erie or the Great Lakes. And again I might re-insert, as I have done each year, that personally I am opposed to the extension of any drilling in the other Great Lakes.

I do not think there is much we can do about Lake Erie, as it has been under lease for a great number of years. It has been very fortunate, according to press reports and the Minister's report, we have had no major spills, although I know in my own riding we had some difficulties some six or seven years ago.

At that International Joint Commission meeting the governors of six United States border states suggested that a moratorium be placed on any drilling in Lake Erie awaiting the decision of this special group that was studying drilling in Lake Erie. But two of those governors, I assume, rejected this idea. I would ask, as a policy matter, did the province of Ontario take any position in this regard at that time, or is the Minister marking time awaiting the report of this particular body?

I might further state, I think, for the edification of the members of this House and the assurance of the people of this province, that possibly our committee on natural resources, or a select committee of this House, might be established next year to really look into this matter of drilling for oil and gas under water in our Great Lakes and those areas, say, on the North American continent.

We have certainly been lucky in the province of Ontario. I believe the companies are doing their very best to have all possible safeguards, but there is always that chance that something might not go according to Hoyle.

Could the Minister comment on these few questions that I have asked at this point?

Hon. Mr. Kerr: Yes, Mr. Chairman. I think the first point the hon. member for Essex South raised was the point regarding elimination of sales tax on pollution abatement equipment and the fact that point was raised, I believe, when I was down in the hon. member's area during the summer.

I made that statement a number of times. I believe I made it in answer to a question in this House last June. I naturally hope that the federal government will agree at the same time we do to abolish or eliminate sales tax on such equipment. Now, there is—

Mr. Paterson: Is the Minister making representation to this effect to both his own—

Hon. Mr. Kerr: Yes, I have made representation to my counterpart in Ottawa and they are not enthusiastic about the idea for two reasons. For example, the Carter report does not recommend this type of incentive. As a matter of fact, it specifically argues against it.

Another point is that it is sometimes hard to tell where pollution abatement equipment stops and production equipment starts.

So these are two points. It may be that if we have a different opinion about that, that at least Ontario would consider eliminating the sales tax on such equipment.

The other point I have also raised—and some provinces are doing this—is the municipal assessment on buildings that house pollution abatement equipment. As the hon. member knows, some of the larger plants—I am thinking of pulp and paper plants and other such plants—have to build a specific building to house what is quite a complex and elaborate set-up of pollution abatement equipment. At the present time, the municipality is taxing that building. It may be that we can come up with some formula where this can be exempt.

The hon. member referred to an item in vote 601 regarding the grant to the University of Toronto regarding the Great Lakes Institute. This is a water management programme and basically we are training graduates in the water sciences. The other programmes carried out by OWRC—for example, specific research, this, of course, is available to other levels of government. We compare our findings, our data and our information with the federal government, or other provinces, or even other states.

Mr. Paterson: Might I ask, does the OWRC direct the Great Lakes Institute in the various research projects as such, or is this left up to the jurisdiction of the University of Toronto?

Hon. Mr. Kerr: Yes, they do.

The hon. member I believe mentioned something about circulars from other jurisdictions. This is part of the liaison in these programmes, including exchanging of all written information.

For example, I think a good example of this is the inland water centre at Burlington, which is quite an elaborate federal installation. They are going to great pains to not duplicate a lot of the findings and research of OWRC, particularly in the Great Lakes.

Now, regarding The Canada Water Act, there has been consultation between representatives of both provincial and federal governments—Ontario and the federal government—regarding this proposed legislation. I have corresponded with the Hon. J. J. Greene, as I indicated in my remarks last evening. The bill has been given first reading. Before it is given second reading there will be, I feel, a number of meetings and consultations. I know that OWRC have a number of questions regarding the legislation, particularly as to the establishment of these federal-provincial boards by regions, or river basin authorities.

The hon. member mentioned IJC. Really, IJC advises the federal government, as the hon. member knows. It has no power to legislate or direct, it only recommends. I am certain that the IJC's recommendations, many of them regarding the cleaning-up, say, of the Great Lakes, are incorporated in The Canada Water Act. There have been preliminary talks prior to the first reading of this bill and, as I indicated, there will be further talks before it is given second reading.

I think one of the big problems, Mr. Chairman, is the fact that Ontario is a little different in its problems and in those agencies and bodies that have been set up to deal with these problems in other provinces, with the possible exception of Quebec.

Regarding the remarks of the chairman of OWRC at the time the bill was presented to us last summer. One of his objections was that he thought that the level of standards were too low as to quality of water and we wanted to make sure that it was sufficiently high. I realize there has to be a different standard possibly, between a lake in Muskoka and Lake Ontario, but we want to make sure that we are not completely ignoring the reclamation of our Great Lakes. This is one of the big objections that seem to be evident in this proposed legislation.

Regarding the drilling. As I indicated in my remarks again last night, we have had a preliminary report as a result of a study by IJC in the drilling of the Great Lakes; a report of the international Lake Erie water pollution board. That board expressed satisfaction with the present regulations that we have regarding explorations in Lake Erie and pointed out that exploration has been going on since 1913 without any serious pollution incident.

There will be a hearing in Toronto in December on this report. There will be a second hearing, I believe, in New York later in early 1970. And then, of course, there would be a complete and final report from IJC with recommendations. We did not take any position regarding drilling. We felt it would be rather ludicrous and might give the wrong impression to IJC if we stopped drilling while this report was being filed and I am sure that by the very fact we continued the operations or allowed the operations to continue, assisted IJC in its investigations and to the point of being able to make recommendations—shall we say as far as the on-site actual drilling was concerned, including the rigging and this type of thing.

I do not know if we should have a select committee on drilling in the Great Lakes. I know the hon. member is worried about this because of the area—his own constituency. I want to reiterate what I meant to say earlier in the year that there was no intention to extend this drilling to other lakes, nor do we intend to allow any oil drilling *per se* in the lakes—in other words, any piping or the taking of oil from exploration in our lakes. We are strictly sticking to gas—

Mr. Nixon: Is there oil there to be taken?

Hon. Mr. Kerr: Well this is something that is open to question but I am sure there is a possibility when you are drilling for gas there may be oil but—

Mr. Nixon: If they find it, then we will be in trouble.

Hon. Mr. Kerr: Then we will have to tap it. Cap it, I am sorry.

Mr. Paterson: Mr. Chairman, might I follow up on a couple of the remarks of the Minister's which raised my curiosity? The Minister indicated that the standards proposed in The

Canada Water Act might be somewhat lower than those desired in the province and I just wonder how they compare with those jurisdictions to the south of us. Is the federal government proposal in line with those jurisdictions to the south rather than with ours? Are their standards lower in other words? Similarly on drilling in this proposal, are those standards equally as high as ours in those states that allow drilling?

Hon. Mr. Kerr: There have been no standards developed yet, Mr. Chairman. The preliminary reports and releases in respect to this legislation before we had a chance actually to see the bill, just the explanatory material that preceded our meeting with the hon. Mr. Lang indicated there would be different sets of standards in different areas. For example, they dealt with the Atlantic Ocean and the Pacific Ocean. This may be a Class C type of water as far as standards are concerned, where the Don River may be Class A.

Mr. Nixon: That is a class for poorer quality.

Mr. Paterson: "A" for awful.

Hon. Mr. Kerr: Or the Kam River might be Class A. Maybe that would be a better example. But in any event, I believe that and I am quite certain that the OWRC was satisfied after discussions with the federal people that there was no reason for concern as far as that was concerned. As far as standards in The United States are concerned, they vary so much that I would not have anything definite to offer in that regard, particularly where it deals with inland waters in that state compared to inland waters in Ontario. I really would not know.

Mr. M. Makarchuk (Brantford): Again, as a matter of policy, what I am concerned about, Mr. Chairman, is that there are situations where the OWRC will decide to prosecute a certain company and then some member of the government, particularly a Cabinet Minister, will intervene on behalf of the company and stop the prosecutions. Now would the Minister indicate if some definite policy has been established in this matter? Does the OWRC have the superior power to continue with the prosecutions or are these matters left up to the whims of the individual Ministers who may be residing in the constituency, or who may have political friends in the particular company?

Hon. Mr. Kerr: Well, Mr. Chairman, certainly there will be no intention on behalf of the present Minister to intervene where charges have been laid under the provisions of The Ontario Water Resources Commission Act. I would think that it is still possible for the Minister to veto a decision of OWRC; I am sure he has that power.

However, I can only assure the hon. member that there would be a complete conflict in our efforts to clean up pollution, as far as I am concerned, if, after the whole procedure of dealing with an industry or a municipality, it is then decided to lay a charge and it is in the hands, for example, of the local Crown attorney. I can assure you that the Minister will not intervene.

Mr. Makarchuk: Mr. Chairman, on the same topic. Of course, I am referring to the matter of Algoma Steel, where a decision was made by the OWRC to prosecute.

Mr. Chairman: Is that under this vote?

Mr. Makarchuk: Well, this is a matter of policy; I am just using department policy as an example, which was to lay a charge against Algoma Steel and, on the intervention of Attorney General Wishart, the action was not proceeded with. As the Minister said, that of course, there will be action or some other methods will be used to ensure that the company has proceeded to clean up the problem or eliminate the problem that has been causing pollution.

I just wondered how many cases you have of such a nature. How effective is your moral suasion, shall we call it, in this case to bring about some action on the part of the polluting company, or firm, or organization, to cease or desist from continuing with this action?

Hon. Mr. Kerr: Mr. Chairman, under the provisions of the Act and also the policy of the commission and the department, every company is, shall we say, monitored, or surveyed, wherever there is a suspicion, or an indication, of pollution coming from a plant, or effluent that is polluting a waterway. That company is visited by representatives of the commission and efforts are made to put the company on a programme. That programme consists of definite plans, including a schedule, a timetable and a deadline, whereby the company will acquire pollution abatement equipment and do what the technicians and scientists and engineers of the commission feel should be done.

In the event that the company does not co-operate, or does not allow, for example,

the commission to make the necessary inspection that is required before a programme can be laid out, the company could be put under a Ministerial order. This, in effect, has the power of requiring the company to do certain things within a certain time.

If there is still no co-operation and there is a breach of that order, then the Act provides for a daily fine. So you have this remedy and you also have the remedy of moving directly by laying a particular charge of prosecution against the company.

This could be by way of a specific incident. For example, there may be a spillage from a plant and there may be circumstances that there should be a prosecution because of that. So we have various methods by which we can require that company to clean up its waste.

As the hon. member knows, we have a section under the Act that says, in effect, "Thou shalt not pollute." But there are many companies at the present time—particularly the pulp and paper industries and steel companies—that are, in fact, polluting right now and will pollute tomorrow. It is only realistic and reasonable that, rather than shutting down a plant, or even laying charges and bringing them into court, that they are in a programme, so that there can be a solution to that problem, so that the waste can be cleaned up and the pollution stopped.

We have a number of companies in Ontario that are under such a programme. The OWRC has been particularly active in recent months and the major companies—I am talking about pulp and paper and steel companies—all over the province are, in fact, co-operating and in a programme.

Mr. Makarchuk: If I may just read from this particular item, Mr. Chairman. This is a letter from James—

Mr. Chairman: This particular item could be carried under vote 607.

Mr. Makarchuk: Well, it is a matter of policy, Mr. Chairman.

Mr. Chairman: No, it is not. It is not a government policy; this is OWRC policy.

Mr. Makarchuk: No, it is not. It does not deal strictly with OWRC policy. It is the policy of this Minister in The Department of Energy and—

Mr. Chairman: We are going to go into the details of the OWRC and your points could be just as well covered under vote 607. You will be given every opportunity.

Mr. Makarchuk: There is the other argument, of course, that, under the new method of considering estimates, we are ranging all over the place, but this is a matter of policy.

Mr. Chairman: We are trying to keep it in order. If you will follow the estimates, it is very clearly laid out here: 602 has certain items, 603 and 604 and 607 is Ontario Water Resources Commission—all its various facets. Is there anything else under 601?

Mr. Nixon: A matter that I wanted to raise just on this vote was mentioned by the Minister when he said that the federal development of a research institute at Burlington—what is the name of that thing again, inland waters—that they have gone out of their way not to duplicate what the OWRC has already undertaken in its programme.

Frankly, I am a bit concerned about this duplication, both as a provincial and a federal taxpayer. I do not suppose there is anyone but this Minister and his federal counterpart to come to some reasonable agreement that there is not going to be a sort of an empire-building approach. Large buildings and very well-educated staffs established there to which Ministers at both levels can point with pride, indicating that a great deal is being done.

I am never that impressed with just the building and the fact that the people are there. I feel that too often there are not enough tangible results to point to, but just a large expenditure and an expansion of plant and the acquisition of very able people in specific fields without, perhaps, the administrative direction that allows them to accomplish things that impress those of us who are laymen in this important work.

The second concern that I have about this shared responsibility—and I guess it must be shared to some extent, since the Great Lakes are international or at least bi-national waterways and that is The Canada Water Act itself. So many people have the feeling that—perhaps I should have it myself—that this is going to be a great breakthrough, giving a tremendous impetus to the programme in this province and in this country combatting pollution.

In my experience in this House—and I think it would be repeated by anyone who had been in Parliament—is that there is a tendency for Ministers, responsible and otherwise, without regard to party, to be glad of an opportunity to share responsibility and it never seems to

be in the best interest of the people, particularly where the problem is one of such emergency.

Has the Minister any misgivings that he might share with me, in that the development of federal policy, proposing to mess with provincial policy, is, in fact, what appears to be passing the initiative to another level of government, which must take it, obviously, in certain areas of pollution control, but to which we cannot abandon the initiative as far as our provincial environment is concerned?

Hon. Mr. Kerr: Mr. Chairman, dealing with the first point raised by the hon. leader of the Opposition, regarding duplication in the matter of research by the federal centre at Burlington.

It is my information that the type of research that will be done at the inland water centre will be more concentrated. Because of the nature of their facility they are able to, over a longer period of time, and in all conditions, carry out research—particularly in the middle of the lakes—in different areas, different types of research, because of the different areas of responsibility, at least, at this time. OWRC has been mainly responsible and concerned about research at the mouths of rivers, for example, that would flow into the Great Lakes, and of course, upstream, so I do not think there will be duplication. I have indicated there was complete liaison and communication between OWRC and the federal people. They are using much of our data and information in areas where it will complement what they are doing and so I do not think there should be any concern about duplication, that is what I am saying basically.

Mr. Nixon: Yes, well I am glad to hear that the Minister can assure us on that score. I presume that he has visited that centre, I have not myself. Did the Minister, at any stage, offer to the government of Canada the facilities of the OWRC for the very purpose of Great Lakes water research, since Ontario, our jurisdiction goes along all the boundaries? Obviously, it is a Canadian boundary as well, but we do not share this with other provinces; there is no significant sharing. Did we offer to take this over on behalf of the government of Canada with, naturally, their assistance?

Hon. Mr. Kerr: Mr. Chairman, I think a good example of that would be the International Joint Commission's recent report —which the hon. member has probably read— dealing with the Great Lakes, the condition of the Great Lakes, the question of detergents and that type of thing, affecting the quality of the water. Now, most of that information, as far as Ontario is concerned, was obtained from OWRC. IJC really has been set up by the two levels of government, U.S. and Canada, with federal appointed personnel from each country and who report to their respective federal governments.

As a matter of fact we are having discussions with representatives of Mr. Sharpe's department—I am not quite sure why. I suppose because he is The Minister of External Affairs, but in any event, representatives from my department are having consultations with representatives from Mr. Sharpe's department prior to the hearings to be held by IJC in Toronto and the U.S. So, in that way, there is this complement of research and data and, as I say, I am hoping there will not be any duplication.

Now, I did share, and I still do share some of the concern of the hon. member, regarding possibly that we will be sharing responsibility as a result of The Canada Water Act, and this, of course, was the initial concern of the OWRC. I think probably quite legitimately, there is still some concern in that area. As I indicated, the Act is drafted, in our opinion, to deal with areas where there just has not been anything done. They talk about river basins, moving into river basins—

Mr. G. Bukator (Niagara Falls): A lot has been done down at the Falls.

Hon. Mr. Kerr: —where we have conservation authorities, for example. This concerns the conservation authorities.

They talk about municipalities and industries which have always been the concern of OWRC, so there is no reason, in my opinion, Mr. Chairman, why, before this Act becomes law, that, as a result of our consultations with my counterpart and the people in both departments, that Ontario's situation and present legislation and the set-up of these various branches, like conservation, cannot be taken into consideration in the actual bill —with a preamble, "except where there is no— and so on," then the federal people can move in.

In other words, we should avoid duplication. Now, an example of this is an existing study taking place between the province of Quebec and the province of Ontario regarding the Ottawa River. This study was commissioned, I believe, about a year or so ago; we expect a report in February. I understand

there is a possibility that the first thing the federal government will do when The Canada Water Act becomes law, and is given Royal assent, is to conduct a study of the Ottawa River.

Now, I think this is duplication. I hope they will use the findings of the joint provincial study and if they want to go beyond that, this is fine, but let us not be studied to death. We know that river is badly polluted, we know, really, where the pollution is coming from; it is a matter, really, of spending money and cleaning it up and getting some co-operation on both sides.

Mr. Nixon: That is where they can come into the picture.

Hon. Mr. Kerr: Yes, that is where they can come into the picture and be of very great benefit. Then in the Great Lakes as well—around the hon. member for Essex South's area, the Detroit River, for example, and Windsor—it really is nothing more than a cesspool but what can we do when most of the effluent is coming from the heavy industry on the south side. If Michigan or the city of Detroit does not have the standards we have, or the policies we have, regardless of what we do in Windsor, we will never clean up that river. Air pollution is the same way. So this is, really, where the—

Mr. J. Renwick: That is no excuse for not dealing with our side of the river.

Hon. Mr. Kerr: Oh, no, no. I think we are dealing with our side. I think, for example in the Windsor area—particularly in the city, dealing with municipal waste—there is a new plant there—

Mr. Sargent: I do not think we are on the same vote.

Hon. Mr. Kerr: We are doing something about that area, but there is still more to be done.

Mr. Nixon: Well, Mr. Chairman, I do not want to say too much more about this but the Minister has referred to The Canada Water Act and the fact that the bill calls for consultative committees on a river valley basis, and when I think of all of the consultation, all of the staff that will be needed to sit around and consult about a thing like that, I sometimes give up hope that we are going to get anywhere near any sort of value for the dollars we spend either for this staff or what they should be doing.

Certainly on this side we are great for consultation but when two governments come together and share responsibility for a thing like this, I hope that the Minister would realize that he would have considerable support in the House if he were to take a fairly strong line and cut through some of this material—and we need assistance, financial assistance. I think, probably, the problems have been fairly well outlined as they are a provincial responsibility.

I sometimes think there may be one too many governments in the field in this wide area and I hope our money and our time, and the efforts and the initiative of the people who are really going to do the job are not going to be sapped to too great an extent by the need to sit around and liaise with at least two other levels of government.

Mr. Chairman: The hon. member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Thank you very much, Mr. Chairman. I would like to question the Minister in regard to policy, in connection with the preservation of air quality, water quality and land quality, where the establishment of new industry is concerned.

Mr. Chairman, we have heard the Minister refer to industries already established and the government's dilemma in not being able to close these industries down. But, surely what has been learned from the pollution caused by the already established industry can be applied when new industry is about to establish, and in order to clarify my point, recently our federal member for Port Arthur, Robert Andras, revealed that a new smelter, the first smelter, would be built in northwestern Ontario, and one would have thought that the reaction of the people up there would have been: at last, we are going to get a smelter—1,500 new jobs created, development, processing right at the entrance to the mine rather than having it shopped elsewhere.

However, the reaction of many people up north was one of disdain, reluctance, fear. The response was not hurrah for development, it was a question of are we now going to find the same kind of air, water and land pollution from this smelter in our area that has been seen in the Sudbury area, for example?

What I am asking the Minister is what is the policy of his department when an industry, a steel company, has indicated that it proposes to establish a smelter in a given

area? What does his department do? How do they go in and ascertain that that industry will take all of the necessary precautions for the least amount possible of air pollution, water pollution and land pollution? Is his department, for example, prepared to even block industries, to stop a smelter from starting if the company cannot assure the people and the department that every possible precaution will be taken, and that our resources of air, water and land will not be destroyed because of its development?

Mr. Chairman: Does the hon. Minister want to deal with air pollution under the special vote for that purpose? The hon. member spoke of air, water and land pollution.

Hon. Mr. Kerr: This is dealing with general policy.

Mr. Chairman: All right, general policy.

Hon. Mr. Kerr: Mr. Chairman, all new industries have to submit plans; for example, for water treatment facilities, to OWRC; or for any toxic emissions or air pollution to the air management branch. These plans are studied and gone over by both of these bodies and must be approved before the industry can operate.

As the hon. member knows, of course, there is a question of planning and zoning which would apply at the municipal level. But there are a number of requirements in Ontario, and I think the hon. member is referring to one, that before a smelter, for example, can go into operation, the whole system that it has for treating air pollution must be approved by the air management branch. In most cases there are regional people from this branch who are working quite closely with the representatives of industry.

Mr. Knight: Mr. Chairman, just at this time, as long as we are on the subject, can we put the minds of the people at the Lakehead at rest that if the smelter does go in in the Thunder Bay area, they are practically guaranteed there will be no air pollution or water pollution? They will not have to sacrifice these essential elements in order to have the economic benefits of a smelter?

Can the Minister put their minds at ease to any degree so that once again we can have a positive, happy feeling about the arrival of a new industry, something that we have longed for and long asked for and battled for in this House and in other areas.

Hon. Mr. Kerr: Mr. Chairman, these industries must meet our standards. The smelters, for example, I could never guarantee that there would be no smell under certain atmospheric conditions; but certainly the air pollution would be minimized.

I think an awful lot depends on the location of that smelter in the hon. member's riding. For example if it is down-wind, it may be bad or it may not be too bad depending on where you live and depending on where the development of the community is. But these should all be considered and, I know, are considered by the air management branch. They say the smelters should be located in industrial zones, as far as possible away from the residential area of the community.

Mr. Chairman: The member for Timiskaming.

Mr. D. Jackson (Timiskaming): Thank you, Mr. Chairman. I seek your guidance, Mr. Chairman; would this be the proper time to discuss the policies of the ONR?

Mr. Chairman: No. There is nothing in the estimates for the ONR.

Mr. Jackson: Surely this Minister, being responsible for the ONR and the policies of that commission, should be responsible during the estimates for the policies of his department which affect the policies of the ONR?

Mr. Chairman: I think the procedure has been the same manner in which the compensation board, for example, is not in the estimates of The Department of Labour.

Mr. Jackson: In other years it has been debated right at this point. We debated it last year during the estimates, Mr. Chairman—

Mr. Chairman: I think perhaps there was a difference last year. There was something in the votes for the ONR; there is absolutely nothing in the votes this year for the ONR.

Mr. R. S. Smith (Nipissing): On a point of order, Mr. Chairman.

Mr. Chairman: Point of order.

Mr. R. S. Smith: For the last four years we have discussed the ONR in the first vote. Until two years ago, there was a supplementary estimate brought in for the ONR, but in the last two years there has not been a supplementary estimate because they have not needed any money. We have discussed it

on the first vote of this Minister's estimate, and we go through this every year, before we finally discuss it.

Mr. Chairman: I think that was a speech rather than a point of order.

Mr. V. M. Singer (Downsview): It was a good point of order.

Mr. Chairman: What was the point of order?

Mr. R. S. Smith: Mr. Chairman, it is that they should be discussed here.

Mr. Chairman: Last year, there was an item included in the estimates which covered a deficit. This is the information that I have. And the year before that, as you recall, there was a supplementary estimate. I do not know of any standing arrangement whereby this department definitely debates the ONR.

Mr. W. Ferrier (Cochrane South): Mr. Chairman, last year there was—

Mr. Chairman: Is this a point of order?

Mr. Ferrier: Yes, it is a point of order. There was a supplementary estimate; the ONR was discussed and the same debate was raised on the first vote of The Energy and Resources Management Department. We were permitted to discuss this.

Mr. Chairman: Because there was something in the estimates.

Mr. Ferrier: No. That point had been discussed some weeks before.

Mr. R. S. Smith: The department of ONR was discussed under the first vote last year, on your ruling.

Mr. Chairman: But it was in the estimates.

Mr. R. S. Smith: No, it was not in the estimate because it is the policy of this Minister, who controls the ONR, that it comes under the first vote, under head office.

Mr. Chairman: My recollection is that it is not standard policy to discuss it, unless there is something in the estimates.

Hon. Mr. Kerr: Sir, I might say that you are correct. There is nothing in these estimates regarding the Ontario Northland. Last year there was a supplementary estimate because there was a deficit in the operation, and that is why there was discussion. This year, we are in the black.

Mr. Sargent: Perhaps it is a mistake?

Hon. Mr. Kerr: I do not mind discussing the ONR in a general way. But as the hon. member knows, and as the Chairman has indicated, this commission can be called before the standing committee on government commissions, and this is where you get detailed information and facts about the policy and activity of the railroad and the transportation commission.

Mr. Singer: On a point of order, Mr. Chairman. Any exploration that the members are able to do before the committee on commissions certainly cannot get a policy. The only person who can comment on policy, surely, is the responsible Minister. If we cannot discuss it here, then obviously the Minister is saying that we have no position during the course of these estimates to discuss the affairs of an important government agency. I do not think this is fair at all.

I know that every year I have been here we have discussed it. If you want, Mr. Chairman, I will get some of the old answers out, but we had had an opportunity during the estimates. Certainly the suggestion of my colleague from Nipissing is not that we discuss it more than once. Since this is the responsible Minister, I think he would welcome a discussion of a branch of government for which he is responsible.

Hon. Mr. Kerr: That is what I said.

Mr. Chairman: The point is well taken. Of course, I am faced with the situation wherein the purpose of this committee is to discuss and debate the estimates before us. I point out to the hon. member the fact that there have been arrangements in the past to discuss the workmen's compensation board in committee of supply even though there is nothing in the estimates for the workmen's compensation board. But a special time was set aside after the votes of The Department of Labour had been carried. My situation is simply that there is nothing in these estimates for the ONR.

Mr. Deans: On your ruling, sir, if I may, since the Minister is responsible to the House for the Ontario Northland Railway, and since we are voting on the Minister's salary, surely, it is under there that we debate any administrative details regarding the operation of the Minister's—

Mr. Chairman: You are quite wrong. We are not voting on the Minister's salary, that is a statutory item.

Mr. Deans: Mr. Chairman, it is in the estimates.

Mr. Chairman: The Minister's salary is a statutory item.

Mr. Jackson: Despite the fact that there is nothing in this estimate—as the Minister says, the railroad ran in the black for a few years—surely, just because they are running in the black, they are not necessarily running an efficient railroad. Surely we should have some way of discussing the policy that he puts forward that keeps them out of the estimates.

Mr. Chairman: It may well be that there should be some way by which the committee or the House may discuss the Northland Railway. I am not saying that this is the place that it can be done. My position is, simply, there is nothing in the estimates. Now this is not to say that there should not be somewhere to discuss it; in the absence of anything in the estimates, I do not know how we can permit discussion.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman, might I say that the standing committee of this House on government commissions is the proper place for this government's commission to be dealt with?

Mr. Singer: No.

Mr. R. S. Smith: Mr. Chairman, I think you have set the precedents over the past two years at least. Prior to that, the previous chairman of committee allowed it on the first vote. So for every year for the last four years, if you look in *Hansard*, you will see that it has been discussed under the first vote.

Mr. Chairman: Only at such times as there were items in the estimates.

Mr. R. S. Smith: There has never been an item for the ONR in the direct estimates of this—

Mr. Chairman: In the estimates last year I specifically recall that.

Mr. R. S. Smith: There has been a supplementary estimate brought in at another time but not with the—

Mr. Chairman: When dealing with the supplementary estimates, it was arranged that there would be a discussion on the ONR and this was permitted.

Mr. R. S. Smith: No.

Mr. Chairman: I cannot recall any time—

Mr. Sargent: Mr. Chairman, on a point of order, we all agree that the whole submission of these estimates to the House leave a lot to be desired. For the Chair to say, Mr. Chairman, that a vote involving $3 or $4 million is not to be discussed—when I was the mayor of Owen Sound, we had a budget of $1 million. This involves a budget of four times as big as the city of Owen Sound.

Mr. Chairman: The hon. member is not raising a point of order, he is making a speech.

Mr. Sargent: No, but I think that the Chair—

Mr. Chairman: There is no vote in—

Mr. Sargent: The Chair must recognize that because someone goofed along the line in not making up the estimates properly, this does not say that we should compound the error. I think the Chair should allow this very important expending body to be debated by our critic here.

Mr. Chairman: There is, to my knowledge, absolutely no arrangement regarding the discussion of anything pertaining to ONR, since there is nothing in the votes.

Mr. D. A. Evans (Simcoe Centre): Mr. Chairman, speaking to the point of order, I think that the ONR could come before government commissions again. I think that is the proper place for it. If the Opposition members do not think so, probably they do not want to discuss Hydro next week; there are a couple of meetings scheduled for next week.

Mr. H. Peacock (Windsor West): Do not be ridiculous.

Mr. Singer: Mr. Chairman, on a point of order again. I make the point that the discussion before the committee on commissions is not the same, to any extent, as a discussion in the House before the responsible Minister because every commission that comes here says it is carrying out government policy. When you ask the head of a particular commission, be it Hydro or ONR or anything else, the liquor control board or the liquor licence commission, they say they are bound in policy by the rules of the course laid down by government.

The only place where we have an opportunity to discuss policy is when the responsible Minister brings his estimates before us.

It is the recollection of my colleague from Nipissing that there were two discussions on ONR. I have located the one under supplementary estimates last year and that is the only one I found. But the Minister, Mr. Chairman, has indicated that he has no objection to a discussion of ONR on this vote, whether it comes now or later. Surely, it would only be proper that we were allowed to discuss it. The Minister has no objection; I do not see why anyone else should have an objection.

Mr. Chairman: I want to make perfectly clear to the committee the position in which I find myself. That is, simply that there is nothing in the estimates before me dealing with the ONR. Now the hon. member suggested that this Minister is responsible for the operation of the ONR; I do not think that is quite right, either. I think that the ONR reports through this Minister, which is a little different. Since the Minister has indicated that he would discuss it on a broad basis, perhaps he will clarify that.

Hon. Mr. Kerr: Mr. Chairman, I do not mind attempting to answer questions on a broad or general basis. If the questions become too specific, regarding a certain operation at a certain time, I will ask the chairman of the ONR, the hon. member for Parry Sound, to reply and satisfy—

Mr. Chairman: I think that as Chairman of the committee at this moment, I will go along with the hon. Minister's suggestion. But I do not want the records to indicate that the Chairman has ruled that there may be a full-scale debate on the ONR and I do not want it to be used as any indication for future deliberation. In other words, my position simply is that since there is nothing in the estimates, it cannot be debated. We are making a special provision, since the Minister has agreed that he would take some limited form of debate on it. Proceed.

Mr. Jackson: Thank you, Mr. Chairman. Recently the CNR—and I bring in the CNR only as an auxiliary, you might say—has brought a suit before the government to discontinue service to North Bay from Toronto. If this happens, the ONR service will more than likely discontinue from North Bay north and it is my understanding that the ONR has backed up the CNR in their request to drop that service. Many times they have stated that the service is not needed any longer; that it can be adequately serviced by buses; that the passenger need has fallen off; that the passenger use has fallen off and it is no longer a profit-making route and they feel they should drop it.

I would like to get in for a minute or so on why the passenger use is falling off on the railroad in Northern Ontario and point out to the Minister why it is happening and why they are in the position they are at the moment. First of all, we should look at what we are using for railroad cars on that railroad. All of the present railroad rolling stock is cast off from the CNR.

Mr. J. Renwick: They have square wheels.

Mr. Jackson: Some of them do not even have square wheels—I think they are oblong. The coaches are 25 or 30 years old; they are cars that were put out of service by the CNR because no one wanted to ride on them any more. They were becoming too expensive to maintain.

Mr. Sargent: There is a nice club car.

Mr. Jackson: The sleeping cars are all cast-offs. I will get to that too.

Mr. Sargent: Nothing wrong with that.

Mr. Jackson: In my opinion they should have been scrapped several years ago. The hon. member for Grey-Bruce has mentioned the club car. The club car that is on the train has seating capacity for 20 persons, and has one table, where a person can sit down and have a meal. I have yet to enter into the club car on the train—and I ride it at least once a week—when there have not been 20 people standing, waiting to get into it.

We talk about service; there is no service on the railroad. Recently the ONR issued an order to all of their station agents—or a memorandum of an order—that now the train would be held up for about 15 to 20 minutes in Englehart so that the CNR which runs the dining coach—if they can call it a dining coach—will have time to open that dining coach before the train reaches Swastika. In other words, instead of coming to an agreement with the CNR so that the CNR would open 15 minutes earlier, they are going to delay the train 15 minutes and allow the CNR to make the ONR's decision on how the train should run.

It is my understanding that the way the profit is divided on this railroad, or the income is divided, is that all of the passenger fares from Toronto to North Bay go to the CNR. All of the passenger fares from there north go to the ONR. For the use of the

track they pay mileage. The CNR pays to the ONR, the ONR pays to the CNR—according to the mileage of the track that each one uses. They have pool trains, except that all of the sleeping accommodation and the bar cars and all of the profits from those cars go to the CNR. I can quite readily see why the CNR is making a profit and the ONR is not making a profit and why the ONR would like to give it up. Surely, providing adequate service would increase passenger travel on that railroad. At the moment the ONR has put a bus service on from North Bay and has gone into competition with its own railroad. The fare is nearly the same; the times are a little different but they run to the same places.

Surely, when the railroad say they want to discontinue a service, they must have a reason other than just to augment their bus service —to make their bus service show in the black instead of the red. I would point out to this Minister that the reason we are having such poor train service in northern Ontario and the reason the ONR want to get rid of it, is so that the bus service can show a profit.

The commission is split on this; one says we should have buses, the other one says we should have trains. Surely, if the commission cannot make up its mind, the decision should be made by the Minister to benefit the people of northern Ontario. They are talking about discontinuing—in fact, there is an application now to discontinue—service on the Nipissing Central Railway, which is the branch line of the ONR running into Rouyn-Noranda. Yet the bus service that the ONR is supposedly providing there depends on another bus line—a bus line that does not meet the trains.

If you are coming from Rouyn-Noranda and hope to catch the train in Swastika, you are just out of luck because it does not get there at the same time.

Mr. J. E. Bullbrook (Sarnia): That is unconscionable, you know. It is beyond belief. the government really has no concern—

Mr. Jackson: They close down the bar car, or the dining car, as they call it, at midnight. Yet there are several hundred people on the train every day who must ride all night without a chance to get a cup of coffee or a sandwich—after having been excluded from the dining car due to poor service previous to the midnight closing.

As I said, I have yet to go in that car when there are not 20 people lined up for coffee, sandwiches or cokes. Most people just do not bother waiting because they know they will not get anything before the closing hour, so they must ride all night without any refreshment.

Mr. Bullbrook: They are second class citizens.

Hon. J. R. Simonett (Minister of Public Works): They should take it with them in a bag.

Mr. Jackson: The Minister really echoes the policy of the railroad up until this point because he is the Minister who was responsible until now. Surely the reason the railroad has gone down is because of his policy.

Hon. Mr. Simonett: When did it go down?

Mr. Jackson: Let us go on. The railroad has had, I would say, over the last three years, an average of one train derailment every three or four months. Why?

We get wonderful answers: because of a broken flange; because of something on the track; because of weather. But really, is it not because of poor maintenance on the track?

You know they applied to discontinue the passenger service, and very shortly they are going to do that anyway because they are going to discontinue service altogether unless they do something with the track.

In the Raymore area there has been a permanent slow order on the track for the last six months.

Mr. Bullbrook: They have more regard for the ore that comes from Temagami than—

Mr. Jackson: Just recently we had an empty train go off the track south of Temagami and they told us something was on the track. I do not believe that and I do not think anyone can believe it when they look at the fact that, of three diesel units pulling the train, it was the third diesel unit that went off the track. Surely, if there was something on the track and the train had hit it, the first diesel would have run off, not the third one.

Hon. Mr. Simonett: If the track was bad, then the first would have gone off as well.

Mr. Jackson: That is debatable but, surely, with a wreck every three or four months, there must be a reason. Surely this railroad is going to have to do something about it or they are going to be out of business.

Recently, they laid off another section gang, and the chairman of the commission could more than likely tell us how many section gangs have been eliminated and by how

much that force has been reduced. I am sure that it does not, at this time, equal the force that was there in 1967.

What I am trying to say is that the reason that we are always complaining about poor service in northern Ontario is not because we like to complain. It is because the service is poor and is getting poorer every day.

The railroad is supposed to be a development railroad; it has done everything but developed. When we talk about making profits, this railroad has put that as their policy—make a profit at all costs and no matter who gets hurt.

Mr. J. Renwick: They have not done that for years.

Mr. Jackson: They made a profit last year in their communications, which has put them in the black for a change.

Surely, what that railroad should be doing is supplying a service for northern Ontario and instead of that they are reducing the service every day. I have brought it up many times with members of the commission and I get fairly pat answers, but we get no action and the railroad has not changed.

If we go into the Moosonee area there is no doubt about the track conditions there. They have been lucky; they have kept the trains on the track. But I had an opportunity last summer to travel with some of my colleagues to Moosonee and if the cars that we rode in had been cleaned, it was prior to Confederation. It was ridiculous to ask people to ride in them and yet those cars were on that train. I have been told that these are extra cars that are put on when there is a crowd, but surely maintenance should be done on those cars, whether they are used every day nor not. They should be in reasonable condition.

Mr. Sargent: We are going to change all that.

Mr. Jackson: If you ride on the Moosonee train you are treated to something that comes out of the war. A policeman walks up and down through the car with a gun on his hip. You ask him why he is there and he tells you because of the problem that they have with Indian people. They have to have a policeman. I do not believe that.

I do not believe you have to have a gun to control a man. It always reminds me of something I see in the movies during the war—some storm trooper going up and down in the cars saying, "You sit down, I want to check your passport".

Surely in this day and age we do not need a policeman to keep us in line on a train. If they want to put a person on there to make sure there is law and order, take away the gun, he does not need it. I have asked at least twice that it be done and, according to my recent reports, it has not been done.

Mr. Chairman, that is really all I have to say. Instead of giving a service on that railroad they are doing the province a disservice. Until they decide that they are going to run a railroad, it never will be a railroad and if they are not going to run a railroad, then give it to the CNR who can.

Hon. Mr. Simonett: That is a good statement.

Mr. Singer: Mr. Chairman, on that report, could I just clarify this discussion we have been having? I have done a little research.

Last year there were two occasions on which the ONR was debated, first on supplementary estimates that appear around page 1341, when there was a discussion at that time and secondly, on the first vote of this department when the Minister from Frontenac-Addington (Mr. Simonett) was the Minister of this department at the time.

Hon. Mr. Simonett: I agreed to discuss policy.

Mr. Singer: No, that is not quite so. Let me read from page 4264.

Mr. J. E. Stokes (Thunder Bay): That has all been settled, let us get on with these estimates.

Mr. Singer: No, I think we should establish it. I think we should establish it once and for all because this can come up year after year. Just let me read a portion of this, Mr. Chairman:

Mr. Nixon: Mr. Chairman, if I may make the comment on the discussion at this time. The hon. member for York South is just a little off base in this parallel with the workmen's compensation board because I think a discussion of this type ended a few weeks ago with the Premier agreeing to put the workmen's compensation board on the order paper for discussion of this report as an alternative, discussing it in these estimates. Surely, what we want to discuss today is not the detail of the operation, but the policies having to do with the Minister's responsibilities of reporting to the House for the Ontario Northland Railway. And it seems, that under the first vote, we could very well continue the procedure of discussing policy matters, if you would care to allow it as being in order, Mr. Chairman.

That is my leader saying that. Mr. Chairman now says:

I want to make it quite clear that I do not want to restrict proper debate on this, but I pointed out, simply as a matter of information, that there has been seven pages of discussion and debate.

That is the reference back to page 1300. Then:

Mr. Paterson: Mr. Chairman, if I might address myself to that. I recall participating in that debate, and we were restricted to debating on the supplementary estimates. I tried to raise the question of the number of accidents, and so forth, and I believe the reply, at that time, was to bring this up under the Minister's total estimates. And I would plead with you, to allow my associate to continue with a few new remarks in this regard.

Mr. Chairman: Is the Minister prepared to entertain further discussions on the Ontario Northland Railway aspect of the—I cannot say of the estimates because it simply is not in the estimates?

Mr. Nixon: Of his responsibility then, perhaps you could say.

Hon. Mr. Simonett: All right. If you want to question me on my responsibility, that is fine, but I cannot answer detailed questions on the ONR, with all the officials in North Bay.

So that was the precedent that was established and rather than have this argument year after year, I think it would be appropriate, Mr. Chairman, if it was agreed—since the former Minister of Energy and Resources agreed last year and since the present Minister has agreed this year—that under the first vote in this department that there be a discussion on the ONR.

Mr. Chairman: Well, the only real consistency I find in the remarks of the hon. member for Downsview is the fact that the Chairman is very consistent.

Mr. Singer: A very reasonable person.

Mr. Chairman: I do not believe that it really does solve the situation. I think there should be some arrangement made whereby, for this particular commission, and perhaps other similar ones, it should be clearly indicated in some procedure of the House where and when it can and may be debated. I do not think this is an ideal situation.

Mr. Singer: It is not ideal but we have done it for a number of years.

Mr. Chairman: I accepted that and I think this is the way I dealt with it today.

Mr. Stokes: Next order of business.

Mr. R. S. Smith: Is the Minister going to answer the member for Timiskaming?

Hon. Mr. Kerr: When I have an opportunity, Mr. Chairman, I will.

Now, the hon. member for Timiskaming mentioned that the CNR had applied to abandon its service between Toronto and North Bay and suggested the ONR backed up the CNR. I have no such information on this, nor is it a joint application, as was suggested by the hon. member for Nipissing. I say what I said before and I will say now: how can we operate a railroad if there is not a line between Toronto and North Bay?

Mr. Jackson: Then fight it. You are not fighting it either.

Hon. Mr. Kerr: We will have someone appear before the board of transport commission.

Mr. Bullbrook: That is not good enough.

Interjections by hon. members.

Hon. Mr. Kerr: I will leave this up to the commission to decide that.

Mr. R. S. Smith: Are you going to oppose it or what?

Hon. Mr. Kerr: Well, the representatives of the Ontario Northland transportation commission will appear—

Mr. R. S. Smith: Will they oppose it?

Hon. Mr. Kerr: I would assume they would oppose it, yes.

Mr. Sargent: You would assume.

Mr. Singer: What are your directions to them?

Hon. Mr. Kerr: Well—

Interjections by hon. members.

Hon. Mr. Kerr: As far as I am aware, Mr. Chairman, under the provisions of The Ontario Northland Transportation Commission Act, this is the responsibility of the Minister as far as that railroad is concerned. If the commission decides to oppose the abandonment of that line, this is fine. If they do not decide to oppose that abandonment, then I would have to consider if I, in fact, can request them and direct them to do so. This is a matter of policy decision.

Mr. J. Renwick: Mr. Chairman, could not a Minister of the Crown appear independently of the commission and give this backing to the opposition to the abandonment of that line?

Hon. Mr. Kerr: Anybody can appear, I would think, Mr. Chairman. It would be

highly unlikely that the Minister, in this case, would take a different stand than his commission.

Mr. Bullbrook: Take the Minister of Transport with you.

Mr. Singer: You could take the head of ONR with you.

Mr. J. Renwick: To add weight to the public interest that is involved.

Hon. Mr. Kerr: Certainly. Oh yes, that could be done.

Mr. Singer: There are very few heads of the ONR that are going to disagree in public as—

Hon. Mr. Kerr: I would think that is so, yes.

Mr. Bullbrook: They might not be the heads of the ONR for very long.

Interjections by hon. members.

Hon. Mr. Kerr: Now the hon. member also referred to rolling stock and said that some of the coaches were cast off 25 or 30 years ago. I do not agree with that, Mr. Chairman. I have travelled on the ONR.

Mr. Stokes: Was that a private car you were riding in?

Hon. Mr. Kerr: Certainly new coaches, quite modern coaches are available on that railroad. When you are travelling to Moosonee, particularly on the Polar Bear express—

Interjections by hon. members.

Hon. Mr. Kerr: Barbara Hutton's car.

Mr. Singer: Was she there?

Interjections by hon. members.

Hon. Mr. Kerr: It is necessary, when you have eight or nine hundred passengers on that train, say, between Cochrane and Moosonee, that you have to utilize some of the old coaches. There is no question about that.

Mr. Jackson: Well, I agree with the Minister there.

Hon. Mr. Kerr: Yes, I would assume those coaches are in proper maintenance—I am talking about mechanical maintenance. We do not want hot boxes nor do we want to lose a wheel, or something like that.

The eating facilities, I will also admit, were not the best and I think as the Polar Bear express increases in popularity, possibly we are going to have to look at our facilities.

Mr. Makarchuk: You might just have to change the menu for the summer.

Hon. Mr. Kerr: But I think the hon. member for Timiskaming has considered the point that people are taking that express; they are taking that particular trip to see Moosonee and to ride on that railroad.

I wonder what happens if we, shall we say, have a modern limited running between Cochrane and Moosonee. Will that in some way cut down on the attraction of that express? I was just wondering about it.

Mr. J. Renwick: No, I do not think so. I do not think you have to worry about that.

Hon. Mr. Kerr: All right. Now, I think, outside of that, the hon. member got into more detailed matters dealing with the railroad. For example, the fact that you have a permanent slow order in one area and these derailments—

Mr. J. Renwick: What is the government policy on these railroad wrecks?

Hon. Mr. Kerr: We are against them.

Regarding the policeman. I agree with the hon. member that it is unfortunate that he has to carry a revolver. However, my information is that that man, or no other man, would serve as a constable on that train without being armed because of some incidents that have happened. I know I talked to one particular—

Mr. Jackson: Surely he does not have to carry it openly. He could put it in his pocket.

Hon. Mr. Kerr: Well, all right, if you do not like the idea—

Mr. Jackson: I cannot see any reason for it.

Hon. Mr. Kerr: I can see your point.

Mr. Makarchuk: Mr. Chairman, could the Minister imagine what would happen if you started shooting a gun off in a railway car?

Hon. Mr. Kerr: There could be some injury.

Mr. Makarchuk: You might have to shoot a moose on the way.

Mr. J. Renwick: That adds to the quaintness of the trip.

Hon. Mr. Kerr: But this is a fact and there has been some trouble.

I would suggest that possibly my good friend the Chairman would like to deal with some of the other particular issues.

Mr. A. Johnston (Parry Sound): I have just been itching to get into this debate, Mr. Chairman.

Mr. Sargent: On a point of order, Mr. Chairman, I think this is getting out of kilter. My friend, the member for Nipissing, has been here for two hours trying to get the floor, he upstages him and now he has all the bullets over there.

Mr. Chairman: I believe there are some questions asked the chairman of the commission that he is going to answer.

Interjections by hon. members.

Mr. A. Johnston: I would say the member from Owen Sound never gives a politician an opportunity to get his second wind. You had better let me go.

The member for Timiskaming brought up questions about the equipment. I feel very badly about this, because this equipment is reconditioned CPR equipment which was not abandoned, but was purchased by us from the CPR. It was their standard equipment on their main line. We were allowed to select any equipment—

Mr. Gisborn: What year?

Mr. A. Johnston: It was manufactured in 1948, I believe.

Mr. Gisborn: 1944.

Mr. A. Johnston: All right, 1944, if you say so.

We were allowed to pick any equipment which they had surplus, because of the fact that they did delete some of their transcontinental trains. We are very proud of that equipment. We do not think there is any better equipment in Canada than there is on that particular train.

It is unfortunate that the member for Timiskaming made a trip to Moosonee and he did, I understand, have a ride on one of our older coaches, which was at that time limited to two coaches.

I believe there were 800 people on the train—

Mr. Stokes: In two coaches?

Mr. A. Johnston: —and there were enough there to add two additional coaches to pick up the people who wanted to go to Moosonee.

We have made a sincere effort this summer to have all air-conditioned coaches on that train and, of course, this was the exception that the member would bring up.

In respect to the ONR making money on the buses, we have a different fare on our passenger trains from that on our buses. The rate on the passenger trains is cheaper than the bus fares.

Mr. Ferrier: Not now it is not.

Mr. A. Johnston: I think you should check it. I checked it just the other day.

We are not discouraging anyone from going by train. In fact, we are encouraging them. We did for a while delete the red, white and blue fares because the CNR intended to delete them, but, however, since they have not done this we have now put the red, white and blue fares back on our passenger business.

Mr. Chairman, the member mentioned so many things I cannot remember them all at this time. We have no intention of discontinuing our service from North Bay to Timmins. In respect to the Minister's comment as to whether the commission would oppose this or not, I would say yes, that the commission would appear and oppose the deletion of this train service.

I think it is only natural that we do not want to be left on an island in northern Ontario in which we could not service the people. Unless I get direction from the Minister to the contrary I am sure we would; and I do not think that the Minister would tell us not to do it.

Another point which was mentioned was in respect to wrecks and I should have given the member for Nipissing an opportunity to talk about this because I know very well he will. Certain statements were made in previous years in respect to the safety of our road-bed and this concerned me as chairman, too. I asked the CPR to send up their best officials who were in charge of their road-bed, and we had a thorough investigation of our line. We received a report which was completely satisfactory.

However, the member for Nipissing did mention in the House that he felt we should have had either an independent investigator or someone from the Board of Railway Transport Commissioners. I am very pleased to say that I accepted his suggestion and did have someone from the board of Railway Transport

Commissioners come up. In this connection, they were only permitted by their regulations to inspect that portion of our line which was under federal charter, which is the line from Swastika or Kirkland Lake to Noranda. The report was favourable; that our line was up to proper standards, with other railroads in Canada. Mention was made, however, of a bridge which needed some attention. We thanked them for this and promptly repaired the bridge to the standards that they requested.

In respect to wrecks, I would say, as a general statement, that the ONR do not have any more derailments than any other railroad in Canada; or, as you call them, wrecks. I think this is a fair statement. I have had it checked several times and on a per mileage basis we compare very favourably with other railroads in both the United States and Canada.

It is unfortunate, of course, that when the ONR has a derailment it is in the headlines in northern Ontario. The member for Timiskaming and, I suppose quite rightly, the members for Cochrane and Nipissing, say "The ONR has had another wreck".

Mr. Bullbrook: Are you talking about the number of wrecks? Would you permit a question?

Mr. A. Johnston: Sure; certainly!

Mr. Bullbrook: Are you talking about the number of wrecks, or are you talking about the ratio of wrecks per mile travelled? Because one would think that the ONR would have considerably fewer wrecks than, for example, the CPR.

Mr. A. Johnston: I am talking about the ratio per mile, yes. As I say, we compare very favourably with, say, the CNR and the CPR.

In respect to reduction of the section crews, this is done in accordance with the practices of other railroads. In running a railroad like this, we have to have efficiency, but we also have to operate it in a manner that must at least break even. In the last few years, we have had a very large capital expenditure on the railway, and we feel that our track and road bed now is in adequate shape—up to a good standard.

I would be pleased to answer any individual questions in respect to it.

Mr. R. S. Smith: Mr. Chairman, I have a few comments to make. First, in regard to the ONR itself and the commission.

Under the Ontario Northland Railway commission comes the whole of transportation in the eastern part of northern Ontario north of Sudbury and North Bay. They control the railroad, the trucks, the buses—there is nothing else left that is not practically controlled by the Ontario Northland Railway.

We, in northeastern Ontario, look to the railroad to lead the development in that part of the province, and up to now it really has not. It has been more or less a place for retired friends of the Tory Party. They have appointed these people to the commission, and at the present time we have three people on the commission who are either defeated Tory candidates or one of them is successful; he is the chairman of the commission.

Of the five people on the commission, three are Tory candidates; the other two are great friends of the Tory Party. It is pretty apparent to northeastern Ontario that the people are not satisfied with what this government has done for them. In respect to that, this government appoints their friends to a commission to which the people in northeastern Ontario look for leadership. As a result, the people in that area do not have any more confidence in the commission than they have in the government and rightfully so.

I would suggest, Mr. Chairman, that the makeup of the commission should be changed. I would think that the Minister might listen to this for a minute in order that he might bring some light into the commission offices in North Bay.

I believe some control has to remain with the government, so I think three members of the commission should be appointed by the government. One member of the commission should be elected by the employees of the Ontario Northland Railway; a second member should be appointed by the municipalities in northeastern Ontario; another member by the joint labour councils in that area; and another member to represent industry.

In that way we have would have a seven-man commission that would be closer to the people in northeastern Ontario. It would represent their views and what they think rather than defeated Tory candidates who have been told by the people that they do not agree with them.

I think, firstly, I would like the Minister to consider that. Secondly, to get back to the application that has been made by the CNR for discontinuing the service between Toronto and North Bay and Kapuskasing and Cochrane, I stated a week and a half or so ago, in the House, that I thought this application

was made in conjunction with the ONR. If you see the application that is on file at the board of transport commissioners in Ottawa, it says the CNR is making an application to discontinue service from Toronto, North Bay to Kapuskasing. That is what the application says, because I have checked it with the board of transport commissioners in Ottawa.

I accept what the Minister says that the ONR is not connected with the application directly; but they are indirectly partly responsible for it. I am glad to hear that the chairman today has said that they will file a complaint against the application.

I would like to ask either the chairman or the Minister if the ONR has considered placing together the Ontario Northland Railway Transportation Commission along with their subsidiary company, the Nipissing railroad—the one that runs from Swastika into Rouyn—Nipissing Central. If these two were placed together in one company, the ONR would then come under the board of transport commissioners regulations where they should be, and where they have not been because it has been the decision of this government to keep them out of it by keeping the two companies alive so that they did not cross inter-provincial borders.

If the ONR was completely under the board of transport commission regulations, they would have the right to come in firstly and inspect all the railroad as far as safety conditions are concerned, which they have not done. They have only done about 40 miles, as the chairman indicated today, and secondly the ONR would then be able to apply for the subsidies to cover the losses on their passenger services between North Bay and Moosonee. And I should think that —we cannot find out from the ONR report what the loss on that passenger service is, but if the CNR is going to quality for a grant from the federal government of $720,000 which is 80 per cent of its losses, of what we might call the "fool train" then certainly the ONR should put itself in a position where it can also qualify for 80 per cent of its losses.

I would suggest through you, Mr. Chairman, to the chairman of the commission that they should look at this quite closely because that would represent a sizeable amount of money that could be spent on development in northern Ontario.

I have some other questions—maybe the chairman could comment on that, or the Minister.

Mr. A. Johnston: I can answer that. In respect to coming under the board, obviously I cannot answer in respect to the composition of the members of the commission, because if I did, I might find myself out of work, but in respect to the—

Mr. R. S. Smith: I said there will be three left to be appointed by the government—

Mr. A. Johnston: In respect to Moosonee, yes it is true we had an operating loss of approximately $480,000 in 1968, and would very much desire to receive subsidy under this.

I believe the reason we did not apply to come under the board about three years ago is that after very thorough studies and recommendations by people who are familiar with the operation of it, there were some disadvantages and some advantages. At the time we were discussing this, the Act in Ottawa was to be rewritten, and this has been done since.

Mr. R. S. Smith: Right, and now is the time to decide.

Mr. A. Johnston: Yes, and I think it is appropriate that it might be wise now to make application to come under the board, because there will be considerable amounts of money provided railways in the form of subsidies, and if we continue then I think we should take another look at it, and I appreciate your comments.

Mr. Stokes: What do you mean if you continue?

Mr. A. Johnston: Pardon? If the CNR does gain this request that they take off all of the passenger trains between Toronto and Kapuskasing, we would obviously be an island and we would have no place to go.

Mr. R. S. Smith: Except to take over the—

Mr. A. Johnston: Yes. Well, of course, this would be fine, and I would be prepared to study this matter, but it would be government policy, and I could not do this without a decision by the government.

Mr. Stokes: Integrate it with the GO system.

Mr. A. Johnston: I understand there is a committee of transportation in the government, and I presume they are studying this. Did that answer the member's question?

Mr. R. S. Smith: Mr. Chairman, I have some other things I want to ask the Minister. Perhaps I could ask the Minister firstly, if the CNR is successful in its application to

remove the train service between Toronto and North Bay, and Kapuskasing and Cochrane, will the government consider initiating that service in conjunction with the ONR?

Hon. Mr. Kerr: Yell yes. If they are successful in abandoning the line between Toronto and North Bay.

Mr. R. S. Smith: Passenger service, not the line.

Hon. Mr. Kerr: Yes. Certainly we would consider subsidizing our own service, yes.

Mr. R. S. Smith: I have another question, perhaps I will address it to the chairman of the commission. I asked him about this earlier in the year in the commisisons meetings, and at that time he did not have quite a full answer. There were two things brought up in regard to discrimination practices and employment at the ONR.

First, there was the fact that some time ago they had a policy that they did not hire married women, and they also had a policy that if a girl was on staff, and was later married, that her services were discontinued. I brought that up at the commission meeting and I think there has been some change since then, in the last few months.

Mr. A. Johnston: Yes. Mr. Chairman, the member for Nipissing did bring this up and we considered that in this day and age probably some of these regulations should be abolished, and I would only answer by saying that the member for Nipissing probably made some friends among the unmarried girls.

Mr. R. S. Smith: I do not know about the chairman, but I am really past that stage.

An hon. member: You do not have to make a convenience of this.

Mr. R. S. Smith: I mean young single girls.

An hon. member: Careful, careful!

Mr. R. S. Smith: The second question was in regards to the employment of our native population far north of the province, and we asked the commission at that time, in regard to their practises, and it is quite apparent if you go up there, there are not too many of the native population employed by the railroad, and when asked at that time, one of the commissioners went on to point out what opportunities were given the native population by every other employer in the area except the railroad, and I referred specifically to Mr. Thompson who tried to answer the question by telling what opportunities were given by other employers, Hudson's Bay and other people, but he never referred to what the railroad was doing, and it became apparent there was perhaps no discrimination against these people by the hiring department of the railroad, but there certainly was no encouragement given them to become hired by the Ontario Northland Railway, and I would like to ask the chairman, if since that time the condition has changed.

Mr. A. Johnston: Well, Mr. Chairman, I can say definitely there never has been in the ten years I have been associated with the railway, to my knowledge, any discrimination.

As the member knows, most of our employees north of Cochrane are Indian and I think it only fair to say we would be encouraged to hire them for other duties. I was talking to our dining car supervisor in respect to using more of the Indian girls, particularly in the summer Polar Bear Express Excursion train. We could use them probably as guides and hostesses.

It is very hard to get Indians until they are educated, of course, into a position such as railway station agent. They usually have to start at the bottom and work their way up, and you could not put someone in from outside—say a station agent or railway engineer—unless he has been trained with the railway for a number of years. It is a very hard problem to settle. In this connection, Mr. Chairman, I would like to say we do not have any discrimination in our coaches. I read a newspaper article last year by a person who had been to Moosonee and he inferred the ONR conductor and train crews segregated the Indians going to Moosonee into the front two coaches.

I have checked this and checked it and checked it with possibly ten of my conductors and train crews, and they always say the same thing, the Indians go voluntarily, they will not sit anywhere else. They want to be together and I have never received any proof of discrimination. I cannot substantiate it at all.

Mr. S. Apps (Kingston and the Islands): Mr. Chairman, in listening to this debate, there are a couple of points that come up that I think may be worthy of merit. I think most people would concur with the Opposition that the passenger service should be continued between Toronto and North Bay and Kapuskasing and also from North Bay to Moosonee. I am wondering whether the member for Nipissing has brought this up

with his federal counterpart to see what they can do in—I think this is rather important. I am trying to be helpful here.

The CNR is operated by the federal government and I am sure that the federal members from Nipissing and farther north are most interested in maintaining this service, and I think that they should have some influence on the federal government in seeing that this is maintained. Although sometimes I wonder just how much influence Ontario federal MPs have in Ottawa.

Interjections by hon. members.

Mr. Apps: I think this is one of the things where they could perform a great service.

Interjections by hon. members.

Mr. Apps: So, I think this should be explored and I think the member for Nipissing probably could explore it just as well as anyone else. Secondly, the Ontario Northland Railway, it seems, is one of the very few railways that have had an increase in their passenger traffic and I think they should be commended for the efforts they are making in promoting the passenger traffic between North Bay and Moosonee. As a matter of fact, maybe they can give some lessons to the other two railways who are, almost without exception, discontinuing their passenger traffic. They come up and see what we are trying to do to promote passenger traffic and although it is pretty easy to criticize, at least they should be commended in the efforts that they are making in promoting the passenger traffic between North Bay and Moosonee.

Interjections by hon. members.

Mr. Chairman: Order, please.

Mr. Apps: There is nothing in my comments to indicate that I am criticizing the Ontario Northland Railway. I am trying to be helpful in this regard and I think that a pat on the back is worth a lot more than a kick in the pants and that is just what I am trying to do, trying to commend them.

Mr. R. S. Smith: I will take the member's advice, and I assure him that I have already done what he was talking about.

An hon. member: He is a long way ahead of you.

Mr. R. S. Smith: I have another question in regard to the last year. In 1968, the railroad showed a profit of nearly $300,000 —$282,000, I think it was. But this had been reduced considerably. This was not actually the profit because the profit was reduced from well over $1 million because of an extra grant that they had to make to the pension fund to bring this up to where it would be actuarily sound. So that actually the profits on the railroad last year, but for the grant that they had to make to make up for payments they should have made years ago, would have been well over $1 million.

But the profit picture of the railroad varied considerably last year in that the communications section decreased in profit by over $200,000, and it has been brought to my attention that there are some large capital expenditures that have to be made within the communications section of the operation in order that it might provide proper service in northeastern Ontario. I would like the Chairman to tell me how large these capital expenditures are going to be and whether he considers it worthwhile for the Ontario Northland Railway to remain in the communications business, or should they take the invested money that they have in that business and use it in the other economic development areas of northeastern Ontario where it would be much more useful to the people? Because I am sure that there is no need for government to be in the area of communications any longer in northeastern Ontario; that there are private concerns who could operate that as well and perhaps more effectively than government—particularly when they look at the large capital expenditures that have to be made within the next short period of time if we are to have proper service.

Mr. A. Johnston: The capital expenditure required for improving our service in northern Ontario is principally for the microwave installation to Timmins, as it is all on line now. As I recall, the total expenditure is $700,000, of which we spent in 1968, I believe, $200,000, leaving approximately $.5 million yet to be spent. It is true the profit last year was about $280,000, but out of that, we had already placed $1.4 million into the employees' pension fund so that our true profit was $1.8 million. And I think it is necessary that this money go in the pension fund because it is for the benefit of the employees and it is to keep it actuarily sound. Now was there another question the member asked?

Mr. R. S. Smith: My question is, would the commission consider disposing of their communications section and taking that

money and investing it elsewhere in the development of northeastern Ontario? There is no longer a need for government to be involved in the development of communications in northeastern Ontario, but there is a definite need in other areas where that same capital money could be used.

Mr. A. Johnston: This communications system of course is not restricted to Ontario; it also includes northwestern Quebec.

Mr. R. S. Smith: That is another point: why should we be developing this communications service in northwestern Quebec? Can you explain that to me?

Mr. A. Johnston: For two reasons. I felt the member for Riverdale would probably answer it because he is familiar with this operation. Two reasons: the first is to make money and the second is to provide efficient service in Canada. And, no, I would be the last person that would preside over the disposing of the only branch of our service that helps to carry the rest of our operations in northern Ontario for which we provide service. You mentioned yourself that we have a large loss on the Moosonee line, however, the Moosonee line is providing service for the people up there and it is true we lose money on it; we require the communications system to help pick up these losses. I might say that we certainly would never sell the communications system on ridiculous offers that have been intimated to me that other people would pay for it. No, I would say no.

Mr. R. S. Smith: I am not discussing with you what offers were made. I do not even know if any have been, but what I am discussing with you is the fact that I do not think that there is a requirement for government to be into the communications business in that area of the province any longer.

Interjections by hon. members.

Mr. R. S. Smith: You would like them to be in every business.

Interjections by hon. members.

Mr. R. S. Smith: The fact of the matter is, there are other areas of development that require the capital that is involved in that communications service.

Mr. Stokes: Now that it is working well, you are going to give it away.

Mr. R. S. Smith: I want to get the capital out and develop elsewhere, but you could not understand that. However, our friends to the left do not have much to say, except whether they can drink on the railroad after midnight or not. I mean this seems to be their major concern, and there are other policy matters that I would like to discuss perhaps.

Mr. Ferrier: You must have been sleeping when he was making his speech.

Mr. J. Renwick: What is your position on that question?

Mr. R. S. Smith: On what question?

Mr. J. Renwick: About drinking after midnight.

Mr. Sargent: What is your position?

Mr. R. S. Smith: I do not think it is a matter—

Interjections by hon members.

Mr. R. S. Smith: —in the development of northern Ontario.

Mr. Singer: We have a caucus meeting coming out on it.

Interjections by hon. members.

Mr. R. S. Smith: Mr. Chairman, I just want to make the point that I feel that the capital that is invested in that system which requires larger capital investment at the present time, should be placed in other areas of development now that it has served its purpose. And I do not think that private industry is going to develop the other areas in which the Ontario Northland Railway should be involved. And this is the whole point of the railroad, is it not?

Mr. A. Johnston: I am not sure what the member for Nipissing means in that we should be developing something else.

Hon. A. Grossman (Minister of Correctional Services): Start a railway.

Hon. G. E. Gomme (Minister of Highways): More communications.

Mr. R. S. Smith: Well, one thing: within the railroad we should have by this time developed a nucleus of a staff that can formulate economic advancements in northeastern Ontario. You should have an economist. You should have other people who can deal with industry and help to bring them into the area. You should be prepared to build more branch lines on the railroad as industry needs them—in fact, before industry

needs them, so that they will go in and develop and things like that, rather than by dealing with a telephone system that can be worked just as well otherwise.

Mr. Sargent: Even the NDP could operate it. No comment on that.

Mr. A. Johnston: Mr. Chairman, we have developed branch lines as industry requires them. We have built a line to the Sherman Mines, we built an extension to the Dane Mine and we built an extension to Texas Gulf, which, incidentally, is paid for by Texas Gulf. We did construct it for them, and we would be the first people there to provide rail service to any new industries that come up.

I think that we must keep the communications system, in fact, I am sure of it, because I think that we are providing a good service in our telephones in northern Ontario.

Mr. F. Young (Yorkview): You people are good socialists over there.

Mr. D. A. Evans (Simcoe Centre): Mr. Chairman, just one little question, but I think a very important one to the member for Parry Sound: would it be possible to have Train 88 arrive in Toronto every morning via the west side of Lake Simcoe, arriving about eight o'clock and stopping at Orillia, Barrie, Bradford, Newmarket, Aurora and King? And has there been any negotiation with the CNR to have this train run down the west side of the lake?

Mr. A. Johnston: In reply to the member's question. We have no jurisdiction over trains 87 and 88 when they leave North Bay coming south, and we could not tell the CNR where the lines or the trains should run.

The same with train 87 going north in the evening. The train departs from Toronto and, until it reaches North Bay, we have no jurisdiction.

Interjections by hon. members.

Mr. Chairman: The member for Sarnia.

Mr. Bullbrook: It is my understanding that the Ontario Northland Railway has twice applied for abandonment of its passenger service on the Nipissing Central. Is that correct?

Mr. A. Johnston: We made one application and the appliction was held in abeyance, as all applications are at present time. There is a dispute between the Canadian Pacific Railway and the Canadian board of transport commissioners as to allocation of costs in respect to applications of abandonment.

The Canadian Pacific Railway have appealed to the supreme court, which you may be aware of, on the system of allocation of cost that has been provided by the Canadian board of transport. In other words, they do not accept the CPR's allocation of cost in their applications and this is before the supreme court. I do not know when it will be settled, and to the best of my knowledge all applications have, therefore, been held in abeyance.

Mr. Bullbrook: Basically then, you are going to find yourself in, perhaps, the untenable position of intervening in connection with the application. Or, not intervening, but opposing the application of the CNR in connection with its abandonment attitude. You have already got, concurrently, an abandonment application of your own, as far as Nipissing Central is concerned. Is that correct?

Mr. A. Johnston: This is right. There is very little traffic on this line from Kirkland Lake to Noranda. Mind you, there is alternative CNR service to Noranda, and we find through the years that there are fewer people using the service from Kirkland Lake to Noranda. They are coming, more or less, from Montreal, or else flying.

If I could just picture, for the members, the position of that long train, going in there seven days a week, with a sleeping coach on it, a baggage car, one passenger coach and a crew of six. And two people on it, maybe one in the sleeper and one sitting up front. This is costing us $240 a day.

Mr. Bullbrook: I can visualize the problem and I accept your dilemma. One has to voice the situation. The reason I enter into the debate is not only, shall I say, my historical involvement with the area, but that I have close friends living there. I do not believe they even have a restaurant on Swastika station, do they? I do not think they have a coffee machine, do they?

Mr. A. Johnston: No!

Mr. Bullbrook: I wonder which comes first, the chicken or the egg? Do you have a lack of passengers because of your service, or is your service so poor because you have no passengers? This is what has to come to mind.

But the point I wish to convey to the chairman of the ONR, through you, Mr. Chairman,

is that you are going to find yourself resisting an application by the CNR, put forward on exactly the same substance that your own application in connection with Nipissing Central is founded.

The one thing I want to conclude my remarks with is that I would suggest to you—and I would hope you would agree—that it is absolutely essential that the service from Toronto by rail to northern Ontario continues. You cannot analogize; I do not write your brief for you, or presume to, but the substitutional availability through Abitibi bus lines and the CNR, as far as the Nipissing Central is concerned, is one thing. But the obligation of those among you who are involved in the field of transporting the public is such that it would be not only unconscionable, it would border on being tragic, if the board of railway transport commissioners ever permitted the CNR to abandon that facility. I would hope that you might well put to them, as ridiculous as it might seem, that if they ever do abandon that facility, you are entitled to take over their right-of-way facility. Because somebody, certainly, has to assure the public of northern Ontario that they have that mode of traffic. Perhaps the chairman would consider commenting in that connection.

Mr. A. Johnston: Yes, you are quite right.

The line to Noranda, of course, has an alternative rail service. As you pointed out, if the CNR abandoned the other service, the main line, then there is not other service to northern Ontario at all. This is why it is most important, I think, that there be some service to the people of northeastern Ontario.

Mr. Bullbrook: I wonder, just to have the record clear, I do not think it would be too much to ask the board of railway transport commissioners that if they conceive permitting the CNR to abandon their services, that the rights-of-way be turned over to the ONR.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I only have one comment to make, and an observation. The position of our party on the Ontario Northland transportation commission is consistent this year, as it has been in other years. We would like to see the commission basically expand its facilities in all the areas of land and water transportation, and to develop and expand its facilities in all areas of communication—telephone toll, radio, television or any other branch that will provide adequate facilities in that part of the province of Ontario that the commission serves.

That is my observation. My comment, Mr. Chairman, is simply that I take it from what the Chairman has said, and I would like the Minister to comment specifically, that there is no intention on the part of the government—and this would only be repeating the confirmation that was given in prior years—to sell the toll communication telephone facilities of the Ontario Northland Transportation Commission.

Hon. Mr. Kerr: Mr. Chairman, there is no such intention. As the hon. member knows, Bell has been attempting to acquire the whole system. However, the ONR feels that it can improve its service. Although some expenditure has to be made in the standard of service we can provide the same service as Bell is prepared to provide. Frankly, the commission is making money from this system; it is helping to subsidize other areas that are not doing as well and we have no intention of giving it up.

Interjections by hon. members.

Mr. R. G. Hodgson: Mr. Chairman, I would like to suggest that perhaps this Minister and this government could well take a look at the idea of joining together two commissions of this government. One is the Ontario Telephone Service Commission—the communications part of that engineering branch of the Ontario Telephone Service Commission joining with the ONR. It seems to me that today, with the phasing-out of the need for the Ontario Telephone Service Commission in the province of Ontario, that the remaining duties could well be handled by this commission. Its engineering staff could be a very useful thing to have these two commissions amalgamated into one.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: I would like to raise my voice along with those that have already been raised on behalf of the people of my ridinig, that the rail services on the passenger basis be continued for our area. There are many times when the planes cannot get in and cannot get out—last night was a point in question.

There are many people who are sick or who are compensation cases that must come down south for medical treatment and they need the sleepers in which to rest when they are coming down. Some of them need to get

into bed right away. If we are going to make the north feel that they are part of this province we cannot abandon this kind of service. As I say, I make my appeal along with those of the other members of the north that you speak in a firm voice to the transport commissioners when you appear before them to see that the service is kept now. And if in some way it might be expanded, there might be thoughts given to a dayliner service up into that area. It may be feasible to add this kind of service. It may not be as expensive; it may be another alternative, an additional service. But we have got to have as many ways of communication with the south as possible. As I say, I hope you will speak with the firm voice that you say you will and protect our very vital interest up there.

Mr. Chairman: Anything further on ONR? The member for Grey-Bruce?

Mr. Sargent: On this vote of $761,000, is a grant of $141,000 to the University of Toronto re Great Lakes Institute.

Mr. Chairman: This was discussed.

Mr. Sargent: It does not matter. I want to know if the Minister could tell me why we have a great underwater research programme called Subliminal in Tobermory. We cannot get five cents of help for it. I even had to go and arrange to get the customs paid for it. This is one area where the Minister could help in giving a grant towards the fresh water research.

On this vote, I would like to know about this $25 million reported building on University Avenue for the Hydro. Is this the vote to discuss that? Adminstrative?

Mr. Chairman: There is nothing in this estimate for any amount like that.

Mr. Sargent: Where do we talk about Hydro?

Mr. Chairman: Hydro activities will be discussed.

Hon. Mr. Kerr: Hydro pays for its own buildings.

Mr. Sargent: I want to talk about that.

Mr. Chairman: Hydro will be discussed, certain matters of Hydro will be discussed under vote 603, but not under this vote.

Mr. Sargent: Mr. Chairman, before I sit down, I think it is important that we are going to be discussing the Hydro estimates. The chairman of Hydro—

Mr. Chairman: We are going to discuss the Hydro estimates on 602.

Mr. Sargent: We start that after supper this evening. The chairman of Hydro should be sitting in this House reporting to this House.

Mr. Chairman: Do you wish to discuss anything on 601?

Mr. Sargent: Vote 601 is administrative, is it not?

Mr. Chairman: Yes, departmental administration.

Hon. Mr. Kerr: Nothing to do with Hydro.

Mr. Sargent: Where do we discuss Hydro?

Mr. Lewis: Next vote. Let 601 pass.

Mr. J. Renwick: Mr. Chairman, on vote 601, I have two matters which relate to the relationship between this government and the federal government in the one case, and to another department of the government, or two other departments of the government, in the other case.

Do I take it, from what the Minister said, if I may relate back to the early part of the discussion this afternoon, that he is or is not in favour of some kind of tax incentive programme to aid in the industrial pollution problem in the province of Ontario?

Basically the question is, who pays for the installations designed to eliminate air and water and soil pollution caused by industry in the province? I understood his reply to the member for Essex South to be, in substance, two-fold. One was that it was denied in the Carter report that incentives should be part of the tax system, and secondly, the question of a rebate or alleviation of the sales tax was not one which was favoured by the federal government. But I did not get any indication from this Minister as to what his position is on this question; whether there have been any discussions with his colleagues, the Treasurer of the province or, if appropriate, the Minister of Revenue, on the question of providing, for example, alleviation in terms of the corporation tax along the lines of the alleviation which is provided in the state of New York.

Hon. Mr. Kerr: Mr. Chairman, in referring to policy of tax incentive programme, I assume the hon. member is talking about industry only.

Mr. J. Renwick: Yes.

Hon. Mr. Kerr: I have indicated that I would be in favour of some form of loan bank, some arrangement such as The Department of Trade and Development has, whereby industry could qualify to borrow money at reasonable rates over a long term basis, possibly at cost to this government, to acquire and install pollution abatement equipment. In other words, to meet our legislation and our regulations. This is being considered at the present time, of course, as we consider the budget for the next fiscal year.

I have also indicated I am in favour of elimination of sales tax on pollution abatement equipment. We have had discussions with the federal government, as I have indicated. They are not enthusiastic about this form of incentive.

They have, at the present time, incentives by way of fast write-offs on this equipment, but they are not enthusiastic about or receptime to the idea of eliminating their sales tax.

I am hoping, quite frankly, that we can go ahead on our own—if other revenues permit, I will put it that way—to abolish the provincial sales tax on such equipment. I have also mentioned the idea of municipal assessment, whereby municipalities assess buildings that house pollution abatement equipment, particularly big plants.

I suppose that if a municipality loses this source of revenue, it may want something to make up for that by way of grants or otherwise. We do not feel, or I do not feel, I will put it that way, that at the present time, Mr. Chairman, we should be earning revenue on such property or by way of such assessment.

I have had some preliminary discussions with the Treasurer and Minister of Revenue and the Minister of Municipal Affairs, regarding the sales tax angle and the municipal assessment angle.

I was hoping, frankly, that the Minister of Municipal Affairs would include it in his new Assessment Act. However, he informs me that there will be further amendments to this new legislation at the next session.

We have not discussed the idea of the application of reduction of the corporation tax by way of incentive. We have not discussed that angle.

Mr. Chairman: Does this complete 601?

Mr. J. Renwick: Mr. Chairman, I have one further matter that I will take up after we resume.

It being 6 o'clock p.m., the House took recess.

No. 219

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Tuesday, November 18, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 18, 1969

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT
(continued)

On vote 601:

Mr. J. Renwick (Riverdale): Mr. Chairman, I had a further comment to make to the Minister, and I need some help on this particular one.

The International Joint Commission, which met at Sault Ste. Marie, Michigan, on January 21, and then met in Windsor on January 22, had this rather cryptic note to the notice calling the meeting; that it will involve pollution of the St. Mary's river in the one case, and the Detroit river and St. Clair rivers in the other case; and in both cases will seek to determine why clean-up objectives recommended by the commission in 1951—and which the several governments approved—are not being met.

My question, first of all, is whether this government from 1951 on had any knowledge of, or responsibility for, implementing whatever those measures were that the International Joint Commission set out, and then held this meeting—some 18 years later—to find out what had happened to the programme which was then laid out?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Chairman, it has been suggested that in 1951—I am not too aware of the hearing that the hon. member refers to. He suggests that conditions were laid down by the IJC at a hearing in that year; and because conditions as set out in that report were not being met that this was one of the reasons for the hearings this year. Is this what I am getting from the hon. member?

Mr. J. Renwick: Except that I did not say anything about a meeting in 1951 but I assume there probably was one. It says: "Why the clean-up objectives recommended by the commission in 1951, and of which the several governments approved." I assumed the several governments did not just mean the government of the United States and the government of Canada. But maybe in diplomatic jargon it only meant "approved", which does not mean being met.

Hon. Mr. Kerr: Mr. Chairman, I would assume that the several governments would, in all likelihood, include the border states of the Great Lakes and Ontario. However, there is nothing in your statement that would indicate that Ontario did not do its part or meet its obligations in respect to, for example, the St. Mary's river.

Mr. J. Renwick: Well, that is why, Mr. Chairman, my questions were: What were the recommendations, and what was the responsibility of this government toward implementing them?

Hon. Mr. Kerr: Well, I am not aware of what those recommendations were in 1951, Mr. Chairman. I would assume that whatever recommendations the IJC made at that time have, in fact, been implemented. It was, I believe, the department of health of this government that would be concerned with water pollution at that time.

Certainly it is my opinion that since that time, regardless of what those recommendations were, that steps have been taken by Ontario to certainly meet its objective in clearing up the, shall we say, the Windsor area.

As the hon. member knows, the IJC is a body set up by both the federal government and others. It could very well be that, in the reference to the several governments, both federal governments are included—but the IJC has no force outside of making submissions and recommendations so that the necessary legislation will be implemented by the various levels of government. But, as I say, Mr. Chairman, I am not aware what those recommendations were in that earlier report.

Mr. J. Renwick: As far as I am concerned, on this particular vote, Mr. Chairman, perhaps this has all been done at an earlier time in assembly. But I am not aware of it.

Would the Minister give consideration, as a matter of policy of the government, to establishing a select committee of the Legislature to deal with air, water and soil pollution attributable to industrial plants in the province, with a view to finding out about the adequacy of the present legislation with respect to it.

The question about the extent to which costs should be borne by the public as distinguished from the private enterprise causing, or contributing to the industrial pollution; and any other related matters which would be of concern to such committee.

It seems to me—as the member for Essex South (Mr. Paterson) indicates—the question of drilling in the lakes would also be an adequate objective or object clause for such a select committee.

I have the sensation, Mr. Chairman, of two things: one is a great difficulty for members of the Legislature, and therefore the public, to grasp the problems which are involved in industrial waste pollution in the province; and secondly, a great difficulty in getting a sensation from the government of a sense of urgency about the solution of those problems.

It seems to me that such a select committee could very well, by hearing evidence, by visiting locations, by publishing reports of its hearings and its proceedings, and by making recommendations to the government, do a great deal in a short time—and I would think a period of two or three months would be quite ample for such a committee to report.

The committee could do a great deal, in a short time, to clarify the objectives of the government's programme, to clarify the length of time that it is going to take to accomplish the objectives in this field, and to come up with some of what I believe would be very worthwhile recommendations about one of the great deterrents in the problem—namely, this whole question of the overall costs.

That is, whether it be a small undertaking which has a very real economic problem in dealing with the costs of abating pollution to which a particular plant may contribute, or be it a large undertaking such as the large pulp and paper companies which, from statements which have been made by the president of Abitibi, for example, are such exhorbitant costs. They would find it very difficult to absorb them, and still maintain some of their operations in the province. I would ask the Minister if he would give consideration to the appointment of such a select committee to report within a specific time to the government with its recommendations.

Hon. Mr. Kerr: Well, Mr. Chairman, my first reaction, of course, is not one of enthusiasm. As the hon. member says, this is a very involved, complex area—the whole area of air, water and soil pollution.

The Ontario Water Resources Commission, the air management branch, and other branches of my department are working on this all the time. As the hon. member knows, particularly with respect to air pollution, the branch is relatively new and is operating with new legislation, and particularly new regulations. The amount of work that can be done in cleaning up air pollution depends on continuous progress and technology.

The information that would be required to be given to the select committee would have to come from technicians, economists, scientists, biologists. I just do not know how much of this that we, lay members of this House, could absorb to be in a position to make recommendations.

Mr. J. Renwick: The whole principle of government.

Hon. Mr. Kerr: I realize that; and I think as far as policy is concerned, I am hoping, that the hon. members of the House will be aware of policy as we move in this direction.

Certainly there has been quite a bit of information of late, as to what the commission is doing, what the air management branch is doing, what we are planning by way of legislation, particularly for solid wastes, and for things like this. I am just telling the hon. member my first reaction.

However, I cannot see any basic objection to a thing like this, if the hon. members of the House think that it could in fact report in a short time, and be of some benefit, certainly viewing the areas where there are problems around the province, the various plans, industry, would give the hon. members a much better idea of the complexity and the size of the problem, particularly as far as industry is concerned in dealing with the treatment of their waste. It could be that the select committee would be all the more prepared to recommend or suggest that more funds be made available in this area by this government. Or that there be incentives to industry and that there would be less, shall we say, emotionalism attached to the problems —particularly of air pollution—because of more appreciation of the problem. I would have

no objection if this could be the result of such a select committee.

Mr. J. Renwick: Mr. Chairman, I am delighted to see the growing enthusiasm with which the Minister is greeting the suggestion in the course of his remarks. He was warming up to the subject.

I would make the one point that there is no real distinction between the members of the Cabinet and the members of the assembly in their ability to make recommendations about policy. If it is all this expert information and technical information which the Minister believes will be difficult for us to absorb, I would suggest it must be equally difficult for the members of the Cabinet to absorb. I would suggest that perhaps it may be, but by the combined effort of a select committee, as well as the work which the Cabinet is doing, we could make a great deal more progress in this particular field.

The problem, very simply, Mr. Chairman, is that we always oscillate between apathy and hysteria on this whole question of pollution. One minute it is a key topic in the press. You see it here, people are beginning to say to themselves: No, you cannot do anything about it, you have just got to accept it, because it seems to be an insoluble problem.

On the other hand, you get a period of hostility when a particular escape of gaseous material, or particular deterioration of a water body takes place, and you get a sense of fright within the community. Here we are sitting close to Lake Erie—the member for Essex South's riding borders on it—and we are told in the paper that it is rapidly becoming a swamp, they will never be able to do anything about it.

I felt that if the select committee was restricted to industrial operations and hived that particular area off from the other areas relating to different kinds of pollution and deterioration of the environment, then we could, in fact, both absorb the technical information and knowledge and focus attention on the problem. I am quite certain, during the course of the times of the meetings of such a committee, that the media would have their attention focused on it and would welcome the kind of expert information which I think would come to such a committee. The people in the province as a whole would have a better understanding and a better grasp of what the problems are.

I can fully understand that unless we do this, I think the government and industry are going to find themselves in a continuing impasse because neither government nor industry will have the understanding of each other's problems to get the support of public opinion behind them so that either one of them can state their position effectively.

I think there is a legitimate industrial interest in the costs of the production of the particular products of their operation and there is a legitimate public interest. And there is much that has to be done in order to bridge the gap, be it by way of tax incentives—which is perhaps a very rudimentary way of assisting—or be it in the way of a bank which the Minister referred to earlier which would make loans to assist industry at low rates of interest to deal with their pollution problems.

I just leave it there, Mr. Chairman, on this particular vote, because there are other areas where the specifics of pollution can be dealt with. But, as a matter of assistance in the development of policy in the province, I think it is absolutely essential that this assembly—and through this assembly—the public of the province, be engaged in finding out and understanding and having some appreciation of these extremely difficult problems. Otherwise, I think we are going to continue, as I say, to oscillate between apathy and hysteria in dealing with this problem.

Mr. R. F. Nixon (Leader of the Opposition): If I might just add an expression of support to what has already been said. The Minister knows that the proposal for a select committee was put forward by the member for Essex South in a more restricted way, pertaining to offshore drilling in the Great Lakes and other matters. It has been expanded by the member for Riverdale and having been a member, as was the Minister, of the select committee on conservation authorities, I think he would agree that this sort of research on the part of members, this exposure to the problem and the availability of research advice and expert advice, would assist the Minister tremendously, particularly when he is looking for support on all sides of this House in a campaign and in a policy to combat pollution in an effective way.

I think he is already assured of support on all sides if in fact the action is definite and concrete. I would not consider it for a moment as a means whereby a policy development should be postponed by the Minister or his advisors, but my experience and one shared by the Minister as well in conservation authorities would indicate that the proposal is an excellent one and one that I would hope the Minister would act on.

Mr. J. E. Stokes (Thunder Bay): Mr. Chairman, I would just like to expand a little on the remarks which the member for Riverdale opened with regarding the extent of the activity of the department to clean up our international waters as it applies to the International Joint Commission, as it applies to states bordering on the Great Lakes and what the responsibilities of this department are in regard to a cleanup. I have here with me a study, an appraisal of water pollution in Lake Superior basin. It was put out by the U.S. department of the interior, and specifically the federal water pollution control administration of the Great Lakes region, in April, 1969.

The Minister in a statement earlier felt this jurisdiction was leading the way with regard to a cleanup of pollution. His colleague, the Minister of Municipal Affairs (Mr. McKeough) said about a week ago that the province of Ontario was in the vanguard with regard to a cleanup of our pollution problems. I would just like to ask the Minister if he has anything that could compare with this document. I am sure the officials of his department are well aware of it. It goes into it in great detail, makes 17 conclusions and gives a summary of the entire document. Then it makes 20 recommendations that I consider, at least in my limited knowledge of the field, is far superior to anything that has been proposed by anyone under the jurisdiction of this Minister.

I had occasion, Mr. Chairman, to meet with the Minister and some of his officials at the Lakehead. He was kind enough to invite me to the Lakehead to discuss the pollution problems in my riding with him. I offered to take him to some of the areas that concerned my constituents and myself. Unfortunately, he felt it was not possible for him to do it at that time, but he did react in a television program that evening by saying that any pulp and paper companies which had not submitted a programme to his department were going to be taken to task.

There was quite a furor and quite a bit of reaction to that announcement by the Minister, but the whole thing has died down again and I am just wondering what the Minister has done in view of the fact that about two weeks ago in this House he said that the pulp and paper companies were the worst offenders, the worst polluters on the North American continent? He went so far as to say that of—

Mr. E. Sargent (Grey-Bruce): I think it has contributed to the Tory—

Mr. Stokes: —about 42 pulp and paper mills in the province, there were only about ten of them doing anything in a significant way to control the effluent coming out of their mills. It is significant that the Minister of Lands and Forests (Mr. Brunelle), who is responsible for issuing licences to the pulp and paper operators, should sit back passively and really not raise a ruckus about the kind of pollution that these people are responsible for.

I am told by my colleague from Cochrane South (Mr. Ferrier) that the town of Timmins spends thousands and thousands of dollars to make sure that the water from their sewage disposal plants goes into a certain river in a reasonably good state. The water continues on down and a particular pulp and paper mill in the Minister of Lands and Forests' riding just dumps raw sewage, raw effluent from their pulp and paper operation into this river. Now, it seems to me—

Mr. Chairman: Is not the member straying now from the water resources commission section?

Mr. Stokes: I am wondering what the policy is of this particular Minister, and I would like to read a letter that I got from a—

Mr. Chairman: I am suggesting to the hon. member, he is getting into the water resources commission programme.

Mr. Stokes: I am trying to find out what the policy is with regard to pollution. Now, you have been discussing policy here for the last five hours.

Mr. Chairman: I think that possibly we were talking about general policies under the head office vote, or the main vote, but we do have specific programmes for the various aspects. In fact, there is a special vote for waste management and air pollution control and one for the water resources commission. I think the remarks could more properly be made under the water resources commission which is over 607. I do not want to interrupt the hon. member, if he cannot see how he can put it into that proper vote, but it should not be in this head office, main vote.

Mr. Stokes: All right, I will ask the Minister specifically: What does he intend to do by way of policy? How does he impart to the pulp and paper industry what the policy is with regard to cleaning up pollution in the province?

Hon. Mr. Kerr: Mr. Chairman, as I indicated this afternoon, when we are aware of an industry polluting, or dumping its effluent untreated into a stream or river or a lake, we put that particular company into a programme, as I indicated when I was at the Lakehead. The company is required to co-operate with, as far as water pollution is concerned, the Ontario Water Resources Commission. The commission inspects the premises and then a programme is laid out.

It is sent to the company, and if the company has any objections to the programme—for example, they do not think it will be over a long enough period of time so that they can, in fact, acquire the equipment, and meet these regulations—these things are considered.

The OWRC does not always accept the submission of the company. If the OWRC feels, for example, that a certain company can clean up its waste in 18 months or two years, that is the programme. It has schedules, it has deadlines and as long as the company keeps within that programme—

Mr. G. Bukator (Niagara Falls): Such as the Ontario Paper Company!

Hon. Mr. Kerr: That is right. We are talking about a paper mill.

If the company keeps within that programme, and it is continuously monitored, then the company is not prosecuted. As long as it does what it is required to do and meets the objectives and deadlines of the programme. Now if it does not, it is then either prosecuted or put under a Ministerial order.

If it is prosecuted, it is prosecuted under The OWRC Act and taken to court and that procedure is followed. However, if it is put under a Ministerial order, the programme is, in fact, made more effective by way of an order. It is not a question of an agreement at that point, it is a direction to the company that this is what it has to do.

If they are in breach of that order they are then fined and there are provisions under the Act for daily fines until the breach—or whatever the defect is—is cleared up and remedied. That is basically the programme. Now, in the hon. member's area, there is a company right now which is about to be prosecuted because it has not co-operated with the OWRC.

Mr. M. Makarchuk (Brantford): Mr. Chairman, on this same point, dealing with particular companies who refuse to co-operate, I will read about a situation—an excerpt from one of the reports put out by your department. This is referring to Algoma Steel, and it says:

> This problem has existed for many years and is caused by the discharge of industrial waste from the steel company. Our commission since 1957 and prior thereto The Department of Health since at least 1953, have been working with the company officials endeavouring to develop a satisfactory treatment programme. While certain corrective measures have been taken by the company, it has not adhered to the timetables agreed upon, has not taken adequate measures and has not taken such measures as have been adopted by its competitors Dominion Foundries and the Steel Company of Canada Limited at their mills in Ontario.

And it goes on further.

But the point here is that when you did get to the stage of prosecuting this particular company, you had another Minister, and in this case the Attorney General (Mr. Wishart) himself, stepped in and stopped the prosecution. Could the Minister indicate to me what he is going to do next about this matter? So far there is nothing or no way that he can force this particular company to take some corrective measures to stop the pollution of the St. Mary's River.

Mr. Chairman: All right!

Now before we proceed any further on this sort of debate, I must point out to the committee that there are certain specific votes in these estimates covering certain departments. We all know that there is a time limit, shall we say, on the discussion in the estimates. If the hon. members do not wish to stick to the votes in order, surely they cannot expect the Chairman to be continually interrupting and trying to keep them in order.

I put it to you fairly and squarely, we were to have been dealing with vote 601, but this has not been done. The hon. members are getting into water resources commission and every other matter and I suggest they should stick to the vote.

On vote 601, the hon. member for Ottawa Centre.

Mr. H. MacKenzie (Ottawa Centre): Mr. Chairman, I would like to know what the department's policy is with regard to mercury in our streams. Today and yesterday we read an article that had to do with a fish caught just above Ottawa and a fish caught below Ottawa, which was analyzed for mercury

content. The fish below—you say it is water resources, but I want to know the—

Mr. Chairman: With respect, to the hon. member, we are straying again.

Mr. MacKenzie: Mr. Chairman, is vote 601 the department's policy?

Mr. Chairman: All right, go ahead!

Mr. MacKenzie: The policy I want to know about from the Minister, Mr. Chairman, is with regard to mercury in the water. First of all, does mercury dissolve, these pesticides, with mercury compounds in them? Do they dissolve in the streams and rivers and lakes and if they do dissolve, and they must since the fish contain very high concentrations, it means of course that the mercury is getting into the water supplies and in particular, into the water supply of the City of Ottawa. Maybe in levels which are dangerous.

We hear considerable talk about the hunting season being closed on pheasants and the hunting season being closed on ducks and so forth because of the mercury content. I would like to know the policy with regard to mercury in water, and in particular, water which is going into the water supplies of cities like Ottawa and other cities throughout this province. Has this problem been dealt with by the department and if it has been dealt with, what is the policy and what is the warning to the people of Ontario?

Also, has the Minister informed the Minister of Lands and Forests to close the fishing season in these areas where the fish have high contents of mercury?

Hon. Mr. Kerr: Mr. Chairman, The Ontario Water Resources Commission, at the present time, is carrying on an investigation to find out the intensity and extent of mercury pollution. The major areas of concern are below the chloro-alkali plants, that is, plants where there is production of chlorine and caustic soda and paper mills, which have in the past used a certain amount of mercurial compound.

This investigation is being carried out in co-operation with The Department of Lands and Forests and samples of fish have been collected in various streams and have been sent for analysis, while some of the sediments in the water have been analyzed in our own laboratories here in Toronto. We are still waiting for a report of the preliminary results of this analysis and also some recommendations for a comprehensive investigation programme that will be completed by mid-January.

However, the investigation and information we have about mercury, as far as paper mills are concerned, is that there is very little of this particular substance getting into our streams from those mills. It is mainly from the production of chlorine and caustic soda.

Mr. MacKenzie: Can the Minister give assurance that mercury compound from pesticides and insecticides are not running into our rivers, in particular the Ottawa river in this case, and so contaminate it, irrespective of paper mills. And can the Minister give us assurance at this time that the levels are not dangerous? And can he give us assurance that the mercury compounds are not getting into the domestic water supplies of the city of Ottawa?

If the Minister cannot give us that assurance, what steps is he going to take to deal with this problem?

Mr. Chairman: I note the complaints of the members of the New Democratic Party that this is out of order. However, the members insist on talking out of order on these votes. They will not stay in order on them. How in—

Mr. M. Shulman (High Park): Well, it is up to you.

Mr. Nixon: Well he cannot make you people stop talking.

Mr. Stokes: What are you talking about?

Mr. Nixon: Mr. Chairman, on a point of order, let us talk about this, because a person can put forward almost any subject as being in order by saying this is the hon. Minister's policy that we are talking about—whether it is Ontario Hydro, or whether it is water resources, or air pollution, or the Ontario Northland, or anything else. This is what has happened all afternoon.

Now it is unfortunate that tonight it appears to be going on the same way; but you know that in previous debates, particularly since the new rules came in, you have, Mr. Chairman, been permitting the whole department to be discussed under the first vote. It has not been too bad in the smaller departments. But in this department, I submit, Mr. Chairman, you must rule strictly and certainly we will abide by it. And I am sure the NDP will as well.

Mr. Chairman: I must point out to the hon. leader of the Opposition that I was in the chair this afternoon only for a very short time.

Mr. Nixon: Right!

Mr. Chairman: Right. Now if the hon. members are going to comply with the rulings of the Chairman—

Mr. R. Gisborn (Hamilton East): How can you keep the Liberals in order?

Mr. Chairman: I am sorry, I did not hear you.

An hon. member: Your party never will keep us in order. I will tell you that.

Mr. Chairman: I mean, what is fair for one group is fair for the other.

Mr. Shulman: Right!

Mr. Chairman: And if members of the Liberal Party are going to speak out of order, then the members of the New Democratic Party should have the same right and *vice versa*. Now, I am putting it to the members that there is a certain order—

Interjections by hon. members.

Mr. Chairman: I put it to the members that there is a certain order in which these debates should be taken. I am going to rule on them from this moment on.

Vote 601 agreed to.

Mr. Sargent: Vote 602.

Mr. Chairman: I have not yet called 602. Vote 602 and 603—

Mr. R. Haggerty (Welland South): Mr. Chairman, I have a question on 602.

Mr. Chairman: Order!

Votes 602 and 603 seem to be somewhat related. I do not believe we can separate them. Therefore I will permit discussion on 602 and 603 together. The hon. member for Welland South was on his feet first.

On votes 602 and 603.

Mr. Haggerty: Yes, Mr. Chairman, I have been trying to get on vote 601, until we got the discussion from the far left here, and I have a question, Mr. Chairman, that I would like to ask the Minister—

Mr. Chairman: Order. Does the hon. member have anything in connection with vote 602 or 603? Vote 601 is carried.

Mr. Haggerty: Mr. Chairman,—

Mr. Chairman: Vote 601 is carried. The member for Wentworth.

Mr. Haggerty: Mr. Chairman, may I raise a point to you?

I mean, you are sitting in this position here far to my front, and you are looking back over here to this party, to the left, all the time. You cannot possibly pick anybody from this corner. I suggest perhaps the Chairman should have a mirror there, so that he can see the members from this side who are trying to get his attention.

Mr. Chairman: Either that or holes in the side of my head.

I point out to the hon. member I recognized the member for Port Arthur quite quickly this afternoon.

The member for Wentworth.

Mr. C. G. Pilkey (Oshawa): On a point of order, Mr. Chairman.

Mr. Chairman: Point of order? Right!

Mr. Pilkey: I know the House would like to welcome a group that is seated in the east gallery, a group of girls from the Hampton Girl Guides, as well as a number of members from the New Democratic Party, Durham riding.

Mr. Nixon: That is what I call infiltration. Girl Guides are getting into the NDP?

Mr. I. Deans (Wentworth): Mr. Chairman, I want to—

Mr. Chairman: The member for Grey-Bruce has a point of order.

Mr. Sargent: On a point of order, on many occasions this afternoon, Mr. Chairman, I rose to speak on vote 602 and the chair ruled me out of order. I think it is right that the chair should recognize—

Mr. Chairman: I am sorry, I could not hear what the hon. member for Grey-Bruce was saying. The member for Grey-Bruce is trying to make a point of order. Will he please repeat it? I could not hear him.

Mr. Sargent: Mr. Chairman, it seems on a number of occasions this afternoon I rose on vote 602, to speak on it, and I was ruled out of order all the time. Now when the chair recognizes the NDP party first every time, we kind of wonder what is going on there.

Mr. Chairman: Well, I will speak to the point of order.

The hon. member for Grey-Bruce must surely realize, as I said previously, I was in the chair for a short while only. I do not

recall that he was on his feet and was ruled out of order. The assistant Chairman did not convey this information to me. I had no way of knowing that.

I had recognized members from the Liberal Party. I now recognize the member for Wentworth. The member for Grey-Bruce will be next.

Mr. Deans: Mr. Chairman, I want to inquire of the Minister, in regard to the Ontario Hydro operations, exactly how much discussion he has had with Hydro with regard to the policies which they bring about; and, in particular, I want to talk to him about the recent Hydro increase, and whether or not the Hydro approached the Minister and discussed with him prior to the increase, the intent which they had.

Could the hon. Minister inform us whether Hydro did at any time explain to the Minister why they found it necessary to increase the rates, and what they intend to do? I would ask if the Minister is able to tell me whether or not the stabilization fund is at present in relation to the expenses and costs that Hydro might incur, and whether the stabilization fund is, indeed, in line with what ought to be there?

Mr. Chairman: Is this matter not before the standing committee on government commissions?

Mr. Deans: Well some of it, sir. Finding out whether—

Mr. Chairman: Are there not other meetings programmed?

Mr. Deans: No. Let me explain to you, then you can rule on this. What I want to find out is whether or not the Minister in his capacity as Minister of Energy and Resources Management has any influence of any kind over the affairs of Hydro? Or whether, in effect, Hydro operates completely independently of the Minister and do not even talk with him about their problems and their intentions? I cannot find that out at the commission hearing because the Minister is not there. Only the Minister can tell me that.

Mr. Chairman: I think perhaps the question is a proper one.

Mr. S. Lewis (Scarborough West): He would probably like to know the answer himself.

Mr. Sargent: We all would.

Hon. Mr. Kerr: Well, Mr. Chairman, the chairman of Hydro did tell me that there would be an increase as a matter of fact, as far as the industrial increase was concerned, to certain direct users. There was a committee hearing, a Cabinet committee hearing, at which time the Niagara basic power users submitted a brief. I believe it was directed to the Prime Minister (Mr. Robarts) and, as a result of that, there was a Cabinet committee considering the increases.

We heard submissions by the committee of Niagara basic power users and heard their objections to the increase and, of course, heard the reasons for the increase, or the proposed increase, from Hydro.

There was not anything definite or any opinion on my part, for example, as far as the 6 per cent—6 per cent increase to municipalities—was concerned.

It was explained to me how it was to be provided at cost, why it was necessary, and also the fact as was indicated by the chairman that not all municipalities would, in fact, pass on the increase to their customers.

Mr. Deans: At this time.

Hon. Mr. Kerr: As far as the stabilization part is concerned, I cannot quarrel with the amount of it at present. The Hydro says that it is primarily for the purpose of handling fluctuations and certain contingencies. I think an example of that may be some of the borrowing that is done by Hydro. If there is a change as a result of fluctuations in the market or the value of certain currency then the fund may, in fact, be used for that type of thing.

Under the Power Commission Act, if the hon. member looks at that legislation, he will see how little direct control the Minister has over Hydro. They are quite an autonomous and independent commission, and so that is about all. It was discussed with the Minister—the only actual decision or consideration or opinion that was given with respect to the increase was the one for the direct users.

Mr. Deans: Well, since the Minister is at least answerable for Hydro in this House, would the Minister not consider that the affairs of Hydro, particularly the use of money and their raising of finances, should be a concern of the Minister that he ought to have some say in the policy-setting with regard to the financing of the projects of Hydro since the province of Ontario has to underwrite—or at least guarantee—any loans that

are made to Hydro? Would the Minister not consider in view of past record and the use to which the stabilization funds have been put in the past for example—the stabilization fund last year grew in excess of $25 million, that was in the last fiscal year.

A portion of this, approximately $9 million of it was used to offset the underpricing perhaps, or the excessive uses that direct and retail customers put or use Hydro for. Would the Minister not agree that since this precedent is set and since there is prior usage of the money in this fashion—in 1967 for example—the same thing happened, not the same magnitude but the same general thing. But since this money can obviously be used to offset rate increases to the retail and direct customers then would the Minister not agree that this money could also be used to offset rate increases to the municipalities. In effect, the fund is set up, and it is stated quite clearly in one column "held for the benefit of all customers" and yet it appears that the only customers who benefit from this are the retail and direct customers. And would the Minister not agree that the money is being raised through levies on the municipalities and used to subsidize the industrial concerns in this province to the detriment of the consumers of the province? Does the Minister not feel that as part of his policy, he ought to exercise some jurisdiction over that particular usage of the stabilization fund?

Mr. Chairman: I wonder, before the hon. Minister replies, if I might suggest to the committee that on previous occasions, at least last year, the chairman of Hydro had provided the committee with a statement on the Hydro operation. I am just wondering if the hon. Minister intends this to happen in this instance and whether this is what the hon. members would wish to have done?

Hon. Mr. Kerr: Mr. Chairman, I understand that it is the intention of the vice-chairman of Hydro to take part in discussion on these votes. Dealing with the matter raised by the hon. member for Wentworth, I think that mainly what you have asked, and the points you have raised, are policy decisions regarding the operation of Hydro. I think if the Minister is to have the same authority and control as he has for example, of some other branch within his department, we are going to have to change—

Mr. Sargent: Which you have not. Which you have not.

Hon. Mr. Kerr: That is right—to change the role and to change the legislation. This is for the Treasurer and the government as a whole to decide. I have not got the power now. The point you raised regarding the stabilization fund—and applying that towards increased rates or stabilization of rates—are matters that are being discussed in committee—the committee on government commissions. If you are having a thorough discussion there, it is quite possible that as a result of those discussions in that committee, there may be recommendations which will change the role of the Minister and generally, the department, in relation to Hydro.

Mr. Deans: This may well be true. The Prime Minister indicated in the House—

Mr. Chairman: The member is not—

Mr. Deans: —he was not likely to roll back the price increases for example, regardless of the findings of the committee.

Hon. W. D. McKeough (Minister of Municipal Affairs): Steady Eddie, steady!

Mr. Deans: It seems to me that the affairs of the committee and the findings of the committee are not likely to have any direct influence on this particular problem that is confronting us at this time. What I asked the Minister, as the political head of Hydro, is whether he believes it is right to tax municipalities for the purpose of subsidizing industrial and direct users? This is exactly what has happened, and this is what concerns me, that municipal rates are higher than they have to be because the money is being used to subsidize the industrial and direct users of Hydro. This is a government policy whether or not you realize it. This is a matter that the government has to be concerned in. It is a matter of whether or not—

Mr. R. J. Boyer (Muskoka): Mr. Chairman, I think that the hon. member will recall in the standing committee meeting—

Mr. Lewis: Why are you up? Is this a point of order?

Mr. Chairman: The hon. member for Wentworth has the floor unless another member raises a point of order.

Interjections by hon. members.

Mr. Chairman: Any member can get the floor on a point of order.

Mr. Deans: What I am suggesting to the Minister is this: At this particular time with

the difficulties that are confronting municipalities and the difficulties that are confronting the citizens of this province, it is beholden upon the government to show that their money is not being used to subsidize industry who can well afford to pay their own share. I suggest to the Minister that this is an area where he might be concerned and where he ought to be more active.

Mr. Boyer: Mr. Chairman, may I now speak? Because the hon. member has raised this question here again, as it was taken up in the standing committee the other day, I would like to assure the House that there is no cross-subsidization between residential customers and other municipal retail customers and industrial customers. Each group of customers must pay the costs of electricity at cost. Now, there has been over the past—

Mr. Sargent: Is this how you earn your $10,000 a year, one speech a year?

Mr. Boyer: I wonder if the hon. member would listen to my one speech a year then.

Mr. Sargent: Go ahead, take about half an hour.

Hon. J. R. Simonett (Minister of Public Works): What are we paying the member for Grey-Bruce for?

Mr. Boyer: The hon. Minister has referred to representations that were made to a Cabinet committee by certain direct industrial customers and it was shown that over a period of time there had been a deficit in the operations of supplying power to those customers. Now, that deficit is made up by a rise in their rates at a later time. This will make up this slack, which at the moment has been covered from the rates stabilization fund.

That is a part of the sum that is held in this reserve for stabilization of rates and contingencies. The general section, which is held for the benefit of all customers, was referred to by the hon. member and that is all customers—Hydro's retail customers, industrial customers and the municipalities.

The rates that he has been referring to, and which he has noted have been increased, are the wholesale interim rates for 1970 to the municipalities. There has been, as in so many other things today, an increase for the coming year.

Now, if that increase is more than sufficient to pay the cost of serving each of the municipalities concerned, then, at the beginning of 1971, there will be a rebate to those municipalities. Or if it is insufficient, then there will be an additional charge.

Mr. Deans: Mr. Chairman, if I may, following up the point the member makes.

Hon. J. H. White (Minister of Revenue): Are you against public ownership?

Mr. Sargent: Who is Chairman of this place?

Mr. Chairman: The hon. member has not completed his remarks.

Mr. Deans: What is happening is, in every year that I can find, for the last two years—we will talk about those because I have the books in front of me—

Hon. Mr. McKeough: Does Watkins agree with this?

Mr. Deans: I beg your pardon.

Hon. Mr. McKeough: Carry on.

Mr. Deans: Did the Minister have anything intelligent to say?

Hon. Mr. McKeough: No, but then neither does the member.

Hon. A. F. Lawrence (Minister of Mines): He knows enough to keep quiet.

Hon. A. B. R. Lawrence (Minister without Portfolio): He is listening, that is important.

Mr. Deans: What I want to say to the member who is answering for Hydro is this: over the last two years they have deducted from the amount that was put into the fund, an amount which is stated here, "deduct excess of retail and direct customer costs over revenue" which means that they are deducting from the amount put in in the overall picture, an amount to subsidize retail and direct customers. If you do it every year, it has to be considered as a subsidization, it cannot be considered as anything else.

Mr. Sargent: Same speech he gave in committee.

Hon. Mr. McKeough: The member for Grey-Bruce never repeats himself, does he?

Mr. Chairman: Has the member completed his remarks?

Mr. Deans: The one final question that the Minister has not indicated to me is how the Hydro determines the size of the stabilization fund in relation to their obligations?

Mr. Sargent: What did they tell the member the other day?

Mr. Deans: He did not tell me the other day. If the member for Grey-Bruce had been listening, he would have understood that.

Mr. Sargent: I do not understand that.

Mr. Deans: The member is all tied up in Douglas Point.

Mr. Boyer: Perhaps I could—

Mr. Lewis: Yes. How does the member arrive at that?

Mr. Boyer: I think perhaps it might be helpful if I were to give an indication to the House of the actual size of this reserve for stabilization of rates and contingencies.

Mr. Deans: $183,410,960.

Mr. Boyer: Yes, but how much is that in relation to the total assets of Hydro?

Mr. Deans: What we want to know is how you arrive at the size of it.

Mr. Boyer: Let me give this House an idea of the amount of this particular reserve. In 1962, the reserve balance was $173,800,000 and that represented 5.10 per cent of the total assets of the commission. This might be expressed in this way, too, an amount per kilowatt of load of $25.10. In 1963, the reserve balance declined to $122,600,000, which was 4.4 per cent of the total assets. It declined still further in 1964 to $116,600,000 or 4.13 per cent of the total assets. That was a period when the water levels in this province had been declining and $50 million had been taken out of this fund, in the early 1960's, to cover up for the additional costs in connection with decreased generation at the hydraulic plants.

In 1965, the reserve balance in this fund was $120,200,000 or 4.2 per cent of the total assets. In 1966, $135,700,000 or 4.25 per cent. You see, this fund was beginning to rise again because of the rise in water levels, the increase in the hydraulic generation. In 1967, the fund was $152,800,000, which is 4.44 per cent of the total assets. In 1968, $177,800,000 or 4.74 per cent of the total assets.

This percentage of the total assets for a fund of this sort is not large. I want to say this, that the hon. member who has just spoken has been mentioning to the Minister communication between the commission and the government; certainly in this connection there was full explanation of the requirements for next year. But, in addition to that, because as you understand and the Prime Minister said in this House the other day, there is the great interest amounting, I suggest, to ownership by the municipalities of Ontario Hydro.

Accordingly any move of this sort is taken up with the executives of Ontario municipal electric association and the other branch, the AMEU. We had a very good meeting of several hours with that representative group, they listened to the entire explanation of the reasons for increasing the interim rates for next year, and we had a discussion of the reserve for stabilization of rates and contingencies. I have to tell this House that that group appeared very anxious that we not use that reserve to attempt to meet the cost of inflation.

Mr. Lewis: Answer the question. Why not answer the question?

Mr. Boyer: This reserve fund—you will notice the way it is set up according to the power commission Act—is not set up to soften the impact of inflation on the rates that Hydro must charge. That is not one of the purposes of this rate stabilization fund.

Mr. Lewis: Why do you not answer the question? You are vice-chairman of Hydro. Do you not know the answer?

Mr. Boyer: I am just giving you an illustration of the—

Mr. Lewis: Give an answer.

Interjections by hon. members.

Mr. Boyer: Of course, this is set up—I would ask the hon. member—

Mr. Lewis: Give us an answer then.

Mr. Boyer: How can I give the hon. member an answer when he talks all the time?

Mr. Lewis: You were supposedly answering the question.

Mr. Boyer: Of course, this is set up according to a formula established some years ago. I have referred the hon. member to where the answer is, in the power commission Act.

Interjections by hon. members.

Mr. Boyer: I did not say that was the formula, I said that was the effect of—

Mr. Lewis: That was the effect! Well, surely the effect on the estimates—

Interjections by hon. members.

Mr. Boyer: Yes, certainly, I would be glad to.

Mr. Deans: How do you determine how much money will be placed in this fund on a yearly basis?

Mr. Boyer: I beg your pardon?

Mr. Deans: How do you determine how much money will be put into this fund every year?

Mr. Shulman: He does not know.

Mr. Boyer: Oh yes, I will give you that answer.

Mr. Deans: How do you determine the amount, how do you calculate it?

Mr. Sargent: You just do as you are told.

Mr. Ben: Obviously, he does not know what the answer is.

Mr. Boyer: I have here with me a statement as to this fund, but I have not got the exact formula contained in it. The formula, however, is set up to include provision for such matters as these. The stream flow to which I referred and the variations in stream flow—this can be done of the big items in the use of this particular reserve—

Mr. Deans: How do you measure the percentage?

Mr. Chairman: Order!

Mr. Boyer: Foreign exchange is another, and then load variance, which is the difference between the actual and forecast, if you understand what I mean—

Mr. Shulman: No, and neither do you.

Mr. Boyer: I beg your pardon.

Hon. Mr. Simonett: They do not understand it, and they do not think you do.

Mr. Boyer: Then there is the interest on balances which may vary from year to year. The profit or loss on the redemption of bonds and sale of investments, and certain other smaller matters including in the last two years—

Mr. Shulman: This is not answering the question.

Interjections by hon. members.

Mr. Shulman: You are not serious about all this.

Mr. Boyer: Of course I am. I am giving you an explanation of this particular reserve.

Interjections by hon. members.

Mr. Boyer: Mr. Chairman, I feel that I have given an adequate answer to the hon. member's question. This, however, has been a matter which has been before the standing committee.

Mr. Sargent: A point of order.

Mr. Chairman: Point of order!

Mr. Sargent: In view of the fact that the hon. member cannot answer the question, I think we should proceed to something more intelligent.

Mr. Chairman: That is not a point of order.

Mr. Sargent: He is not answering the questions, and so—

Mr. Chairman: Order!

The member for Muskoka was on his feet.

Mr. Sargent: He is wandering off the map.

Mr. Chairman: It seems to me that this particular matter is one which, as I said earlier, has been discussed and been reviewed in the standing committee on government commissions.

Mr. D. C. MacDonald (York South): Mr. Chairman, may I rise on a point of order?

Mr. Chairman: All right!

Mr. MacDonald: This is a fundamental point at issue. In the committee we are trying to get the information. We have half that job finished. We asked a lot of questions, and we will ultimately finish it. What we are attempting to do here, and it is the only place we can do it, is to find out what, if any, integration there is between government policy, and the policy laid down by Hydro; and, for example, how Hydro manipulates its reserve fund in any given year, what goes into it, and why they did not dip into that reserve fund in an inflationary period, avoiding a six per cent increase.

Plus, of course, consideration of all policy matters that have to be dealt with with the Minister. The Minister is not on the committee; therefore here is the only place where we can do it.

Mr. Chairman: I appreciate what the hon. member for York South has given to me in connection with the proceedings in standing committee on government commissions.

I can only relate that I have seen references in newspaper reports of the proceedings already in that committee to the very things that have been brought up and discussed here tonight.

Now, I accept what the hon. member for York South has suggested, that this is a total matter of policy in connection with the rates, and perhaps the specific items were not just the things that they intended to bring up today. However, my recollection is that in dealing with Hydro under the estimates in the past, certainly there is no general operation of Hydro set out in the estimates other than the specific grant which we find, and which is statutory vote 602, together with vote 603.

My recollection is that the chairman, or member of the commission, the member for Bracebridge-Muskoka, has provided the committee with a statement on Hydro operations, and that questions were directed to him after. Correct me if I am wrong, but this is my recollection of what has taken place in previous years. Is this not correct?

Mr. Lewis: There has been a full-fledged debate at the end of the estimates.

Mr. Chairman: At the end of the estimates.

Mr. Lewis: On a point of order, Mr. Chairman. As I recall it, usually at the end of the appropriate estimates, Hydro has come forward and there has been a separate debate on Hydro—everything from turning off electricity during the winter through to basic questions of the kind under discussion.

Mr. Nixon: On the point of order, the only difference is, this year, the Minister undertook in his opening remarks to refer, relatively extensively to Hydro, whereas in the past it has always been left for the vice-chairman to come forward at the end of the estimates, so that it was more or less divorced from the Minister's estimates.

Mr. Chairman: I will bring this point up to the committee at this moment, because I think all members do realize that there is a great deal of difficulty in following these particular votes. The programmes of activity do not lend themselves to specific debate on those programmes. We have attempted to keep it in order by dealing with the vote, but I am sure again, all members realize there has been a great deal of straying from the particular vote before us. There are, as I said, certain items in vote 602 and 603. One is statutory, the other is grants for a specific purpose. Is it the wish of the committee to continue, at this time, with a normal discussion on the Hydro matters, as we have in the past, or to relate to it at the end of the votes?

Some hon. members: Yes.

Mr. Stokes: You are half way through now.

Interjections by hon. members.

Mr. Chairman: All right, now just a moment.

We have had some discussion on Hydro. Does the vice-chairman wish to read his statement to the committee at this point, and then entertain further questions? Or how are we to proceed with it?

Mr. Deans: Well, we can pursue this matter and then—

Mr. Chairman: And dispense with the statement? I do not think that will be practical at all.

Mr. Shulman: You are in the middle of it, you cannot jump out of it now.

Mr. Chairman: Do you want to pursue Hydro on the basis of questioning, and then listen to the statement after as well?

Some hon. members: No.

Mr. Gisborn: It is just eating up our time.

Mr. Chairman: Well, that is what the committee is suggesting.

Mr. Deans: I just want to pursue Hydro.

I want to ask the Minister then, if at the time that Hydro appeared before him and indicated what the increase was going to be, was the Minister satisfied that the rate of increase for the retail and direct customers was sufficiently large to meet the commitment, in terms of the amount that was drawn out on their behalf last year? In other words, was the eight per cent which it has gone up, or will go up, sufficient to offset the amount which was drawn out of the stabilization fund last year? I could answer it, but maybe the Minister could answer.

Hon. Mr. Kerr: Are you referring to the direct industrial users?

Mr. Deans: I am talking about the amount of money that was drawn out by the direct customers.

Hon. Mr. Kerr: The rate of increase for the direct industrial users that I have referred to is eight per cent, and the representatives from Hydro at the hearing were able to justify that increase. I think the main objection to the direct users was that they were, in some way, subsidizing certain areas of the province. And they felt—the direct users felt—or the Niagara basic power users felt that because of their location in the province—close to water power—that they should, in some way, because they were direct users and constant users, have some consideration for that.

What is the phrase—uninterruptible. Because they were un-interruptible users they felt that they should have some consideration.

But I might say, just on this point, regarding the stabilization fund, if you will refer to section 16 of The Power Commission Act this is the section that deals with the stabilization and contingencies reserve. If you read that section it gives the commission complete authority over that fund.

Mr. Deans: I am asking about whether they ought to have—

Hon. Mr. Kerr: This is it. If you do not like it, we will have to change the section.

Mr. Deans: The situation, as I understand it, is that eight per cent based on last year's income will take in something just in excess of $5 million extra for Hydro from the direct customers. Last year we drew out, in excess, almost $7 million of the stabilization fund, because the amount drawn in by the direct customers was that much short.

In other words, there was an excess of expenditure over revenue of almost $8 million. The eight per cent will realize to Hydro something just in excess of $5 million, which means that at the end of this current year, all things being equal, we end up having to withdraw some—perhaps $3 million additional—that has been raised by virtue of the six per cent increase on the municipalities. Which leaves them again in the position of subsidizing the direct and retail users.

Mr. Boyer: But the rate for the direct does not. It has also been increased, and part of the increase is to take up the exact amounts that the hon. member is mentioning.

Mr. Deans: It has been increased by eight per cent. Eight per cent of $66,106,170 is $5,200,000 odd. That is how much it is. Last year you drew out of the fund, on behalf of the direct customers, $6,821,644. What this means is that the amount of the increase will not even meet the amount that was drawn out of the fund.

Mr. Boyer: I think the hon. member is using an actual figure from the past year instead of the estimate for next year, is he not?

Mr. Deans: Well, I cannot use the estimate, I do not know what it is. I am basing it on past experience. Everything we do in the House is based on past experience.

Mr. Boyer: Yes, that is—

Mr. Deans: We are passing estimates and the money has been spent already.

Mr. Boyer: But in the committee, you remember, the figure was estimated for 1970.

Mr. Deans: Well, can the member tell me what the estimated figure will be?

Mr. Boyer: I do not have that information with me because it was used in the committee last week and I thought we would not be getting into that again.

Mr. Deans: It just shows how wrong you were.

The problem here is this. We have had to raise an additional $21 million this year to finance the operations of Hydro. Something in excess of $6 million, almost $7 million of the $21 million is for the purpose of subsidizing the industrial customers.

The amount that will be realized by the increase on the industrial customer is considerably less than the amount of the subsidy, and for this reason I say to the Minister that what we are doing is levying an increase on the municipalities and the municipal customer rates, and I suggest to the Minister that this is basically wrong, and I say to the member representing Hydro that as I understand it, decimal one per cent—

Mr. Lewis: Decimal two, in fact. Point two of one per cent.

Mr. Deans: Point two of one per cent is the equivalent of the amount of money that we require to raise in this particular increase at this time.

Mr. Lewis: Right. If your stabilization fund was 4.5 instead of 4.7—

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: Mr. Chairman—

Mr. Lewis: On a point of order!

Is the Minister, if not the vice-chairman of Hydro, is the Minister ever going to answer the question of how the amount is arrived at for the stabilization fund?

Hon. A. Grossman (Min'ster of Correctional Services): Is that a point of order?

Mr. Chairman: Order!

Mr. Lewis: —I will yield the floor to the member for Owen Sound. He can take a great deal of time, but we would like this question answered.

Mr. Sargent: On a point of order.

Mr. Shulman: Well, before we get on to a different subject this should be settled.

Mr. Lewis: We can come back to this subject, but it would be useful to complete it now. Will the Minister answer?

Hon. Mr. Kerr: Mr. Chairman, I do not have those figures in front of me—

Mr. Shulman: We did not ask for figures, we asked for the formula.

Mr. Chairman: Order, please.

Hon. Mr. Kerr: I was shown generally the formula that was used to set up these funds. I cannot remember the exact formula but I know the reason for the fund as provided under section 16 of the Act. Really, whether I accepted the amount of that fund or not, there is not too much I can do as Minister under the provisions of the Act to direct that the Hydro commission change that policy or formula, and this is something that is really within the ambit of the power commission Act and of the commission itself.

Mr. Deans: Would you agree if you were concerned about spiralling costs you could change the Act?

Mr. Lewis: May I ask one question?

Mr. Sargent: Mr. Chairman—

Mr. Lewis: We will come back to it.

Mr. Sargent: Mr. Chairman, the sum and substance of this whole debate is that my friends on the left, they have got one—they are in a rut, they are talking about a six per cent, they are flogging industry all the time. Now, who makes your whole operation go but industry? And you are complaining about industry getting special rates, and so on? But getting back to the whole situation I want to say this, that combined with the Minister, and certain writers in the press, the people of Ontario have got a false impression of exactly what is going on in Hydro. Now, I have the greatest respect for the Minister, he has taken on a gigantic, the most important portfolio, the most difficult and technical portfolio in government, and for him to know all the answers—I do not suggest that he can happen to know all the answers—but I do suggest, Mr. Chairman—

Interjections by hon. members.

Mr. Sargent: I do suggest that somewhere along the line that Hydro at local level be run by elected people. I suggest to you, Mr. Chairman, and to the Minister, that if he is doing right by the Opposition who want to assess your estimates properly, you should have the chairman of the Hydro here, in front of you. Mr. Gathercole should be here for us to ask him questions.

Hon. Mr. Kerr: You cannot ask a man who is not a member of this House questions. What are you talking about?

Mr. Sargent: Pardon me?

Hon. Mr. Kerr: You cannot ask a man who is not a member of this Legislature questions.

Mr. Sargent: What are they doing in front of you?

Hon. Mr. Kerr: You are not asking these gentlemen questions. What are you talking about?

Mr. Sargent: Well, somewhere along the line, I think that this House should have a shot at Mr. Gathercole.

Interjections by hon. members.

Mr. Sargent: All right, I agree that that was not properly thought out, but I do think that there should be a man in this House who is knowledgeable about Hydro and who can answer properly—

An hon. member: Like the Minister.

Mr. Sargent: —because the Minister does not know the answers, and certainly the hon. member for Muskoka does not know them.

Mr. Chairman: Order, please!

Mr. Boyer: You have not asked me a question.

Mr. Sargent: Well, I have read your speeches. And to what you say, the Minister says the very opposite If you want me to quote you—I will if you would like me to.

Hon. Mr. Simonett: Well do it; give us the facts.

Mr. Sargent: We are talking, Mr. Chairman, about rate increases, and we are talking about a six per cent rate increase which will reflect itself, possibly, in about $14 million. Is that what we are talking about?

Mr. Lewis: No we are not—$16 million.

Mr. Sargent: How much—$60 million?

Mr. Chairman: Order, please! Would the member address the members by their riding?

Mr. Sargent: I apologize. But, Mr. Chairman, I have been waiting since two o'clock to speak about something that is very important to my riding—the "boo-boo" that is going on in my riding insofar as Douglas Point—and I do not want the *Globe and Mail* reporter to say that I am unpredictable, I do not know what I am talking about, because a lot of you do not know what you are talking about.

Mr. Chairman: Order!

Interjections by hon. members.

Mr. Sargent: I do not want that kind of press, I want the people to know exactly what they are facing. We happen to have a case, we have the rate increase in New York State, and a group down there called the committee on electric rates get together down there and appeal these rate increases and they were successful in saving $27 million for the users of hydro. Now, could that happen in Ontario?

Hon. Mr. Simonett: What was the increase they wanted?

Mr. Sargent: They wanted an increase of —well they saved $22.5 million in New York State by the appeal of a ratepayers group.

Hon. Mr. Kerr: Is that Fibre Con—

Mr. Sargent: This is Con Edison.

Hon. Mr. Simonett: How much did they get in the raise?

Mr. Sargent: Well, if you want me to take the time I could tell you.

Hon. Mr. Grossman: What formula did they use?

Mr. Sargent: But the shocking thing, Mr. Chairman, is this, and I will try to condense this as quickly as I can because no one should have to listen to any member on any subject for more than ten minutes. But the fact is we sat in the estimates committee with the chairman of Hydro, and most of us are unknowledgeable about the technicalities of Hydro, but we have the chairman of Hydro who stands up there, and this man is a real smoothy, he goes around shaking everybody's hand, and he is a real old politician.

He brings in his hordes of technicians, and all the brass in the country, who are there to tell us we do not know what the hell we are talking about—and they are right. But the fact is that he gets up, he says: "Gentlemen, this is all a mystery to me, we are launched in a $2.5 billion programme for a nuclear development in Ontario, and it is a great mystery to me." It is a point of fact, he said this; and just a moment ago, I questioned him on this fact, and he said this, Mr. Chairman, that if this does not work, we shall try something else.

It will go on record as fact that he made this statement as printed in the Toronto *Daily Star*, exactly as I have said it.

Now, Mr. Chairman, we are talking tonight —we have had about four hours of debate from the NDP on peanuts.

Mr. Lewis: Oh now, just a second—

Mr. Sargent: On peanuts. And that is all they know anything about.

If they can get to their consumer votes, because here we have in Ontario Parkinson's law in full flight, they can talk about the price of the bicycle stand outside for $35. But start talking about $2.5 billion, they cannot assess that, they cannot understand what we are talking about—I am telling you, we are in deep trouble.

Interjections by hon. members.

Mr. Chairman: Order, please.

Mr. E. A. Winkler (Grey South): You are in deep trouble, Eddie.

Hon. Mr. McKeough: Pour it on.

Mr. Winkler: Keep it coming.

Hon. Mr. McKeough: You are getting to the leader.

Mr. Sargent: Mr. Chairman—

An. hon. member: You are doing fine.

Mr. Sargent: Mr. Chairman, Ontario Hydro—

Interjections by hon. members.

Mr. Sargent: Wait until Steve and Don get fighting it out again about new leadership, see what happens to you guys.

Mr. MacDonald: Never fear about that.

Mr. Sargent: Yes; you are afraid of him are you not? Don was up our way about last weekend, trying to have a mini-caucus. You have got to hear about this. He had a big banquet, a big mass meeting, 35 people showed up—

Interjections by hon. members.

An hon. member: What vote is he on?

Mr. MacDonald: I know you are sensitive about anybody moving in and finding so many things left undone in your area, but let us keep to the estimates.

Mr. Sargent: Thank you, thank you!

Interjections by hon. members.

Mr. Sargent: Mr. Chairman, believe me, everybody is opposition. That is how bad things are in Ontario when you see those guys coming along. They will put things back in shape, they know the answer to everything, Mr. Chairman.

Mr. Stokes: Let us hear how little you know about Ontario Hydro.

Mr. Sargent: I will tell you in a few minutes all I know, believe me, it is the last.

Mr. Chairman: Order, please!

Mr. Sargent: Ontario Hydro, Mr. Chairman, along with other utilities on the eastern seaboard must double their output within the next seven years, but they had no idea, no concern for the protection of the environment in the location of these plants. Now I would like to ask—

Mr. Makarchuk: You beat that one to death last night.

Mr. Sargent: In the current issue of *Fortune* an article on nuclear power across America—and every area is in trouble in the development of nuclear plants and I would like to—

Interjections by hon. members.

Mr. Sargent: Well no plant is in such bad shape as the one we have here at Douglas Point.

Interjections by hon. members.

Mr. Sargent: I say that Ontario Hydro has gone completely mad in adopting the Girdler-Spevak process—

Mr. Winkler: You have been mad for years.

Mr. Sargent: —for the production of heavy water. Last weekend the member for Grey South was on the radio in our area telling the people how wrong I was, that he had wanted the whole deal in his riding.

Mr. F. Young (Yorkview): The nerve of him.

Mr. Sargent: He asks about the nerve of him. Having no concern for people, the safety of people insofar as the—

Mr. Makarchuk: No concern for the sermon from the mountain over there.

Mr. Sargent: The story about this whole process of developing heavy water—

Mr. Winkler: It is obvious I have more concern than you do.

Mr. Sargent: You had a lot of concern when you had to—no, I will not go into that.

First of all, I would like to ask the Minister, now that we are talking about the development in nuclear power—

Mr. Gisborn: What is your first point?

Mr. Sargent: —in the Douglas Point area. Was there a hearing, Mr. Chairman, first of all, in the development of putting the plant into Pickering and secondly into Douglas Point? Was there a hearing of the people in the area to see if they would allow and let these plants into their areas in Pickering and Douglas Point?

Hon. Mr. Kerr: Mr. Chairman, I answered the question, I think, last week regarding Douglas Point. Not to my knowledge. Maybe the vice-chairman of Hydro can answer that question as far as Pickering is concerned. However, I would like to clear up one point. The hon. member, Mr. Chairman, is quoting from *Fortune* magazine which referred to the U.S. nuclear programme for hydro. It is not the same as our programme in that it uses enriched uranium, which in the opinion of Hydro, is much more dangerous than the

Canadian uranium which is used in our plants.

The hon. member also referred to, I think he said the Spevak process, for the development of heavy water. I think I quote him correctly when he says "the development of heavy water by Ontario Hydro". Ontario Hydro is not developing heavy water—this is Atomic Energy of Canada Limited and therefore any complaints as far as that process is concerned should be directed towards them.

Mr. Sargent: Mr. Chairman, the crux of this whole situation is that the Minister denies that they are going to acquire this property from Atomic Energy when it is finally completed. The hon. member for Muskoka last year said that the Hydro was going to acquire the property when it was finally built.

Hon. Mr. Kerr: What property?

Mr. Sargent: The Douglas Point nuclear heavy water plant.

Hon. Mr. Kerr: Are you talking about acquiring the plant?

Mr. Sargent: Yes, the plant itself, yes.

Hon. Mr. Kerr: Not to my knowledge.

Mr. Sargent: The member for Muskoka said last year the government of Canada through AECL owns the $85 million Douglas Point plant.

Mr. Boyer: Excuse me; the Douglas Point generating station.

Mr. Sargent: Hold on, hold on! The station's nuclear component was designed by AECL. The Ontario Hydro designed the conventional portion and constructed the plant at AECL's expense.

An hon. member: Now we know why it is not worth it—you built it.

Mr. Sargent: The commission operates the station for AECL and buys the energy it produces at the same rates the commission buys power from the interconnected utilities. Hydro will purchase the plant when the commissioning tests are completed at a price which will make the cost of power fully competitive. Now, we do not know of that cost.

Mr. Boyer: No, not yet.

Mr. Sargent: So, we are buying a pig in poke.

Mr. Boyer: No. The Minister also explained this tonight—

Mr. Sargent: So, here we have then, Mr. Chairman, the framework of this whole thing. We have a Mr. Macaulay who was the bright boy of the Tory ranks some years ago, in cahoots with AECL—he was the big boy that brought nuclear energy to Ontario.

Mr. MacDonald: Would the Minister of Mines confirm that?

Mr. Sargent: So the Hydro gets married to AECL in this motivation for the power for Ontario Hydro. So you fellows—

Mr. Winkler: Talk to your friends in Ottawa.

Mr. Sargent: Pardon me.

Mr. Winkler: Why do you not talk to your friends in Ottawa?

Mr. Sargent: I have. They admit they have laid an egg and you fellows say you had nothing to do with it.

Mr. Winkler: And you are talking about a point of privilege, Mr. Chairman. I will say once again, and I reiterate, if the hon. member for Grey Bruce does not want this development in his constituency—if the Minister will grant the privilege—I will accept it in my own riding.

Mr. Chairman: Order, please!

Mr. Sargent: You see, this is how bad things have got here. We are not thinking in terms of being Canadian, we are thinking in terms of being provincial. I am thinking in terms of the fact that—

Mr. Winkler: Is the member saying he is not a Canadian?

Mr. Sargent: Yes, sir, I am. The Minister can say if they are in trouble, that is their business. So they make a big mistake about a month ago. So you are paying half the cost, but it is not part of your deal.

Now, the very evasive action—

Mr. Winkler: Do not dig yourself in.

Hon. Mr. Kerr: The member is mixed up.

Mr. Sargent: I see. Well, you tell me then: the AECL plants, who will they sell their power to? Who will they sell the heavy water to?

Hon. Mr. Kerr: Heavy water?

Mr. Sargent: Yes.

Hon. Mr. Kerr: They will probably sell most of it to Ontario Hydro.

Mr. Sargent: All right, so the motivation was they were to go there at the behest of Mr. Macaulay or your government to produce this plant and now they instal the most dangerous plant—

Hon. Mr. Kerr: No, no!

Mr. Sargent: All right, thank you very much. It is a matter of record that the process they are using at Douglas Point is the Girdler-Spevak process.

Hon. Mr. Kerr: No.

Mr. Sargent: All right. Now, the chairman of Hydro said this is not true. I confronted him with a story from *The Hydro News* and he took it back, he said: "Well, maybe that is so." Now the same process that you are using in Douglas Point is a process that is usually being used in Nova Scotia at Glace Bay, which they cannot get off the ground and—

Hon. Mr. Kerr: They are using salt water down there.

Mr. Sargent: They are using the same Girdler-Spevak. Mr. Chairman, I want to go on record—the Minister says they are not using the same process. He says that, does he?

Hon. Mr. Kerr: I am saying they are using salt water, which is a lot different.

Mr. Sargent: It does not matter what water they are using, they are using the same—

Hon. Mr. Kerr: This is the whole reason why the plant is shut down right now.

Hon. Mr. Simonett: If they had built it in Ontario, where we wanted to build it, they would not have the problem.

Mr. Nixon: You would have had it up in Moosonee?

Hon. Mr. Simonett: No, we wanted it here.

Mr. Stokes: The member for Grey-Bruce struck out again.

Mr. Nixon: Is Moosonee not in Ontario?

Interjections by hon. members.

Mr. Chairman: Order!

Mr. Sargent: Mr. Chairman, I am so concerned about—

Mr. Stokes: The member is just confused.

Mr. Sargent: Yes, I will tell you, frankly I am confused. I do not know where to go on this thing because the engineers say they are right—

Hon. Mr. Simonett: The member's leader says he is wrong.

Mr. Sargent: And the authorities I have been talking to, our technical people, say you do not have a chance in the world of getting that plant off the ground, you are using the wrong process. On top of which, we are sitting on a time bomb.

Hon. A. F. Lawrence: What is the right process then? What is the alternative?

Mr. Sargent: I would suggest this, the right process could have been this, that in view of the fact that the province of Ontario is in very dire financial straits.

Hon. Mr. Grossman: Who said that?

Mr. Nixon: The Provincial Treasurer (Mr. MacNaughton) said that last year, just a year ago.

Hon. Mr. Grossman: He did not say we were in dire financial straits.

Mr. Lewis: We turn off the lights in Ontario.

Mr. Sargent: Mr. Chairman, I want to put this on the record. This is a statement in regard to the entire nuclear development programme in America.

An hon. member: What magazine?

Mr. Sargent: It is from *Fortune* magazine, the current issue, November, 1969. I will quote from page 116:

> A more agile industry might adapt itself to this new environment, but the clumsy utilities seem to stumble over every obstacle. For years after the northeast blackout, they are far from completing the kind of good network of interconnections recommended by the Federal Power Commission.

It is very short, three more lines.

> To meet the predictable demand for power, most utilities bet heavily and too hastily on nuclear plants, which are proving more difficult to build and more expensive than anticipated.

And it quotes a fizzle a few months ago.

> Because of the delays in building nuclear plants, they have been forced to order hurriedly hundreds of stopgap gas turbine generators as well as more conventional steam generators. The public, of course, will pay for this lack of prescience.

Interjections by hon. members.

Hon. A. F. Lawrence: Then the member is not only against the Ontario process, he is against any nuclear power process.

Mr. Sargent: The Minister of Mines is getting through to me now or I am getting through to him. Ontario could have bought heavy water from Georgia and Germany, but when the Prime Minister launched his programme he said three or four years ago—in 1964 he said, "We are going to build another new Niagara, we are going to be the pioneers for the world in nuclear development".

Hon. A. F. Lawrence: And we are going to be.

Mr. Sargent: And we are going to be? Using the same process as Nova Scotia, which cannot make it work—and you think you can make yours work?

Hon. Mr. Kerr: The plant will be open next year.

Mr. Sargent: You said that in 1967.

Hon. Mr. Kerr: The plant in Nova Scotia will be open for heavy water next year.

Mr. Sargent: Mr. Chairman, I want to make the point that it is no wonder this province is in trouble financially, when we have a group of people like the Hydro not responsible to this Legislature and there is no control over what is going on.

Hon. Mr. Kerr: Our needs double every seven years, what does the member suggest?

Hon. Mr. Grossman: Could we find out from the Liberal Party what they would do about this, if they were in power?

Mr. Bukator: I will tell you what I would do. You are talking about nuclear power and you are talking about Hydro. I was the one who brought the point before the committee the other day that I thought Hydro should be under a Minister of this Legislature, so we could ask him questions on his estimates, just as we do item by item on every other department of government here.

I still believe that is what it was intended to be in Sir Adam Beck's time, when they first started. However, a few politicians in this House at that time were persuaded to give them an Act of their own, The Ontario Hydro-Electric Power Commission Act. So they are a kingdom within themselves in this particular province, they can run their show any way they like; if they decide to build a $25 million plant on the corner of College and University, they will do that, and they are not even responsible to you at all.

I think this Legislature should have an opportunity, Mr. Chairman, through you to the Minister and this assembly, to be able to discuss and possibly persuade them, to put that in some other city because I do not know why it should have to be in this congested area.

However, I am getting away from the point. We want to develop power. I say to you that back in Sir Adam Beck's time, when they built their first plant on the Niagara River, the Toronto Powerhouse was one of the first, I believe, and they built a tunnel—if you can visualize with me, I will try and paint a picture for you—they built a plant, the Canadian Niagara Power Company was one of the first to take water out of the river above the falls, through a tunnel, through their penstock, and they developed hydraulic power. That was the Canadian Niagara.

And then the Toronto Powerhouse was another plant which took water from above the falls, again, through a tunnel, down below the falls, and that water was taken off the brink of the falls, naturally, because it was diverted. Back in my time, as a boy, they diverted water through the Sir Adam Beck Number One, they reversed the flow of the Welland River, built a canal through to the Sir Adam Beck and more water was taken off the Niagara River before it hit the falls and spilled into these particular areas.

The reason I tell you this is that Toronto Power, Canadian Niagara and the Ontario Power, all did this long before my time, water was taken off of the falls, diverted or sent through tunnels from penstocks that generated the power, and the cheapest power than can be developed today is hydraulic power, as I understand it. Not too long ago Sir Adam Beck Number Two was built. If you can visualize another tunnel being built, the particular ceiling of this building is about 80 feet, they put this tunnel into the Niagara River and they dropped the water 325 feet into two tunnels over 45 feet in diameter and they sent that water down through the tun-

nels down to the Sir Adam Beck Number Two.

On the American side, because of the treaty between the two countries, they did the same thing, they built the Robert Moses plant with water off the Niagara River again through their tunnels. And because there was a period of time from midnight to morning when the power was not needed as badly, the provincial government and the state government in New York, built two man-made lakes over a mile across. Because of the treaty, and the water that is taken off the Niagara River through the summer months, they must allow 100,000 cubic feet per second to go over that falls after eight o'clock in the morning. Between midnight and eight o'clock they cut it down to 50,000 cubic feet per second.

If you were there at eight o'clock in the morning you could see the rocks, very, very little water going over the falls, but to the layman, we understand, according to the record, that at that time 50,000 cubic feet of water per second is going over that falls; 25,000 into the American Robert Moses canal or lake; 25,000 into the Canadian side, Sir Adam Beck, number two; and this is put into man-made lakes that are only 85 feet in depth.

They reverse these pumps that pump the water into these two lakes and they generate power through the day and they have an 85 foot head—as they call it in power terms—and they drop that only about 45 feet. If you can visualize a big lake, one mile across, dropping water, gravity, that is stagnant almost, through these particular generators, to make power, and they thought 50,000 cubic feet enough per second, to build these man-made lakes and pump water into them and then reverse their pumps and make power, then 50,000 cubic feet per second must be very worth while to the Hydro. Remember, as I say this to you, 50,000 cubic feet at all times must go over that falls.

In the summer months they must allow 100,000 cubic feet over that falls. It is my opinion—and I know here I come into a very, very contentious area with Hydro people and the people of Niagara Falls—that another plant should be built at Queenston, below the escarpment, at the river, because from the bottom of the Horseshoe Falls, which is about 165 feet, from the bottom of that falls, to the Queenston power house, you have 110 foot drop—110 feet—and you have at least 50,000 cubic feet per second going through there at all times—and in the summer months 100,000 cubic feet.

I sincerely believe that all of the water that goes through all of these tunnels that I speak of one day could be diverted to be allowed to go naturally over that falls and put it back to its natural state. And one plant could utilize all of the water that comes out of Lake Erie, down the river and over this particular falls.

Now I was asked by people who know their business of Hydro how you would build a power plant, or the necessary dams in the river that travelled as fast as that particular river travels, naturally through that small cut. This is a sound argument and a good question to ask. I say to you, Mr. Minister, that if they can divert all of this water through these pumps below the point that I speak of—

Hon. Mr. Kerr: That is a bad word.

Mr. Bukator: The word "diversion?" Well, anyhow they do divert, and we do not like it at all in Niagara Falls.

If they can divert all of this water, then the water below the Falls drops about 20 feet and it becomes almost a still body of water. That particular dam could be built while you are utilizing these man-made projects that I speak of, or spoke of a few minutes ago. Then, when the plant is built, the water could be spilled over the falls naturally, as it was originally. You could eliminate half a dozen plants, and have one plant do the job for you—since you speak about, in this House, the three different types of power.

First, water power, which is the cheapest; then the thermal unit—or the fossil plants that you speak of, the coal plant—and then the atomic energy, which is the most costly. I would think some research should be put into what I speak of. It makes sense to me.

Just to make my point again, Mr. Chairman, if two lakes will drop their water just 45 feet and give you the power that is necessary, that 50,000 cubic feet per second can develop, then I say to you that there is 100,000 cubic feet per second going through that cut that are not being used at all, and that could be utilized to develop the cheaper power that we have been talking about.

Mr. Boyer: Could I ask the hon. member does he mean placing a dam across the river below the falls? Some distance downstream?

Mr. Bukator: I would say in the neighbourhood of two or three miles. Yes.

Mr. Boyer: Yes. Now that would create a head pond that would back up to the cascade. Is that what he has in mind?

Mr. Bukator: You need not get technical with me, but it is a good question, which I can answer truthfully. From the bottom of the Horseshoe Falls to the point where I speak of building your dam, you have 110 feet—and I do not think you have to utilize all of that either because you have sufficient depth of all of this water flowing through.

I do not know whether you can get a 50 foot dam, or a 60—your engineers could tell you that—and I do not think you would have to do anything more than stop a portion of that up with this dam to develop this power.

The only argument they may have for you against my thinking is ice. You have ice to contend with in every power project. I do not think that is an obstacle.

I know when I made this statement once before in Niagara Falls people of that particular city that elected me to this Legislature felt that I should be run out of town. They thought I was trying to ruin their falls. To the contrary. What I would do is put all the water back where it originally did flow over the falls, American and Canadian, let it flow naturally down to the one plant to take care of the whole proposition and you would not have all these units, plus those lakes, to contend with.

Mr. Boyer: Does the hon. member think that by doing this that the two existing plants on either side of the river should then be closed or—

Mr. Bukator: I would think that the hon. member for Muskoka should take that up with his experts, and tell me whether they could continue with those two plants as they have them there, or build one to take care of the whole setup.

Mr. Boyer: I thought perhaps the hon. member meant that his idea might be supplementary to those two plants.

Mr. Bukator: I would think eventually that one particular unit would take care of the whole thing, yes. I think your experts would come up with that answer also.

But I cannot see why you waste all of this supposed valuable water—let me put it this way, 50,000 cubic feet per second—that you take off after midnight! You have built tunnels and lakes just to utilize that little bit of water, yet you allow 50,000 to flow continuously and are not taking advantage of it at all. In the summer months you have 100,000 that you could take advantage of—and that you do not touch at all. To my mind that could develop a lot of power, because of the flow and the lake behind it.

Now the other place you might explore, if these particular units that you are building now are not going to work, and cost that billion that they speak of—or a billion and a quarter—Would it be possible that you could buy a little from Quebec? They are building a plant there, they tell me, second to none, and they have some that they could sell you cheap—because it is developed by hydraulic power, or by water. This might be an area that you might explore.

Mr. Boyer: We have made some arrangements with Quebec Hydro Commission for supply of power during the 1970's, during certain years in the 1970's.

Mr. Bukator: Very good! You would not expect that a layman could out-guess or out-manoeuvre or out-manipulate, or even out-think your people who are pros.

You have the finest engineers in the country, you have the greatest public relations people, and you must be doing some homework I am sure—

Mr. Boyer: The hon. member is pretty smart, we know that.

Mr. Bukator: Thank you very much; that is quite a concession coming from you. I will accept that compliment. I do not get too many in this House.

I go back to the fact that the cheapest power you can develop is by water. There is a lot of water going over that Falls that is not being used one bit. Take from the bottom of the Horseshoe Falls, not above, but at the bottom at the Queenston Power House on this side of Sir Adam Beck and the Robert Moses where the water flows in, 110 foot drop —I think you could develop that much of a head to not interfere with the natural flow of that river at all.

I give you that for what it is worth. It may not be worth that much, but I give it to you to think about.

Mr. Boyer: Mr. Chairman, may I comment on what the hon. member has just said? We have discussed this with him before, and

it has been considered by our commission, but as he has already pointed out, there is a great deal of public opinion opposed to such an undertaking at Niagara Falls on both sides of the river.

I would think, however, that, in the course of time, people might understand the hon. member's proposition and might come to accept it. And certainly if that is the case we will be very interested in the matter.

Mr. Bukator: Let me just develop this one point further. The reason that the people of Niagara Falls are up in arms—and I cannot blame them—is because there has been so much damage done to the Niagara river above the falls and so much water taken off that those turbulent waters and those rapids, that I remember as a little boy, are no more. There is just a nice little vale of water over some stones that water flows over. Yet to the average person this is quite a miraculous thing even today. But it is nothing like it used to be. And I say to you, and to those in Niagara Falls who will elect or defeat me on these issues, that I am not interfering with their Falls at all. If anything, I am putting it back to its natural state.

Every drop of water that originally did flow over the Falls will go back where it belongs, and you will have your power project below the escarpment where you cannot see it.

Mr. Boyer: Well, it would be rather a serious matter to think of abandoning what we have there now with the tunnel and general installations, but I will give consideration to what the member says.

Mr. Chairman: The hon. member for Scarborough West.

Mr. Lewis: Mr. Chairman, I have no intention of going over the Falls, sir, and I have no intention of dealing with the $2.5 billion blunder, as it has been termed.

I have one specific item I wanted to discuss with the Minister. By way of forewarning, may I tell him that this relates to the letting of the contract of $55 million for four turbines to Canadian General Electric by Hydro.

Prior to that I wanted to take a moment—two moments—to revert to the central point that was being made by my colleague from Wentworth about the stabilization fund, and the increase in rates which Hydro has foisted on the province, and take the Minister through a series of very simple steps or formulations with which he may or may not agree. But I would be interested in hearing his views.

First, Mr. Chairman, listening very carefully to what the vice-chairman of Hydro has said and what the Minister has seemed to infer. May I point out that in the last seven years for which we have figures, the stabilization fund, as a percentage of total assets, varies between 4.1 and 5.1. That is the first point I want to make.

The second point I want to make is that within that time period, the variance in percentage, expressed as part of one per cent, reflected a certain number of millions of dollars.

Can I take the Minister with me on that mathematical excursion? Between 1965 and 1966, with the percentage remaining the same at 4.2, there was a difference of $15 million in the fund. Between 1966 and 67, reflecting a jump from 4.2 to 4.4 per cent there was a difference of $17.5 million in the fund. Between 1967 and 68, from 4.4 to 4.7 per cent there was a difference of $25 million in the fund.

In other words, for the last three years at least, .1 of one per cent of the fund, reflected as a percentage of the total assets, represents roughly $8 million. Is the Minister with me on that? It represents, in a fact, almost exactly $8 million dollars.

Now, having said that, Mr. Chairman, may we, in this party, point out to the Minister that there has been forthcoming from Cabinet and from the vice-chairman of Hydro no formula outline which would indicate to us that there is any appreciable difference between 4.7, 4.5, 4.3, 5, or 4.1. In other words, as long as it is within the general range of the last seven years, it is obviously acceptable. May I then point out, Mr. Chairman, that if the percentage of the funds was 4.5 instead of 4.7, we would have had no increase to the consumers of electric power in Ontario at all —not at all.

Now then, the question must be asked is this: why did Hydro decide to ask two-tenths of one per cent to cover the increase—which is how it would reflect itself in dollars and cents. It amounts to $16 million and for the consumers of Hydro the increase is $15 million. Why did they decide to do it?

I suggest they decided to do it, Mr. Chairman, because of a totally irresponsible wish to increase the stabilization fund for the 1970s during a period of critical inflation. There was absolutely no reason that can be found to legitimize the increase for the consumer. All

that we have in front of us, all that we have heard this evening, suggests that it was perfectly within the limits of the stabilization fund to take that money—indeed if I could put it another way—

Mr. Boyer: Indeed, I said exactly the opposite.

Mr. Lewis: I will finish, then you may, by all means, enter as you would. Indeed, what was given to the stabilization fund by way of current assets in the last year is identical to the increase that you have imposed on the consumers of Ontario.

Mr. Deans: Read your own statement.

Mr. Lewis: In other words, in the minds of Hydro, the maintenance of the fiction was more important than their violation of financial restraints.

The fact of the matter is, Mr. Chairman, that one cannot look at it and feel other than that Hydro acted in an unthinking, arbitrary, and irresponsible fashion.

No one can suggest that a total of $177 million or $180 million would have left Hydro in any the worse position than $190 million or $195 million. It still would have reflected a percentage of total assets completely in line with what went before it. So Hydro sits down in its little enclave, thinking of Hydro as a private enterprise rather than as part of the public sector, and says: "Rather than alter the stabilization fund we will tack on a six per cent increase for the consumer which, when added to the 4.5 per cent increase effective January 1, 1969, means more than ten per cent in the one year."

Let me point out, Mr. Chairman, that Ontario Hydro is forgetting—with the willing complicity of government—that it is essentially a public corporation. It has begun to act like a free-wheeling private company whose profits are not expressed as one normally expresses them—because it must supply power at cost but whose profits are now consumed in a stabilization fund.

Interjections by hon. members.

Mr. Boyer: May I ask the hon. member a question?

Mr. Lewis: Yes.

Mr. Boyer: When he speaks about our doing this, building up, as he says, a profit, what purpose would we have in doing this?

Mr. Deans: That is what we do not understand.

Mr. Lewis: That is what we want to know.

Mr. Boyer: I ask the hon. member what we—

Mr. Deans: You cannot tell us.

Mr. Lewis: Mr. Chairman, there have been no answers and when there are no answers, there are serious suspicions created. In all the years you gave us, from 1962 to 1968, the only appreciable sum that was ever removed was the $50 million. That is the only sum that was ever removed.

Mr. Boyer: Well—

Mr. Lewis: What do you mean well?

My colleague from Wentworth asked at the committee: "Have you recently had a $100 million disaster?" To which there was no answer.

Mr. Boyer: No, we have not.

Mr. Lewis: No, that is right. So, the only time you have ever removed a significant sum of money was $50 million, and on that one occasion it represented less than a third of the available monies in the stabilization fund. Indeed the only other time you have removed money, as you did last year to the tune of $9 million, you removed it for the purpose of subsidizing rates.

Mr. Deans: Industrial rates.

Mr. Lewis: Industrial rates, right. The significant fact, industrial rates.

Mr. Boyer: Other rates, too.

Mr. MacDonald: The major portion was industrial.

Mr. Deans: Retail and industrial.

Mr. Lewis: Retail and industrial rates.

Again we have the private factor emergent. The same kind of mentality now infusing Hydro that infused the private sector. It is all right to stabilize those rates, but when it comes to the consumers' power, then we will increase the rate on an across-the-board basis.

Mr. Boyer: Oh, come now!

Mr. Lewis: You say to me, why have the fund that high? The vice-chairman of Hydro should be able to stand in his place tonight and say: "We have decided by formula, on 4.5 or 4.7 or whatever per cent, reflecting

certain factors." He cannot do that. He can only give us a range of percentages and he can only give us a number of factors which enter into but do not determine those percentages. We say to him, on the basis of the range of those percentages, it would have been entirely within Hydro's capacity to absorb the increase in the stabilization fund and not to have engaged in the reckless violation of the austerity programme and inflation.

Mr. Boyer: But I assure the hon. member that many municipalities of this province would not stand for that sort of operation of this particular reserve fund.

Mr. MacDonald: Nonsense!

Mr. Lewis: That is absolutely ridiculous—that the municipalities would not stand for it.

Mr. Boyer: I must say that I have sat for long periods in meetings with their executive when they very seriously questioned everything to do with this reserve fund and wanted to know just the exact operation. They do not propose the type of thing the hon. member is trying to put before this House.

Mr. Deans: No, because they are quite prepared to increase consumer rates.

Mr. Lewis: I now read into the record a letter received by the Hon. George Kerr on November 17 from the Windsor Utilities Commission, the final three paragraphs as follows:

> Following tradition of Hydro since its inception, Windsor attempts to supply local consumers as close to cost as possible. Therefore, an increase of this proportion cannot be absorbed and our only alternative is to raise our rates to local users.
>
> The cost of power is an item over which we have no control whatsoever, consequently Ontario Hydro should accept full responsibility for explaining to the general public how such an increase will affect local rates.
>
> We believe you will appreciate the position of local utilities resulting from this increase and will take appropriate action without delay.

Mr. MacDonald: That gives the lie to your whole point right there.

Mr. Lewis: Now, there is no question that there is real upheaval amongst the various utility commissions across this province at this absurd and unilateral increase on the part of Hydro. You know—

Mr. Boyer: That is not a correct statement.

Mr. Lewis: You know, Mr. Chairman, the free enterprise mentality is fixated on having a certain number of millions of dollars in the stabilization fund and damn the consequences.

The first consideration of Hydro must be, if it is not to undermine the confidence in public terms, to maintain a level of consumer cost which is defensible. And what you have just done by raising it six per cent is not defensible.

If the Minister of Energy and Resources Management says to us tonight that in section 16 of the Act, the Hydro-Electric Power Commission has the right to act independently, then we say to him, through the Chairman, that when his legislative opportunities come in this House in the first two weeks in December, he should bring in an amendment to the Act. An amendment making any change in the stabilization fund, or increase of moneys to the stabilization fund, subject to approval by the Lieutenant-Governor-in-Council; that is, the Cabinet. And on the basis of that amendment, taking effect on January 1, 1970, your government then announces it will not tolerate the six per cent increase in rates.

You can do it without any difficulty. You will obviously have the support of the House. You cannot justify what your Hydro commission has done. There is nothing you have produced this evening which has the slightest semblance of any definition by which you arrived at your decisions. You can exercise control if you think they have acted in a way which is deleterious to the public interest, as they obviously have. Ah, would that we here in the NDP might see private enterprise, like Shell and Texaco and the whole kit and caboodle brought before some prices review board. But we cannot. We will be damned if a public corporation should be persecuted—I will put it a different way—that a public corporation should be subjected by government to the invidious position in which Hydro finds itself, because you are quite happy to see the rates raised without raising a finger to prevent it.

Now, I am sorry I took the time, Mr. Chairman. There was just one other aspect I wanted to raise but I think the Minister understands.

Mr. Boyer: I wonder, before the hon. member goes on—

Mr. Lewis: No, I was not going to go on.

Mr. Boyer: —if he would permit me to suggest to him that there are very valid reasons in Hydro, as in so many other organizations today, why it is necessary to collect more money to take care of increases in so many things, the increased cost of materials being supplied, the increased cost of capital money, the increased labour cost—

Mr. Stokes: Oh, come off it!

Mr. Boyer: These things are all—

Mr. Lewis: So be it, I shall not pursue it.

Mr. Boyer: The hon. member would not want to deal with that side of it?

Mr. MacDonald: Of course, we have dealt with it.

Mr. Lewis: We have dealt with it on every occasion. The vice-chairman of Hydro marched in here this evening and with a sense of bravado gave us the percentages measured against the total assets. All we are saying is, using your percentages, which we assume have taken into account the items you now raise, though it may not have, because you obviously do not know of what the formula consists—

Mr. Boyer: The hon. member is begging the question.

Mr. Lewis: Not begging the question; we have said on the basis of your own percentages that there is no justification under the sun that can be given.

Mr. Boyer: People will think you are a little mental—

Mr. Deans: Is that the best you can do?

Mr. Lewis: Well, you know, if that is the ultimate in repartee, I accept it and stand vanquished. All right?

You have given us the basis and demonstrated its frailties; this totally vulnerable formula cannot stand up to scrutiny. The increase was in fact irresponsible, need not have been made, the government can still correct it, why in God's name do you not do it?

Mr. Boyer: Well, as far as I am concerned, I only accept that as the hon. member's opinion.

Mr. MacDonald: Mr. Chairman, I do not want to repeat what has been so well put by the hon. member for Scarborough West, but I want to make two or three points rather briefly.

The first one is that the total amount of revenue raised by the increased six per cent rate is $16 million and that is precisely the amount of money that you have put into the reserve fund in the last year. The reserve fund is now at $183 million, you need not have done so if you placed any importance at all in your basic policy of austerity to cope with inflation at the present time.

Obviously, you think it is more important to add another $16 million to a reserve fund which has gone up by $25 million in the last year, which has gone up in the last five years from $123 million, until it is now getting within reaching distance of $200 million. You have made a mockery of your own pretentions of wanting to fight inflation. You have said that you want to add another $16 million to that reserve fund instead of using Hydro as one weapon in the fight against inflation.

You will not do it there, you will not do anything in the private sector. So do not let this govenment ever once again get up and give us the prattle from the Provincial Treasurer, from the Prime Minister, or anybody else, that you are interested in fighting inflation, because you will not do it in the public corporation and you are going to protect the private sector so that they can raise their prices with responsibility to no one.

You have demolished the whole approach of the Provincial Treasurer in his budget, the whole approach of this government in terms of austerity in the last year, you have made a mockery of it.

Now, let me make one further point: The Minister in the course of his comments earlier got up and said: "I have a power commission Act here. We are obligated under the power commission Act to follow a formula." We could not find out what the formula is but you have to follow the formula. I have a question to ask, Mr. Chairman, who is running this province? Is Hydro running this government? Or is the government at least laying guidelines down by which Hydro operates? Because—

Mr. Boyer: The Legislature lays down the rules for Hydro.

Mr. MacDonald: I am speaking for the moment and if the hon. member wants to get up and answer, he can do it later. I am suggesting to you that Hydro is running the government, because all the Minister has to do is what my colleague, the hon. member

for Scarborough West, said in December, bring in an amendment to the power commission Act indicating that some control and direction by the people, who are presumably running this province, can be made in terms of the reserve, so that the policy of Hydro will be integrated with government policies in terms of an anti-inflation programme. Otherwise you are not interested in your anti-inflation programme and please do not kid the public—go ahead and kid yourself, that makes no difference—but do not try to kid the public, because you have demolished your own programme.

The final point I want to make, Mr. Chairman, is that this year we have accomplished to a small degree—and I am not going to exaggerate it—a drawing the curtain aside and finding out how Hydro operates. For years before the government commissions, we have been brainwashed. We meet for one hour and a half in one session of the government commissions to listen to Hydro, and we have a speech read by the chairman of Hydro and then we are edified a little later during the session when the vice-chairman of Hydro gets up and reads a comparable speech in the House. It reveals nothing in terms of the intimate detail of the operation of Hydro. It makes a mockery of the pretence that there is any review of the operation of Hydro.

Some years ago in the government commissions, my colleague, the deputy leader of the New Democratic Party, moved a motion that was passed unanimously, that the government commissions should be armed like congressional committees with appropriate accountants and economists to assist the members to bring in government commissions once a year, so that we could go through their operation with a fine tooth comb and find out what is happening.

We have never been able to get that concession from the government. It has never happened except that this time under the dramatic elevation of a price increase that could not be defended, and under the pressure from the public the govenment has sent it out to the government commissions, and we have found out something.

I will tell you one other thing that we have found, the vice-chairman of Hydro has not a clue as to what is happening in Hydro, because his reactions in this House are sheer pettifoggery, sheer attempt to confuse what we are trying to elucidate. He knows he is deliberately trying to confuse the situation.

Frankly, I am almost persuaded that he does not know. Therefore, what is the purpose of having a member of this Legislature sitting as vice-chairman on Hydro, because he is defending Hydro against us so that we cannot find out the facts when presumably he is here as a member of this Legislature a colleague to assist us in finding out the facts?

It just underlines the need in future years to arm the government commissions with the necessary experts and professional staff who can assist the members to do a real analysis of what happens in Hydro, so that the public can find out. Because, at least on this, we have found out enough to let the people know exactly what has happened.

Mr. Boyer: Mr. Chairman, before another hon. member speaks there is only one point I will attempt to deal with in connection with the remarks made by the hon. member for York South. That refers to the appearances of Ontario Hydro before the standing committee on government commissions, and I want to make it very plain to this House, in spite of remarks that the hon. member has made tonight which have been made also by other hon. members, that the standing committee on government commissions is the authority which commands the appearance of Ontario Hydro before it. One of the hon. members in the other party likes to say that, on one occasion, Ontario Hydro gave a tour of one plant and provided a lunch for the hon. members. I want to make it very plain to this House that on that occasion, which I think was about five or six years ago, this was a request from the standing committee on government commissions, that Ontario Hydro give such a tour and such a lunch.

Interjections by hon. members.

Mr. Boyer: All right, I should know, I was told to arrange it. But I want to make it very plain that this year the standing committee on government commissions has made arrangements for Hydro to be present on at least three occasions. It may take more and we are willing to come as often and for as many hours as are necessary.

If Hydro commissioners have any preference as to appearances before the standing committee, it is that the meeting will be held in this building in a committee room where there will be all kinds of opportunity for hon. members of this House to put forward questions which can be answered. The only thing I would like to suggest is that

the members who are attending that committee next week arrange their questions in rather orderly manner so that we can get ahead with business more quickly than we were able to do last week.

Mr. MacDonald: I do not want to speak on anything other than to emphasize that the Minister has missed the point I made. If the hon. member for Muskoka was handed the whole balance sheet of Hydro, and an hour's explanation of what happened in Hydro, it is not in criticism of him that he would not understand it, because it is obvious that he does not understand it too well in spite of the fact that he has been working and living in the institutions for some years.

What I am saying is that the members of this Legislature simply cannot, after an exposure of an hour of a speech from the chairman of Hydro, get into the real workings of Hydro as we are entitled. The only way that can be done is to have economists and accountants, the kind of experts for example who will assist the members in digging out the facts.

Mr. Boyer: Well, Mr. Chairman, as far as I speak for Ontario Hydro, I say that is no business of Ontario Hydro; if this standing committee of the House wants to arrange its business in that way, by all means.

Mr. MacDonald: The government will not permit it. We have requested it and the government has not answered, as usual.

Mr. Lewis: Mr. Chairman, now that this has been partially dealt with, I want to raise one other aspect of Hydro, which is in a sense a parallel matter. Hydro is acting with what can only be called bull in the china shop private enterprise abandon. Hydro very recently sold out the Ontario economy for the sake of giving a contract to the United States.

So not only does Hydro engage in price manipulation in Ontario, unjustifiably, but it then, in a way which really surprises one, is taken in, in fact it was not taken in, with its eyes opened, it walked into an arrangement which undercuts the employment of several hundred citizens of Ontario, and at the same time burgeons the economy of the United States.

Let me make it clear, what I am talking about. I think the Minister knows, and I would like some good answers because I have done a little homework myself since last we discussed this by way of a very tentative question in the House.

In December of 1968, December 23—Christmas Eve virtually—typical of corporate business practice—the union at the CGE plant in Scarborough, producing turbines for hydroelectric power, was called into management's office and told that Scarborough's plant of CGE was phasing out turbine production because they had lost orders in competition with the international market. They could no longer sustain the load in the Scarborough plant.

That was December 23, 1968. In May, I believe May 9, of 1969—less than six months later—Ontario Hydro gave a contract for $55 million to Canadian General Electric to produce four turbines for its Lennox Station.

Am I right that it was the Lennox? Am I right in that? Well, I think I am right.

It was perfectly legitimate that it should go to CGE because the same plant in Scarborough had produced four turbines of 500 megawatts for the Lambton power station on the St. Clair River. These were four turbines of 550 megawatt power designed for the Lennox station. After the contract had been let, it was then revealed that the turbines would be produced up to a level of seventy-five per cent in the parent plant at Schenectady, New York.

Mr. Chairman, quite frankly, I just do not know what justifies that kind of behaviour on the part of Ontario Hydro. It has been suggested that for the period of the year involved, an equal amount of exports would flow from Canada to the United States to try to make up the $55 million which we would lose.

I have yet to see it in any contractural undertaking, and one would like to know how $55 million of kettles, or toasters, or anything else could possibly compensate for the loss of a $55 million contract.

But even more important, Mr. Chairman, is that the behaviour of CGE in the interim suggests that the plant could have been sustained in operation until the turbines went into production in 1972.

Indeed, the plant has put out a number of notices—there is not time to quote from them all, but they are right in front of me—indicating that it has found "fill-in" projects to sustain the work force and could have sustained until 1972.

Then it would have been possible to maintain these people in reliable employment—with all that that would mean—for the turbine industry in Ontario, for literally decades hereafter.

Do you know, Mr. Charman, the *Financial Post* writing sometime between December 1968 and May 1969—I am sorry I do not have the date—indicated that CGE had said in December it was phasing out its turbine production? The quote went on:

> To outsiders the move looked logical, but not to close observers of the industry.

One competitor says:

> How could they seriously think of quitting when the biggest order was in the works; and why spend millions to get in then suddenly get out?

That being reference to the fact that some new equipment had been bought in December.

Well, I will tell you what my conspiracy-oriented mind believes, Mr. Chairman—and I want the Minister to know it—I believe that CGE in Ontario acted as a front man to win a contract for CGE in Schenectady to the tune of $55 million, wrested from Ontario Hydro with their full knowledge of what was involved and with the subsequent deprivation of the Canadian labour market and the capital that would have been involved of tens of millions of dollars. And some 900 possible jobs in jeopardy: 600 skilled machinists and 300 salaried workers.

Mr. Chairman, as a public corporation, it seems to me that Hydro should have insisted that the turbines be produced in Canada; indeed, that should have been a condition of the contract. If they wanted to, they could have dealt with Howard Parsons to whom they gave the Bruce contract. If they had wanted to they could have dealt with the three other bidders, because even if it had meant a small additional sum of money, think of the returns in terms of the maintenance in manpower, of 900 people in viable employment somewhere in the most important turbine-producing plant in Ontario, indeed in this country.

Howard Parsons imports the parts from the United Kingdom and assembles them here. CGE in Scarborough builds everything from scratch. When I asked the Minister the question in the House, related to this in an ancillary way, he said to me he did not think that Scarborough had the capability. Of course, Scarborough has the capability. They just built four 500 megawatt turbines for Lambton. All you are asking them to do is build turbines of 550 megawatts. Douglas Brown, manager of the industrial relations section at CGE, at the company union meeting in May 1969 said:

> The turbines are not identical to Lambton, but Scarborough has the ability to build them.

That is obvious to all the skilled machinists at Scarborough, as it was obvious to everyone who was involved in the negotiations—it was obvious to the press, prior to the deal being announced, all of them speculated about which of the contractors would get the contract, but never thought for a moment that it would end up in the hands of Schenectady, New York.

It just seems to me, Mr. Chairman, coming back to the basic theme which we in this party have emphasized and re-emphasized and will continue to re-emphaize, that this government has to stop its frivolous attitude towards enhancing the American economy at the expense of Ontario's economy. It has to stop supporting parents at the expense of subsidiaries, as it did in this instance. If the Minister can pull out of the contract clause saying, "CGE in Schenectady will import $55 million worth of toasters, irons, kettles and other manufactured products," then that might be useful for the initial loss of the contract. But it will never compensate for the 900 jobs you have put in jeopardy, and for the irresponsibility of walking into that kind of arrangement with Hydro's eyes open.

If ever there has been evidence produced for making Hydro more accountable to this House—either through government commissions, or through the Minister, in a direct no-nonsense way, taking it out of its own little private club—then it is a combination of this contract, which affects UE Local 508, now significantly, ultimately, perhaps disastrously, and the increase in consumer prices of hydro-electric power at six per cent.

Mr. MacDonald: No reply?

Hon. Mr. Kerr: Mr. Chairman, I cannot really enlarge too much on the answer I gave the hon. member last June. As the member knows, the government does not have to approve Hydro's contract. One of the reasons I indicated, was because of the size of these units, some of the major components will be manufactured by the GE Company in Schenectady.

Mr. Lewis: Seventy per cent?

Hon. Mr. Lewis: Yes.

Mr. Lewis: Thirty per cent in Peterborough, I do not deny Peterborough the 30 per cent.

Hon. Mr. White: Your line of reasoning would do so.

Hon. Mr. Kerr: You will also recall that the Prime Minister stepped in, as a result of your supplementary question, and explained to the House that the parent company in the United States would ensure that an equivalent amount of exports would be generated by the Ontario company to match the purchase from the parent company in the U.S.

Mr. MacDonald: That is a pipe dream.

Mr. Lewis: Mr. Chairman, may I ask the Minister, do you have that by way of contract? Do you have that written into the agreement? What kind of proposition are you pretending?

Hon. Mr. Kerr: All I can say, Mr. Chairman, is in answer to your fourth question—

Mr. Lewis: I know the answer but it is not in the contract anywhere. CGE can tell you to go peddle your papers. You have made the deal.

Mr. Chairman: Order, please. By agreement of the new procedural rules, the committee rises just before 10.30 in order that the House may adjourn at 10.30.

Mr. G. Ben (Humber): Can we not give consent to sit longer?

Mr. Chairman: I will entertain a motion to rise and report.

Hon. A. F. Lawrence moves that the committee of supply rise and report a certain resolution and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports that it has come to a certain resolution and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 o'clock, p.m.

No. 220

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Wednesday, November 19, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 19, 1969

The House met at 2.00 o'clock, p.m.

Prayers.

Mr. Speaker: Today again in our galleries we have many visitors—in the Speaker's gallery, the Fort Erie Women's Progressive Conservative Association; in the east gallery, students from King George V public school in Chippawa, and in the west gallery, Glen Ames senior public school students from Toronto and students from Kane senior public school, also in Toronto.

Statements by the Ministry.

Mr. M. Shulman (High Park): On a point of order. My point of order is that the Minister of Public Works misinformed this House yesterday.

Yesterday, Mr. Speaker, I asked the Minister of Public Works this question—I quote from the preliminary transcript of *Hansard:*

> Have you received complaints from your safety department that the building at 44 Victoria, which is operated by The Department of Labour, is unsafe because there is no proper means of egress?
>
> *Hon. Mr. Simonett:* The answer is no.

I am sorry to inform you, sir, that this is incorrect. The inspection was made by Mr. S. W. Greenslade of the Minister's department. His address is 5 Acorn Avenue and his phone number is 233-2343. He prepared a written report on this subject which was forwarded to the Minister's office in July.

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, on a point of privilege, I have not been informed of that report yet nor have I seen it.

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, I am pleased to announce the appointment of Mr. Barry G. Lowes, MA, as chairman of the Training Schools Advisory Board. He succeeds Mr. Howard R. Beattie, who retired recently for health reasons, and to whom I wish to express, on behalf of myself, the department and the government, our appreciation for the outstanding leadership and guidance he provided during his tenure as chairman of this board.

Mr. Lowes, who has been a member of the Training Schools Advisory Board since 1965, holds a bachelor of physical health and education degree from the University of Toronto, and a masters degree from New York University. He has been a member of the Metropolitan Toronto school board since 1963, serving for one year as chairman of the Toronto school board and the last three years as chairman of the Metro board.

In addition to teaching at Toronto, British Columbia and McMaster universities, Mr. Lowes has prepared various manuals on recreation and has contributed numerous articles for professional publications. He is chairman of the board of governors of the George Brown College of Applied Arts and Technology and a member of the board of directors of the Hincks Treatment Centre. Mr. Lowes has served as a member of the advisory board of the social planning council, as chairman of the budget review committee of the United Community Fund, and as chairman of the study committee on school dropouts in Metropolitan Toronto.

Mr. Lowes is the owner and director of Camp Timberlane, a camp for boys and girls in Haliburton, Ontario.

Mr. Speaker, we are most grateful that a man of Mr. Lowes' calibre has agreed to undertake this very important task in this department.

Mr. Speaker: Oral questions.

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Prime Minister. Can the Prime Minister advise us when he is going to table the information concerning the Algoma Central matter?

Hon. J. P. Robarts (Prime Minister): When I have it ready, Mr. Speaker.

Mr. Singer: By way of supplementary, can the Prime Minister give us any indication of when it might be ready?

Hon. Mr. Robarts: I would think the beginning of next week.

Mr. Singer: Mr. Speaker, I have a question of the Minister of Reforms in relation to the—

Mr. Speaker: I presume the Minister of Correctional Services?

Mr. Singer: I am sorry, the Minister of Correctional Services. I cannot keep up with all his titles.

In connection with the appointment of Mr. Lowes, to which he just made reference, is this a full-time appointment or will Mr. Lowes be able to do this as a part-time effort?

Hon. Mr. Grossman: Mr. Speaker, it is not a full-time job. It takes a few days every month and it is on a *per diem* basis.

Mr. Singer: Mr. Speaker, I have a question of the Minister of Transport. In view of the very serious rise in child mortality by reason of automobile accidents, particularly in Metropolitan Toronto, I wonder if the Minister has any plans in mind to make the streets of Metropolitan Toronto safer for our children?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, we work continually to improve traffic and highway safety in this province. We use all the various means that seem available to us. There are those who will advocate one approach—what we call a tunnel-vision approach—to traffic safety, who will say that if you will adopt this scheme it will reduce traffic injuries or fatalities by 25 or 50 per cent, and so on.

We find it desirable in the interests of advancing safety on our streets and highways to use as many varied approaches as have proved useful. We have gone ahead with these various programmes; we have made them widely known; we have used various means of disseminating safety education; we work through various safety councils and other bodies across this province. Over the years, I say to the House, we have been successful in doing a reasonably good job in this province *vis-à-vis* other jurisdictions; not that we have ever achieved the measure of safety that we hope, or that we seek to achieve.

I point out to the hon. members that last year we had a very good year insofar as injuries and fatalities on our streets and highways were concerned. Though we had driven about a billion and a quarter more miles—at least something more than a billion more miles—than we had the year before, we did not have a 4 per cent increase in the number of fatalities, which that increase in mileage would represent, but we actually had a drop of 33 fatalities over the year and in Ontario we reduced our fatality rate to 5.9 per cent—not only the lowest in Canada but considerably below other jurisdictions and provinces in Canada. For instance, in Quebec it was 10.2, and in British Columbia 8.6. Those are the two other provinces most heavily populated with vehicles. I give you these facts and say to you, sir, that we work assiduously to reduce traffic collisions, injuries and fatalities in this city and across the province, and we welcome help from every quarter that we can get it.

Mr. Singer: Mr. Speaker, by way of a supplementary, notwithstanding the most pertinent remarks made by the Minister, does he not share the alarm of most of us here in Metro, that the increase of injuries and fatalities to school-age children that has taken place just in the last eight months is alarming and that there should be unusual methods embarked upon to see if we can protect those children and pedestrians who are now being injured and killed?

Hon. Mr. Haskett: Mr. Speaker, I do. I share the concern of the hon. member and the other members from Metro. We work with the Metropolitan Citizens' Safety Council, the Ontario Motor League and our own safety officers, and if we can find ways to further the safety conditions of the streets of Metro and other parts of the province, we will.

Mr. Speaker: The member for Peterborough.

Mr. W. G. Pitman (Peterborough): I have a question of the Minister of Transport. Is it not a fact that in the last four years the number of collisions involving school buses has doubled and the number of injuries to school children tripled? Does he not think that it would be feasible to bring the whole matter of school safety and school transportation safety under one authority so that there will not be that degree of fragmentation which exists in having this problem dealt with by The Department of Transport, The Department of Education, The Department of Highways and the Attorney General's office?

Hon. Mr. Haskett: Mr. Speaker, I will consider the suggestion by the hon. member. I do not know that there is any fragmentation of the efforts. There is a division of responsibility, obviously—as between the school boards that operate the buses, The Department of Transport that regulates the use of school buses, and the officers who enforce the laws that are designed for the safety of the users

of the highways; and, particularly in this case, with the safety of the children.

I would, however, point out this with respect to the figures the hon. member was using, that while there has been, over the last few years, I think, a doubling of the number of collisions related to school bus operations, there has been, over the past five years, more than a tripling of the number of pupil-miles travelled and the fatalities have remained exactly where they were five years ago.

Mr. Pitman: Fatality ratios are very hard to determine. That is well known. It only takes one accident to inflate the number.

Hon. Mr. Haskett: It is a difficult thing to measure. I just give the House the figures I am able to reach. And I say to the House: we all share a very serious regard for this problem, and if we can find ways of bettering our records, increasing the safety of the children and other users of the highway, we want it.

Mr. Singer: Mr. Speaker, I have a question of the Minister of Trade and Development: In view of the statement made in Ottawa yesterday that the priority allotted to the location of the new airport on the island is very low, does the Minister still believe that it is going to be feasible to start an island village or an island city within a year to 18 months; and to house on it between 50,000 and 65,000 people, as the Minister advised us in his estimates?

Hon. S. J. Randall (Minister of Trade and Development): Yes, I still believe it is feasible. As the hon. member knows we are talking about two different things. I think that Mr. Jamieson, the Minister responsible for airports, was talking about a major jumbo airport for the province of Ontario—out of Malton possibly into some other area. As he said there are six or seven possible locations. We knew this a year ago when we were looking at the island.

Mr. Singer: Well, by way of supplementary, while the Minister thinks it is still feasible, could he tell us what progress, if any, has been made since the time he made this startling announcement during the course of his estimates?

Hon. Mr. Randall: Yes, I can tell the member. There is a list of all the meetings we have held with Metro, the harbour commission, and the city of Toronto. We had numerous meetings, week in and week out. The matter is progressing and as soon as I have made a presentation to my Prime Minister and the Cabinet, we will let the member in on the rest of the information.

Mr. Singer: Mr. Speaker, again by way of supplementary: Have there been any decisions made, or just meetings held?

Hon. Mr. Randall: I think that is a facetious question, Mr. Speaker.

Mr. Singer: It is not facetious.

Hon. Mr. Randall: How can you make decisions until you get a plan presented to the proper people who, when they have had a look at it, will add to it, or say that this will not work or it will work? First of all you have to have a conceptional plan to present to the people involved. This we have, and we have been discussing with all the people I have mentioned on this list here today. I am quite sure the member can sit back. He need not get his bleeding ulcers upset—we will have the matter well in hand.

Mr. Singer: By way of supplementary: in view of the Minister's—

Mr. Speaker: I will hear the member's supplementary, but it seems to me we have pursued this about as far as possible to obtain what information there is at this time.

Mr. Singer: All right. I will abide by your ruling, Mr. Speaker. In view of the Minister's last statement, is it not reasonable to conclude that there was no plan in existence at the time the Minister made his announcement during the course of his estimates?

Hon. Mr. Randall: No. Mr. Speaker, there have always been plans in view of the statements I have made. We never make a statement without having a plan.

Mr. Speaker: Has the member finished his questions?

Mr. Singer: No further questions.

Mr. Chairman: The member for York South.

Mr. D. C. MacDonald (York South): Mr. Speaker, I have two questions, but—if I may borrow your phraseology—both of my targets are absent.

Mr. Speaker: The hon. member for High Park.

Mr. MacDonald: No, Mr. Speaker, I am sorry. Perhaps this question should, and can, be directed to the Prime Minister. Yesterday,

during the course of the estimates, the Minister of Energy and Resources Management (Mr. Kerr) indicated an inability to investigate or question the use of the reserves of Hydro because a formula is set down in The Power Commission Act. There was an implication in his statement that that could be altered. Would the government consider bringing in an amendment in the concluding weeks of this session to empower the government to give some direction in the use of the reserves of Hydro so that its policies can be co-ordinated with the economic and fiscal policies of the government?

Hon. Mr. Robarts: Certainly it is something we would give consideration to. We have discussed this reserve with Hydro and the way it is used. This is a particular use for it which seems to have some appeal to those who have been questioning Hydro in the last few days, but this fund has existed for a good many years to serve a very specific purpose. It may be very interesting just at this moment to say we might use it for a specific purpose because there happens to be a rate increase, but I think we really ought to look at the history of this fund over a period of time while Hydro has accumulated it and as it has been used.

I do not think at this time it is a matter for the government to say, yes, we will introduce legislation which will permit us to say—it must be used in such-and-such a way. I think we are interested in seeing that the fund is used in the proper interests of the consumers of Hydro and the owners of Hydro who are the retailers in the municipalities across the province. We certainly want to see it is used properly.

On the other hand, this does not mean that we are immediately going to introduce legislation to tell Hydro what to do with it. The fund has been there for a considerable period of time and has served its purpose over the years. If there is some way it might be used immediately, which is advantageous, we would be happy to look at that, but as I pointed out to the House, when you use the term fiscal and monetary policy, really, this is constitutionally a matter for the federal government and not the province.

Mr. MacDonald: By way of supplementary. Does the Prime Minister share the view that was implied, if not expressly stated, by the Minister yesterday that at the moment the government is powerless—in other words, that it has no capacity to give any direction to Hydro as an agency of the Crown on how its reserves shall be used—for example, to avoid an increase in rates and therefore be a weapon in the battle against inflation?

Hon. Mr. Robarts: Again the member is asking me to express an opinion which is precluded by the rules of the oral question period, but we as a government have never really—in our dealings with Hydro, had to look too closely at the Act or what it says. There is consultation between the government and Hydro on matters of policy and all functions. These are matters for discussion and I do not think that if I want to discuss how this fund is used, I have to go to the Act and say: The Act says such-and-such, therefore the government can do so-and-so.

We are able to sit down and discuss these matters, and that is what we do. Hydro must stay within its statute in functioning, but nonetheless there is a working arrangement in these things that permits us to discuss problems.

Mr. MacDonald: If that is the case, then, I am glad to hear the Prime Minister say that it is the case, it relieves me. Then is it not legitimate for this government to use Hydro as a weapon against the battle of inflation, forgetting the fiscal and monetary policy which is the responsibility of the federal government? If all major agencies are not used in the battle against inflation or—

Mr. Speaker: Order!

Mr. MacDonald: —voluntary restraints to—

Mr. Speaker: This must be a question, not a statement.

Mr. G. Ben (Humber): That is not a question.

Mr. MacDonald: No, no, it was a question. How can you expect voluntary restraints to be effective if a major agency the size of Hydro does not act so as to counter the inflationary tendencies?

Hon. Mr. Robarts: Mr. Speaker, here we are now right into a debate as to how this X number of millions of dollars should be used to counteract inflation. The member is putting the proposal that rather than maintain this fund for the purpose for which it was set up over the years, it should be put into the system to make sure there is no rate increase. This is what the member is suggesting.

Mr. MacDonald: No, on a point of order, Mr. Speaker, what I am suggesting is that

the $16 million that is raised through increased rates should not have been raised. It could have been secured by not putting more money this year into the reserve fund. The amount going into the reserve fund and the increase in rates are identical. The government could have avoided the rate increase by not adding to the fund.

Mr. Speaker: It is my recollection that during the debate in committee last evening, to which I was listening, this matter was very well debated. I do not know whether the Prime Minister was there or not but in any event I do not think he should be asked to answer questions arising out of that debate until he has the opportunity to look at a report of the proceedings.

Mr. I. Deans (Wentworth): Mr. Speaker, a supplementary question, if I may—

Mr. Speaker: I will hear a supplementary question.

Mr. Deans: May I ask the Prime Minister whether, in view of the many questions that have been raised about the financing of Hydro, he would appoint a select committee to study the financing of the Ontario Hydro at this time?

Mr. Speaker: I do not think that is a proper question supplementary to the original one by the member for York South.

The hon. member for High Park.

Mr. Shulman: I have a question of the Minister of Health. Did a 21-year-old mental defective in the Ontario Hospital at Palmerston receive such a severe bathtub scalding that he died several days later? Part two of the question is: Why was no inquest held? And part three is: Did the death certificate omit the mentioning of the burns?

Hon. T. L. Wells (Minister of Health): I would have to take that as notice, Mr. Speaker. I would not have any knowledge of that at this time.

Mr. Speaker: Since the Minister is taking the question as notice, it has been dealt with, but I think this is the same type of question I had occasion to mention to the member for Scarborough Centre (Mrs. M. Renwick) and one of the members in the official Opposition, and that is: If it is a particular incident and it is not of immediate importance—and this cannot be, it may be of public importance—then I think it is not a proper question for the oral question period. I would respectfully request all the members to deal with those things directly with the Minister concerned. If they do not receive proper, or what they consider sufficient, information, then of course, it should be raised on the floor of the House.

Mr. Shulman: On a point of order, sir, the reason this is urgent is not in relation to the individual or what happened to him, but in relation to what happened after his death. If there is not proper investigation of deaths in Ontario Hospitals, it is a matter for this—

Mr. Speaker: Yes, but the hon. member can ascertain that by other ways than taking up the time of the House in the oral question period.

Mr. Shulman: Unfortunately, this Minister does not answer his letters.

Mr. Speaker: Perhaps the hon. member would allow me to complete what I had to say; I listen to him.

Hon. Mr. Wells: Mr. Speaker, on a point of order, the member said I did not answer my letters; this is untrue.

Mr. Speaker: The hon. Minister will please yield the floor. What I said to the hon. member was that if he did not get satisfaction from dealing with the matter in what I would think would be proper channels, directly with the Minister, then I think it could be raised on the floor of the House.

The hon. Minister had a point of privilege?

Hon. Mr. Wells: Mr. Speaker, I heard the hon. member — I do not know whether *Hansard* will show it—say I did not answer letters sent to me. I have answered the letters sent to me by the hon. member.

Mr. Shulman: Well, sir, I have a number here that have not been answered, and I would be delighted to receive the answers.

Hon. Mr. Wells: There is one that has not been answered. It was sent to me yesterday.

Mr. Shulman: Five! Five!

Mr. Speaker: Order.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I would like to ask the Prime Minister—as I understand, it is a matter of government responsibility—if, since we have reached that time of year, he might tell us whether the government has considered the abolition of the title of Queen's Counsel, and whether we might start this year at this appropriate

time by refusing to appoint any in the New Year's Honours List.

Hon. Mr. Grossman: Wait until I get mine.

Mr. Sopha: And let me say that perhaps he and I could set the—

Mr. Speaker: Order!

The hon. member asked a question and in my opinion it is a question of government policy; therefore it is not one which should be asked, and need not be answered. If the Prime Minister wishes to, he may, but otherwise the rules say that—

Hon. Mr. Robarts: I abide by the rules.

Mr. Ben: If the answer is no, will the Prime Minister appoint a couple of friends?

Mr. Speaker: The member for Wentworth.

Mr. Deans: May I ask a question of the Prime Minister? In view of the doubts and questions that have been raised as to the financing of Ontario Hydro and the difficulties that the standing committee had, owing to a lack of research and professional help—

Hon. Mr. Robarts: Mr. Speaker, I am not going to answer this question. It has already been ruled out of order.

Interjections by hon. members.

Mr. Speaker: It is quite obvious that Mr. Speaker cannot rule on it until he has heard it. Will the hon. member please begin again?

Hon. Mr. Robarts: I have given you my opinion anyway.

Mr. Deans: Can I just ask, will the Prime Minister establish a select committee to study the financing of Hydro? It was not ruled out of order, it was ruled as not being a supplementary question.

Mr. Sopha: Mr. Speaker, on a point of order, I do not want to excite your ire but regarding your response to me about questions relating to government policy—unless a question relates to government policy—

Mr. Speaker: There is not any question about it, and if the member would give me the opportunity to consider it—

Mr. Sopha: Well then, may I point out on a point of order that every question must relate to government policy, every question.

Mr. Speaker: That may be so, and I would point out, then, the rules and precedents of the House need to be changed because Mr. Speaker only deals with them the way they are, and that is the way they are at the present time.

Mr. Sopha: Unless it related to government policy what would be the point of asking?

Mr. Speaker: I am not going to argue with the hon. member about it because I think his point is well taken, but I would point out to him that the rules as they are presently in force here say that matters of government policy are not suitable.

Mr. Shulman: Why not try common sense for a change?

Mr. Speaker: I must say that within reason I have not followed that rule because it is quite obvious that this question period would be worth very little if you could not examine the government on certain matters of policy. When it is government policy in the future, then I think that that is out of order. When it is government policy now in effect and something the government has done by way of policy, then I think that is quite proper for oral questions, and that is the attitude I have tried to take on it.

Mr. Sopha: Could I try this one on the Prime Minister?

Mr. Speaker: At the moment the member for Wentworth has the floor.

Mr. Deans: May I enquire, sir, whether the Prime Minister just refuses to answer?

Mr. Speaker: No, the Speaker has ruled that that question—whether a commission or select committee may be appointed—is also a matter of government policy.

Mr. Shulman: Oh, that is nonsense.

Mr. Deans: May I ask, then, how one requests a select committee be established?

Mr. Speaker: I am sorry, again I did not catch that.

Mr. Deans: How does a member of this House request on behalf of his constituents that a select committee be established to study what is obviously a fault in the operation of the province.

Hon. Mr. Grossman: The Throne Debate, or Budget Debate.

Mr. Speaker: Of course, far be it from me to instruct members on how they should deal

with matters, but I can think of many ways. One is a personal representation by the member to the Ministry. A second one is by correspondence. A third is by the debate either in the estimates of that particular department or in the Throne or Budget Debates. There are many opportunities and I do not think the oral question period is one of the places for it.

Mr. MacDonald: The rules frustrate the business of the House.

Mr. Speaker: The hon. member for Sudbury wanted to—

Mr. Sopha: Could I ask the Prime Minister, quite apart from government policy—

Mr. Speaker: The hon. member will ask his question.

Mr. Sopha: Could I ask him whether he, as the head of the government, agrees with Mr. McRuer in his statement that the granting of a Queen's Counsel creates an invidious distinction between members of the legal profession?

Hon. Mr. Robarts: No, I would simply say I do not agree with Mr. Justice McRuer.

Mr. Speaker: The hon. member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): I rise on a point of personal privilege. Mr. Speaker refers today to his previous decision on my question of the Minister of Trade and Development. I would like to ask the Speaker if he would comment. My question that day concerned an individual family, Mr. Speaker, but what I was questioning was the Minister having stated to the press that he was personally going to do something about this situation, and he has not taken that responsibility. It was not so much the question of where the family was going to be, Mr. Speaker; it was the question of the Minister's statement to the press. Could we depend on the Minister's statements hereafter?

What I would like to ask, Mr. Speaker, is whether he would speak with me about that, because I felt that day the Speaker had ruled unfairly, but I felt it was the beginning of the new question period and that the Speaker would have enough difficulties without rising at that particular moment. Does Mr. Speaker see clearly to what I am referring?

Mr. Speaker: I see the hon. member's point and my ruling would remain the same if it were raised again.

The hon. member for High Park.

Mr. Shulman: I have a question of the Minister of Public Works, Mr. Speaker.

Has his safety department made an investigation of number 74 Victoria Avenue and made a report stating that there was a fire hazard in that building? Furthermore, did the WCB officer, Mr. William Draper—the WCB is in that building—send a letter to the fire marshal complaining of the fire hazards in that building?

Hon. Mr. Simonett: Mr. Speaker, our safety inspector might have made an inspection but as I do not deal with every item that comes into our office, no doubt if it came to the office it has been handled and perhaps the fire marshal has been notified. I have not, personally.

Mr. Shulman: Then as a supplementary, if I may, Mr. Speaker: will the Minister look into why the various complaints from the safety department have not been looked after and why no action has been taken in this and the other buildings mentioned here previously.

Hon. Mr. Simonett: Mr. Speaker, if the hon. member would like to get in touch with me at the office, or write a letter, I will find out, answer him and tell him what has happened. But I am sure I cannot carry all the information into the House every day on everything that happens in a department of over 2,000 men.

Mr. MacDonald: The Minister has been asked!

Mr. S. Lewis (Scarborough West): Some of his best agencies are going to go up in smoke.

Mr. Speaker: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, I would like to ask the Prime Minister if the government has a policy in respect to the assistance to municipalities in acquiring equipment to enforce the recent legislation in respect to the use of breathalyzers.

Hon. Mr. Robarts: Mr. Speaker, I am not aware of any such policy.

Mr. Speaker: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): A question of the Minister of Transport. Has the Minister and his department given consideration to the proposal put forth last spring by

me that liens on motor vehicles be registered in the form of the ownership certificate on the vehicle?

Mr. Speaker: Of course, this is the kind of question that should not be in the oral question period. It should either be dealt with directly by the member or by a question on the order paper, but since it was a question that was asked earlier this year, I would think the Minister might wish to reply to it.

Hon. Mr. Haskett: Mr. Speaker, the proposal to have a central registry has been under active consideration by the government for some time. It is a matter of organizing the machinery and the facilities required are quite extensive. It has not been resolved but it is under active consideration.

Mr. Speaker: The member for Hamilton East.

Mr. R. Gisborn (Hamilton East): My question, Mr. Speaker, is to the Minister of Energy and Resources Management. Would the Minister tell the House what action he intends to take to replace the instruments that determine the air inversions in the case of extraordinary smog conditions in the Hamilton area?

The Minister might be aware that the instruments have been taken down because of the city expropriating the land. We now have no warning signals and the Hamilton paper has expressed the concern that there is no way that The Department of Health can warn the public and that there is a possibility of a severe air inversion situation causing heavy smog which would be a hazard to people with respiratory problems. Second, has the Minister any educational programme to warn people who would be affected with asthma problems and other lung ailments?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Speaker, I understand that the particular warning signal to which the hon. member refers is not absolutely essential to the operation of the air management branch in Hamilton. In other words, there are sufficient other signal facilities available to warn of any inversion in the Hamilton area. Regarding the second part of his question, we will be releasing information on a daily basis. When the inversion is of such degree that we will require an alert to be issued, then certain steps will be taken by the air management branch to ask industry to partially pull in or pull back on its operation until the inversion period has passed on. This information will be given through the news media on a daily basis within a month.

Mr. Gisborn: As a supplementary, Mr. Speaker—

Mr. Speaker: I regret that the question period has now expired.

Mr. Shulman: The member should be allowed to finish a question.

Mr. Speaker: Perhaps the hon. member for Hamilton East could talk to the Minister while the House is sitting or afterwards and get further information.

Petitions.

Mr. Shulman: Sir, on a point of order. Would it not be more sensible to allow a question to be completed before you cut off the period?

Mr. Speaker: The question has been completed.

Mr. Shulman: But there was a supplementary.

Mr. Speaker: Petitions.

Mr. Shulman: You are not behaving in a sensible way.

Mr. Speaker: Petitions.

Interjections by hon. members.

Mr. Speaker: Petitions.

Presenting reports.

Clerk of the House: Mr. J. R. Smith from the standing committee on education and university affairs reports the following resolution:

RESOLVED:

That supply in the following amounts and to defray the expenses of The Department of Education be granted to Her Majesty for the fiscal year ending March 31, 1970:

Department of Education:

Departmental administration—general expenditure, $34,389,000;

Formal education K-13—general expenditure, $36,134,000;

Assistance to school authorities—general expenditure, $700,143,000;

Special educational services for the handicapped—general expenditure, $8,461,000;

Continuing education—general expenditure, $94,280,000;

Community services—general expenditure, $10,200,000.

Mr. Speaker: This report, of course, will go on the order paper for consideration under our new rules and procedure.

Motions.

Introduction of bills.

Mr. Speaker: Before the orders of the day, I would like to say something to the hon. member for High Park and other members, with respect to the submission concerning supplementary questions. He and all of the members here will realize that should we allow all supplementary questions which the members wish to ask to continue after the question period is over, experience has indicated that we would be indeed a very long time past our period of oral questions. Therefore, unless the House as a whole wishes the practice changed, I shall continue to announce the completion of the oral question period when the hour, or the 30 minutes, has expired and it will then end.

Hon. Mr. Randall: Mr. Speaker, may I take this opportunity to introduce a very distinguished visitor in the Speaker's gallery, in the person of the Hon. Mr. Nadeau, the Minister of Municipal Affairs from the province of New Brunswick, and also the mayor of Edmundston, New Brunswick, and I know the members will want to welcome them to this province.

Mr. Speaker: Orders of the day.

Clerk of the House: The 25th order, House in committee of supply; Mr. A. E. Reuter in the Chair.

ESTIMATES, DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT *(continued)*

On votes 602 and 603:

Mr. J. E. Stokes (Thunder Bay): I would like to make a brief comment, Mr. Chairman, on the remarks that the Minister made in his lead-off in regard to the tie line costing several millions of dollars to integrate the western and the eastern grid. It was a topic of discussion at the northwestern development conference about three weeks ago where it was brought out that a good many of the residents of northern Ontario felt that they were being charged an unrealistic amount for power when, by the very nature of the generation of that power in northwestern Ontario, it should be much cheaper to the users up there than to the users in southern Ontario.

A good many of them feel that they are subsidizing the cost of that tie line to the detriment of not only the residential and commercial customers but the industrial customers of northwestern Ontario also. When you consider that about the only advantage that the people of northwestern Ontario had was an adequate source of cheap power and you are negating that advantage by building the tie line at the expense of all of the customers I want to state emphatically that the industrial customers up there feel the burden equally as much as the commercial and the residential customers.

I am just wondering how the Minister can justify charging the same rate, or essentially the same rate for power in northwestern Ontario, where the power is much cheaper to generate because it is all hydraulically generated and where, further, it is the only advantage that we have in all of northwestern Ontario with regard to cost of services, or any commodity that you can think of. I am wondering why do you not leave that advantage with the users in those areas of the province where it is so much cheaper to generate that power.

Hon. G. A. Kerr (Minister of Energy and Resources Management): Mr. Chairman, my information is that it is the commission's policy to have an equalized system of pricing of electric power in Ontario. For example, some of the direct customers in the Niagara peninsula have objected to the fact that they are paying the same for power as other customers in other parts of the province—northeastern Ontario as an example.

They feel that because they are very close to the cheapest source of power, that is water power, that they are, in fact, subsidizing other users across the province. So, it is the commission's policy to use pretty well the same rate, an equalized system, and really there is nothing in my opening remarks that would indicate there would be some extra consideration as far as Hydro costs were concerned.

Mr. Stokes: The point I am trying to make, Mr. Chairman, is that it is the only advantage we do enjoy—when you consider we pay 30 cents more a case in northern Ontario

than in southern Ontario for beer that is manufactured in northern Ontario; when you consider there are places in northern Ontario where we pay 76 cents for a loaf of bread. The only advantage that we do have is our ability to generate power in the north much more cheaply than they can elsewhere where they are using thermal or nuclear sources of power, and you have taken this away.

I think you should get in step with the other Ministers who are responsible for and have some control of the costing of certain things. I think you should leave this advantage, the only one that we might be able to enjoy, with the users of hydro-electric power in northwestern Ontario.

Hon. Mr. Kerr: Is the hon. member implying that the proposed national power grid will in some way eliminate this advantage that you now have as far as rates are concerned? Is that what he is saying?

Mr. Stokes: The thing is you are working toward an equalization of power rates across the province. Now, it costs more to generate in the south because your sources of hydraulically generated power are used up. In northern Ontario with the exception of the thermal situation in Fort William, all our other sources of power are hydraulically generated. So it necessarily follows it is cheaper to generate power up there.

What I am saying it that you have taken away this one advantage that we had for attracting new industry and we do not enjoy cheaper power rates or substantially cheaper power rates to attract this kind of industry. You have taken away the one advantage we held.

Mr. R. J. Boyer (Muskoka): Mr. Chairman, I wonder if I might comment on the remarks of the hon. member by saying that one of the reasons for connecting up both the northwestern section of the province and the eastern system was for the purposes of development in the part of the province from which he comes.

If the House will bear with me for a moment, there are two very long sections of line, both double circuit, 230 kilovolts. One is being built from Sudbury to the Lakehead, and beyond Sault Ste. Marie, it passes through a long stretch of territory which previously was unserviced by electricity. This is being constructed at a cost exceeding $70 million. Secondly, 525 miles of line between the Lakehead, Atikokan, Dryden, Fort Frances and Kenora will extend through to the Manitoba boundary where it will ultimately tap power from Manitoba's Nelson River project. The cost of that line will exceed $40 million.

Neither of these lines would have been undertaken if the decision rested solely on financial considerations, but in part their construction was justified because of the contribution this line would make to development of that part of northern Ontario. Very substantial weight was given by the Ontario Hydro Commission to the thrust that would be given to the economic growth of northwestern Ontario by building lines that would bring electric power to previously unserviced areas. So I suggest the hon. member is thinking just in the terms of his own area and is not looking at the benefits of this entire tie-line which will extend power service, connecting his area up with all parts of Ontario through to the inter-connection with the province of Manitoba. I think he will find this development is a great contribution toward the betterment of economic growth in his part of the province.

Mr. Stokes: If I might just react to that statement, it is common knowledge that I have had considerable correspondence with the member as vice-chairman of Hydro, and indeed, the chairman of Hydro, as has the hon. member for Kenora (Mr. Bernier), and we are constantly begging for an extension of services into rural northwestern Ontario, not only in Rainy River and Thunder Bay, but in Kenora. Is the vice-chairman saying that because of this tie-in line he is going to be able to extend transmission lines into those areas not serviced up until now? Can we look forward to an extension of services into those areas that do not enjoy power at the present time?

Mr. Boyer: This may very well be the case. The areas the hon. member mentions lack sufficient density of customers to warrant building a line at the present time but I would think with further economic development—and I have seen this happen in the time I have been on the commission in many parts of northern Ontario—that there will be growth which will justify the extension of the lines to which he refers. I must say I assure the hon. member that we have those extentions, about which he has made representation constantly in mind, and we will do whatever we can to extend electric service to communities for which he has concern.

Mr. Chairman: The hon. member for Niagara Falls.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, on this very important point that the hon. member for Thunder Bay has made pertaining to the preferred position of some areas which can get power for a plant and transmission lines built close by—the vice-chairman speaks of $40 million to take the line to the Manitoba border. I cannot for the life of me see why an area that has this preferred position near a power plant cannot get some concession in the rates because Hydro does not have to use those valuable transmission lines to take the power to them. This is the point that gentleman is making, and I think it is a good one.

Originally, when the power was developed in Niagara Falls many large plants built their establishments near the power plants so they could get this preferred rate, because at that time the farther away you were the more it cost, and so the abrasive plants, such as the Norton Company, the Carborundum plant, the Cyanamid plant and Atlas Steel were in this position. Not too many years ago Hydro decided that everyone in the province would eventually pay the same rate for power no matter where they would be. This might be fair thinking but what it did in the county of Welland was just this: Atlas Steel wanted to build a $40 million plant in Welland to develop this steel through the power they use and because of their competitors, which were in the province of Quebec, they decided to build this plant in Three Rivers, Quebec, simply because the power rates were cheaper.

Now I say to you, Mr. Chairman, that when you are negotiating these firm contracts —not interruptible, but firm contracts—with industry, what you ought to do is sit down and listen to their side of the story. This Minister apparently has heard from these consumers. They say to you that power is no longer an expense against that business, but it is a part of the material.

In many instances as much as 25 per cent of the cost of developing this material is power. So they consider that part of the material that goes into their product. If they are going to be in this competitive field with this particular type of industry, such as the abrasive plants that I speak of, and they are going to compete throughout the world, then they ought to be in the position to sell their product as cheaply as possible to that customer or naturally they will not sell it, and our people will not be working. So this gentleman from Thunder Bay has made an excellent argument on behalf of his area where they are close to the cheapest type of power, which is hydraulic power. Why not give their industries the incentive, that little bit of an edge, that can build up the areas of the province that today are lying dormant because they cannot compete, they are off the beaten path?

I remember the hon. Mr. Macaulay, who was in this House, negotiating with industrialists on the Atlas Steel problem to the point where at 11.00 o'clock one evening they decided they would sell them power for the same price that Quebec would sell it to them if they built that plant in Welland.

Naturally, in the 11th hour they had their bags packed and were on their way. That plant was built in Quebec and we lost an industry that we should not have lost.

I come back to my first argument that if we had a Minister in this House whom we could discuss Hydro with as we do in many departments of this province, we might be able to sell them some of our thinking on the point. They ought to consider the competition with other provinces and the United States for industry in this province. We have a great province with a lot of natural minerals and a lot of things that ought to be developed, but because of the power costs, among other things, they cannot compete and therefore we are not developing as quickly as we ought to in this province.

Hon. J. H. White (Minister of Revenue): we were criticized all day yesterday because industrial hydro rates were too low, and now we are criticized all day today because industrial hydro rates are too high.

Mr. R. F. Nixon: (Leader of the Opposition): Oh, that is too bad!

Mr. Bukator: What was that again? This hon. Minister who just made this interjection in my opinion did not even make sense. "All day yesterday", he said—and today we have only been in debate about 15 minutes. It may be all day, because maybe some of my colleagues will pick up this argument and carry it to you and get through to you. If they do that, it is an accomplishment because you people have been sitting on your hands all these years and have considered no one, because you have got the only source of electricity and if industries do not buy Ontario's they can go without. But industries have gone without in the province of Ontario, thanks to you.

Talking about rates, I say give them a break where they are entitled to it. You are not doing that to these industries that I speak of, nor in Thunder Bay that that hon. member speaks of. There may be other areas that

have the same problem to wrestle with. Certainly we are not getting through to the vice-chairman of Hydro—and I do not want to belittle him—but not in this House does he indicate to me he is interested in these people. Maybe this new Minister has sat down with our people, has listened to their problems, and maybe because of the competitive nature of their business, may yet give some concession. When they buy a firm contract from you I think some concession should be given them.

If we are still on Hydro and no one wants to speak on this issue further, I would like to talk about one other item.

Mr. Boyer: May I refer to what the hon. member has just been speaking about?

First of all I want to assure the House once again that the decision of Atlas Steel to build a plant in Quebec province years ago was not a decision based entirely on the costs of power. There were several other factors that went into their decision to build the installation that they have in Quebec, at that particular time.

The hon. member for Niagara Falls has very well presented the views of certain industries in his part of the province which many years ago established their plants there because of advantages of power rates. Some of them, of course, do part of their industrial operation in Niagara Falls, Ontario, and complete the operation elsewhere on the continent. He makes an argument for the people of his own riding, and I do not blame him for that. My goodness, we all of us make representations for our own sections of the province as has the hon. member for Thunder Bay, and this is quite all right, but in this matter we are compelled to take a provincial view, a province-wide view, of the question of uniform rate policies. If we are to have incentives for industry to locate in Ontario then I do not think it should be the case that varying rates throughout the province give one section an advantage over another section, as to where an industry will decide to locate within the province.

There should be a uniformity, therefore, and fairness between all sections of the province as to electric service. This exists and I think it is very well understood. For instance, would Texas Gulf have agreed to locate its smelter at Timmins if it had been required to pay a higher rate due to a power rate policy which was not uniform, which gave special advantages to those who had their plants nearby a large generating station, such as Niagara Falls? I use this as an illustration. I think we have to deal fairly with all parts of the province and not make electric rates a special incentive for the advantage of one section of our province when there are many things that enter into decisions by companies as to where they will locate their plants.

Mr. Bukator: Mr. Chairman, just to pursue this a bit further. The hon. member who just spoke said they want to be fair to the people throughout the whole province and treat them all alike. Let us say that I buy that kind of reasoning. Then is the hon. member trying to tell me, Mr. Chairman, that you are being fair when you have an industry, or a power plant, privately owned in the city of Niagara Falls, called the Canadian Niagara Power Plant, which is privately owned and has a very bare minimum of land—111 acres to be exact—while you people have 3,300 acres of valuable land along the escarpment—yet it pays taxes while Hydro does not.

I was thinking last night what a beautiful place those 3,300 acres would be for your new offices there on land that cost you nothing —while you could sell this corner here at College and University—you could get millions out of. I would like to be the agent for that one, I would quit being a member. I state that publicly. Let me sell that land for you, that $25 million draw, and I will not plague you any more in this House. Well I think maybe you would like me out of this House because once in a while I get through to you with facts and you do not like that.

Getting back to this issue, the Canadian Niagara, a private industry, a power plant that sells power at the same rate as Hydro, sits in that particular city of Niagara Falls and pays taxes as do the Bell Telephone Company and the gas company. If Hydro wants to be fair to the people in that area and does not give them a lower rate in their power because the area would benefit, then at least it should pay taxes as the others do.

Mr. Nixon: There is a good argument.

Mr. Boyer: There may be quite a bit of sense in what the hon. member says—

Mr. Bukator: Not quite a bit—

Mr. Boyer: I do not think this is exactly a matter for me to comment on; I think that is a question of government policy.

Mr. Bukator: You bet your life it is, a government policy that does not go too well with many people in this province. That may be the reason why, in this large Conservative government of yours, you have a member from Niagara Falls who is a Liberal, because

he tells you the facts that these people have had to deal with for years, have had to contend with for years, and they thought finally maybe somebody will tell the tale. I have been telling it to you for ten years, and do you know what? I cannot get through to you. There is only one way to do it, I guess, and that is change the government.

However, getting back to—

Mr. Boyer: Mr. Chairman, the Hydro taxes paid in Niagara Falls last year were, I understand, about $550,000. Did you want a little bit more?

Mr. Bukator: I know they paid $550,000 where they should have been paying about $3 million. So you are not paying anywhere near the amount you ought to. They are asking me to speak on the Throne Debate here, on the estimates rather. I will give you the facts of what you are not paying if you want to spend a couple of hours with me listening to it. I have done this before and I did not get to first base, but, Mr. Chairman, let me tell you—

Mr. Boyer: Let me point out several other things about Niagara Falls, too.

Mr. Bukator: The hon. member makes some great speeches about Niagara Falls here in Toronto. Let him come down to Niagara Falls and tell us about it some time.

Mr. Boyer: I did go down.

Mr. Bukator: Let us get back to the question. Let me take up this point with the vice-chairman and then I will consider my time well spent in this House. It is about Hydro employees who are now on pension.

The pensioners of Hydro for many years have been paying into the pension fund, naturally, when a dollar could buy a dollar's worth. And the time came that these old-timers who helped develop Hydro over the years, and who paid into their pension, find themselves in a position where their pensions are not adequate today to maintain them in the type of living and the social strata they were accustomed to, because the rates of everything including this bread that you speak of, at 68 cents a loaf, have gone up. Their pensions were static and if anything their social strata or type of living has diminished. They find themselves in the position where they have contributed many millions of dollars into your pension plan; and by their doing so, your interest is accumulating in that particular fund. But these pensioners who have contributed find themselves in a position where they cannot maintain themselves with that amount of money from the pensions they are getting.

I would think that the vice-chairman of Hydro, if he cared anything for the employees who made this great, great, yes, this monstrosity, this big business, into what it is today—you could consider the people who made this what it is today by giving them some of the pension money that has accumulated, by adding a little bit more to their pension cheques each month. Does that not make sense?

Would the vice-chairman answer that?

Mr. Boyer: I quite sympathize with the remarks of the hon. member and they will be borne in mind.

Mr. Bukator: Mr. Chairman, I would like it borne beyond that point. If he bears this in mind, if he would assure me that he will take it up with the commission and let them discuss this, and possibly grant what I am asking for, then he is accomplishing what he ought to do as our vice-chairman of Hydro.

Mr. Boyer: I assure the member it will be taken under consideration.

Mr. Chairman: The hon. member for Peterborough was trying to get the floor.

Mr. W. G. Pitman (Peterborough): Mr. Chairman, I have only a very small amount to say on this. I was quite shocked a few days ago to understand that the nuclear power development section of Canadian General Electric in Peterborough had been reduced by 25 per cent in its numbers. Now, this, I think, could very well be as a result of the policy of this government—particularly the policy of Hydro; I do not know. This is essentially the question I am asking. To some extent, I want to set this record straight in regard to what the leader of the Opposition said the other night in regard to the heavy water generators, and the direction in which the policy of Canada has been going for quite some time.

It would seem to me that this is a direction which the federal government has largely assumed. It is Atomic Energy of Canada Limited which made the decision that there would be heavy water nuclear development in this country and that this would be the direction in this province. I want to set the record straight in this sense: So far as the work that is being done by Canadian General Electric is concerned, it has gone very well indeed. One has only to look at NPD and

Rolphton or one has only to look at the nuclear power plant they put in Whiteshell, Manitoba; one has only to look at that nuclear power plant in Pakistan; all of them were completed on schedule, all of them are successful.

One might very well question, I think, some of the things that are going on under AECL, of course, which is a federal body; one might very well question what is going on down in Nova Scotia and the mess they have made of the heavy water plant down there. But the Canadian General Electric heavy water plant in Nova Scotia is doing quite well. I think this is the point that has to be made. It would seem to me a most unfair, unwarranted situation in view of the fact that AECL and CGE joined together in this development a year or so ago, that AECL should decide just a few days ago to remove 25 per cent of the staff at the NPD centre in the CGE plant in Peterborough.

I was going to ask the Minister—and I have tried to make this as brief and as rapid as possible—whether it is as a result of any policy on the part of Ontario Hydro not to go in this direction; if it is not, then I would like to have some assurance that Hydro is continuing in this direction and I hope that, possibly, the Minister might even send out the speech he made in reply to the leader of the Opposition in view of the number of contracts that might very well be going either for or against, in regard to the CGE-NDP section in other countries, both in Europe and in Asia.

Hon. Mr. Kerr: Mr. Chairman, as the hon. member knows, the AECL is a federal agency. I am just not quite sure; he mentioned the Canadian General Electric plant in Peterborough.

Mr. Pitman: Right, it is the nuclear power development section.

Hon. Mr. Kerr: As far as I am aware at the present time, there is no cutback in our programme of nuclear power development.

Mr. Pitman: By Hydro?

Hon. Mr. Kerr: By Ontario Hydro. As I say, I am not aware of any reason why AECL should cut down on staff in Peterborough. I am aware that it has reduced staff, I think this is more or less an across-the-board move—

Mr. Pitman: But none was removed at Sheridan Park.

Hon. Mr. Kerr: But they have removed 25 per cent at Peterborough?

Mr. Pitman: Right.

Hon. Mr. Kerr: I am hoping this is not as a result of all the discussion and rather emotional debate that has been taking place in this Legislature in the last week or so. Maybe we have scared them off.

Mr. J. Renwick (Riverdale): Oh, come now!

Hon. Mr. Kerr: In any event, as I say, as far as I know, Hydro has not changed its programme or reduced its commitments and requirements that would result in this layoff.

Mr. Chairman: The hon. member for Humber.

Mr. G. Ben (Humber): Mr. Chairman, I think we have reached the end of this particular item and I just want to say I have listened to this whole debate with utter disgust. Why do members of this House even take the time to question either the Minister or the vice-chairman of Hydro? Hydro in this province has been nothing but a sacred cow and it is because it has been a sacred cow that nobody was even allowed to come near it to determine whether it could give milk, and if so, at what price.

Only the Hydro and some foolish newspapers talk about the Ontario Hydro supplying power to those citizens in Ontario at cost, nobody else; nobody else has ever looked into Hydro to determine whether this is possible. The member for Niagara Falls has already established that across the river they can produce power at cost plus taxes plus dividends to shareholders, and still sell it as cheaply as Ontario Hydro does. Ontario Hydro, I say to you, Mr. Chairman, is nothing but a galling fraud; it does not supply Hydro to the citizens at cost unless it is a cost that is greatly exaggerated.

It has been fooling the people of Ontario; the people who run it are incompetent. I wondered what the member for Muskoka was doing sitting here silent all the years I have been here. I know now why he was silent, he did not know anything to talk about. And I had to witness the Minister of Energy and Resources sitting there smugly yesterday; oh, boy, was he smug. And why was he smug? I will tell you. He was sitting there finding his department being criticized and not having to answer for it, because there was some innocuous guy in the back row who had to stand up and do it for him.

Hon. Mr. Kerr: The committee on commissions questions Hydro.

Mr. R. Gisborn (Hamilton East): Well, well.

Mr. W. Ferrier (Cochrane South): Ten thousand a year.

Mr. Ben: All I can say is that the member for Wentworth (Mr. Deans) was right. What we need here is a dedicated commission to re-look into the operation of Hydro and find out just how much it has been promoting the use of electrical energy in this province for the last 15 or 20 years. It has got to cease being a sacred cow and it has got to start serving the people of the province, even if we have to do the scientifically impossible and turn that cow into an ox.

Mr. Chairman: On votes 602 and 603. The hon. member for Wellington-Dufferin.

Mr. Bukator: Are we going to talk about water pollution?

Mr. J. Root (Wellington-Dufferin): Mr. Chairman, I wanted to make just a few comments on Hydro. I see an item here of $1 million to assist in the construction of rural and primary and secondary lines, and I want to say something about equalizing rates. I can testify that at my first election the rates in most of my riding were six, four and two; and only 18 or 19 per cent of the farm people in Dufferin county had power. But with the equalizing of the rates today over 99 per cent of the farm people in Dufferin county have power. I think there is a lot to be said for Hydro that they did equalize rates and make it possible for the development of all parts of the province.

Mr. Ben: Where is, by any chance—

Mr. Root: I realize there are great power stations at Niagara, but, without the water that drives the turbines, there would be no power. A lot of the water runs right off my riding, and that of the member for Brant, and from all of western Ontario run-off water goes over to Niagara. You get your water from all over southern Ontario, and parts of northern Ontario. What is wrong with equalizing the rates when the main sources of Hydro energy come from all parts of the province? Rural electrification has completely changed the rural way of life.

It made it possible for the people in rural Ontario to have many of the benefits that they were denied prior to this equalization of rates—and I just wanted to put that in the record.

We very much appreciate the fact that, for so many years, Hydro is one of the few organizations that has given us power to operate our equipment with well stabilized rates.

We do not like to see the rates go up, but we know that wages have gone up. We know that material has gone up, we know that we are running out of hydro sites to generate power. We have to bring in thermal power, and now we are trying another source of power. As far as I am concerned, and the people I represent, we do welcome the fact that Hydro has made an effort to equalize and establish their rates in a way that made possible the development of all parts of Ontario.

Mr. Stokes: Why do you not equalize other factors then?

Mr. Chairman: The hon. member for Cochrane South.

Mr. Ferrier: I would like to speak for a few moments on gas-pipeline safety. Last year, in my lead-off speech, I referred to this problem of leaks in gas lines, the problem of gas pipelines deteriorating, and a number of explosions in Ontario, and in other parts of North America.

In pursuing the matter with the Minister at that time, I was assured that The Department of Energy and Resources Management was coming up with new regulations as far as pipeline safety was concerned. As far as I can see, these regulations were never promulgated; very little was done to promote precautions and to see that more stringent measures were taken to ensure safety in this regard.

Not too long ago, of course, the dangers of gas were very dramatically brought before us when the big explosion at Malton took place. And I hope that, as the Minister said in his opening statement, he is going to do something to really promote the importance of pipeline safety.

I would like to know if his department can say how many miles of these older pipes that are not properly wrapped with electrically resistant cathodes, and so on, exist in Toronto, and some of our older cities. And, where these kinds of things are still going on. Could he say if there is going to be any steps taken to have these older rather dangerous pipelines replaced by those that will be safe? Also whether they are going to have extra inspections in various areas whether some of these sniffing trucks are

going to go around? Whether they are going to make sure that the leaks are found? That complaints are made as far as gas leaks are concerned? Whether they are followed up immediately? And, if there are cracks in pipes or anything like this, that they are fixed up right away?

I would like to have some assurance that this kind of thing is not going to sort of drift on, but that we are going to take decisive steps to see that the kind of thing that happened at Malton is not going to happen again, if at all possible, in the province of Ontario.

I wonder if the Minister would make a few comments on that subject of pipeline safety and gas distribution safety?

Hon. Mr. Kerr: Mr. Chairman, our department has a policy of assuring that there is proper installation of pipeline facilities. These are in accordance with our department's gas transmission and distribution pipeline code. It is quite a stringent and detailed code of safety, and proper installation procedure. We have certified inspectors, of course, who inspect these installations, wherever there is a leak reported. There is, in fact, continuous leak inspections, and any such leak, of course, requires that the pipe be dug up and repair made, so as to make sure that there is no possibility of any danger of any accident or explosion.

It would be difficult for me to give you an answer as to how many old pipelines are not properly wrapped. These pipelines when they were installed had to meet our pipeline code at the time. And, as I indicated, we have this inspection procedure.

You mentioned Malton. In that particular case it was not an old make, it was a relatively new pipe. It was a coupling, really, that had come apart. Our information at this time is that, because of a certain amount of activity in construction that took part in that area—new sewers have been installed since the installation of that line; new road-widening; new curbing and paving—this, in some way, affected the earth around that pipeline, so that a leak must have occurred.

There was a separation in the coupling; and, as a result of the leak, of course, there was another catalyst that caused the explosion.

But as I indicated in my remarks at the opening of this department's estimates, we are going to look at the recommendations of the fire marshal, and also of our department, as a result of this explosion.

It is quite possible that we will have a further study or consideration of the recommendations from the fire marshal as a result of the inquest and our department's investigation. I hope that final body would recommend new safety procedures—possibly new legislation—to assure that our inspection procedures are correct; and that, if there is any defect in our code, it will be brought up to date and corrected.

Mr. Chairman: The hon. member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Chairman, on that same topic, when the Minister is revising these regulations, there are a couple of points I would like to make with him due to matters that arose in my particular riding last year. I refer the Minister to a notice that appeared in the Windsor paper. It is a pretty prominent notice from the gas company in that area, and this was to the effect that this company was bringing a new line into a community, and that they were discontinuing, or shutting down service for a special test on a line, on Wednesday, July 2. Now, I will just read you the important paragraph here:

> It is hoped to complete the necessary testing by Thursday, July 3, and begin turning the gas back on on the following day, July 4.

This, in fact, meant that the residents of particular areas were without gas service for up to three days. I took this matter up with officials of your department, and that of the gas company, and we resolved one particular incident, I believe, to the satisfaction of the household concerned.

But then, in my riding, most of the utilities in the home—heating, cooking, hot water, etc.—are done by natural gas. Fortunately, there were no heating problems, being in July. But there was the fact that the children were going out, playing, and getting dirty, and there was no hot water. The gas company did supply, I believe, hot plates in this case, or, I believe, eventually, they did bring in a propane unit.

But I would think that when a line is being upgraded there should be no discontinuance of service to those residents so affected. That the gas company in question should be prepared to move in with equipment to provide hot water in those homes and proper cooking facilities.

In view of the merger, or the consolidation, of these two large companies, I think it should

be brought to their attention, and the Minister's.

The other point, in regard to safety, was an expression of concern by the mayor of the municipality of Amherstburg, at this same time, whereby a three-inch steel gas line was installed temporarily on the roadside right-of-way, above ground level, and where cars were to pass over it, had been buried.

Now, apparently, the gas company had notified the county engineers of this proposal, regarding the type of work they were doing; but they had not notified the individual municipalities. Possibly there should be some further direction in this regard in the interests of public safety so that all utility companies and municipalities and municipal engineers should be aware of the work being undertaken.

I think this concludes my remarks in relation to gas safety as such.

Hon. Mr. Kerr: I appreciate the hon. member's remarks regarding a temporary shutoff of gas service to a private home. I think that he will appreciate that because of the nature of the repair our safety code does require that this be done. However, I certainly agree with the hon. member that possibly temporary equipment and service could be provided to the customers of that company, either by way of propane or by some other method, but I am not sure if our regulations require that this be done. Certainly the safety procedures that the member indicated, that require this, have to be put into effect.

The hon. member mentioned that a pipeline was laid along the roadside right-of-way above ground at Amherstburg. This is clearly in breach of our code and—

Mr. Paterson: This was apparently for a three-week period, during the upgrading.

Hon. Mr. Kerr: Yes, well, saying that does not help me. If it were 24 hours it might be explainable, but not for a three-week period. It was, in fact, a breach of the code. Something should have been done about it, but, in any event, this, of course, is a dangerous procedure and inspection should correct that.

Mr. Chairman: The hon. member for Sudbury East.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, I had not intended to get into this debate. However, the chairman of Hydro, and the member for Wellington-Dufferin, I believe it is, have been trying to justify the equalization of rates across the province, and this is fine. However, in doing this in justification of rates for Hydro, how can they not justify an equalization of freight rates for goods going north and goods coming out of the north on a government railroad. There is no equalization there. Yet we are great advocates of justice, Mr. Chairman, because if there is anything that poses inequities in the north it is the cost of transporting goods north, as opposed to sending them south.

Hon. Mr. Kerr: The rates are the same.

Mr. Martel: Oh no, the shipping rates are not the same, and the freight rates are not the same, for raw materials coming south and finished goods going north. The disparity is there. How can you justify on the one hand, in the same department, an equalization of Hydro rates across the province, and then not justify an equalization of freight rates between the north and south? Take coal, for example, which is hauled in the same type of cars, yet is 20 cents a ton dearer when going north than when raw material is going south. You cannot say the freight rates are the same.

They are not even the same on raw materials, and there is an injustice that maybe that Minister who is responsible for all of them—Hydro and Ontario Northland—here is an inequity that he could probably get rid of. He would have, I am sure, the backing of the member for Wellington-Dufferin, and he would have the backing of the vice-chairman of Hydro because they have just defended their own position on the equalization of rates for Hydro across the province and they must do the same, then, with freight rates. I would like the Minister to get out of that one.

The second point I would like to deal with is the daily consumption of Hydro. Do I understand it right, Mr. Chairman, that during the day much of the power is brought from the north to the south, and then when the peak period has passed in southern Ontario, it is returned to the north? Secondly, because of this, is there a lack of power in Ontario and has Hydro recently had to advise some of its consumers that there could be power cuts in the very near future to some of the utilities? I get this from some of the operating engineers—who must have some knowledge on the megawatts of power that have to be purchased from the United States and Quebec—that there is a dire shortage and that you have advised some of the utilities that they could be temporarily cut back.

Mr. Nixon: That was last year.

Mr. Martel: No, this year.

Mr. Boyer: This year we are going to have enough power for the Christmas season.

Hon. Mr. Kerr: When the vice-chairman gets back in his chair he will answer the first part of the question, Mr. Chairman.

As far as the second part of the question is concerned, we are not aware of any proposed shortage of power or possible shortage of power. If the hon. member has in his pocket a letter from Hydro to some customer in his constituency, I wish he would read it before I finish answering this question, but I am not aware of any policy or any programme to reduce hydro. As you know, we are now in the peak demand period; it will get even "peaker" as we get to the end of this year, and then it starts to go down. There is always a possibility of a shortage but I am not aware of any in particular.

Mr. Martel: May I ask the Minister how much power we purchase from the United States, let us say up to the present time? Could this be given to us roughly—the number of megawatts of power we purchased from the United States and Quebec, let us say in the last nine months?

Mr. Boyer: Mr. Chairman, it will take a few moments to get those figures.

The hon. member was also mentioning transfers of power from southern Ontario to northern Ontario at night. I would think this is very likely. I am not able at the moment to indicate any statistics, but I want to point out what is often misunderstood, and that is that the extra-high voltage line that runs from the north, 450 miles to southern Ontario, is a two-way line and if power is needed in the north, of course it can be transferred from the south, and vice-versa. So this line operates in that manner and at different hours.

I would suggest, though, since I do not have any daily operating charts with me, that perhaps this is the type of question which the hon. member might bring to the meeting next Tuesday morning of the standing committee on government commissions, when there will be operating personnel there who could discuss these matters in more detail with him.

Mr. Martel: What I am trying to find out is whether in fact we are producing enough power in Ontario to meet the demand. I have it from some of the operating personnel that letters have gone out—as was the case last December, a year ago—that there is a possible danger and there is the possibility that we might not be able to supply some customers in Ontario with a sufficient amount of power. That is why I went on to ask how much we have to import from the United States.

We get a bright picture, you know. From what everyone has said so far, we really do not know much about Hydro, except that we get a bright picture that we have a sufficient amount. We might have a sufficient amount, but I am advised by certain people in operations that we meet our demands because of the quantities that we import from the United States and from Quebec. Granted, we send some back, I understand, but the point is I do not think the picture is as rosy as maybe the government would like to portray that it is, and this is why I want to know how much we are bringing in.

Hon. Mr. Kerr: Mr. Chairman, my information is that the net purchases of Ontario Hydro of 1968 were 4.7 billion kilowatt hours.

Mr. Martel: So really we are not meeting with our own utility the amount of power that is needed in Ontario, is that correct?

Hon. Mr. White: Take that into the committee next week. Let us get on with the estimates; speed it up!

Mr. Martel: You do not want to stay around? Would the hon. Minister from London South, if he does not want to stay around, go back to his office?

Mr. Boyer: Mr. Chairman, I wonder if I might make an explanation to the members. It is correct that at certain times of the year, particularly in the period which we are now approaching—and we expect that the peak demand for the year will be some time before Christmas, although sometimes it is early in January—the reserve that we have on our system is not very great. It is not as great as we would like to see, but we have the advantage of inter-connections with other provinces and with neighbouring states. Through those inter-connections we have a much wider grid which connects up utilities all the way down to the Gulf of Mexico, so that power can be moved over a very wide area indeed to meet the demands in any one section of the eastern part of the continent.

Let me explain that in a day there may be a period when it is necessary for us to obtain power from other sources than this province. It may be more economical to buy power from outside Ontario than to operate some of our large plants. Then, for a few hours, we may

be buying power. We were very much worried last December as to meeting the demands and we did have to interrupt the supply of power to firms which had interruptible power contracts.

There was a large unit off for a time at the Lakeview generating station and this was causing a very considerable concern, but on the day that the peak was reached, we still were able to sell—for a few hours—a block of power of 250,000 kilowatts to one of the American utilities. So, when you speak of buying power from the United States, let us not think of it in terms of a year or something like that. It may be for a very short period only and it is a convenience at the time it is bought. We are selling power to connected utilities when it is convenient for them to buy from us and for us to supply them.

I can give some more up-to-date statistics as to the expenditures and sales of power: from the period January to July, 1969, the total expenditure for power purchases was $3,900,917.81, compared to the previous year, 1968, in the same period—$4,274,308.41. Total sales in the same period of power from Ontario Hydro to other utilities: January to July, 1969, $4,076,482.60, and this compares to the previous year of—well, it is a smaller amount of sales in that period—but earlier this year we were able to sell more power than we had to buy.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: I would like to find out from this Minister what the government is going to do, or if it proposes any action on the MacKenzie Royal commission report in Alberta, as far as retail gasoline outlets are concerned.

A number of things were turned up in that report as the Minister no doubt knows, whereby in many retail gasoline outlets the dealer must take the brand of tires and batteries and accessories of that particular company. He has no freedom to manoeuvre whatsoever, and a number of station operators have been calling for an opportunity to market several brands of gasoline and to be able to purchase tires, batteries, accessories, whatever they like.

A brief was presented to the Alberta government by the Alberta Automotive Retailers Association. It was written up on October 18, 1969, Toronto *Daily Star*, and part of it reads as follows:

> The brief cited a report earlier this year by the gasoline marketing inquiry committee that said the petroleum retailer had been deprived of his independence and the right to operate as a free enterpriser by harsh and unconscionable contract ties and oil company marketing practices. The retailers association said: "We consider the Bill of Rights as an enactment restoring free enterprise and competitions into the petroleum retailing industry. It would place the service station operator in the same position as that taken for granted by independent businessmen.
>
> The association recommended that legislation should free the service station operator from his status as a captive buyer of gasoline and allow him to operate a multi-brand station. This would restore, said the brief, elementary purchasing freedom to the retailer so that oil companies would find themselves in the normal position of wholesale suppliers having to compete in price and service for service station business.

The report also pointed out and I think hon. members are all aware:

> The turnover in operators in the gas business is very great. It is quite difficult, unless you have an exceptionally good station, to make a decent profit and a good living for the amount of work that you have to do.

In Great Britain, they have moved in the direction where they have multi-brand stations and there is no monopoly as far as tires, batteries and accessories are concerned. I would like to know if the Minister and this government have any plans to move in this direction of helping out the smaller service station operator so that he could become more competitive.

Perhaps the consumer would be getting better prices and better deals as far as the price of gasoline and other accessories is concerned.

Mr. Martel: The hon. Minister of Financial and Commercial Affairs (Mr. Rowntree) said "no" a few years ago.

Mr. Chairman: Order please!

This has nothing to do with this vote; it is municipal practice how many service stations there are, and what not.

Mr. Ferrier: It is dealing with energy, the selling and the marketing of gasoline; I thought that was—

Mr. Chairman: It has nothing to do with the number of service stations—

Mr. Ferrier: It comes under The Energy Act does it not?

Mr. Chairman: Order please, this has nothing to do with the number of service stations that there are allowed and the line of approach which is being taken.

Mr. Ferrier: I am talking about the merchandising of them.

Mr. Chairman: Does the member for Essex South wish to contribute something to this vote?

Mr. Paterson: Yes, vote 602, under that item, there is well-plugging for $75,000. This is a 25 per cent reduction in the Minister's request for the forthcoming year. I would ask the Minister: Is this reduction due to a decrease in the number of problem holes that are causing problems of pollution and so forth, or is it the unavailability of proper equipment and workmen to carry out this particular programme? Or, is it the fact that the regulations we passed a few years ago, which now compel companies when they abandon wells, to pay for the proper plugging of these —is this the reason that your department is able to reduce this particular section next year?

Hon. Mr. Kerr: That is right, Mr. Chairman. There are just not that many emergency situations as far as well-plugging is concerned. Our item last year, I would assume, was not completely spent and therefore from this we have an idea that we need $25,000 less this year. We have the necessary equipment. It is not a question of not having proper equipment.

The hon. member is right, Mr. Chairman, when he indicates that our legislation, which compels the owners of these wells to do the plugging, has resulted in just that and therefore has reduced the cost to the province.

Mr. Paterson: Mr. Chairman, I believe we are discussing votes 602 and 603 at the same time, is that correct?

Mr. Chairman: That is right.

Mr. Paterson: Under energy studies, I would ask the Minister for some edification. Has your department ever considered studying the proposition that, I think, was contained in the International Joint Commission report regarding the transportation of fuels on the Great Lakes by tanker—I believe I have spoken on this before—to determine the feasibility of moving cracked fuel products via pipeline to the major distribution centres in our province and thus reducing the possible danger of collisions of ships, or the sinking of ships and the resulting pollution therefrom?

Has the Minister initiated any studies in that regard?

Hon. Mr. Kerr: No, Mr. Chairman. As I am sure the hon. member knows, the transporting of fuels in our Great Lakes by tanker is under federal jurisdiction. However, the problem resulting from any spills, of course, would concern us within our boundaries. This aspect of pollution, shall we say, is also being studied by the International Joint Commission finally, and the record of any spills, the steps that were taken to control the spill and its eventual elimination, are all things that IJC is looking into. It is my understanding that the regulation, which would be part of The Canada Water Act, will in fact, specifically deal with this problem requiring ships to have certain safety features, certain emergency procedures and things like that.

Mr. Paterson: Mr. Chairman, I did not want to bring up the matter of—what was the word—pollution at this point because that comes up in further votes. I just wished to ask if there are any studies in relation to the transmission of these fuels.

Hon. Mr. Kerr: I am not aware of any.

Votes 602 to 604, inclusive, agreed to.

Mr. Chairman: Votes 605 and 606, I believe, should be considered together—the renewable resources management.

One votes 605 and 606:

Mr. Nixon: Mr. Chairman, I wanted to say something about the Minister's response to a question from the hon. member for Brantford (Mr. Makarchuk) last week, in which he said that he was considering changing the basis of grants for conservation authorities. The Minister is well aware that the basic grant is a 50-50 split, half of the cost being raised for most conservation authority projects by contributions from member municipalities.

Over the years it has become apparent that municipalities cannot raise their share for projects that are going to be meaningful, as far as flood control is concerned, and even for the provision of recreation. And I for one was glad to hear the Minister indicate that he was considering sweetening that particular deal to some extent. I feel that there has to be a departure in policy as far as what

has gone before is concerned. I think if conservation authorities across the province are going to meet the rapidly expanding needs that are placed upon them by their member municipalities — but perhaps more important, by the citizens in the river valleys themselves—that they are going to have to have additional assistance.

My question is quite specific: Is the Minister going to recommend a 75-25 per cent split in grants for approved projects? And I wonder if he can clarify to the House what the federal involvement will be under The Canada Water Act as far as the conservation authorities are concerned.

Hon. Mr. Kerr: Mr. Chairman, I do not want to say that I will recommend a 75-25 per cent split in grants regarding the Grand River or this type of flood control project. We are looking into the whole formula, assuming that we will not receive any further assistance from the federal government for their share of these costs. It is quite possible that we will have to go to 75 per cent. However, as the hon. member knows, and particularly in respect to the Grand River project, we are involved with large reservoirs, large storage of water on a river that affects a number of municipalities.

It is quite possible that this is the type of project where both conservation and anti-pollution measures are combined. In other words, the idea of storing large quantities of water to have large run-offs in order to dilute the pollution in a stream, may involve the OWRC in such a project and therefore it may be simpler to arrive at a 75 per cent provincial cost, or share of the cost. This is something we will have to consider in light of the fact that we have been abandoned, you might say, we and the municipalities and the authorities. But certainly, the information that I have at this time would indicate that the municipalities, in view of the size of the project, could not share more than the 25 per cent. There is the same situation in the Halton area, and I know that the municipalities there will be very hard strapped to pay more than the 25 per cent share.

As the hon. member also knows, the greater the cost of this project, the larger the provincial share. However, in some cases, to arrive at the 75 per cent share, or reduce their commitment to 25 per cent, the cost may be quite prohibitive even on a long-term basis. But, as I said, Mr. Chairman, this is a type of policy that we are going to have to consider, and consider immediately, particularly because of two projects—one of them the Grand that is at a very crisis stage, shall we say—and I expect a decision will be made within a very short time.

Mr. Nixon: Just to clarify the position as far as I am concerned, the Minister now administers a programme called "small watershed programmes" in which he will pay 75 per cent of approved cost. And he is now contemplating something that would be set apart from that which, I suppose, would be called a large watershed project where, as he says, if the area concerned is large enough —and there can be certain values accruing to pollution dilution—he would be prepared to have the 75 per cent split of costs for those projects.

I suppose the difficulty is in drawing the line and the Minister may find a great deal of difficulty in keeping from going to an across-the-board formula meeting 75 per cent of approved costs on conservation authority programmes. Would that not be a simple solution which would permit the Minister and his advisers simply to decide which ones they were going to support—which in fact they do now—and leave the conservation authorities with the responsibility of going ahead with other programmes which might not have sufficient provincial support if they care to do so under the old grant basis, the 50-50 sharing.

Hon. Mr. Kerr: I might just ask, Mr. Speaker, was the hon. leader of the Opposition suggesting that we should pull back on the small water reservoir programme?

Mr. Nixon: No, no; I am saying do it across-the-board then you will be able to pay off the—

Hon. Mr. Kerr: Yes, well, the big problem is, of course, the size of the project. For example, the Grand River: The amount of money involved here requires some extra consideration. To say that we will have a policy of 75-25 per cent split in grants for this size of a programme, well, you would have to consider the results in dollars and cents. Also, other authorities would immediately make applications for projects. There are still a number more, for example, within the Metro conservation authority, requiring money that did not qualify under the old Canada Water Assistance Act.

It is a matter of looking at this whole matter and what it will mean in the way of costs to the government and making a decision accordingly. But the hon. member certainly

can have my assurance that we realize that the municipalities, for a project this size, just cannot afford more than the 25 per cent.

Mr. Nixon: I do not want to continue this unduly, but there is a feeling in many conservation areas that the programmes have not been progressing at a speed which is even maintaining the needs of the growing communities, particularly as they understand that conservation does mean recreation as well as reservoirs for flood control. The new purpose that the Minister himself has indicated, the dilution of pollution, is a sort of negative approach to the whole matter of conservation and pollution control. When we look at the funds here to be voted—$13.5 million—it does not look as if the government has made any major commitment to the programme associated with the conservation authorities. It is well organized. The new Act, I think, has extended the responsibility of authorities in almost every part of at least southern Ontario. But, still, this support from the province seems to be inadequate when you stack it up against the programmes which are essential, in my view, for the maintenance of conservation in the province.

Mr. Paterson: Mr. Chairman.

Mr. M. Makarchuk (Brantford): On the same point, Mr. Chairman.

Mr. Chairman: The hon. member for Essex-Kent was up first, I believe. Essex South.

Mr. Paterson: I have a point, Mr. Chairman.

Mr. Chairman: Still on the same topic?

Mr. Paterson: Still on conservation, yes.

Mr. Makarchuk: I am referring to the Grand River valley.

Mr. Paterson: I want to put forth a couple of points on this. It seemed to me we came back and forth to Hydro about ten times this afternoon with other articles intervening.

Mr. Chairman: That is no criterion for doing the same thing today.

Mr. Paterson: No, well, this is—

Mr. Chairman: Is it on the same point?

Mr. Paterson: Conservation.

Mr. Chairman: The hon. member for Essex South, on the same matter.

Mr. Paterson: What I would like to ask the Minister, since he and I served on the select committee on conservation, is: Is the Minister giving consideration to the implementation of the number one recommendation of that committee; to cover all of southern Ontario under conservation authorities? The reason I ask this, and ask the Minister to encourage such areas as the one that I represent—the county of Essex and the city of Windsor—to get into this, is for three reasons.

We have a great number of abandoned gravel pits and operating gravel pits in my area and throughout Ontario, where conservation practices are not imposed or encouraged. I think that the Minister should act on this in view of the question to the Minister of Mines (Mr. A. F. Lawrence) when I asked if he anticipated any new legislation this session in regard to conservation practices on quarries. He said, no. This was a few weeks ago. But I think it behooves this Minister to make recommendations in this regard.

The second point is: I do not feel that the farm pond programme has been nearly as effective under The Department of Agriculture and Food as it was under the conservation authorities branch. If all areas of Ontario are covered under the conservation authorities, we can provide these people with the expert advice that your department used to give in those areas that were covered—if this section is moved back into your department.

The third point I would like to make is the very trying problem of refuse disposal from our cities and larger communities that is mainly being done in the outlying areas. This is the waste management problem. This is something, too, that I think the conservation people should be involved in to try and keep these surroundings attractive as well as being healthful sites as they are now under the jurisdiction of the Metro health units. These, basically, are the problems I wanted to relate. I do have one specific one regarding Moira authority, but I believe I could raise that at a later point.

Mr. Chairman: The hon. member for Brantford.

Hon. Mr. Kerr: I was just going to deal with the hon. member's points, Mr. Chairman. He mentioned about our programme not going ahead. We had two more authorities that were established this year, and we had an expansion of three existing authorities. I think

that those areas under conservation in southern Ontario, as we recommended in our select committee, are expanding.

Mr. Nixon: Sarnia is not one yet.

Hon. Mr. Kerr: The hon. member knows the procedure for creating a conservation authority. Now, whether those two municipalities are not keen enough, we will have to check.

Regarding quarries, I agree with the hon. member. This is a problem, it is a problem particularly in my own riding. I am not sure what the Minister of Mines said to you, but certainly he has a committee that just reported recently on quarries—particularly abandoned quarries—and how they could be reclaimed with the possibility of local conservation authorities or parks using these areas.

The hon. member has heard of the Gertler report. We are hoping that this branch can implement at least part of the recommendations of that report in respect to acquiring land along the escarpment which would include abandoned quarry areas.

Mr. E. R. Good (Waterloo North): We have heard of it but we have never seen it. Where is it?

Hon. Mr. Kerr: I think a copy of that report would be available for the asking.

Mr. Good: It is not, I have been asking for it for months.

Hon. Mr. Kerr: Did you write to the Minister?

Mr. Good: Yes.

Hon. Mr. Kerr: Now, farm ponds. Mr. Chairman, last year there were subsidies paid for 326 farm ponds in the province and the total cost of subsidies for the year is $199,987.55.

Regarding the waste management programme, we have an item in the estimates dealing with waste management and probably will discuss it at that point. However, I agree with the hon. member that it is basically an educational programme requiring people to acquire habits that will not give us such a problem of disposing of solid waste. I think through our parks and conservation areas, we are attempting to do just that by the provision of proper receptacles and disposal units and by having proper facilities for the people who use those areas.

Mr. Chairman: The hon. member for Brantford.

Mr. Makarchuk: Mr. Chairman, I just want to get back briefly to the matter regarding the Grand River Valley. I agree with the Minister. He said that it is reaching the crisis stage in that area because of increasing urbanization and the lack of dams to control water for future dilution purposes. What I am wondering about is whether or not his department is carrying out any consultations with the Ontario Housing Corporation in situations of this nature. The OHC has decided to go about purchasing something like 3,000 acres which will be used for a satellite city or a housing development and the sewage from this particular development is going to be dumped in the Speed River and eventually into the Grand River which is in the crisis stage right now. Now what I want to know is, you have a crisis problem at the moment, and what are you doing to try and prevent this crisis problem from going to the next superlative—whatever that may be?

Hon. Mr. Kerr: Mr. Chairman, if OHC is developing in this area, certainly it is required to have proper services in constructing houses or multiple dwellings—the same as any private developer would. If there are not sufficient treatment facilities on the Grand, that development should not be allowed to go ahead. It is my understanding that the commission is dealing with OHC. The hon. member did not indicate at what stage this particular project is at the present time but if it is just starting under way, I am sure that there are negotiations among the commission, the municipality and the OHC as to how much, or if any units can be constructed in view of existing services.

Mr. Makarchuk: The point, here, Mr. Chairman, is that you are at the crisis stage right now without the extra construction and I think if you look at your own water quality monitoring reports, then you notice in some cases that parts per million of coliform goes to something like seven million; and if you pardon the expression, Mr. Chairman—that is pretty close to being pure crud that flows in the river at this time. If you do not have the proper treatment facilities at the moment for the existing residential areas, how can you possibly agree to other developments going in to that area, and using the same river as a sewage system?

Hon. Mr. Kerr: The hon. member oversimplifies. If, as I have said, there is a project in the municipality, it basically is the

municipality's decision whether a project should go ahead. Now if the Ontario Water Resources Commission, or The Department of Health, or the local planning board or works commission indicated that this type of development should not go ahead because of lack of proper sewage facilities, it would not go ahead. This is our policy. Now, I have asked the question—or implied the question—to the hon. member: if this project is just getting off the ground, are there treatment facilities planned, or an expansion of existing treatment facilities planned? Really, I do not know what this has to do with conservation.

Mr. Makarchuk: The point here, Mr. Chairman, is that we are conserving the water resources in this particular area. In other words, we are interested in having enough water flowing in the Grand to be able to dilute the present sewage that is being dumped into the Grand. At least this is what I figure.

The point now is that we are reaching—as you admitted yourself—a crisis stage inasmuch as we do not have enough water flowing in the Grand right now to dilute the sewage coming out of the existing developments that are in the area.

And here OHC is putting in another development into the area.

Now what assurance do I have from the Minister that, before this other development is going to proceed in that area, we will have enough—either water storage facilities or whatever is required or proper treatment facilities for existing cities in the area—to ensure that the Grand does not become a sewer, an open sewer?

Hon. Mr. Kerr: Mr. Chairman, I can assure the hon. member—

Mr. Chairman: The treatment facilities should come under the water resources commission.

Hon. Mr. Kerr: I might just say that I can assure the hon. member that OHC will not be allowed to go ahead without proper treatment facilities.

Mr. Chairman: The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, I would like to make some general remarks relating to the matter of water in its entirety in the Grand River conservation watershed area. I find it impossible to separate my remarks completely from the OWRC, but since the Minister himself has introduced the name OWRC in his remarks, I feel at liberty to bring this in in this vote—as it relates to what I want to say about conservation.

Mr. Chairman: I must point out that the Minister has just related to the member that the reply was in response to a specific question in which the reference was made, and that the comments at this point should be only on conservation.

Mr. Good: Yes, thank you, Mr. Chairman. We are speaking here of the largest conservation area, the largest river system in southern Ontario, 118 miles long, and about 25 miles wide, which encompasses the largest area of any system.

There seems to me to be a very great deal of lack of understanding on co-operation between the two departments of this department—that is the conservation authority and the OWRC—on the treatment of water in its entirety from the time it is taken and returned. It should be the concern of both.

The conservation authority has built three complete systems in this Grand River area: the Luther system, the Bellwood Lake, and the Conestoga reservoir system, and their plans call for five additional dams.

At a meeting at 801 Bay Street a year ago, when the McLaren report was released, it was suggested that only 20 per cent of this watershed was now under control. The need for water in the area is great now, and will become much greater in the future. Many people feel that only through the actions of the conservation authority can the other water needs of the area be met. By this, we simply mean that water for the use of the citizens in the area can be had through the development of the conservation programme of the Grand River conservation authority.

This point was brought out at that meeting, and it sort of left me with the impression that the OWRC people did not take too much stock, or too much validity, in the statements of the conservation authority that this water is there. They would say the Grand River is not a Mississippi.

We realize this. It is not a Mississippi, but it is still the largest river system in southern Ontario, and I think that the report of Proctor and Redfern, which was released some time in May of this year, and which was commissioned by the cities of Kitchener and Waterloo has shown that the full development of the conservation plans in the Grand River system would provide short- and medium-term water for the citizens of the area to supplement their present ground water supply.

I would hope that the Minister, when he makes his decision about the percentage or the amount of financial aid that the province will give to the Grand River authority, will take into consideration the fact that not only will the conservation area be developed to its extent, but there will also be the very good possibility of augmenting present ground water supplies with fresh water river supplies.

I simply ask the Minister that he look at this from that situation, the fact that it is now 11 years since the last conservation work was done—Conestoga Dam. The other five projects are here. They have been drawn up, they have been investigated and they are here; all they are lacking now is the financial support. The people of the community are willing and ready, I think, to go ahead with their share of it and I would ask here that there be more liaison between the conservation and the other water people whom, I was glad to see, are not segregated today. Yesterday the conservation people were sitting over here, OWRC were over there. I wondered yesterday whether they really spoke to each other.

Mr. J. R. Breithaupt (Kitchener): That is as close as they get.

Mr. Good: Is that as close as they get? So, in the light of this peculiar circumstance where we are dealing with the conservation area which could have potential water supply for our area, I would ask that the Minister give this very special consideration. Thank you.

Hon. Mr. Kerr: I might just say, Mr. Chairman, that the hon. member has a very good point. There probably should be more collaboration between conservation and the OWRC and I think that those two bodies would be the first to suggest that this be done.

I think that, as projects get to be more interrelated—and the Grand River is a good example where not only pollution is a factor but the supply of good fresh water is going to be a factor, and where the plans of the Grand River conservation authority will involve just that—there has to be more active participation between the two groups.

As you know, there have been some discussions as far as OWRC is concerned—the suggestion of a pipeline from Lake Erie to this particular area whereas the authority feels that reservoirs are the answer. But I can assure the hon. member that there will be more co-operation, and it is wanted by both conservation and the people within the commission.

Mr. Chairman: The hon. member for Peterborough.

Mr. Pitman: Mr. Chairman, I want to talk about conservation. The Minister has, I think, put his finger on the main point. I see very little co-ordination between the conservation authorities on the one hand, sir, and the Ontario Water Resources Commission on the other hand. I think he realizes why—

Mr. J. E. Bullbrook (Sarnia): The member for Waterloo North said that.

Mr. Ben: The member who just sat down.

Mr. Pitman: I am sorry if I misinterpreted it. I meant to say that this is the major problem and I think the Minister is quite aware of the fact that there has been no area which has put more effort towards conservation in the Kawarthas than the area that I come from. I think the Minister mentioned Mrs. Nornakell, and I would be the first to admit that there is one woman who has made a tremendous contribution, but you can imagine what effects it will have upon those people who are concerned with conservation to pick up the Toronto *Telegram* of today and read on the front page, "Raw sewage poses bathing health threat in the Kawarthas".

Now, talking about conservation, the Minister's department is going in two directions and I want to suggest to the Minister that the major problem is that when the Ontario Water Resources Commission was created in 1954—the Chairman is getting a little bit anxious here but I am talking about conservation. I am concerned about conserving an entire area. I am not concerned about fighting about what the OWRC does and what it does not do. I am concerned about the total picture of conservation. I think you cannot talk about conservation without talking about the OWRC, but I am essentially concerned with conservation.

I say to the Minister that the OWRC is one of his greatest problems in relation to conservation because whereas in 1954 it originally was trying to educate the public towards the need to conserve water resources, today that same commission, I suggest to the Minister, is a log-jamming operation. It is a delaying operation, an operation to convince people that conservation of water and water qualities really is not as serious as a great many people actually think it is.

Public opinion has rushed right by you. In fact, the Minister is being trampled by public opinion. Unless he picks himself up and starts

to run like the devil, he is going to continue to be trampled because conservation and water quality go hand in hand and the OWRC is the main problem that the Minister has in dealing with conservation.

Now, that very organization says that the individual citizen should be concerned about water pollution and conservation. Well, if I might just deal with that for a moment, may I indicate to the hon. Minister what one citizen has tried to do about conservation. He might think this is outside the conservation area but it is very closely related to what is being done by the conservation authorities across this area near Peterborough. This person, of course, dealt with the appropriate legislation—and the conservation authorities are largely, I might say, armed with legislation dealing with water resources and the Ontario Water Resources Commission. The legislation could not be clearer, could not be more obvious and the conservation authorities have every opportunity to use this legislation. The OWRC Act states, and I quote:

> Every municipality or person that discharges or deposits, or causes or permits the discharge or deposit of any material of and kind into or in any well, lake, river, pond, spring, stream, reservoir or any other water or water course or on any shore, bank or in any place that may impair the qualities of water or any well, lake, river, pond, spring, stream, reservoir is liable to a fine of not more than $1,000 or one year in jail.

Mr. Chairman: The hon. member is strictly on the water resources commission programme at the present time.

Mr. Pitman: I am dealing with water resources as it relates to the conserving of an entire area.

Mr. Chairman: I think the hon. member might make some reference to the water resources commission but he is strictly speaking about pollution.

Mr. Pitman: I am dealing with pollution as it relates to conservation—

Mr. Chairman: The hon. member will please keep his remarks to conservation.

Mr. Pitman: If I may simply say this, Mr. Chairman, my main effort is to convince this Minister that there are a great many people in this province who are desperately anxious to help the Minister to conserve, who are anxious to help him through conservation authorities or outside conservation authorities; and they are being delayed, they are being log-jammed by the Ontario Water Resources Commission.

Hon. Mr. Kerr: In what way—

Mr. Pitman: Mr. Chairman, the Minister asks me in what way this happens. I can, I think, point out to the Minister, as he well knows, that there is a Mr. Stevenson who is one of the most active conservationists in that particular area. He investigated in May of this year a number of areas. He specified three areas—Stony Lake area, the area of Lake Katchwanooka and the Otonabee River area. It is a single system, a single conservation area, Mr. Chairman, and he listed on May 27, 16 different cases of water pollution in the Stony Lake area. Sixteen different cases of water pollution which he thought were detrimental to the conservation of that area.

The Chairman is looking at me sternly and I will not read all these cases into the records so that he will not be discouraged; but I can assure you this has to do with conservation in a very real way. In fact, perhaps I could even show the Chairman some pictures of the sort of thing which is going on. Privies sitting out over the water, septic tanks with plugs and the pipes going into the water, obvious cases. There were 16 of these, and to this point only one of those has been dealt with in any way. Yet we have asked for reports. On April 14 he met with the Ontario water resources officials and showed them these cases. On May 27 the Minister received letters; at that time I asked for an open study. The report of that study still has not been released in this Legislature—

Mr. Chairman: The member will not go into details. Order, please. Order. The hon. member should not go into details of the operation of the Ontario Water Resources Commission as it relates to water pollution. He can refer to the commission but we are talking about conservation authorities at the moment.

Mr. Pitman: When the Ontario Water Resources Commission—I am looking at the whole conservation authority—in conservation of this area looks at an area and finds that there are beaches unsafe for swimming, sure that is a conservation problem, and the Minister goes about telling conservation authorities about how concerned he is and how he supports their work. At the same time the Ontario Water Resources Commission does nothing; it delays its report beyond the

swimming season and indeed the report is being delayed beyond the discussion of the Minister's estimates in this House, one might also say, which I think is even more serious.

The point is that these reports are not coming down, and certainly anyone who is concerned about conservation in the Peterborough area does not look very happily at this kind of situation. It is all very well to send out brochures, and it is very nice to give grants to conservation authorities, but when you come down to a fact that raw sewage is being poured into the Kawartha Lakes and nothing is done about it, when the Ontario Water Resources Commission knows about it, and when it has legislation which allows them to do something about it, then one cannot be very serious about it.

When people are concerned about conservation, ask for legal help—I asked the Minister and he said, "Go to the Crown attorney." The Crown attorney says, "I am sorry, I am not at all sure I should lay a charge under this Act." What happened? A person ends up by having to go to a lawyer and try to get his own lawyer to lay a case against people who are polluting.

Once again, how can people get serious about the conservation authorities when that kind of thing can go on in a particular area? It is a case of the left hand not knowing what the right hand is doing. I say to the Minister that if he is really concerned about conservation in this province, for heaven's sake he can stop worrying about the conservation authorities. Most of them are flying high and wide and are away ahead of the Minister. He can start worrying about the Ontario Water Resources Commission—for example, the fact that this individual even wishes to be made an agent of the Ontario Water Resources Commission—and of course, there were various reasons why he could not be made an agent.

What I suggest to the Minister is that possibly, through the conservation authorities, this can be done. I think perhaps it is the only way it can be done, that he use the young people of this province with the conservation authorities to do something about water pollution in a massive way—thousands of young people every summer until this problem is solved. The private sector cannot deal with it in any sense whatsoever, there are not enough plumbers assistants, there are not enough people expert in plumbing for the number of septic tanks that are needed.

And the Minister's comments on cottages —all they do is worry people rather than doing anything about it. He says we do not need any loans for these people. I suggest we do. But more than that, we need human resources, we need money certainly, but also more human resources and energy. Unless we do something about it, perhaps through these conservation authorities, nothing is going to be done. I can tell the Minister that we have waited for action, but no action has taken place. The only way, apparently, for the private citizen—the Minister sends out this little brochure about what the individual citizen can do about pollution and about conservation.

Mr. Chairman: Order.

The hon. member insists on getting back to water pollution by injecting the word "conservation" periodically to attempt to convey the feeling that he is still on conservation. I would ask the hon. member to discontinue remarks about water pollution until we come to the Ontario Water Resources Commission.

Mr. Pitman: I will not say anything more about water pollution: I will simply state that I hope to come back to it again when we get to the Ontario Water Resources Commission.

Mr. Chairman: As long as you do not repeat what you have already said.

Mr. Pitman: I simply say that all the work that is going on under this conservation authority is being undermined, all the citizen participation which he has encouraged in the conservation authority is being deflected unless he does something about taking action under the Ontario Water Resources Commission and carrying out the legislation which is on the books. Thank you.

Mr. Chairman: The hon. member for York Centre. Before the hon. member proceeds, I wonder if he would permit an interruption for one of the other members who has special guests with us today?

Mr. B. Gilbertson (Algoma): Mr. Chairman, and hon. members, I would like to take this privilege of introducing a group of senior citizens from the great riding of Sault Ste. Marie and Algoma. They are on a sunshine tour and they have come to visit our session here at Queen's Park.

Hon. A. Grossman (Minister of Correctional Services): Very young-looking senior citizens.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I appreciate the Minister telling me a little bit about the junior conservationists programme that the department started, I

think, three or four years ago, and what the plans are for that. This year's programme, I guess, which we are discussing in this Budget is almost finished, and I would like to get some idea of the results and the plans for that.

Hon. Mr. Kerr: Mr. Chairman, I am not exactly sure what the hon. member wants to know.

Mr. Deacon: It started on a very small scale, Mr. Chairman, of 10 or 15 or 20. In view of the success of the programme or otherwise, is the Minister expanding it or taking it on a much broader-based award programme, similar to the junior ranger programme?

Hon. Mr. Kerr: As far as the junior conservationists programme is concerned, Mr. Chairman, we have no plans at the present time to expand this programme. This year there were 24 involved in the programme, who spent a period at the Albion Hills conservation school. These, as the hon. member probably knows, are nominated by The Department of Agriculture and Food and the 4-H clubs, resources rangers, boy scouts and various organizations such as that. However, this you might say, complements those programmes of The Department of Lands and Forests, particularly the junior forest ranger programme. I agree there is a great interest and demand for a bigger programme and certainly we will take the hon. member's remarks into consideration.

Mr. Deacon: Mr. Chairman, I just wanted to indicate that I received many comments about the fine work that is being done under this programme and I hope that instead of having just 24 in it, in the future, the Minister will see that the programme, now it has proved to be such a satisfactory type of programme, will be moved into a much higher scale, maybe 250 or 2,500 youngsters, because there surely could be no finer way for us to employ great numbers of students seeking summer employment than this type of programme. As I understand it, the difference between this and the junior forest ranger programme is that this is largely in the southern part of the province and awarded to boys who show a keen interest in these various fields, and who could help in our conservation area development programmes which are, of course, largely in the southern part of the province.

I just wanted to hear the Minister's assurance that this programme would be given serious consideration for a heavy expansion.

Mr. Ferrier: Mr. Chairman, I want to deal with a matter that is related to the Mattagami Valley conservation authority and to which this department has already made a grant.

It is the problem of the flooding of Gillies Lake just outside Timmins. Some years ago under the Hepburn regime, a licence of occupation was granted to the Hollinger mine to dump their tailings in what was known as Gillies Lake; and in dumping these tailings in the area of the lake it was made a good deal smaller and the outlet of the lake was closed off. While the Hollinger mine was in operation the water was pumped by Hollinger from Gillies Lake into Pearl Lake so that flooding did not pose a problem, but once the Hollinger mine closed down, flooding did become a problem that has occurred on several occasions. The big question is, who is responsible?

In this licence of occupation that was granted to the Hollinger mine, it says this:

> The Crown shall not be liable for any damage done or alleged to be done by the placing of such tailings upon the said land or by the overflowing of the same upon lands adjoining or for any damage of any kind whatsoever done or alleged to be done by the said company, their agents or workmen, but the said company shall indemnify and save harmless the Crown with respect thereto.

Further on down, it also says:

> This licence shall not be transferable without the written consent of the Minister of Mines.

I am not aware of this licence ever having passed out of effect.

The Mattagami Valley conservation authority has been involved in this project. They commissioned a study by Gore and Storrie, an engineering firm who suggested that a channel could be built out from the north end of town to connect with, I believe, the Porcupine River; this would cost something like $70,000. A request was made to The Department of Energy and Resources Management and a provincial share grant was approved.

But then the tenders were called. The lowest tender was $113,976.20, and the town of Timmins has been terribly reluctant to accept any responsibility in digging this channel out, or paying any of the expenses of it. As a result, nothing has been done and just recently the flooding condition came back

again. Last Friday a couple of representatives of the Minister's department were in Timmins. They inspected the situation and they suggested that the pumping be resumed for this fall season and they will probably have to do so in the spring. They have got pumps down from Cochrane, and I believe they are in the process of starting up this pumping again. The expense will be borne by the conservation authority, which means that the town of Timmins will have to pick up some of the tab.

The position of the council in Timmins, I think quite rightly, is that the town should not have to pay for this situation, this flooding problem, since it was caused by the mine, and since in the granting of the licence of occupation, the mine was made responsible for any of this kind of thing that went on.

One even wonders why the province of Ontario should have to pick up the expense for something like this, when it appears to me that the mines themselves should bear the responsibility. I understand that McIntyre mines have tentatively said that they might pick up some of the tab, but with the Hollinger it is the other way around, is it?

I appeal, Mr. Chairman, through you to the Minister that this government has got to bring a lot more pressure on these mining companies and if necessary take them to court, to make sure that they pay their way and that the public does not have to pick up the tab for something that is clearly the mines' responsibility and is written in the licence of occupation. I think that in the main, northern Ontario mining companies have taken out the resources for the profits, then, when they were through with their mining operations they walked away and left the municipalities to pick up the pieces and to assume the expenses.

I would like to have some assurance from the Minister that every effort is going to be made if it is necessary to take these mining companies to court, to make sure that they pick up the tab that rightfully belongs to them and that the municipalities, and even the province of Ontario, do not have to bear an expense that I do not believe belongs to them. I would hope that the Minister, through his good offices, would see that for this channelization programme as suggested by Gore and Storrie, new financial arrangements can be made so that this matter is expedited before too long. It has been sort of kicked around like a political football for two or three years now and the flooding keeps coming.

They have to have crisis meetings to find out how they are going to resolve it and get this water down so people are not going to be under water. I would hope that the Minister would take every step possible to expedite this matter, to get it settled once and for all, to get their responsibility of paying for it in the right hands, and, as I say, get it resolved.

Hon. Mr. Kerr: Mr. Chairman, I just have a few remarks about this. On the meeting first. This was a meeting that was held with the Minister of Mines and representatives from the city council of Timmins, and also representatives from the mining company. As the hon. member knows, one of the mining companies has agreed to pay 25 per cent of the cost. At that time, it was estimated to be $80,000. The other mining company—I believe McIntyre Mines—which we approached with the idea of also paying 25 per cent, did not feel that it was responsible for the dumping of the tailings in Gillies Lake and would not agree to sharing in the cost of providing this drainage line.

As the hon. member has mentioned, the conservation authority has since that time applied for approval of a project and that was given, I believe, on the basis of a cost of $80,000, so that the authority—or the province, rather—would be picking up 50 per cent of the cost. I had the opportunity with the mayor of Timmins of viewing the site and getting a first-hand look at the problem, and there is no question that the tailings are causing flooding conditions, particularly in the spring in that area.

We have a number of letters between the companies, the council of Timmins and my department, as well as The Department of Mines in an effort to resolve this problem. As the hon. member knows, under the licence of occupation, the municipality, in the event that the company does not live up to the terms of that licence, can take legal action to force this work to be done.

I understand that the mayor of Timmins has threatened to do that on a number of occasions if some agreement is not reached. I am still working on the problem. I am still attempting to get some sort of a commitment from the other mining company. However, it is hard to say just what might happen at this time in view of the increased cost in this whole project. The hon. member mentioned that the lowest tender was something over $100,000, I believe, so all parties involved here in insuring this cost will have to look

again at their commitment, and I still have hope that legal action will not be necessary.

Mr. Chairman: Vote 605. The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, concerning conservation authorities, my area is one of the areas in the province that does not have a conservation authority. And one of the reasons, probably, why it has been a little hesitant in establishing a conservation authority is the fact that municipal representation as far as the large community is concerned, is not on a sufficiently equitable basis. For example, the municipality of Windsor would be contributing approximately 70 per cent of the funds to the setting up of the authority; it would have only about 15 per cent of the membership and it would be allowed only four members in the authority with the other 22 or so municipalities in the authority each having representation of one, two or three members. Is the Minister considering any amendments to The Conservation Authorities Act so that municipalities having substantially large populations could have greater representation on a conservation authority?

Hon. Mr. Kerr: We are not anticipating or planning any amendments to the Act, Mr. Chairman that would change this formula. The branch is really satisfied with the formula; it works. This was considered by the select committee on conservation authorities, submissions were made that larger participating municipalities should have more representation. However, it was not accepted by the committee. We are assuming, of course, that the larger municipalities, such as Windsor, in the proposed area of which you were speaking, would benefit from up to 70 per cent of the project because of the people who would be using it and taking advantage of it, particularly the recreation facilities.

Mr. B. Newman: We cannot argue that point, Mr. Minister, at all, except the fact that when it comes to a financial contribution, the financial contribution by the city is out of proportion to the contribution of other municipalities in the authority. The city of Windsor would be contributing 70 per cent, naturally because it is on a *per capita* basis, but the representation in the authority would give the city only four members out of, I think, 26 that the authority would comprise. That proportion is, I think, probably not realistic enough. The representation by the municipality of Windsor should be a little larger. I think that possibly the municipal authorities might look upon the conservation authority from a different point of view and be more enthused in actually joining and setting up a conservation authority for Essex county.

Mr. Chairman: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, under this vote we are talking about high water levels and flooding. Of course, we know we find in the Great Lakes that the water level has reached one of the highest points in a number of years. I would like to ask the Minister or tell the Minister that this high water level is causing damage to cottages in some parts of the province of Ontario, and also damaging dikes that have been built. I understood the Minister to say yesterday that he was a member of this International Joint Commission of the Great Lakes. Is there any control that the International Joint Commission has over water levels in regards to stopping the damages?

Hon. Mr. Kerr: Mr. Chairman, the International Joint Commission has no control over water levels, particularly in Lake Erie. They are mainly a study body, a group that makes recommendations to various governments. They have, in fact, made some studies of water levels in these lakes and have also indicated the reasons for change in lake levels. The hon. member has written to me about this and I have replied to him, and I know he is concerned about lake levels in his area and particularly in the conservation area in his riding. Unfortunately, we do not seem to have any control over lake levels. As far as dikes are concerned, we know that there has been a problem in the hon. member's area because the local conservation authority there has requested further sums of money to repair those dykes and to build new dikes. I believe that has been given to them.

Mr. Chairman: The hon. member for Essex-Kent.

Mr. R. F. Ruston (Essex-Kent): Mr. Chairman, I just want to mention, as regards the Thames River area and the conservation authority there, what has given a large amount of trouble in the area that I am involved in, is that the high water and floods coming down from as far up as London or farther, cover a large area, and it is the responsibility of the local municipalities to carry a major share of repairing the banks and keeping them in condition. As much as they

are eligible for grants under the drainage system, it is still a very high cost for some of the areas to be involved in.

One has only 2,200 acreas, and to keep these banks in repair is very costly for the farmers involved, yet it does affect the whole area. The liability, it seems to me, should be stretched out over the whole conservation authority instead of just the area involved. I just wanted to bring this to the attention of the Minister, although I think he has been aware of it to some extent; but I wanted to reiterate it at this time.

Mr. Chairman: On vote 605. The hon. member for Waterloo North.

Mr. Good: Mr. Chairman, does soil erosion come under this vote?

Mr. Chairman: I would think so.

Mr. Good: I would like to ask if the Minister has given any thought to giving conservation authorities authority to control the amount of soil erosion. When we look at the amount of soil erosion along river banks, ploughed fields, agricultural roads, and owing to highway construction, subdivisions being put in, and considering that soil erosion in just the rivers and lakes system of the province, would they, because of the chemical content in these, consider the erosion of soil into the river system as a sort of pollutant and give the conservation authorities control over the amount of soil erosion as it eventually relates to pollution in the rivers? What is being done in this regard?

Hon. Mr. Kerr: Mr. Chairman, of course, the conservation authority is concerned with soil erosion and flood plain land and the conserving of river bank areas. There is no question that the authority is doing this by the acquiring of lands in the watershed.

Now, I believe the hon. member was referring to private people, private concerns. The conservation authority does have an educational programme with demonstrations which is available to people at any time whereby practices can be shown—certain procedures that can be taken to prevent soil erosion on farmland and, at the same time, prevent a certain amount of dumping of waste—shall we say—into the streams. I think if the people in the local area, particularly in the conservation area or adjoining to it, take advantage, this would be of great benefit.

Mr. Good: Mr. Chairman, they have no right at the present time to limit the amount of soil erosion on private property going into a river system. Is that correct? They cannot prevent it? Why can they not?

Hon. Mr. Kerr: It is private property, Mr. Chairman. I think if the erosion can be in any way considered as effluent or untreated waste, this is another matter. This could be controlled.

Mr. Good: Under your legislation it cannot but it should be.

Mr. Chairman: On vote 605. The hon. member for Humber.

Mr. Ben: Mr. Chairman, most of the afternoon has been spent in telling the Minister things, I wonder if we could put his people to work. Would he please tell us what experiments are now being carried on to determine the effects of the pesticides on wildlife in our conservation areas? For example, the group from the University of Toronto demonstrated that deadly chemicals were being used in sprays by the Metropolitan Toronto parks department and a lot of game died. What are the effects on fish life of chemicals that are going into our streams in these conservation areas? Conservation means not only conservation of land but I imagine it also includes the wildlife. What chemicals are you prepared to ban in the immediate future to preserve our wildlife?

Mr. Chairman: It seems to me that that should not come under this particular department. It should be under Lands and Forests.

Mr. Ben: This is conservation.

Mr. Chairman: This is conservation of renewable resources.

Mr. Ben: Well fish, my dear Mr. Chairman, are renewable resources.

Mr. Chairman: The hon. member is out of order.

Mr. Ben: I submit, Mr. Chairman, I am—

Mr. Chairman: The hon. member is out of order. We are talking about conservation authorities.

Mr. Ben: The Humber River—

Mr. Chairman: That may well be, but the point the hon. member is raising has nothing to do with this aspect of conservation authorities. The hon. member is out of order.

The hon. member for Thunder Bay.

Mr. Ben: I take exception to being gagged.

Mr. Chairman: The hon. member may now remove the gag if he wishes.

The hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. Before I get into the brief remarks I would like to make, I want to find out whether water is considered a renewable resource. I am talking about the studies that are going on in northwestern Ontario at the present time, jointly by the Ontario Water Resources Commission and the federal government.

Mr. Chairman: I think many of the members have been attempting to talk about water resources, which is quite proper in the proper place.

Mr. Pitman: How can you separate it from conservation? How are you going to separate them?

Mr. Chairman: Perhaps the hon. member is quite correct but I am faced with dealing with the votes in the estimates as they appear before us. Surely we can recognize this and try to speak in order.

Mr. Stokes: I am not talking about pollution, I am talking about the probable sale of water to the United States as a result of a survey that is going on at the present time in northwestern Ontario with regard to quality, quantity, stream flow and what have you.

Mr. Chairman: Then this would be under water resources commission, not the conservation authority.

Mr. Stokes: It has nothing to do with the the renewable resources management?

Mr. Chairman: Under water resources commission; it does not have to do with conservation authorities.

Mr. Stokes: Are we on vote 605?

Mr. Chairman: We are on vote 605.

Mr. Stokes: All right. At the top of page 59 it says "renewable resources management", and that is what I want to talk about.

Mr. Chairman: The particular aspect that the member is referring to comes under the water resources commission.

Votes 605 and 606 agreed to.

On vote 607:

Mr. Chairman: The hon. member for Simcoe East.

Mr. G. E. Smith (Simcoe East): Mr. Chairman, I have a question I would like to ask the Minister and several comments that I would like to make as a result of his statement of policy concerning the cottagers in the province of Ontario.

As a matter of fact I would like to read into the record very briefly a portion of an editorial published in the Midland *Free Press* which I think expresses the feeling of many of the cottagers in my area, and asks several questions which I would like to have the Minister comment on.

The editorial is captioned, MORE FACTS, PLEASE, MR. KERR" and I quote from the editorial, referring to Mr. Kerr, of course:

> He said cottage owners will have to improve their sewage facilities or face prosecution. Apparently he is aiming the move at cottage septic tanks situated on a rock bed which he feels makes them relatively useless.
>
> The province will insist the communal holding tanks be built for the effluents if the cottage is too far away to hook into a municipal sewage system.
>
> In recent years cottage building has boomed in north central Ontario and in our particular area of Simcoe County there has been no exception, and it is a fairly well known fact that many new cottages, especially in remote areas, have not been inspected for proper sanitary sewage facilities. It is just too big a job for the inadequately staffed local health unit who look after that in our area which are responsible for the inspection.
>
> The result is a great many cottagers, labouring under the delusion that their septic tanks are safe, the fact that the authorities are now turning their attention on this long neglected area of possible pollution is laudable, but let us have a few more facts on the scheme itself. There are many questions that must be answered and problems to be overcome before Mr. Kerr's proposal can be put into effect.
>
> How, for example, can communal holding tanks be installed so that every Ontario cottage is serviced? Is there any exemption for cottages whose present sewage systems are sufficient? What does the province suggest for emptying the holding tanks of cotages in remote areas accessible only by water such as among many of the cottages on the 30,000 islands, and sections of the Severn River?
>
> If the answer to the last question is a floating pump-out facility, such as a tank

truck on a scow as is used for pumping septic tanks in the Honey Harbour area, what recommendations has the province for such equipment, and what assurance is being made that it will be available in all areas?

How does the Minister suggest the hard-pressed county and district health units inspect and enforce the new scheme? Where will the money come from to enlarge the staff?

The majority of cottagers will likely support the philosophy of Mr. Kerr's new onslaught on pollution and will be willing to co-operate but what he is proposing involves serious expense from most cottage owners and some careful planning with regard to their individual situation.

Mr. Chairman, I know the majority of the cottage owners are concerned about water pollution, the safety of our waters, and so on. The majority of the cottage owners are concerned whether their septic tanks are doing an adequate job, and the majority of the cottage owners who may be helping to create the problem of pollution, through inadequate sewage disposal systems, are doing so not through carelessness, but due to the rock formations that exist near the surface of the earth.

Consequently, we are concerned—and I know that I not only speak for my many cottagers who holiday and have summer or year-round residences in my area, but I know that I express the concern of the other hon. members who are faced with similar situations in their ridings—we are concerned that when your plan is implemented, that the necessary facilities be available to cure the ills that concern your department, and I think we are also concerned that as you implement this programme you phase it in such a manner that it is not unnecessary financial hardship, or a burden on the cottage owners; that there would be a deadline of say a year, two years, or whatever it would be, with proper notice that they could budget for this financial burden or expense to them.

I say to the Minister I think that this editorial does express the feeling of a lot of the people in my area. I would ask you some time during the estimates of this department if you would comment on your policy in this direction and how you might answer some of the questions I have asked.

Hon. Mr. Kerr: Mr. Chairman, I would like to deal with the points raised by the hon. member mainly because there has been some misunderstanding regarding my statements in respect to cottages and the treatment of waste from cottages. Certainly if my mail is any indication, there is a great deal of concern so I think probably I should reply to the hon. member.

First of all there really is not any new programme and there certainly are not any new regulations. The fact is that one of the main concerns of the department and of OWRC is the slow but steady deterioration of our inland lakes, particularly our recreational lakes—the Muskokas, the Kawarthas, as the hon. member for Peterborough has touched on this afternoon. One of the causes of that deterioration is inefficient, or inadequate septic systems installed on cottage property, particularly on property or land that is basically rock, or very hard soil. There is not an efficient treatment of waste from the use of the cottage property.

This is also the concern of the cottagers themselves, as the hon. member has said, and representatives of cottage associations have been in to see me and the members of my department and have made suggestions of possible ways to correct this situation. But I have made it quite plain and quite clear that those cottages that have septic systems and which treat their effluent and waste properly, have no worry, no concern, and I would assume that with those that have been installed, of course with an inspection, and I suppose the approval of the local medical officer of health, there should be no concern. But there are areas where the septic systems are just not working properly, and I can think of certain islands, for example, in Georgian Bay that are basically nothing but rock, and really the old-fashioned Johnny-on-the-spot is more efficient than some of the septic systems up there.

Mr. H. Worton (Wellington South): Better call it George-on-the-spot.

Hon. Mr. Kerr: So this is a problem and I have only made the suggestion that in this one area something has to be done.

Now, I have made some suggestions that possibly some form of a communal holding tank might be the answer. For example, on an island, particularly, where there may be 10 or 12 cottages, this may be the answer. I really have not taken time to calculate the cost but I am sure there are methods by which this effluent and waste can be treated so the lakes do not deteriorate any further. As far as I mentioned, Mr. Chairman, there

is no question of lowering the boom on cottagers, it would be a continuous programme to assist those cottagers in areas where there is a problem. It would have to be a long-term programme. It would be the result of our analysis and testing of the waters and inland lakes in the recreational area. I say this and I have said it before, we have a problem with Hamilton Bay. We have a problem with Toronto Harbour. The water there is not in very good shape but when people are driving 150 and 200 miles to our northern recreational areas and finding the water is not fit to swim in, then really we are in a really, really bad situation and we are facing real problems.

So we have started by cleaning up the waste as much as possible from pleasure craft. Certainly we have solutions for municipalities and industry in these areas. The problem is one of disposal as far as certain cottagers are concerned.

Mr. Nixon: Mr. Chairman, on this subject, I think we would all agree that the Minister is going to get strong and unanimous vocal support from all parts of the community in his efforts to combat pollution, and yet we all know that as soon as the Minister comes forward with a specific proposal affecting one particular area, there is a strong outcry from that area implying—why should you start with us? I think that is true in the OWRC efforts to bring forward regulations controlling boat owners. It is the sort of reaction that the Minister got with his very frank comments about the cottage owners and certainly every one of us in this House has been exposed to the kind of reaction in our community.

I do not think there is anything that has more strongly captured public attention than the government's programme to combat pollution through OWRC, and of course, air pollution as well, which is becoming more of a public concern. And still, there is this business about whose ox is being gored and when specific regulations come out there is the problem that the Minister indicates. If I might make a comment on the cottage country, it has been my view that that area of Muskoka and the Kawarthas and Parry Sound is going to have to have some special designation.

I think most of the people in that area are well equipped to provide the facilities for the disposal of sewage themselves without the taxpayers of the province getting into the area of assistance. But it is going to have to be treated in some way differently than elsewhere. This will require a good deal of the kind of co-ordination that the Minister has been talking about, the time-consuming consultation that involves his expensive help, his expensive advisors and engineers and water specialists. Still a programme must be worked out. Much better than the Minister's plea that we must not allow the lakes to further deteriorate—we can surely expect in the next ten years to have their condition improved.

The hon. member for Peterborough read the headline from the *Telegram* today indicating raw sewage in the Kawarthas. This is something that people are not prepared to stand for. When, of course, the Minister's authorities move in on the individual cottagers or the individual industry and say: "You are the one who is doing it and we are going to stop you" then there is the kind of outcry that the Minister in his responsible position must combat.

I hope that we can give the assurances on all sides that we approve of the Minister's frank outbursts in this connection. I think there have been some of his supporters who have been concerned about it. All I am afraid of is, as the Minister gets steeped in the political realities of sitting in the Cabinet and fending off the objections that come on a very parochial basis, he will lose this quality of frankness which I think has been one of the most important characteristics of what he has been able to bring to the department. There has been a very fresh approach in the last few weeks.

As a matter of fact, I already see him crawling back into that protective shell of the careful statement—the kind of statement that the Provincial Secretary (Mr. Welch) has worked down to such a perfect ability. This is fine for a politician but for a Minister who has this Minister's responsibility it is not. In actuality, he is voicing the aspirations of people across this province—that we want our inland lakes not maintained at their present level but brought back to what they were even five years ago and that we want a programme that is not going to be impeded by too much buck-passing with two other levels of government and one which is actually going to improve the situation in the Great Lakes.

We do not like to hear the Minister talking about dilution of pollution. Surely that is a kind of solution that we do not want to accept as anything other than short-term. The Minister has come out with one statement of policy pertaining to OWRC that has received a lot of comment across the country and that is his statement that he will not allow costs for

sewage and water facilities to go above $220 per average household in any community.

When you put the level of taxation in these communities per average household at about $200 to $250 already, you can see that while the statement is an important breakthrough in principle, in actuality it is not going to meet the needs of the communities in the way that we might like. I suppose it would be fine to say that OWRC should pick up the tab and it not be charged back to the users but this, of course, is the other extreme and one that would not be acceptable because we simply cannot face that sort of a responsibility.

The Minister, in deciding through the OWRC which communities are going to be equipped with sewage treatment facilities and water, is actually going to decide which communities are going to move to the fore in the expanding economy of Ontario. We have been talking about the Minister's colleagues who have special responsibilities for an overall plan, but I suppose as much as anything else, the facilities that the Minister controls are what are going to actually decide which communities move forward. I would say his programme to set a limit of $220 per household is, in principle, a good one. It is, in actuality, not generous enough.

Only those communities which are going to have an embargo placed upon their expansion by the Minister of Municipal Affairs (Mr. McKeough), through his community planning branch are even going to consider this $220 limit. I do not know of many village corporations or town mayors who are going to consider the $220 limit sufficient to enable them to go ahead with enthusiasm. I do not know just how this works out except that I look at the estimates before us and I find that the government of Ontario, through the OWRC is going to spend a grand total of $34 million on projects this year.

This, of course, is about $33.5 million. I ask the Minister to compare this with the $24 million announced by his colleague and the former Minister for the expansion and the development of two buildings in the Queen's Park complex. Also the $33 million in connection with our Centennial project that was opened this year, and the $12 to $15 million for our pavilion at the Exhibition.

I do not think that the Minister has led his department into anything like an overcommitment of public funds when he talks about $34 million for sewage disposal. So, it appears that the programme is inadequate, that the Minister has the attractive position of being at a point where he can lead—

Hon. Mr. Kerr: No, we are dealing with the current year's budget. Did you know that? We are dealing with the current year's budget.

Mr. Nixon: Oh, you tend to forget that we are halfway through November. That is correct, and the expansion of the budget remains to be seen.

Hon. Mr. Kerr: Right.

Mr. Nixon: But still, the funds of the province that are put at the disposal of the municipalities and those communities that are unorganized areas, are pessimistic—as a basis of judgement as to what the people are prepared to support. I am not going to take a lot of time on this. I have a good deal of research and among the papers I have gathered are three very interesting experiments carried out by students at Birchmount Park collegiate institute in Toronto. Their chemistry teacher has sent them down to the Don River, where they have determined oxygen content, carbon dioxide content, and so on. It is a very interesting study on the part of 17-year-olds in the city of Toronto.

I know that this is the kind of involvement of the young people and every age group, every economic group in this province. The Minister is going to have to make some tough decisions, and I suppose that all of us will be in a position of objecting to some of them in the future, but believe me, his frank approach to the problems of pollution is the only way to go at it. There cannot be this political hedging which has been so much a part of government policy in the past, and I would tell you that the funds voted here are inadequate and we certainly have to have a great deal heavier commitment on the part of the provincial government in this programme.

We have been talking about Hydro for perhaps too long in this estimate, and we know the fantastic sums that are committed to the expansion of the Ontario Hydro system. We talk about $1 billion as if it were not of any great concern. We talk about $2.5 billion to be spent in the next ten years. Now, it seems to me this is the kind of commitment that Ontario must make if, in fact, we are going to come to grips with the pollution problem; that we are going to have to use the same means to support the projects of the Ontario Water Resources Commission that have been available for Hydro; that I approve of the decision to separate the commission

itself from the actual day-to-day functioning of the water quality group—and the commission almost sits in judgement as to what is going on from what must be, and I hope what will be in the future, a more and more independent, let us say, situation, independent of government and independent of the community; and that they will be able to say whether we are progressing towards goals which have been effectively set. But OWRC itself does not have sufficient funds to back up their requirements at the municipal and community level; that if they are going to impede the development of a good many communities because of lack of facilities, they must be in a position to come forward with a much more acceptable programme than they have had so far in the provision of these facilities.

Now, the second thing that I want to deal with specifically, is the need for that old ministerial bugbear, "consultation before decision is taken." I am thinking particularly of the development of that area north of Toronto, which has been the subject of a couple of statements from OWRC in the last few weeks. I am referring to the trunk sewer that is going to be built to service Markham and Vaughan townships and, with the establishment of new sewage facilities, to service that growing part of the province. The Minister is aware, of course, that these townships are in the planning responsibility of Metropolitan Toronto and it is incredible that the Metro chief planner, Mr. Wronski, was not associated with the decision to go ahead with this sewage facility.

I wonder just how the government of Ontario was involved; whether the OWRC has brought this forward simply as a proposal or whether, in fact, the government has included its views in this regard as they have in the same areas in recent months and years in the provisions of package plants which have not been a part of the programme up there for a good long time. Surely, if you are going to embark on a programme involving many millions of dollars, which will, in fact, establish sewage disposal and water facilities, resulting in tremendous growth potential, these decisions cannot be made unless those with local planning responsibilities are involved.

You cannot possibly reach a decision which responds to the views of every planner, but they must not be excluded, particularly those who have the top responsibility, as Mr. Wronski obviously has on behalf of the Metropolitan Toronto council. Well, we can perhaps come to that. I know that our time is somewhat limited and I have about five more minutes that I want to use, if I may.

The Minister has embarked—at least, his advisors have embarked—on some interesting research. They have been attempting to find means on an economic basis whereby dissolved phosphates can be removed, and if, in fact they can do this, this will be a breakthrough of tremendous importance. But still there is one other way to approach the problem—and I am sure the Minister is aware of it and must have been considering it—and that is, the banning of the use of phosphates in the washing materials that go down the drains and pipelines of this province. Those people who are knowledgeable in this connection have said that if the phosphates are curtailed, our wives may not be able to hang a washing out on the line that is whiter than white.

But essentially, we can achieve cleanliness which is associated with a lack of pollution from a phosphate source, and this is a compromise which we must certainly consider. I would expect that the Minister will come forward, as he did in the problem of DDT, and decide that—all right, the Minister's colleague, the Minister of Health (Mr. Wells), also a new Minister—he might very well bring forward a ban on a good many of these polluting phosphates which would approach the problem from the other end and really achieve a remarkable improvement.

As a matter of fact, the whole provision of these services depends on research, it depends upon an attitude at the very top, an attitude that must be demonstrated by this Minister that he is accepting as a goal; not holding the line, but moving back the pollution in the waters of the province to a degree that is recognizable. In this connection I would think that it is essential that the citizens in the communities concerned be kept aware, on a day-to-day basis, of what the pollution levels are in their local rivers and in the air surrounding their communities.

I know that air pollution is something that we will be concerned with later in the vote, if time permits, but the Minister must deal frankly with the citizens who are concerned. He is going to spend many millions of their dollars and the whole programme depends on their enthusiastic support. We have heard one of the radio stations, CHFI, on a day-to-day basis, indicate the level of sulphur dioxide in the Toronto area. And if I had the opportunity I would be able to put before the House and the Minister the fact that sulphur

dioxide levels in this community, right around Queen's Park on a regular basis, exceed the 40 parts per hundred million that the Minister's own legislation and regulations prohibit.

I think there has to be frank dealing with the community, and the Minister should provide the information on air pollution and water pollution so that we can see whether things are improving, associated with the expenditures and programmes that we are prepared to discuss and, in fact, support, in this House. I think this is a part of a modern programme, a programme that takes the community, the citizens and the tax-payers into the Minister's confidence. As long as he does things in a secret way, then surely his activities are going to be suspect.

I wish we had time to talk about the provision of water on a pipeline basis in this province. Ontario Water Resources Commission has gone ahead with the construction of pipelines which seem to be working very well, and they are well received. Last year I spent time of the House in talking about the comparative costs of the provision of this water, and I am glad to see that the Minister's policy, announced a couple of weeks ago—well, a month ago—is going to have some effect on pipeline construction, that anything associated with oversizing will come under the direct responsibility of OWRC and the public purse. These matters are of great importance, and we, as Liberals, support the expansion of the pipeline system in this province so that the communities will certainly be served as they must be in the future.

Mr. Chairman, this is a tremendous issue. I regret that time is not going to permit a full discussion, but these are some of my views. They are views that I think are of importance if the Minister's programme is going to be successful.

Hon. Mr. Kerr: Mr. Chairman, just very briefly I would like to deal with one or two of the points raised by the hon. leader of the Opposition. He mentioned the formula for smaller municipalities. I think he is aware that this is basically for those small municipalities with less than 5,000 population. It is our understanding and our finding that there are not too many larger municipalities whose individual home sewage and water costs would exceed $220.

In discussing the budget, as the hon. leader has indicated, he is aware that this is the current budget, it does not reflect the municipal share of expenditures in water and sewage facilities.

Mr. Nixon: No, but we are talking about our—

Hon. Mr. Kerr: Yes, I am talking about our budget but it is important, I think, to be aware that municipalities are spending a great deal of money as well in treating water.

Mr. Good: I think they are spending more than their share.

Mr. R. S. Smith (Nipissing): And even this has to be paid back by them.

Hon. Mr. Kerr: All I can do for the hon. leader of the Opposition is to promise a bigger budget for next year. The two new programmes, for example, that we have announced and which the hon. leader has mentioned in his remarks, of course, will add more expenditures to next year's budget.

Mr. Nixon: Is there any way of determining how much?

Mr. D. C. MacDonald (York South): What reaction is the Minister getting from the Treasury Board at this point?

Hon. Mr. Kerr: Very encouraging so far. But we are still not completely finished with our negotiations. As far as making the public aware of what we are doing is concerned, for example, the hon. leader referred to day-to-day information from OWRC and, I assume, the air management branch, about the condition of a certain waterway or the condition of the air over, say, the city of Toronto. I think it would probably be very difficult and even impractical to try and do that as far as water was concerned on a day-to-day basis. But it certainly can be done as far as the condition of the air is concerned over a city the size of Toronto or Hamilton or Windsor.

The air pollution branch, with which we will be dealing later, will in fact be monitoring the atmospheric conditions over the cities and this information will be given to the public through the news media, at least on a day-to-day basis, so there will be no secret concerning the condition of that which we breathe and that which we drink.

The hon. leader of the Opposition discussed the problem of phosphates and nutrients, banning the use of detergents and things like this. This is all under consideration. I am having daily consultations with people in my department, particularly in OWRC, as far as the treatment of these particular substances is concerned. We have also met with

representatives of the detergent industry and have indicated our feelings about this problem, particularly in relation to the IJC report, and I am hoping that there will be legislation during the next session dealing with this specific problem.

Mr. Chairman: The hon. member for Riverdale.

Mr. J. Renwick: Mr. Chairman, I am going to be very brief, I want to underline just the point the leader of the Opposition made about the water development and sewage disposal systems for the northern fringe of the metropolitan area.

I refer—and I draw the Minister's attention—to the report headed, "A Study of the Fringe Area North of Metropolitan Toronto," prepared for the Central Ontario Regional Development Council by Fredric Dalms of the Department of Geography, and Norman Pearson of the Centre for Resources Development at the University of Guelph, dated May, 1969. They have this to say about the South Peel development:

> There has been in the South Peel area a major regional action to deal with the evidence of a very strong westerly and northwesterly axis of development—the creation of the South Peel water and sewer scheme. This involves a 40-year investment by the province in providing trunk, water and sewer services up to the 17th sideroad in Chinguacousy township. The commitment which is represented by the Ontario Water Resources Commission involvement in this scheme is to provide the basic trunk services for an ultimate population of 1,800,000 people in South Peel. This is equivalent to building another Toronto in Mississauga and southern Chinguacousy.
>
> This major commitment was not preceded by a provincially prepared regional plan and it contradicts the two regional studies extant, that is the Metropolitan Toronto, as it then was, draft official plan, and the MTARTS study.

And it goes on further in the same report to draw the attention of the water resources commission and the government to the same problem that will exist north of Toronto when it has this to say:

> The South Peel scheme has committed a vast potential development area and obviously the remainder of the serviced Metropolitan Toronto area plus the South Peel area, plus the serviced lands potentially or actually feasible in the Oshawa-Hamilton area become the prime focus for development for some time to come.

The point is re-emphasized that there was absolutely no co-ordination of the activities of the Ontario Water Resources Commission in the South Peel area with the regional planning programmes either of The Department of the Treasury and Economics, or The Department of Municipal Affairs. What is of concern to us here is that we are going to be faced with a duplication of exactly that kind of a unilateral action by the Ontario Water Resources Commission north of the Metropolitan area, without any adequate consultation or planning or statement by the government of its intentions in that area.

Hon. Mr. Kerr: Mr. Chairman, as far as the Peel project is concerned, the OWRC was in fact in consultation with the planning boards of those areas. It is on the subcommittee of the goals planning committee for that particular area as well as for the area north of Toronto.

Mr. J. Renwick: There is no plan.

Hon. Mr. Kerr: As far as planning is concerned—

Mr. Nixon: The chief Metro planner did not know anything about it.

Hon. Mr. Kerr: As far as Wronski is concerned—I believe the member mentioned that name—he was consulted and has been consulted as far as the project in North York is concerned.

Mr. Deacon: He has jurisdiction over Markham and Vaughan—

Hon. Mr. Kerr: But there may have been some misunderstanding as a result of information that was printed, whereby OWRC has been dealing with some municipalities—for example, Markham, Vaughan and Richmond Hill—regarding their service needs. This, of course, was strictly an exploratory meeting, realizing what the problem is there, and there is no intention on behalf of the commission going ahead, of course, until a definite decision is made regarding planning for that area.

Mr. F. Young (Yorkview): How far ahead is the planning for that?

Hon. Mr. Kerr: There is no intention of unilaterally moving in and providing services without an overall construction based on the goals plan.

Mr. Young: Mr. Chairman, I wonder if the Minister would permit a question. Has the engineering been proceeded with on that pipeline for north of Toronto?

Hon. Mr. Kerr: They are just very, very preliminary discussions.

Mr. Nixon: That is just a proposal?

Hon. Mr. Kerr: Yes.

Mr. J. Renwick: Mr. Chairman, there is this very brief comment at another point in the course of the report:

> At present in this significant area in which a municipality of competing uses must be accommodated, there is no general regional plan. This becomes, in effect, a plan for confusion and chaos and conflict. Whether or not the public wants such a plan, that is the plan operating in this area. The great need is for a set of public policies which will allow an integration of these many demands into a pattern which is creative and environmentally constructive.

I would like some assurance from the Minister that that kind of planning is going to take place before the Ontario Water Resources Commission proceeds with its present proposal in that area.

Hon. Mr. Kerr: Mr. Chairman, I could make that assurance to the hon. member, that first of all he is correct that there is no general regional plan at this time and I can also give him assurance that OWRC will not move until there is.

Mr. Chairman: The hon. member for Nipissing was up before.

Mr. R. S. Smith: Mr. Chairman, if they are going to proceed on that same point, I will wait until they are finished that one point.

Mr. Chairman: Just a moment now. I do not think the member for Nipissing can defer to another member behind him, against other members of other parties.

Mr. R. S. Smith: Well, Mr. Chairman, I wanted to discuss for a minute the question of industrial pollution which has not come up yet and I would like to spend one or two minutes on it. Over the past number of years, the OWRC has been attempting to control industrial pollution by setting up programmes which industries were supposed to follow and at certain times the previous Minister interfered, to, perhaps, let industry off the hook after the OWRC had gone to the point where they did lay charges. This, I would think, would undermine the operations of the OWRC; and I point to a case in point, the Ontario-Minnesota Pulp and Paper Company, of which I would like to ask first, where does that position stand right now with that particular company?

Secondly, I would like to point out that things have not changed even with the coming in of a new Minister, and the fact that the whole question depends upon the confrontation between the Minister and the companies involved. Earlier in the year, the Minister made the statement that "pollution control is a cost to production". In other words, those industries that were causing the pollution were going to have to pay to clean up their own pollution. Some time later, Mr. Bell, the president of the Abitibi Paper Company, made a statement that all should pay, that it is everyone's problem. He also went on to say that he does not deny:

> . . . that Abitibi and Canada's other newsprint producers are responsible for clogging waters with non-dissolvable residues from paper production. Sure, we are at fault but our problem is no different from government. We are trying to do an awful lot quickly and we are all running out of money.

Mr. Chairman, he also made the flat statement that "the company will not pay it". In other words, the company will not pay to clean up their pollution. Now this brings to a head the whole question of the dealing of this government with industry. This Minister has certainly made different statements on how they are going to be tough, particularly with the pulp and paper industry. These same statements were made by the former Minister in 1965 when he set up programmes which this same industry was to follow, that by 1970 there would be no pollution from the pulp and paper industry or from other industries in the province. This is the statement of the previous Minister.

You have made the statement that we will not have any pollution by 1975. So you know, we have to wait five more years and then they will review it again and put in another Minister. This appears to be the cycle, a review just before the time they are going to replace the Minister.

I would like the Minister to comment, firstly, on Mr. Bell's statement and secondly, on the new policy which he is now bringing in regarding industrial pollution.

Hon. Mr. Kerr: Mr. Chairman, in answer to the first point the hon. member raised, the company to which he referred is now under Ministerial order with a programme, with dates for complying with the provisions of that order. The final date is December 1, 1971. In other words, their effluent and waste will be completely treated by that time assuming they comply with the provisions of that order. That is, Ontario-Minnesota.

Regarding the reference to the president of Abitibi, that, of course, is the opinion of the president of Abitibi. He has a programme, the same as Ontario-Minnesota. I indicated what that programme is in the Legislature this week. If a company such as Abitibi—wherever it may have one of its plants—is not willing to co-operate and go into a programme, it will be put under a Ministerial order. The Ministerial order calls for daily fines and we can also proceed to prosecute under the provisions of The Ontario Water Resources Commission Act.

We are hoping that all these mills will be in a programme, so, as I have indicated, the problem will be cleared up by 1975 at the latest. There is a particular problem with these mills; some of them are older; they have a great physical problem, for example, in disposing of bark and things like that. If you take the plant at the Lakehead on the Kam River, they have a high amount of bark and they do not know where to dispose of this. They have a terrific physical disposal problem and their equipment is costly, there is no question about that.

I think the president of Abitibi's figures as to the cost were correct. I think they were in line, and as I indicated yesterday, to the hon. member for Riverdale, I am hoping we will have some form of incentive that will assist these companies in acquiring this equipment.

Mr. R. S. Smith: I felt yesterday that you indicated that you would have loans available and that you were not talking about incentives. There is quite a difference between incentives and loans. Are you indicating now that you are going to have incentives available to companies such as Abitibi to carry out this programme? Secondly, could you tell me at what stage Abitibi is in the programme as far as their numerous operations are concerned in Ontario? My primary question, right now, is: Is your indication that you are going to have an incentive programme other than the retail sales tax removal or loans?

Hon. Mr. Kerr: Mr. Chairman, I would presume a loan could be considered as an incentive. Yes, we hope to have loans available. Really, I was not thinking of pulp and paper companies when I talked about loans. You can imagine the loan fund we would have to set up. I would make the Minister of Trade and Development (Mr. Randall) look like a piker, frankly, if I had to worry about lending money to the pulp and paper companies. We are worried mainly about small companies, marginal companies, that may go out of business if we force them to comply with our regulations and legislation. I also mentioned sales tax, both federal and provincial, I mentioned municipal assessment for pollution abatement equipment—particularly the buildings that house that equipment.

The hon. member talked about Abitibi. It has at least seven plants in this province. My information is that all seven mills are working on primary treatment at the present time.

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): About three years ago, Mr. Chairman, there was an electric toilet which was being developed and when I heard about the Minister's problem with the cottages up north—he said this was the greatest problem of all—I began to ask about this unit. I enquired at The Department of Municipal Affairs; they had never heard of it. I enquired from the editor of *Civil Administration* and he spent some time trying to track it down, although he had never heard of it. I began to think I had been dreaming, but a week ago I was up in the Muskoka district and I happened to ask if anybody up there had heard of electric toilets. There were several people who had. It seems to me that this might be the answer to the problem of the cottages.

I want to speak very briefly on detergents. West Germany and Spain have established tough detergent laws. They are attempting to ban the production, the distribution, the export and import, of any detergents that do not adhere to a strict definition of biodegradability, at least 80 per cent. West German industry has developed such a detergent and what I want to know of the Minister is, why are the Canadian and American industries not doing the same thing? Has the Minister investigated the charge of Pollution Probe, I believe it was, that detergent manufacturers have long term contracts to buy phosphate from ERCO and that is one of the reasons holding up the change here?

The Minister is aware that I have been trying to get the government to become concerned about mercury pollution ever since last May. I am wondering, now that Sidney Katz has finally brought the information to the public in the last day or two, whether the Minister has changed his opinion expressed in a letter to me about a week ago, November 12—I will not read the letter—in which he concludes that it would not be wise for the government to prohibit the use of these compounds in industry at the present time. I know he cannot give a definite answer on this, but I would like him to just state that he feels a sense of urgency in the matter of mercury pollution.

The final point, I believe, Mr. Chairman, is about Crystal Bay. I know the Minister is very sympathetic, he does not want to see Crystal Bay destroyed, but there are some jurisdictional problems. If he has time, I would like him to state what the present status is.

I had some other points, Mr. Chairman, but because the other members wish to speak I will stop.

Hon. Mr. Kerr: Regarding the first point raised by the hon. member, regarding the electric toilet facilities for cottages, my information is that this is somewhat like the macerator chlorinator that has been required to be installed in some pleasure craft. It does not really treat the waste completely enough—there is still some effluent and pollutants that would be discharged into a river or stream.

We are not discouraging the installation of such facilities. They certainly do help, but it is disappointing, really, that industry has not perfected this method a little better than apparently is on the market at the present time.

Unfortunately, I did not hear the hon. member's second question that he asked me—regarding detergents, was that it?

Mr. Burr: Why cannot Canadian and American industries develop the detergents as they have been developed in Spain or West Germany?

Hon. Mr. Kerr: I am assuming, Mr. Chairman, that these other countries have developed detergents without a phosphate content. Is that what the hon. member is saying? I was not aware of that. All I can say is that I would be surprised if these products in these countries would be as effective, as far as washing is concerned, as our detergent. In other words, are we talking about two different products? Are we talking about a soap and a detergent? However, if these countries have developed a product which is as efficient and effective as a detergent without the polluting content such as phosphate, certainly, we would look into that.

Mr. H. Peacock (Windsor West): Who are you, the white knight? Do you feel somewhat more urgency to defend the housewife's concern about whiteness than to stop the effluent of phosphate?

Hon. Mr. Kerr: I am sorry, Mr. Chairman, I did not hear—

Mr. Peacock: I am sorry. Does the Minister feel it more urgent to have concern for the housewife, for the whiteness of her wash, than to stop the dumping of phosphates into our waters?

Hon. Mr. Kerr: I want to make sure that any solution we have is effective.

Mr. Peacock: In washing?

Hon. Mr. Kerr: No, is effective in eliminating the pollutants.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. I would like to get a comment from the Minister with regard to the state of the survey which is going on at the present time in concert with the federal government in northern Ontario, about the quality of water, the quantity of water. What is he able to say as a result of the six interim reports that are highly technical in nature and that have been made avialable to the OWRC and the federal authority?

The people of northwestern Ontario have become increasingly concerned about the possibility of exporting their water resources, particularly in view of the NAWAPA studies that have been going on with regard to the diversion or the export of water from British Columbia and northern Canada. The people in northern Ontario feel that this is just an extension of that plan and I would like to have the Minister assure the people of northern Ontario that such is not the case and that none of the studies underway at the present time is being done with the thought of the export sale of water, diversion or damning of water, without full and complete consultation with the people who may be affected through the flooding out or any of a number of things disturbing the ecology of the lakes by excessively high water levels.

I wish that the Minister would comment on that.

I have only one other brief thing that I would like to say and it has to do with a comment that he made last night about pollution in Lake Superior caused by the pulp and paper industry. I would just like to read into the record a letter that I received from an 11-year-old boy who happens to reside in the community that we are speaking of, where you thought that action might have to be taken. He says:

Dear Mr. Stokes:

I am a boy of 11 who is worried about pollution of all kinds. I try myself to stop it but I alone am not good enough. I am not worried about now, but about when I am 22. What is going to happen to me and all others? If the laws were enforced against dropping garbage at your feet, there would be two kinds of pollution almost gone. Mr. Kadicoff, our principal, was talking about it in class last Monday and it disturbs me to think of what is going to happen.

Yours truly,
Andy Schooler.

Now, how could anybody describe any more clearly the apprehension about the problem as seen through the eyes of an 11-year-old boy?

Mr. Martel: Someone has not understood it yet.

Mr. Stokes: This, to me, is a clear indication that you must act in the field of eradicating pollution right now. You know, this is an 11-year-old boy. Obviously he was not prompted by anybody, he sat down and he gave his own assessment of the needs of clean up pollution. I do not think that anybody could state the case any more clearly than Andy has in this particular case.

Mr. MacDonald: He has the foresight of a good young New Democrat.

Hon. Mr. Kerr: Mr. Chairman, the hon. member knows that this is a co-ordinated study to which he refers, between Ontario and the federal government. We started about three years ago and as far as Ontario is concerned we are there appraising and assessing quality and quantity of water and just what our assets are in this section of the province.

The federal government is studying the possibility of diversion, but there is nothing that I have seen in the terms of reference of the study that would indicate that it is considering the export of water. Certainly the export of Ontario water would require the approval of this government, and we have no indication or intention that this will ever be our policy.

Certainly, any export or sale of water would only be after we were completely assured of our own needs, now and in the future. This would be a very major step. So, as the hon. member has asked for assurances that there would be full consultation and consideration, I can give him that assurance.

Mr. Chairman: I had recognized the hon. member for Sudbury, and I had forgotten that the hon. member for York Centre had been trying to take the floor three times now.

Mr. Deacon: I will be brief. I want to ask the Minister if, instead of a type of programme he has suggested for the assistance to municipalities in the installation of wholesale water supply arrangements and the water grid that the Chairman spoke about yesterday, and for the provision of sewage treatment plants, the Minister would consider the establishment of area wholesale prices to give some uniformity in price—rather than having a situation where there are all these complicated financial arrangements and agreements required of municipalities before they install these plants? For example, in the scheme for the north of Toronto which has already been referred to, the mayor of Richmond Hill is appalled by the suggested cost for 1,000 gallons that would go along with this scheme, according to the programme as he understood it.

If the Minister's programme could be set up on the basis of establishing area rates and the water resources commission absorbing the loss for a period of time until such time as the grid system, or the sewage systems, were built up on a larger basis, then it would eliminate the costly and lengthy debates that go on in the establishing of these agreements. Could I get the Minister's comments on that type of programme?

Hon. Mr. Kerr: I know that the hon. member's main objection is apparently to the complicated agreement that municipalities are required to enter into with OWRC—

Mr. Deacon: And also, Mr. Minister, excuse me, the difference in rate that occurs when you have a St. Thomas rate and a London rate being radically different in the two neighbouring municipalities.

Hon. Mr. Kerr: Well, of course, this depends on the capital installations and costs of putting in that service and the number of

people at that time and in the future that will be using that service. Now, we hope that this new policy regarding oversizing and overpricing will, in fact, help this type of development. I really cannot understand how the hon. member's suggestion that we establish area wholesale prices would be really any different than the present policy because certainly anything that the OWRC does has to be on a cost-recoverable basis. We cannot absorb losses outside of the fact of the 15-per cent oversizing.

Mr. Deacon: I suggest the Minister should be instituting a policy where you do absorb these losses and get these area rates within reason.

Mr. Chairman: The hon. member for Sudbury.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, I want to say three things and I will do so very rapidly.

Mr. Chairman: A point of order?

Mr. Burr: Yes. The Minister was answering some questions for me and he was interrupted and forgot to finish.

Mr. Peacock: I am sorry, I interrupted him, Mr. Chairman.

Mr. Burr: Would he care to finish?

Mr. Chairman: Had the hon. Minister provided all the answers? I thought he had.

Mr. Burr: There was a question about ERCO and the other was about Crystal Bay.

Mr. Sopha: Shall I commence while he is thinking about it?

Hon. Mr. Kerr: It is all right, I can get right to it. Regarding mercury, as the hon. member has said, he just received a letter from me this week regarding that. I have nothing further to add to that correspondence. My advisors tell me that the mercury which is found in our streams is not of such an extent that we should be that concerned—referring to the concern expressed by the hon. member.

We have some concern, for example, in the Ottawa River. Major areas are below chloralkali plants—that is where they produce chlorine and caustic soda—and in the area of some paper mills, which are using, or have used, mercurial compounds, but this is on a very limited basis. However, we are continuing to analyze and investigate the use of mercury in these areas and if there is any appreciable change, of course, we will then become concerned and take action.

Regarding Crystal Bay, we have corresponded with the federal Minister and also we have discussed this with the people in the Windsor area. As the hon. member also knows, the United States Corps of Engineers apparently is involved in some way in the possible dredging of this area. The federal government's attitude is basically that Crystal Bay was formed as a result of dredging. In other words it is a man-made lake or body of water that has resulted from dumping and therefore they feel, "Why should we not continue to dump in an area that has been set aside for this purpose as a result of dredging?"

We take the attitude that it is a body of clean water. It is being used extensively from a recreational point of view and therefore we are opposed to any plan to eliminate Crystal Bay by further dredging.

Mr. Chairman: The hon. member for Sudbury.

Mr. Sopha: One minute left. I want to ask this question in the one minute.

The Minister has received several representations, I take it, to exercise his power under The Water Resources Act, to declare Lake Wahnipitei a protected reservoir. Why does he not? Why does he not take that step? What is the inhibition against making such a move to protect that great watershed against damage, pending the time when, of necessity, it must be used to supply the water requirements of the Sudbury basin—and I say, of necessity. I am satisfied in my own mind that eventually the whole of the Sudbury basin is going to become dependent upon the large resources of water in Lake Wahnipitei. Now, what is the hesitation? I want to go home and tell the people what the hesitation is in this department to make that declaration.

Hon. Mr. Kerr: My information is, Mr. Chairman, that the only holdup is that a legal description of the area has to be drawn by the solicitors of the city of Sudbury. When this is done, OWRC will act on it. The OWRC is for this project and this is the only holdup at the present time.

Mr. Sopha: I am not talking about a project. I am talking about the statutory power given the Minister to declare a watershed protected under the Act. That has nothing to do with the city drawing up anything at all, it is just the identification of that watershed as a protected watershed.

Hon. Mr. Kerr: My information is, Mr. Chairman, that the city has to apply to this government and make application to have this order issued. But before we can do that, we require further information from the solicitors for the city.

Mr. Sopha: Surely to goodness—

Hon. Mr. Kerr: It is in the wind, in other words.

Mr. Sopha: Surely to goodness that commission of yours, that vast colossus knows where Lake Wahnipitei is. They do not need a description of it. If they have any difficulty, I will drive them up and point out the lake to them.

An hon. member: Get a road map.

Mr. Sopha: Now, I want to make a very rapid comment about my misgivings—it will take me about 45 seconds to make it—my misgivings when I hear about the U.S. army here surveying our water resources; but of course that is the story of our life. They have used up all of theirs. They come lasciviously and covetously upon ours. I hope, as a Canadian, that before the Americans seize our resources of water, the federal government will declare those watersheds and that great resource of water which inheres in the area that I represent north of the French—that is where the fresh water is in this province—that the federal government will declare it for the general advantage of Canada. And utterances of various Ministers in Ottawa have indicated that that just might be the course they will take. I hope that is so and this Minister can monkey around with the American army all he wants.

I fail to see the need of the Americans coming here, but I am too much of a Canadian nationalist and this is not always fashionable. I do not see the need of Americans coming here to help us survey our water resources. We can count the cubic feet per second by ourselves quite adequately. We have all sorts of engineers and we do not need the assistance of our American friends to carry on in another sector, the depredation of our resources, which has been the story of our life in this century, insofar as the unquenchable appetite of the American ego is concerned.

Mr. Chairman: We have reached the time for adjournment. I will now entertain a motion to rise and report.

Hon. A. F. Lawrence moves the committee rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, tomorrow we will go back to the estimates of The Department of Energy and Resources Management. We will then go to legislation, anything at all on the order paper, go back to estimates again for The Department of Public Works, and perhaps have time to go to the Budget Debate.

Mr. R. F. Nixon (Leader of the Opposition): But not necessarily in that order.

Hon. A. F. Lawrence: Not necessarily in that order. I think tomorrow we will start with the Minister of Energy and Resources Management (Mr. Kerr).

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 o'clock, p.m.

No. 221

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 20, 1969

Afternoon Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 20, 1969

The House met today at 2 o'clock p.m.

Prayers.

Mr. Speaker: This afternoon, the guests in the east gallery are students from Waterloo-Oxford Collegiate Institute in Baden, and from Blantyre Public School in Scarborough.

Statements by the Ministry.

Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I have a question that might be directed toward another Minister, but perhaps the Premier would give us an answer, or undertake to examine into it. That is the decision by the Supreme Court of Canada to return custody of a child that had been previously adopted, back to its natural mother.

I have had several calls from parents with adopted children who feel that this opens up the way for a court hearing which could transfer custody back to the natural mother.

Is the Premier aware of this situation? Does he see anything that might have to be solved by further legislation in the province?

Hon. J. P. Robarts (Prime Minister): I would say that the whole thrust of our legislation has been to guard against the situation that you mention, and that is revealed in this case. Again, this is a specific case dealing with a specific set of facts. I think we would be interested in looking at the case and analyzing it to see whether it does, in fact, destroy the intent and purpose of some of our legislation.

If this is the case we may have to consider legislation to protect the adoptive parents as well as the adopted child. But as I say, this is one case decided on one set of facts. We will, of course, look at it to see what its effect is on our total legislation.

Mr. Speaker: A supplementary question?

Mrs. M. Renwick (Scarborough Centre): Would the Prime Minister say this was a test case in order to bring this change in the legislation?

Hon. Mr. Robarts: I did not hear the question.

Mrs. M. Renwick: I was asking, Mr. Speaker, of the Prime Minister, if this was a test case in order to bring about this change in legislation?

Hon. Mr. Robarts: I do not know. We have to look at it, but certainly if the result of the case is to abort the intent of our legislation, then we will, of course, have to consider the possibility of changing our legislation to make sure we achieve our object.

Mr. Nixon: A further question to the Prime Minister, having to do with the hearings of the energy board concerning the proposed take-over of Union Gas by Consumers' Gas. Is it government policy that the hearing and recommendation of the board must be accomplished by any specific date. Or would it be possible for the board to postpone their hearings in order to give time to those who might want to bring their views before the board to prepare them?

Hon. Mr. Robarts: Mr. Speaker, I do not think we have any policy of a fixed time for this hearing to be held. On the other hand, there is the practical question of the rights of those shareholders who might be in favour of this. You cannot let it go on for ever.

At the moment there is a certain amount of jockeying around to establish times and a timetable of hearings. I would think that the intent of the energy board will be to permit as broad a hearing as possible. But I do not think you can expand that into a situation where the hearings might extend over a protracted period of time because there is the practical difficulty, the transaction itself.

If it is a good transaction, and it is good for the shareholders and so appears to be, then, of course, one must recognize their rights in the matter. What the energy board will do is it will timetable these hearings in order that they may be accomplished as quickly as possible and, at the same time, make every effort to permit everyone who wants to be heard, to be heard.

Mr. Nixon: A supplementary question: The offer, as I understand it, to Union by Consumers' runs out on December 15.

Is there any necessity for the board to make its report to the Cabinet Council before that time? Would it be essential, as far as the transaction and the offer being maintained, for the government to give its approval before that specific date?

Hon. Mr. Robarts: That might very well be the case. I am not completely conversant with the technicalities of the offer and when it will expire, but certainly, the purpose of the hearing, is not to frustrate the transaction. The purpose of the hearing is to examine and see that the public interest is being served. Certainly, we will attempt to arrange the hearings to meet the legalities of the agreements that have been added to it.

Mr. Nixon: A final supplementary question, as far as I am concerned. Would the Premier agree that since the bill had Royal assent just a week ago, perhaps 10 days ago, and that the hearings are to come in this coming Monday, perhaps more time might be made available to those who wish to express their views before the energy board reaches its decision?

Hon. Mr. Robarts: I think the energy board understands the difficulties. This is a particular situation. I doubt there will be any future situation such as this, and whoever made the original transaction would have the legislation before them. I am sure the energy board will recognize the interests of all the parties concerned. It may be that they will have to complete their hearings by December 15, or it may be that if it appears to be difficult the agreement can be extended. These are matters to which I do not have answers, but all of these parts will have to be looked at.

Mr. Nixon: I have a question for the Attorney General, Mr. Speaker. Is there a formal investigation under the direction of the Attorney General being undertaken on the involvement of Cosa Nostra or criminal elements in the stock market or the business procedures associated with the market in the province of Ontario?

Second question, if not, does he know of any investigations under the direction of another Minister of this House?

Hon. A. A. Wishart (Minister of Justice): Mr. Speaker, there is no specific investigation directed to the subject, except that investigation goes on continuously all the time under the direction of the Ontario Police Commission and intelligence branch set up under that commission which is watching these matters at all times, and pursuing its investigation in a very wide range.

I should also say that investigation is correlated with other police forces, particularly the large urban forces and the Ontario Provincial Police.

The Ontario Provincial Police, as the hon. member will know, has a very well established and very efficient intelligence service of its own, and a good part of its energy is devoted to this type of investigation. Likewise in forces such as Toronto; they have intelligence services also. These are all correlated and working together. But the main supervision is with the Ontario Police Commission.

Mr. Nixon: Could I ask a supplementary question? Is there any indication that the Attorney General is aware of that the Toronto stock market and Ontario business is becoming a target for those people who want to invest moneys gained illegally, and, as the phrase says, "dry clean the money" so that it is invested in what would be considered legitimate business?

Hon. Mr. Wishart: Mr. Speaker, I am sure I would not want to give the impression that we were not aware that there is always this objective before these criminal elements. There are efforts made from time to time in this direction, of investing funds illegally acquired in legitimate business. But I would say no greater indication of that now than heretofore.

Mr. Speaker: The member for Sarnia, a supplementary question?

Mr. J. E. Bullbrook (Sarnia): By way of supplementary; having regard to the pronouncement recently made by the chief of police of London and also Metro chief Mackey, whereby they identify in general the acquisition of properties through illegally acquired funds. I am interested in knowing, Mr. Speaker, whether chief Mackey and the chief of London report to somebody under your jurisdiction and advise you of specific details in this connection?

I am also interested in knowing when these investigations of yours into this very matter which have been going on for about a year will translate themselves into some activity?

Hon. Mr. Wishart: They certainly do report them. They report them to what I indicated

a moment ago was the overriding authority in criminal investigation of this sort, and other sorts as well—that is the Ontario Police Commission and its intelligence branch.

I do not know whether the hon. member has read the report furnished by the Ontario Police Commission; I had it tabled. It was presented in the House prior to my estimates. There was reference in there to the endeavour of the criminal element to do this sort of thing, and to the efforts which were being made to counteract their efforts. These matters are reported and they are followed up.

Mr. Bullbrook: If I might be permitted. Mr. Speaker, would the Attorney General agree that these continued public pronouncements by chiefs of police really leave the public to believe that nothing is being done?

Hon. Mr. Wishart: I have always refrained from trying to restrain chiefs of police forces from talking. I do not think that is my function. But if you ask in the House, I give you the answer to the fullest extent at my command, and the answer is that we know of these matters, they are reported, and they are being investigated, and they are followed up.

Mr. Bullbrook: Mr. Speaker, if I might, just one more question, with your indulgence. In the Attorney General's opinion, what public good is served by continuous pronouncements by Police Chief Mackey about this very problem?

Mr. Speaker: It would be my opinion that that is not a proper second supplementary to the original question by the leader of the Opposition.

The member for High Park has a supplementary question?

Mr. M. Shulman (High Park): Has the Attorney General investigated statements in the *Weekend Magazine* that one of the Toronto brokers has now been taken over by the Cosa Nostra and, secondly, has he looked into the matter which was raised in several American newspapers yesterday that the Toronto representative of the Cosa Nostra is one Jack Fulmans, who was a resident of Rosedale.

Hon. Mr. Wishart: I am not prepared to make a statement on that at this time, Mr. Speaker, for good reasons.

Mr. D. C. MacDonald (York South): Mr. Speaker, by way of supplementary question: Is the Attorney General aware of which brokerage house the author of the magazine article believes is now under the control of organized crime? If not, has he taken action to find out?

Hon. Mr. Wishart: This matter is before the Ontario Police Commission and I would prefer not to be more specific on that at the moment.

Mr. MacDonald: Fair enough.

Mr. D. M. Deacon (York Centre): Mr. Speaker, is the Attorney General aware that as a result of recommendations made last year to the Ontario Securities Commission that brokers are maintaining and building a record of the background of their clients at the request and suggestion of the securities commission.

Hon. Mr. Wishart: Yes, I was aware of that.

Mr. Speaker: Has the leader of the Opposition completed his questions?

Mr. Nixon: My only question, is of the Minister of Health: Has he received his OHSIP card?

Hon. T. L. Wells (Minister of Health): I guess, obviously, Mr. Speaker, the leader of the Opposition has got his, so he wants to find out if I have mine. Unfortunately he has beaten me on this point, because I have not got mine yet.

Mr. Nixon: As a supplementary question I would ask him if it is customary to send duplicates to everybody in the province? Mine arrived in two envelopes yesterday. I was very glad to get them, I just thought perhaps that the Minister might have undertaken—

Mr. Speaker: The member for Scarborough Centre has a supplementary question.

Mrs. M. Renwick: On a point of order, Mr. Speaker.

Mr. Speaker: A point of order?

Mrs. M. Renwick: Was that a question of urgent public importance, or should that have been ruled out as my question was.

Mr. Speaker: No, it is a matter of urgent public importance because, through the press and the news media for the last week, there has been a great deal of publicity which has, I believe, worried people, stating that they need not worry because the Minister of

Health has not yet received his card, and I feel that was a matter of very great public importance and quite urgent.

The member for York South.

Mr. MacDonald: Mr. Speaker, my first question is of the Prime Minister. For what purpose is the current $50 million Hydro loan that the government is going to back; and secondly, in view of the fact that Hydro is apparently a free agent in terms of its financial policy, is it really necessary that the credit of the province of Ontario should continue to be eroded in backing them, when they have all of their assets for normal backing?

Hon. Mr. Robarts: I do not know the specific purpose of the current loan, Mr. Speaker, but I do not think that the credit of the province is eroded by backing Hydro's loans. It probably enables them to get a better rate and thus reduce the cost of power to the consumer.

Mr. MacDonald: Mr. Speaker, the Prime Minister says he does not know the purpose of the loan—

Hon. Mr. Robarts: I do not know the specific purpose for this $50 million. It is part of their continuing borrowing policy. I have no doubt it is for capital expansion, because the capital expansion goes on continuously. Just what particular plant or what particular construction project this $50 million is for, I am not in a position to say at this time, but I can get that information very quickly.

Perhaps one of the other members has that information, but it will be something in the capital field.

Mr. MacDonald: By way of a supplementary question, can the Prime Minister assure the House that it is not in effect a conversion loan? If so we are now going to borrow money at 8½ per cent to wipe off a loan that was at 5 per cent or something like that.

Hon. Mr. Robarts: Mr. Speaker, I am quite certain that sooner or later this is going to happen because every loan that matures will have to be dealt with just as the government has had to re-fund at a higher rate of interest and so on. But I do not know, as I say, the specific purpose for this $50 million. I will find out. But it is not the kind of information that normally crosses my desk.

Mr. MacDonald: Mr. Speaker, by way of a final supplementary question: according to the news stories, authorization of this kind of a loan with the backing of the province, was given at Cabinet level. Does the government not explore thoroughly at the Cabinet level the purpose of the loan and whether or not it cannot be raised in some other way that would conform with its economic and fiscal policy?

Hon. Mr. Robarts: That is a rather complicated question. I can only say that the overall borrowings of Hydro are co-ordinated with those of the provincial government. The financial people from the Hydro-Electric Power Commission confer with people from The Department of the Treasury so that they are aware of these loans, when they are being made and for what sums, where, and so on. And they are all co-ordinated into the total borrowing function or policy of the government.

Mr. MacDonald: Mr. Speaker, I will leave that matter there for the moment.

Mr. Speaker: The hon. member for York Centre has a supplementary?

Mr. Deacon: Does the Premier wish to imply to us that the borrowing by Hydro, backed by the province's credit, does not harm or adversely affect the rate at which the province can borrow? Surely he is not trying to imply that?

Hon. Mr. Robarts: The word used by the hon. leader of the New Democratic Party was "erode" the credit of the province, and I said this does not erode the credit of the province, and I stand by that remark. It has an effect, of course. When we guarantee any loan it is bound to have an effect on the borrowing capacity of the province, but I do not agree that it erodes the borrowing capacity of the province.

Mr. Deacon: A further supplementary; is the Premier implying that "erosion" does not mean it adversely affects the borrowing ability of the province?

Hon. Mr. Robarts: Mr. Speaker, we can get into a huge debate over the semantics of this. The borrowing power of the province is used for a whole variety of purposes, among which is to ensure that Hydro gets the capital funds it needs to create the new facilities we need for Hydro. This is a completely normal, ordinary, everyday function of government.

I suppose, if one wanted to carry this idea the member is hammering so hard to the extreme, one could say that every time we

borrow five cents it erodes the borrowing. But I claim it does not, I think it is a natural exercise of the borrowing capacity of the province, it is the natural exercise of our credit and I do not think the fact that we back Hydro erodes the credit of the province.

Mr. Speaker: I think we have had sufficient supplementaries on this. I do not myself see that there can be any further answers given of any value.

Has the member for York South further questions?

Mr. MacDonald: I am intrigued to learn there is no bottom to the barrel, Mr. Speaker.

Mr. I. Deans (Wentworth): Mr. Speaker, may I ask you, sir, on a point of order, how you determine when there have been sufficient supplementary questions?

Mr. Speaker: By way of answer to the hon. member, all I can say is that it must be Mr. Speaker's discretion. That discretion has been given to him, it will never be exercised to the satisfaction of all the members or many of the members, particularly those who wish to ask further questions, and unless the House wishes to change that, that is the way it would have to operate.

I would say in this case that the Prime Minister's answers have amply covered the problem as expressed by many of the members—and as far as I could see everyone else. In addition to that, there comes a point, and I pointed this out yesterday, where supplementary questions become a debate. We would never finish our question period and we would never be able to carry it out properly if we allowed that to happen. That is what is happening at the present instance; therefore, as far as I am concerned—

Hon. J. H. White (Minister of Revenue): Mr. Speaker, may I rise on a point of order?

Mr. Speaker: Perhaps the hon. Minister would wait until I had completed what I was about to say. Therefore, so far as I am concerned, the present debate as it was developing is now out of order, and when the hon. Minister has raised his point of order, we will proceed with the questions of the member for York South. The hon. Minister.

Hon. Mr. White: Mr. Speaker, is it parliamentary for the Minister from St. Andrew-St. Patrick (Mr. Grossman) to fly the Scarborough flag?

Mr. Speaker: I just might say, that I think it adds to the decoration of this House in a manner that is not unseemly.

Mr. MacDonald: I do not know whether I I should agree or not, Mr. Speaker—

Mr. Speaker: Why?

Mr. MacDonald: It means I cannot see the hon. Minister because his face is excluded from my vision.

Mr. Speaker: We have one behind the hon. member who is now speaking which somewhat obscures Mr. Speaker's view of those on the far left.

Hon. A. Grossman (Minister of Correctional Services): Mr. Speaker, it brightens up the hon. member's desk so much, I thought it might help—I have been told I always look so grim—I thought it would help brighten up my area as it does the hon. member for Scarborough Centre (Mrs. M. Renwick).

An hon. member: But the Minister's riding is not Scarborough.

Hon. Mr. Grossman: I was made an honorary member of Scarborough.

Mr. MacDonald: Mr. Speaker, I think the point is well taken. We have spent now about two minutes on the frivolity of that flag when the supplementary question could have been asked.

However, Mr. Speaker, I asked a question for the Prime Minister. I will leave it now, but I would appreciate a reply when I ask it tomorrow, as to what the nature of this loan is and for what purpose.

I have two questions now of the Attorney General. When a municipality pleads financial incapacity to get the necessary equipment to enforce the new breathalyzer section of the Criminal Code, does that place upon the Attorney General any obligation to provide the necessary means for them to enforce it? If not, who does provide them?

Hon. Mr. Wishart: Mr. Speaker, the general obligation for policing rests with the municipality; that is how our police policy or Police Act sets it forth. With respect to the adequacy of personnel or equipment of a police force, there is a section in The Police Act giving to the Ontario Police Commission the duty, responsibility, the authority to see that the municipality does provide the adequacy in personnel and equipment. The Police Commission is given the responsibility to see

that the municipality does provide adequate personnel and equipment to carry out enforcement of law.

We have a policy, which I am sure the hon. member is aware of, that we have been proceeding with over the past four years, I think it is now, to take over the small forces up to the five-man force. Most of this has been accomplished and policing is done by the Ontario Provincial Police without cost to the municipalities.

Of other municipalities, with larger than five-man forces, from six men and up, I do not know of any which are financially unable to provide proper law enforcement. The only one that really came in that category in recent months would be, perhaps, Blind River. We assisted there by giving provincial police assistance.

Mr. MacDonald: Mr. Speaker, by way of supplementary. At least one municipality, Smiths Falls, says it is not financially capable of doing it. Are there any other municipalities in the same category? Can I conclude from what the Attorney General has said that the Police Commission is now moving to see that Smiths Falls and such other areas that do not have the financial capacity will be provided with, or will get the necessary equipment to enforce the law?

Hon. Mr. Wishart: Mr. Speaker, let me make it very clear. I do not for a moment accept the proposition that Smiths Falls is unable to provide reasonable and proper law enforcement. I have not had that statement made to me by the municipal fathers of that city insofar as I am aware. I have been out of the office for three days of this week. It may be on my desk, but there are other things that have as yet not received my attention. I doubt very much if the town or city of Smiths Falls is unable to provide proper law enforcement.

Mr. Speaker: The hon. member for Simcoe.

Mr. D. A. Evans (Simcoe Centre): A supplementary question. After December 1, when these breathalyzer tests are in force, small municipalities or small police forces will not have the proper equipment. What will happen if they pick up a man and they want him to take this test? Do they take him 30 miles away, 50 miles away?

Mr. Speaker: It would be my opinion that this would not be supplementary to the original question. I will give the hon. member the chance to ask the question at the proper time.

The hon. member for Sarnia.

Mr. Bullbrook: Will the Attorney General assure this House that all detachments of the Ontario Provincial Police will have sufficient equipment in their hands by December 1 of this year to carry out their obligations?

2. What initiative on the part of his department or the Ontario Police Commission has been taken in liaison with various municipal police commissions to assure that they have such equipment by the target date?

Mr. Speaker: Neither of these questions is supplementary to the ability of a municipal police force and the financial ability to carry out its obligations. The hon. member will have an opportunity to give the question later.

The hon. member for York South.

Mr. MacDonald: My second question to the Attorney General.

In the instance of those bodies which have been given the special right to exercise the power of expropriation with the approval of a Minister, do they have to conform with the procedures laid down in the new expropriation Act?

I ask this question for clarification among the Minister's colleagues who are a little uncertain, so we discovered during his absence.

Hon. Mr. Wishart: Mr. Speaker, yes, they must certainly comply with The Expropriation Procedures Act. However, as a part of that compliance, there are certain areas where expropriations were being carried on under the old legislation, which are not affected.

But the matter of where compensation for the taking of property had not been determined either by agreement or by a court, at the time The Expropriation Procedures Act came into effect, the Act itself says that that feature—the determination of compensation—shall be under the new Act.

But in general the answer is yes. They would still be complying with the Act by completing that feature of it under the new Act.

Mr. MacDonald: My final question now to the Minister of Health.

Is he now in a position to report to the House on his investigations with regard to the restrictive practices placed on Grace Hospital graduates who are seeking to write their exams for RN?

Hon. Mr. Wells: Mr. Speaker, I have had some conversations with various groups about this matter and I am looking into it. I am not prepared to make any further statements than that at this time.

Mr. Speaker: The member for Simcoe Centre.

Mr. Evans: Mr. Speaker, my question is to the Attorney General.

I am concerned about the law to be enforced on December 1 to force people to take breathalyzer tests—

Mr. Speaker: The hon. member will place a question please.

Mr. Evans: My question is what will happen to the small municipalities with small police forces when they cannot afford to buy the equipment which I understand costs from $1,000 to $1,200?

Where will they take the people who they apprehend? Will they drive them for 50 miles or 60 miles to some centre to have this breathalyzer test taken?

Hon. Mr. Wishart: Mr. Speaker, I am quite certain that there will be no such procedure as that of taking a person in the municipality miles away to have the test taken.

I might say—and I anticipated that there were other questions coming—we have been preparing for the application of this federal legislation for some months. Provincial police detachments are fairly well equipped with the breathalyzer, and many of the municipal forces are so equipped, and we have gone further than that.

Many of the provincial police forces were not equipped at all so we brought their personnel here, made available to them our training facilities in the use of the breathalyzer, which we have been using in many areas for a considerable length of time. We are fairly well equipped, perhaps not fully, but pretty well for the application of this legislation.

Mr. Speaker: If there are no supplementaries then the hon. member has the floor for the next question. The hon. member for Sarnia.

Mr. Bullbrook: I wonder if the Attorney General would respond to my question as to what initiative has been taken by either the Ontario Police Commission, or his department, in assuring that local police commissions are carrying out their responsibility in equipping their forces by the target date?

Hon. Mr. Wishart: We have been encouraging this, directing—I think I might almost say—and working with the municipal forces to see that they are trained and equipped in the use of the breathalyzer. I cannot say that they are all equipped with the breathalyzer, but if it is not there I presume the answer will be they just will not be able to take that test.

Mr. Bullbrook: If I might, my concern is—

Mr. Speaker: A question?

Mr. Bullbrook: I am sorry, sir. Would the Attorney General agree with my concern that as chief law enforcement officer he has an obligation to see that they are equipped by the target date?

Hon. Mr. Wishart: I realize that responsibility, Mr. Speaker.

Mr. Bullbrook: Might I have another question, sir, to the Attorney General.

Mr. Speaker: No, the hon. member has had his turn.

The member for Wentworth, unless—is it a supplementary?

Mr. Bullbrook: No, it is not.

Mr. Speaker: The member for Thunder Bay. If it is a supplementary he has the floor. If not, the member for Wentworth has the floor.

Mr. Deans: Mr. Speaker, a question for the Prime Minister.

Can the Prime Minister justify the position of the Ontario government in regard to the backing of the $50 million loan to Hydro? Do they exercise any say in the method of raising the funds of Hydro or the method of exercising the financial pricing control of Hydro?

Hon. Mr. Robarts: Yes.

Mr. Speaker: The member for Sarnia again.

Mr. Bullbrook: Mr. Speaker, in view of the concern expressed by some municipalities having regard to the new responsibilities that they bear relative to the cost of assessing the mental condition of certain persons before our provincial criminal courts, and having regard to the patent responsibility in the provincial sphere, would the Attorney General consider accepting the financial responsibility for such investigation of conditions, rather than placing the burden, as The Mental Health Act does, upon the local municipalities.

Hon. Mr. Wishart: Mr. Speaker, that would be a matter of policy. I would be glad to take it under consideration and discuss it with my colleagues.

Mr. Bullbrook: Mr. Speaker, a supplementary. After discussion, I wonder if he would advise me of his intentions.

Hon. Mr. Wishart: Not necessarily, Mr. Speaker. I usually inform the House. The House is usually informed of government policy very shortly after it is determined.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, I have a question for the Attorney General. Is the Attorney General in a position to divulge to the House the results of the investigation carried on by the Ontario Provincial Police into the alleged brutality by one OPP constable against a member of the Moose Band at Moosonee that he promised some time ago?

Hon. Mr. Wishart: The investigation went forward immediately. I do not have the report yet. I have been away from the House, away from the city, since Friday last and it may be on my desk. This came in this morning.

Mr. Stokes: Mr. Speaker, if I might ask a supplementary. Does the Minister not think it is an unreasonable length of time to wait? It has been 21 days since the alleged incident, and in view of the fact that I have been getting a lot of telephone calls about it, would the Minister not agree that it should be divulged whether or not the allegations are true?

Hon. Mr. Wishart: I would not think, Mr. Speaker, that 21 days is unreasonable in the circumstances.

Mr. Speaker: The hon. member for York Centre.

Mr. Deacon: I have a question for the Minister of Financial and Commercial Affairs. Has the Ontario Securities Commission introduced any system of spot checking the financial and character records established by brokers of their clients at the suggestion of the securities commission a year or so ago, to determine and locate possible trading by illegal underworld operators or organizations?

Hon. H. L. Rowntree (Minister of Financial and Commercial Affairs): There are various spot checks which the commission carries out, as I understand it. As to the specific item that is raised by the hon. member, I would be glad to inform myself.

Mr. Speaker: The member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question for the Prime Minister: Has the Prime Minister concluded the invesigation regarding St. Monica House, and if so, what action has been taken?

Hon. Mr. Robarts: I find myself at a bit of a loss. Did I undertake to investigate St. Monica House?

Mr. Burr: Yes, I believe the Prime Minister did.

Interjections by hon. members.

Mr. S. Lewis (Scarborough West): Personally!

Hon. Mr. Robarts: Well, then it must be in process if I undertook so to do, but I am afraid I do not have the answer this afternoon.

Mr. Burr: Would the Prime Minister have it tomorrow morning?

Mr. Speaker: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Municipal Affairs. Is the Minister considering passing enabling legislation at this session of the Legislature, to permit municipalities to license community and television companies that have Canadian Radio and Television Commission authorization?

Hon. W. D. McKeough (Minister of Municipal Affairs): Mr. Speaker, I am not; I appreciate the member giving us notice of this question. There is a resolution which is being circulated among municipalities and which is having very wide acceptance by the municipalities in their recommendation to us that this power should be given to them. Members may recall that there was a private bill in the town of Whitby several years ago which purported to do exactly this and which the courts threw out as being *ultra vires* of provincial legislation. It is not within our power to pass the kind of legislation which is being requested in the Mississauga resolution.

However, aside from that, the whole matter of cable TV and how it is to be controlled and assessed and taxed, if this is possible, is being studied by a group of municipal people

and people drawn from our department and The Department of the Treasurer, chaired by someone from Treasury, along with a number of other special properties which are mentioned in The Assessment Act—such things as telephone companies, steamship companies, pipeline companies and so on.

I would hope they would come to some conclusions and that we could then make representation to the federal government to pass legislation which would permit this kind of control if it is necessary.

Mr. Speaker: The member for High Park.

Mr. Shulman: I have a two-part question of the Minister of Health, Mr. Speaker.

Is the Minister aware that there was a mini-riot at ward 4A of the Ontario Hospital at Queen Street last night in the course of which one woman had her wrist slashed?

And is the Minister also aware that as a result of this there was a crisis meeting of the staff this morning at 9.00 a.m. in which they complained there was not proper protection for either staff or patients as the result of the low number of staff in the institution?

Hon. Mr. Wells: Is that question in order, Mr. Speaker?

Mr. Lewis: It is of urgent public importance.

Mr. Speaker: I think this is a proper question.

Hon. Mr. Wells: The member asked if I am aware of it. Mr. Speaker, I have been sitting all morning in the committee on health and I have not been in my office yet today. I am not aware of any such incident.

Mr. Shulman: As a supplementary then, will the Minister make himself aware of what is happening in his institutions and make certain proper steps are taken and report back to us?

Hon. Mr. Wells: I imagine I know more of what is going on in the institutions than the hon. member, Mr. Speaker.

Mr. MacDonald: That is a defensive answer, if I ever heard one.

Mr. Speaker: The member for York Centre.

Mr. Deacon: Has the Treasurer investigated means whereby Ontario Hydro could borrow its required capital funds without the provincial guarantee, and investigated the possible cost to Ontario Hydro in addition to interest rates and the possible benefit to the province in lowered interest rates?

Hon. C. S. MacNaughton (Provincial Treasurer): Mr. Speaker, this matter was discussed when The Department of Treasury and Economics was under review and I can assure the House that since that time we have been pursuing this matter. It will be recalled that I stated, at that time, that there is nothing of a compulsory nature that says that Hydro has to have the provincial guarantee, they have had it for reasons that were stated by myself in the House at that time.

Mr. Speaker: The member for High Park.

Mr. Shulman: I have a question of the Minister of Financial and Commercial Affairs, Mr. Speaker: Would the Minister stop the sale of this toy automobile which is sold by Eaton's and which contains a can of sulphuric acid which can instantly kill a child?

Hon. Mr. McKeough: "Sleazy Morty" rides again.

Mrs. M. Renwick: Sulphuric acid?

Hon. Mr. Rowntree: I would be pleased to have the consumer branch look into the matter if the member would give me additional particulars where the toy is being offered.

Mr. Shulman: Eaton's.

Mr. Speaker: The hon. member for Waterloo North.

Mr. E. R. Good (Waterloo North): A question of the Minister of Agriculture and Food. Is the Minister contemplating a change in provincial legislation, which I understand is necessary so that agricultural associations can comply with the recent amendment to the Criminal Code, to validate their charters for horse racing in 1970?

Mr. Speaker: I would point out again that this is a question with respect to future government policy and not present government policy.

Mr. Good: On a point of order, Mr. Speaker, I would like to state that these agricultural societies have to have an answer before the first week in December to validate their charters to get their race dates set for next year. It is of urgent public importance to two agricultural associations in my riding.

Mr. Speaker: I have no objection in this case because of the member's explanation if

the Minister wishes to comment or answer on it.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I must confess this has never been brought to my attention before and I know nothing about the situation the hon. member brings to our attention.

Mr. Speaker: Perhaps the hon. member then might bring the matter to the Minister's attention outside the oral question period.

Mr. Good: I have been dealing with his department for over a month on it.

Mr. Speaker: I said that the member might perhaps bring it to the hon. Minister's attention.

Mr. Deans: I wonder if I might ask of the Minister of Transport whether he has yet ascertained whether he has any jurisdiction over the transportation of radioactive material?

Hon. I. Haskett (Minister of Transport): Mr. Speaker, following this matter being raised by the hon. member the other day, I found on checking that the answer I gave him was quite accurate. Mr. Speaker, the licensing of shipment and handling of radioactive materials lies entirely within the jurisdiction of the Atomic Energy Control Board of Canada, and the shipment in question was so licensed by it. We have no responsibility in the matter.

Mr. Deans: By way of a supplementary question, may I ask the Minister if he might use his good office to impose upon the commission to change their procedures in order to make the handling much more safe?

Hon. Mr. Haskett: I think, Mr. Speaker, the matter is handled by the federal authority under an international agreement and I do not think it is our responsibility to interfere.

Mr. Deans: May I, by one further supplementary question, ask how the Minister can make that ruling since it affects the health and safety of the people of this province?

Mr. Speaker: The member for Downsview.

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Attorney General: I wonder if the Attorney General could advise us as to what I understand was the recent decision of the Ontario Court of Appeal in relation to the Ontario human rights case that was before it?

Hon. Mr. Wishart: Mr. Speaker, I appreciate the question and I am very happy to give the answer. The judgment has been handed down by the Ontario Court of Appeal and the appeal which we took has been allowed, the judgment of the five judges of the court was unanimous. Mr. Justice Laskin wrote the judgment, and if I may say so with respect, I think it is a very capable and thoroughly well written judgment.

Mr. Speaker: The member for Thunder Bay.

Mr. Stokes: I have a question, Mr. Speaker, of the Minister of Lands and Forests.

Is the Minister aware of the fact that agents of the newly created fish marketing board are paying, to commercial fishermen, less than the advertised price for different species that they said they would pay? Is he aware also that the prices being paid commercial fishermen under the operation of the newly created fish marketing board are much less than they received previously from the independent buyers on the Toronto and Montreal markets?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, I am not aware of this. I was under the impression that the prices being paid to commercial fishermen were on a much higher scale than previously. However, I would like to mention to the member that I will be in Winnipeg this coming Monday, to meet with the federal Minister and the provincial Ministers responsible for this Act and I will be pleased to discuss these matters and make sure our fishermen are receiving a fair share for their goods.

Mr. Stokes: As a supplementary, if I make certain information available, will the Minister bring this to the attention of the fish marketing board?

Hon. Mr. Brunelle: It will be a pleasure, Mr. Speaker.

Mr. Speaker: The member for High Park.

Mr. Shulman: I have a question of the Attorney General, Mr. Speaker. Why has Mr. Dryden, area director for Ontario county legal aid, issued blanket instructions that henceforth no person charged with drunkenness be entitled to legal aid?

Hon. Mr. Wishart: Mr. Speaker, I did not know he had issued such instructions. I will check to see if the information the hon. member has is correct.

Mr. Shulman: As a supplementary, may I take it as assurance that there is no such policy in the legal aid department?

Hon. Mr. Wishart: I said I would check, Mr. Speaker, to see if the information the hon. member has is correct.

Mr. Shulman: As a supplementary, I am asking for a general policy. Is there any—

Mr. Speaker: The hon. Minister has answered the supplementary question and the member is not entitled to put it again. He may have another supplementary if it is in order, but otherwise the Minister has answered.

Mr. Shulman: I think perhaps the Minister misunderstood my question. May I refer—

Mr. Speaker: I am quite sure the Minister did not because I understand it and I understood the Minister's answer. If the member has another, different, supplementary he is entitled to place it, otherwise—

Mr. Shulman: May I ask the Attorney General, if there is any policy from the headquarters of legal aid in this province, as to whether or not legal aid may be extended to offences like drunkenness?

Mr. Speaker: That is exactly the same question which the Minister has already answered.

Interjections by hon. members.

Mr. Speaker: It is put in different terms.

Hon. Mr. Wishart: Mr. Speaker, the policy of extension of legal aid and the terms on which it may be granted and the offences for which legal aid assistance may be given to an accused, are all set forth in the Act which set up the scheme. There is a certain discretion given to the area director who consults with this committee and with the review officer of The Department of Welfare. There is no such general policy as the hon. member seems to be under the impression exists.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: I have a question of the Attorney General, Mr. Speaker. Has the Attorney General yet had an opportunity to look into the problems in division court No. 8, which he promised he would do last month?

Hon. Mr. Wishart: Yes, we have Mr. Speaker. That matter is still being looked into.

Mr. Speaker: The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): To the Minister of Transport: Are The Department of Transport files available to the Sovereign Seat Company Manufacturing Limited in Cornwall for their use?

Mr. Speaker: I would think that this was a matter which, on the face of it, is not of urgent public importance and might well be by way of direct communication between the member and the Minister. However, if the Minister wishes now to look into it or to answer it, it will be in order.

Mr. Pilkey: Could I ask this question then: Does any company pay for the mailing lists from the Ontario Department of Transport?

Mr. Speaker: Again, it is a matter that would not appear to be urgent and of public importance, and again I say, if the Minister wishes to take these questions, there is enough importance to them that I would be glad to allow him to do so.

Hon. Mr. Haskett: Mr. Speaker, this is a matter, I think, that has been raised year after year when our estimates have been before the House, and on other occasions. The member is referring to the driver licensing file. There is only one additional copy of it so far available, while we have been on a manual system, and that has been given to one company because there was just the one copy of it available. I have said repeatedly that when we get into total automation of that system we will consider whether we will give it to anybody or not.

Mr. Pilkey: Could I ask a supplementary question then? Does the Minister believe that releasing these files is not an invasion of the privacy of the individual?

Hon. Mr. Haskett: Mr. Speaker, no.

Mr. Speaker: The member for Scarborough Centre.

Mrs. M. Renwick: A question of the Attorney General: In the light of the redrafting of the nursery school legislation recently, would the Minister consider that when persons are brought before a standing committee to give evidence—subpoenaed before a committee—they might have access to duty counsel as they do in court?

Hon. Mr. Wishart: I would be glad to consider it, if that is the question, Mr. Speaker. I have not yet had an opportunity to review

the new sections of the Act to which the hon. member refers.

Mrs. M. Renwick: A supplementary, Mr. Speaker. Does the Minister realize, of course, that this would pertain to several other Acts, that this was just an example of the recent amendments?

Hon. Mr. Wishart: Yes, I am aware, Mr. Speaker, of the implications of the legislation.

Mr. Speaker: The member for High Park.

Mr. Shulman: A question to the Minister of Financial and Commercial Affairs: What action has the Minister taken in reference to the problems that came up in his estimates where individuals were caught between the compensation board and the Allstate Insurance Company, both claiming it was the responsibility of the other?

Hon. Mr. Rowntree: I directed at the time that the matter be looked into, and I believe that some resolution to the matter was accomplished at that time.

Mr. Shulman: Well, unfortunately I know—

Hon. Mr. Rowntree: I cannot be specific about that.

Mr. Shulman: Will the Minister look further? As yet there have been no resolutions.

Hon. Mr. Rowntree: Yes.

Mr. Nixon: Mr. Speaker, since it seems that we have been getting down to questions that are not of prime public importance, I would like to ask the Minister of Labour if he authorized this advertisement that is running in the daily papers across Ontario now, entitled, "If it was not for The Ontario Department of Labour, you might be still living in the good old days".

Hon. D. A. Bales (Minister of Labour): Mr. Speaker, that question was asked of me on Tuesday, I believe, and the answer is, yes.

Mr. Nixon: Is it true that the Minister of Labour is in the second row, third from the right?

Mr. Speaker: The member for Thunder Bay.

Mr. Stokes: I have a question for the Minister of Labour. Is the Minister of Labour in a position to say what action, if any, his department has taken to resolve the strike situation with regard to the Teamsters Union and Lakehead Freightways, that is causing so much hardship in northwestern Ontario from the Soo to the Lakehead?

Hon. Mr. Bales: Mr. Speaker, that comes under federal jurisdiction and not under my department.

Mr. Stokes: If I might ask a supplementary, is it not true that provincial transport does come under his department?

Hon. Mr. Bales: That particular matter is an interprovincial situation.

Mr. Deans: Mr. Speaker, a question for the Minister of Public Works. Will the Minister install some form of protective houses if you like, on the front parking lot for the guards who take care of the front parking property of this building?

Hon. J. R. Simonett (Minister of Public Works): Mr. Speaker, this is the first time I have been requested to install any type of building to house the guards. I talk to them quite often and I know they are subject to the weather when it is bad, but until this point they have not complained to me and I do not think we have any plans to install any housing in front of this building.

Mr. Deans: May I, by way of a supplementary question, ask the Minister if he is not aware that this matter was raised last year during the estimates of the department, referring to some small structure of the type that was there during Confederation Year which would be quite adequate?

Hon. Mr. Simonett: Well, Mr. Speaker, we will take it under consideration and I will discuss it with our people. I realize there was a question asked last year but, as I stated before, I talk to the guards practically every day and they have not complained thus far.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, a question for the Minister of Labour. Has he got any new information with regards to the Wallaceburg Plastics strike that has been going on for over a year? They have pickets going to a number of factories disrupting them and I was wondering if he could give us any information on that strike.

Hon. Mr. Bales: Mr. Speaker, there are hearings before the labour relations board at the present time. They set aside three days for them, November 19, 20 and 21 and so that matter is being dealt with by the board.

Mr. Bullbrook: If I might be permitted, Mr. Speaker, I wonder if the Minister of

Labour would advise the House how long the certification proceedings have been going on?

Hon. Mr. Bales: Mr. Speaker, there has been a series of hearings and adjournments, I may say, at the request of both sides, because different matters were raised as to the status of employees at a certain date. We had to use examiners in some instances. All the points were not raised at one time, but have been brought out in succession and therefore we have had several investigations. It is for that reason the board has set aside three days at this point so that all matters presently outstanding and which should be dealt with, could be heard at one time.

Mr. Bullbrook: Mr. Speaker, again by way of supplementary, could the Minister advise whether the question of those who are entitled to vote on the decertification application has been finally resolved after approximately one year?

Hon. Mr. Bales: Mr. Speaker, they are trying to deal with this matter at the hearing. Certain of the objections that were raised have been withdrawn and we are hopeful that all matters can be resolved now.

Mr. Shulman: A question to the Minister of Health, Mr. Speaker. Has OHSIP been spot checking doctors' accounts for padding and/or fraudulence?

Hon. Mr. Wells: Mr. Speaker, our general practice is to institute procedures and systems to prevent the kind of thing that the member has indicated.

Mr. Shulman: Are you spot checking? That is my question.

Hon. Mr. Wells: Mr. Speaker, I indicated that we have systems and procedures to accomplish the ends which he is indicating.

Hon. Mr. White: And we are not telling the member how because he might try to get around it.

Mr. Speaker: The member for Scarborough Centre.

Mrs. M. Renwick: A supplementary question, Mr. Speaker. Would the Minister tell us what the system of checking is?

Hon. Mr. Wells: No.

Mrs. M. Renwick: Mr. Speaker, would the Minister tell us what the system is for OHSIP checking? The Minister in the last session told us about the OMSIP checking.

Mr. Speaker: The hon. member has asked her question.

Mrs. M. Renwick: I could not get an answer.

Mr. Speaker: The Minister has the right not to reply, that is part of the procedure.

Hon. Mr. Wells: It will be a good discussion for the estimates.

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: Mr. Speaker, a question to the Attorney General to clear up a contentious matter in the House.

In the case of the expropriating powers of the University of Toronto, who amongst the Cabinet is given the approving authority?

Hon. Mr. Wishart: If the University of Toronto derives authority to expropriate by private Act, it would be the Minister of University Affairs.

Mr. Lewis: It would be who?

Hon. Mr. Wishart: It will be the Minister of University Affairs.

Mr. Lewis: Right.

Hon. Mr. Wishart: If it is authorized to expropriate by a public Act, it will be the Attorney General.

Interjections by hon. members.

Mr. Lewis: Mr. Speaker, by way of supplementary, if I may be forgiven, which is it?

Hon. W. G. Davis (Minister of University Affairs): It is a public Act.

Mr. Lewis: It is a public Act?

Hon. Mr. Davis: I think so.

Mr. Lewis: You think so. That is reassuring.

An hon. member: If he does not know, I do not know who would.

Mr. Lewis: Is the University of Toronto responsible to anyone, ever?

Hon. Mr. Wishart: Mr. Speaker, it is The Expropriations Act, section 5, subsection 2(a), it is the Act of 1968-1969—included in this interim copy of the statute, chaper 00. The section—

Mr. Bullbrook: That is a nothing Act.

Hon. Mr. Wishart: Double nothing. Section 5 of that Act of 1968-1969 reads:

> Subject to subsection 3, 4, and 5, the approving authority in respect to an appropriation shall be the Minister responsible for the administration of the Act in which the power to expropriate is granted.

Then it mentions exceptions for a municipality or a local board that becomes a municipality and subsection 2—

Mr. Lewis: That is the Provincial Secretary.

Hon. Mr. Wishart: Let me read this to the hon. member:

> Where the power to expropriate is granted in a private Act, the approving authority shall be (a) in the case of universities, or other educational institutions—the Minister of University Affairs.

That was the answer I gave. Then subsection 5 of that section:

> The approving authority in any case not provided for in this section shall be the Minister of Justice and Attorney General.

So if it is authorized to expropriate by private Act—the Minister of University Affairs; and if it is not but is authorized by public statute then it becomes the responsibility of the Minister of Justice.

Mr. Lewis: Does anyone know which it is?

Mr. Singer: Mr. Speaker, by way of supplementary—

Mr. Speaker: Order! The Attorney General and Minister of Justice is saved by the expiry of the oral question period, and by tomorrow I am sure he will have the answer.

Before we go on with the business of the House I would just like to make a comment which I think perhaps the members on both sides of the House would want to consider. That is that about 40 minutes of the question period today was very good and in the last bit of time I allowed many of the questions because I thought the members would realize that we were not getting the value out of the question period that we should. I would like to suggest that perhaps the party Whips and party leaders might wish to consider some different arrangement with respect to the timing of the one-hour question period because this has happened on several occasions.

Now it is not for me to make any suggestion other than they should consider it, but today has been an example of perhaps a little too long a question period.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE INCOME TAX ACT, 1961-1962

Hon. Mr. White moves first reading of bill intituled, An Act to amend The Income Tax Act, 1961-1962.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, this bill continues the 28 points of tax into 1970.

THE TEACHING PROFESSION ACT

Hon. Mr. Davis moves first reading of bill intituled, An Act to amend The Teaching Profession Act.

Motion agreed to; first reading of the bill.

THE ONTARIO SCHOOL TRUSTEES' COUNCIL ACT

Hon. Mr. Davis moves first reading of bill intituled, An Act to amend The Ontario School Trustees' Council Act.

Motion agreed to; first reading of the bill.

THE TRADE SCHOOLS REGULATION ACT

Hon. Mr. Davis moves first reading of bill intituled, An Act to amend The Trade Schools Regulation Act.

Motion agreed to; first reading of the bill.

THE TEACHERS' SUPERANNUATION ACT

Hon. Mr. Davis moves first reading of bill intituled, An Act to amend The Teachers' Superannuation Act.

Motion agreed to; first reading of the bill.

THE DEPARTMENT OF EDUCATION ACT

Hon. Mr. Davis moves first reading of bill intituled, An Act to amend The Department of Education Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Davis: Mr. Speaker, I would assume that with consent of the House, these bills will be going to the education standing committee. Just very briefly, the bill relating to The Teaching Profession Act provides for certain alterations in the appointment by the profession of members to the governing body. Similar alterations are required with respect to the Ontario School Trustees' Council because of the restructuring that has taken place in the number of trustee organizations. This amendment provides for alterations in appointments to the governing body of the trustees' council.

With respect to The Department of Education Act, Mr. Speaker, there are a number of amendments—I think I can safely state—none of them being controversial, some of them housekeeping.

With respect to The Trade Schools Regulation Act this amendment clarifies the question of security, the posting of bonds. It is our intention, Mr. Speaker, to increase the amount of the bond required by the private trade schools and this will provide the statutory provision for this.

With respect to The Teachers' Superannuation Act, Mr. Speaker, there are six or seven amendments that relate to matters of internal administration, questions of bringing it into line with The Pension Benefits Act. There is also a substantive provision to enable the current year to be completed on the former arrangements and there is a section—once again, administrative basically—to bring into line the new Canada-Ontario arrangements which became effective on January 1, 1969.

Mr. Nixon: Mr. Speaker, on a point of order, may I ask the Minister if he intends to introduce the rest of the legislation that he has given us notice of?

Hon. Mr. Davis: Mr. Speaker, there are, I think, three or four others that may possibly be introduced. I anticipate the bills, hopefully with respect to Osgoode Hall and York University, will be finalized. There have been some further discussions, I gather, with the Law Society. This bill relates to the transfer of scholarship funds from Osgoode to York University. I would anticipate, also perhaps some further amendments to The Schools Administration Act. There may be one further, I am not sure.

Interjection by an hon. member.

Mr. Speaker: Well, our practice has been that there should be no debate at this time. In view of the situation and the nearness of the end of this particular session, I think that I will allow the member for Peterborough to ask a question about the bill if the Minister will permit it.

Mr. W. G. Pitman (Peterborough): I am wondering if section 4, which increases the interest rate of provincial contributions from four to five per cent, would not, in fact, be contributions which would go to individuals who are collecting superannuation under this Act. There is no indemnification there.

Hon. Mr. Davis: Right. It does not relate to the other matter, the question of the amount the province is paying in interest. That is not part of this. This is part of an internal arrangement within the fund itself.

Mr. Speaker: Introduction of bills.

THE HIGHWAY IMPROVEMENT ACT

Hon. G. E. Gomme (Minister of Highways) moves first reading of bill intituled, An Act to amend The Highway Improvement Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Gomme: Mr. Speaker, this bill is to implement the statement that was made by the Prime Minister back in the spring to raise the subsidy from 33⅓ per cent to 50 per cent for road purposes for separated towns and cities; and also to do the same thing for the roadbed for the subway in Metro Toronto. This, of course, is one of the ways that we hope to help the home owner in these areas to pay less property tax.

TORONTO HOSPITALS' STEAM CORPORATION

Hon. Mr. Wells moves first reading of bill intituled, An Act to incorporate the Toronto Hospitals' Steam Corporation.

Motion agreed to; first reading of the bill.

Hon. Mr. Wells: Mr. Speaker, this bill incorporates a corporation composed of nominees from the Toronto General Hospital, the Hospital for Sick Children, the New Mount Sinai Hospital and the Women's College Hospital to operate a steam plant to supply steam to these institutions.

Orders of the day.

Clerk of the House: 26th order, House in committee of supply; Mr. A. E. Reuter in the chair.

ESTIMATES, DEPARTMENT OF ENERGY AND RESOURCES MANAGEMENT
(concluded)

Mr. V. M. Singer (Downsview): Mr. Chairman.

Mr. Chairman: I have not called the vote yet and three members have previously contacted me. In courtesy to them I will call them in that order.

Mr. Singer: Before you even got in the chair? On a point of order.

Mr. Chairman: One of them happened to be a Liberal. The hon. member for Sudbury East.

On vote 607.

Mr. E. W. Martel (Sudbury East): Mr. Chairman, I would like to thank the Chairman for his courtesy. He is aware that I have to go to highways in about five minutes, that is why he has extended it.

I would like to ask, on this vote on pollution, Mr. Chairman, through you to the Minister (Mr. Kerr). The Minister is aware that the Sudbury area has probably reached the point where the soil and the water can no longer take any more effluent, whether it be sulphur dioxide or otherwise. As I understand it, even The Department of Lands and Forests has reached such a concern that a study is being done to test the pH of all the water because there is some fear that even the fish will not be able to reproduce, Mr. Chairman.

When we are confronted with this problem, and the arrogance of some of the companies in our area who continually refuse even to advise Ontario Water Resources Commission when a spillage occurs, or, what is even more flagrant, when they deliberately cut parts from their tailing lines to allow effluent to dump into the water, it becomes obvious, Mr. Chairman, that a much stronger hand by the government is going to become necessary in order to force the International Nickel Company, in particular, to advise OWRC immediately the spillage occurs.

The favoured gimmick by this company, of course, is to attribute everything to mechanical breakdown, mechanical failure. Some of it can be acceptable, Mr. Chairman. However, when you dump something like 10,000 gallons of cyanide and you threaten to fire people if they give Ontario Water Resources people information, or affidavits to me; and when they fail to notify OWRC that cyanide was dumped into the water, thus endangering the lives of all of the people in the Vermillion water course, it becomes quite obvious that there is no intention by this company to co-operate with the government to curb pollution.

Or, as stated earlier, when they cut a tailing line to allow pollutants to dump into the water and then advise the Minister that it really did not go in the water, but it went to a dump—which was a lot of nonsense because we have pictures to prove this not to be the case. What is even more irritating is when they put the same piece of tailing line back in the tailings area. So, when you take all of this into consideration, we are dealing with a company that has no desire, has no intention of eliminating pollution.

I understand that there was to be an officer in the Sudbury area in September. I do not know if he is there now, but with this type of attitude by this company you could put ten men in the Sudbury area and if INCO refuses to notify you when a spillage occurs, you will never know.

I want to know from the Minister, the next time the International Nickel Company spills and does not notify the Ontario Water Resources Commission, will this government lay a charge against them or not?

Hon. G. A. Kerr (Minister of Energy and Resources Management): Yes.

Mr. Martel: I appreciate that, Mr. Chairman.

Has the Minister any idea then, when he will have an officer for the Sudbury area?

Hon. Mr. Kerr: Yes, Mr. Chairman. Space has been rented, it will be open next month, and there will be a staff there initially of two men.

Mr. Martel: Oh, fine, thank you. That is much appreciated.

One other thing then, before I leave, Mr. Chairman. Should one of the employees of the company notify OWRC that a spillage has occurred, can we have some assurance that this man's name will not be revealed to the International Nickel Company?

You know, there is great fear. There are other people who have been threatened.

In the case of the cyanide spillage, one man was going to give me an affidavit, but he was scared off. He was told he would never work for the company again if he did. He was taken into the office.

We have to have some assurance that if somebody does discover a spillage that the International Nickel Company does not notify OWRC about, that this man's identity will remain unknown to the company.

Hon. Mr. Kerr: Well, Mr. Chairman, as far as we are concerned, there is no reason why that person's identity cannot be kept a secret. The only problem is if we are involved in prosecution and that particular person is required to give evidence, this may be difficult at that stage. But if there is sufficient evidence other than the report of this particular gentleman there is no reason why his name should be revealed.

Mr. Martel: Right. The point I am making, Mr. Chairman, is I think most people, once this has come out, will give evidence, but I am trying to ensure that the company will notify you—this is why I am asking for protection. In other words, they are going to have to stop this flagrant spillage without notifying you. The only method we have of assuring that they do this is that the names of the people who contact me constantly about it do not have to be revealed. This would force the company to make the reparations as soon as the incident occurs.

Hon. Mr. Kerr: Mr. Chairman, all I want to say is that the company to which the hon. member refers is now notifying us of any spills. We have recently sent out a letter to 400 industries—this has been done during the last two months—requesting under The OWRC Act that we be notified of any spills, accidental or otherwise.

Mr. J. E. Bullbrook (Sarnia): Mr. Chairman, since the evaluation of the estimates of this department last year, there has come about the designation, I believe the first designation, of an area under this statute. That is an area, part of which I represent, the Sarnia area. And I believe this is the first exercise of that statutory power. In any event, that is not of any great importance, whether it be first or not—

Hon. Mr. Kerr: Yes, the answer is yes. I am sorry, I did not hear the member's question.

Mr. Bullbrook: I want to record first in the House the fact that I suggest to the commission and to the Minister through you, Mr. Chairman, that they might well look back on this exercise which was gone through by all the public servants. I say this, that although I do not necessarily agree with the ultimate conclusion as to the designation of the area, the opportunity that was given to the people of the Sarnia area—those within my riding and without my riding—to make their thoughts known to the commission, the Minister and the Prime Minister of this province, were not only adequate, I think they were almost superb, really, especially on the part of the Prime Minister. We did have an ultimate meeting with him, at which time he gave us a great deal of time to evaluate the respective positions.

Suffice it for me to say this: Notwithstanding my personal lack of acceptance as a citizen of the city of Sarnia, and because of my concurrent obligation to the people of my riding who strongly resisted this, a decision has been made by the Ministry and by the commission that in the best interests of the area the commission should act as the appropriate vehicle in connection with the conveying of necessary water throughout the area. I am going to accept that and say nothing further. I say that only as to the validity of the designation.

But I say this: This was a long drawn-out process and should not have taken as long as it did, really. One recognizes that all people interested had to be afforded an opportunity. But I ask the Minister and his officials and primarily through the Minister to the Chairman, to digest that file and see the length of time. I would be inclined to think, in fairness, that the vice-chairman, my colleague in this House, the hon. member for Wellington-Dufferin, would agree to some extent that really it took a great length of time.

Part of the problem in this length of time is that it has a tendency to create friction and polarize the position; and people grew further and further apart. I think the Minister will, after more experience in these matters, realize that it has this tendency. I hope I do not get resistance to this concept by the commission, that it took too long, and I do not want to evaluate that entire file.

Goodness gracious, we started on this matter almost three years ago; there would be correspondence back and forth. In any event, I want to say this, that this is the first, and I would suggest that these matters should be expedited; there should be a terminal date established. A municipality should be given a reasonable time to put forward to the Minister, to the Cabinet, to the commission primarily and originally, their thoughts in this connection. I would think that six months, perhaps a year, is quite adequate.

I want to voice, if I might also, Mr. Chairman, the fact that the city of Sarnia undertook considerable studies in this connection. One had to come with a degree of expertise to meet on an equal level the expertise available to the commission. I think there was something like $26,000 spent by the city of Sarnia to hire Catalytic Construction Company as their consultants in this respect. I believe it is the intention of the commission, Mr. Chairman, that part of the expertise made available by Catalytic or by the city through Catalytic might well be utilized by the commission.

Although it is probably more appropriate that I speak directly to the chairman in this connection, or the Minister directly, I invite their consideration of the possibility that part of that cost might well be returned to the municipality if the commission found that the studies presented by Catalytic or by the city through Catalytic were of some utility in the eventual result.

Those are my thoughts. I really do express again the fact that we were given—those who resisted the plan put forward by the OWRC—extreme opportunity to put forward our respective positions. I think it would stand the province, the commission and people involved, in good stead if these types of designation hearings were dealt with in a shorter fashion.

On a less serious note but serious also, one would think that I, perhaps, would feel disappointed in connection with the designation and, perhaps, bitter. I do not. I want to compliment the OWRC in connection with their advertising. I have in front of me a copy of their advertisement and it reads, "What has OWRC done for you lately? Ask the Johnsons of London, Ontario." With your permission, I am going to read part of this, sir, I think it is interesting.

> It was not until my soap bill started to shrink that I realized our local water had changed from being dreadfully hard to delightfully soft, said Mrs. T. P. Johnson of London. You might think this is a pretty trivial reason to recognize the value of a 30-mile $20 million pipeline, but when you are a mother with a family of eight to wash for, soap bills are something you really keep track of.
>
> The Lake Huron water supply system is appreciated by my teenage daughter, too. She noticed how much softer her skin feels. One day I got to thinking, aside from saving on soap bills and having softer skin, is it not wonderful to know that my town has a guaranteed supply of pure water for my children, their children and even their children after.

As I say, I think the Ontario Water Resources Commission have got to be complimented for carrying their message to the people of Ontario. That message that they are in favour of softer skin. One has to recognize that a commission of government has certain responsibilities to publicize its efforts and its concern. Soft hands are an important consideration to the people of the province of Ontario.

But one has to ask, Mr. Chairman, how far is this going to go? Is the supply of this water going to be an anatomical progression? Can we look forward in five years to soft heads? I express some concern, because, in point of fact, I know my colleague from Kent is a farmer and he read this with great concern.

This means, he said, that I am going to have a soft hired hand back there. I assured him otherwise. I said this was a new approach on the part of a government commission to let the public know exactly what they were doing. One can invite the consideration of the Minister to translate this posture to other departments. I can see it now. What has your Ontario Police Commission done for you likely? I would think—

Mr. Singer: They would have soft jails.

Mr. Bullbrook: And you could put underneath, "Ask the Mafia of Toronto?" Very appropriate.

"What has your Ontario Securities Commission done for you lately? Until my securities bills started to shrink, I did not know what was going on."

But the point is this. I am very interested in knowing what this costs. Who writes your stuff? I saw it about seven times on television and the only thing I compliment you on in connection with the advertisement—you are to be extremely complimented—is that it did not start with "A place to stand and a place to grow."

It is the only advertisement that I have seen in 18 months that did not start with "A place to stand and a place to grow." It finished with "A place to stand and a place to grow"—

An hon. member: And it is not even an election year.

Mr. Bullbrook: I recognize, if I might use the phrase, that this is not really a "gut

issue" in connection with this department, but I am most interested in knowing whether this represents a total commission policy; whether we can look forward in the future to the fact that people of my riding might be paid for testimonials saying, "My hands are soft, but boy is my water bill ever harsh"?

Mr. Chairman: This may be an appropriate moment to point out to the committee that there are 18 hours and 20 minutes left in the remaining hours under the arrangements for all remaining estimates.

The hon. member for Downsview.

Mr. Bullbrook: If I might, on a point of order, recognizing some collateral relevance. I asked some of my colleagues if they would mind if I spoke on this estimate.

Mr. Chairman: Does the hon. Minister wish to reply?

Hon. Mr. Kerr: The hon. member did ask a question. My only comment would be that the timing of the advertisement was wrong. It was put in after Middlesex South by-election for example. However, I am sure the hon. member has—

Mr. Singer: Yes, I wonder if the Johnsons voted for your fellow down there.

Hon. Mr. Kerr: You read a column by Dennis Braithwaite, I think it was in the Toronto *Telegram,* complimenting the commission on the advertisement. It was placed in 12 newspapers in the province, costing approximately $11,800 and we have a total advertising budget of $30,100.00.

Mr. Singer: You have got to spend it some way.

Hon. Mr. Kerr: This is for everything. This is for publications that the hon. member has received in the mail quite regularly, business publications, institutional publications and things of that sort.

Mr. Bullbrook: How much did the television cost, Mr. Minister?

Hon. Mr. Kerr: I am not sure if we do any television advertising. No, we do not use television.

Mr. Singer: Mr. Chairman, now that we have got out of the "Mr. Clean" problems, perhaps we could get to something that is a little more important, at least to those of us who are concerned about development in the vicinity of Metropolitan Toronto and in York county.

I have been unable to follow, Mr. Chairman, the explanations that have been given by your colleague in Municipal Affairs, and by your predecessor concerning permission to build a package sewage disposal plant just south of Richmond Hill.

This is one of the most unusual things that has happened since the Ontario Water Resources Commission was established. If my memory is correct, the reaction of the Ontario Water Resources Commission, after they had been overruled by the Lieutenant-Governor-in-Council at the urging of your immediate predecessor, was that they all wanted to resign. It was just that serious, Mr. Chairman.

Somehow they were prevailed upon to stay and the publicity that should have been attached to that incident never really became too well known to the people of Ontario.

Let us see what we have in this series of events. We had a procedure whereby Metropolitan Toronto from 1953 on, after it was created, spent untold millions of dollars eliminating package sewage plants within the 240 square miles that Metropolitan Toronto comprises.

It did this with the knowledge, with the approval of all the departments of government; with the knowledge and the approval of the Ontario Water Resources Commission; with the knowledge and the approval of the media and the people who lived in the area.

We were looking forward to some day having a clean Don River and a clean Humber River and a lakefront in front of our city would not be polluted. That was part of the plan.

It was anticipated, Mr. Chairman, that north of Steeles Avenue, the magic line that the Minister of Municipal Affairs pays so much attention to, would be developed in a similar manner. Well, along come a group of people represented fascinatingly enough by a former member of this Legislature.

An hon. member: Who was that member?

Mr. Singer: I do not know. I think his name is known to the Minister, he was a colleague of the Minister at one time. He sat on the Conservative side of the House. He was able to prevail, not on the Ontario Water Resources Commission, but on the Lieutenant-Governor-in-Council that the opinion of the OWRC be overruled and that permission be granted to build another package

sewage plant just south of Richmond Hill, on the west side of Yonge Street. To service, it was said, Mr. Chairman, a hospital and a school.

Incidentally, Mr. Chairman, to service—and it was not said, but it is known—to service some 400 acres which were designed to house some 35,000 people. Fascinatingly as the tale unfolds, neither the school nor the hospital ever wanted to hook into that package sewage plant, and, in fact, both are now operating without the facilities of that plant being involved at all.

The development of a new area which was going to house some 35,000 people just immediately to the south of Richmond Hill—Richmond Hill, Mr. Chairman, has a population of 21,000. Just imagine the effect that that kind of development would have had on the population of that rather small municipality.

They were not consulted about it or the effect it was going to have on them. The fact that the density of population that was going to be involved there and was perhaps much more dense than any other area of population in that part of York county, apparently made no impression on anyone.

The fact, Mr. Chairman, that the package sewage plant was going to be located in an area called Richvale, an already established area, and that package sewage plant was not going to be made available to the people who lived in Richvale who had a serious problem of disposing of sewage wastes, apparently escaped the attention, not of the Ontario Water Resources Commission, but escaped the attention of the Lieutenant-Governor-in-Council, and your predecessor who made representation to the Lieutenant-Governor-in-Council.

The fact that there was some other sort of a plant east of Yonge Street and down to the south of the proposed Richvale plant that had been planned and in the ground for some eight or ten years, and had been laid down on the basis of gradual developmental population increase, apparently escaped the attention of the Lieutenant-Governor-in-Council and the urgings of your predecessor.

Now, Mr. Chairman, we have these new announcements of the proposed plan, to put in—what was the figure the Minister used—a $62 million trunk that is going to run in an east and west direction and go easterly to the Rouge Valley and then down the Rouge Valley until it hits Lake Ontario.

The cost has been jumping. It came out, I think, originally at somewhere around $32 million. The Minister, I think, changed it the other day to $62 million.

Well, the figures that I have heard publicly were $75 million, and the figure that I was told about today from some developers who own land in the area and who have had their engineers studying it for some time, the figure they assure me that is much closer to being correct is $200 million.

They say that if this main is ever built, that it just cannot be done under $200 million.

Now, with all those things in mind, Mr. Chairman, I think it is time we have some kind of an explanation as to what the government has in mind. Does the government merely make its decisions on the basis of representations by particular solicitors? Does it pay any attention to the recommendations of the Ontario Water Resources Commission? Does it have any concern about planning?

Does it have any real idea of how the development in the balance of York county is going to take place—as the Minister of Municipal Affairs has attempted to indicate to us the other day—or do we just go by guess or by God; and one day we are doing one thing and one day we are doing another thing, but "Let us look after our friends and let us listen carefully to the representations of those people who want to crowd 35,000 people on 400 acres just to the south of Richmond Hill?"

I tried to elicit from the Minister of Municipal Affairs some kind of an explanation as to what was going to happen north of Steeles in York county, and he was not able to say more than: "Be patient and in a few months you will know". That may be very well from his point of view, but from the point of view of the Ontario Water Resources Commission, apparently, something is going to happen over their objections. Why, Mr. Chairman, why is that going to happen? One arm of government, the water resources commission, was chopped off by the Lieutenant-Governor-in-Council. The other arm brings in plans for the sewage pipe that is going to go down the valley of the Rouge in due course—and it is going to cost, what, $62 million, $75 million, $200 million? Nobody really knows. How is that going to be financed, Mr. Chairman?

What assessment basis is going to be tapped for the financing of that? Is the government going to pay for $200 million of sewer pipe to take care of the development in the balance of York county? I think it is about time we got to know whether one Minister speaks to another or whether the

main thing is just that friends of the government should be looked after. I think, really, this is one of the biggest grabs, one of the worst examples of improper influence being brought to bear on the government; one of the most unusual examples of non-planning in which the government has indulged in recent years.

Surely, Mr. Chairman, there must be some explanation for this apparently inconsistent set of actions that has taken place. Surely between the Minister of Municipal Affairs and this Minister there must be some idea of what is going to happen in the balance of York county north of Steeles Avenue. Perhaps even the Minister of Highways could get into this discussion and tell us how we are going to get 35,000 people in and out of Metropolitan Toronto, provided that they are now going to move into the Richmond Hill area where you cannot move them now.

Yonge Street, Bathurst Street, are the most crowded streets in the whole of this area; Dufferin Street, all these streets are impossible to move on now, and now somebody has been able to convince the Lieutenant-Governor-in-Council that we should allow a package sewer plant only for the benefit of the developers who have 400 acres and who are going to house 35,000 people.

Mr. Chairman, I do not think that there can be a greater condemnation of the inefficiency of this series of facts. If anything I have said is wrong I wish the Minister would tell me where we are wrong. But I think my facts are correct. I wish he would get together with his colleagues in Municipal Affairs and his colleagues in Highways, and tell us what the planning is going to be. Perhaps the Provincial Treasurer, who looks after regional development, will have some ideas about this. But surely, Mr. Chairman, in the heartland of the province of Ontario, and the area that produces 40 per cent of the tax moneys that come forward, we are entitled to a better kind of a deal insofar as our future development is concerned, than this sloppy, slipshod political-patronage-oriented lack of planning.

Hon. Mr. Kerr: Mr. Chairman, the remarks of the hon. member for Downsview are loaded with innuendoes.

Mr. Singer: They are charges, not innuendoes.

Hon. Mr. Kerr: Very extravagant, I think basically it is my information that the township of Vaughan would like to expand, the township of Vaughan wants development. Housing is needed in this area. This whole area up there as the hon. member knows, is bursting at the seams.

Mr. D. M. Deacon (York Centre): It needs much more than 400 acres.

Mr. Singer: Much more than 400 acres; they are concerned about Richvale too.

Hon. Mr. Kerr: Possibly a bigger plant than a package plant was not wanted for this area. Possibly the OWRC had some reasons for limiting the size of the plant. It is my understanding that one of the main reasons—the hospital and the school to which the hon. member referred—Richmond Hill has now more or less agreed to accept the effluent from those sources—

Mr. Singer: The excuse given in the House was that the hospital and school needed it—

Hon. Mr. Kerr: I think that the important thing here is that the announcement by the Ontario Water Resources Commission regarding an interceptor line that will end up in Lake Ontario, as indicated by the hon. member, was only a proposal and is subject to the eventual planning of that whole area.

The $62 million referred to is for both water and sewage over a 20-year period, and the commission has no reason to believe that figure will be any higher at this time, at least.

So I can assure the hon. member that it was only a proposal and planning will in fact, be complete for that area before such a proposal is ever put into effect. He was referring to incidents and details of matters regarding this package plant that I am not familiar with. But I do understand that the idea of the plant is more or less dormant at the present time. OWRC has not approved the design of the plant, and I think that the hon. member's apprehensions really are unfounded until at least that takes place. But in any event, if the plant can properly handle the effluent from the proposed development, as I say, I can see no reason for a township not wanting to expand because I am sure this is where the idea originated in the first place.

Mr. Singer: Mr. Chairman, let me only say this: It is amazing how uninformed this Minister is about these facts. There are people on the government front bench who are informed. When I attempted to get at this through the Minister of Municipal Affairs (Mr. McKeough), he said, "Oh, that happened a year ago. What do I know about it?" This

Minister says he really does not know. His predecessor sits behind him; he knows. I think we are entitled to some explanation. You are all going to sit mum. That is fine. Then the conclusions I put before the House are, I think, unchallengeable.

Mr. Chairman: The hon. member for Sandwich-Riverside wanted to finish something he had raised yesterday. All right, the hon. member for Brantford.

Mr. M. Makarchuk (Brantford): Mr. Chairman, this is a matter I have tried to raise a few times before, dealing with the Algoma Steel Company at Sault Ste. Marie where the OWRC did proceed, or start actions to prosecute this company for not following the timetables or taking measures necessary to stop pollution. On the intervention of the Attorney General this prosecution has been suspended or stopped. Now, could the Minister indicate at this time what is happening in this particular case, and what measures, or what new programme is being worked out with Algoma Steel to prevent pollution in their case? In other words, the dumping of phenolammonia solids, and so on, into the St. Mary's River.

Hon. Mr. Kerr: Mr. Chairman, I am informed that at Algoma Steel the construction of a thermal lagoon is nearing completion and a phenol recovery plant will be in operation shortly. The recent strike, as the hon. member might appreciate, prevented completion of these works at an earlier date. However, the commission has approved the treatment plants and they are scheduled to be completed at the end of this year.

Mr. Makarchuk: Mr. Chairman, as I understand it, according to your files, this particular lagoon is not going to solve the problem. In other words it will pick up some of the accidental oil deposits. As far as the phenol plant is concerned, I gather that is still up in the air, really. But what I want to know is: what other measure the OWRC intends to take in this particular case to ensure that the company goes about taking care of the pollution problem there in a serious manner. In other words, are you prepared to institute prosecutions again, if necessary, in this particular case?

Hon. Mr. Kerr: Mr. Chairman, as I indicated, the phenol recovery plant is more than a lagoon. There is also provision for extended outfall, and the company is to submit a programme next week for the completion of the recovery plant.

Mr. Chairman: The hon. member for Nipissing has been trying to get the floor.

Mr. R. S. Smith (Nipissing): Mr. Chairman, I want to make some remarks in regard to the regulations for small boat and holding tanks, that were brought into effect this year. I think in the spring of this year we kept requesting of the Minister, and some of us spoke to people within the Ontario Water Resources Commission in regard to the pump-out facilities that would be provided by the different marinas across the province, and, as I am sure that the OWRC officials know, the pump-out facilities were very scarce in the province, and as a result, their regulations to make boat owners provide holding tank facilities appeared rather ridiculous.

I just want to read a short part of a letter that went to the OWRC in regard to this matter. This gentleman bought a boat and provided the boat with the toilet mascerator facilities, which he was required to do, and he then set out on his boating trip.

> On August 9 we all set out for cruising, and away we go, a happy family of six from Penetang on a two-week cruise, going on our way to Killarney.
>
> Everything was fine until the holding tank was full and we happened to be in the Bustand Islands. No pump-out. Oh, well, no problem. We went back to the French River, to the marina to be pumped out; no pump-outs. Oh, well, we will go back to Wright's Marina at Bing Inlet to be pumped out.
>
> This is a two-way trip in rough weather and we were running in five to six foot waves. Mind you, the tank is still full, and there is nothing in Bing Inlet or Brit to pump us out.

They went on to Point au Baril,

> And imagine, there was no pump-out there. Oh, well, it is not too far and only a day's run into Parry Sound where there are three marinas. Would you believe that none of them have a pump-out either, and yet all of these marinas mentioned so far have indicated, and you have issued a chart to this effect, that they will have these stations.
>
> I will admit that there was a government dock in Parry Sound that has pump-out facilities, but I must confess that their charges of $5 is a little high.

As is their cargo by then.

Oh, well, they said, they were all set to go and they went back to Sportsmen's Inn at

Killarney and found that they did not have pump-out facilities either. The gentleman goes on to point out that by this time his facilities were again full and he thought that perhaps he should send them by freight express to the Minister, and I think that this indicates, Mr. Chairman, the problems that the boat operators had all across the province this past summer. I would like to ask the Minister if he is now considering, under the regulations, forcing the marinas in the province to provide these pump-out facilities?

I think we indicated in the Legislature last year that he should do this before the summer boating season started, but apparently the OWRC thought that they could have marinas put these facilities in without any kind of regulations, and I think it has caused a lot of problems, particularly with the American visitors to our waterways along the Great Lakes.

Hon. Mr. Kerr: Mr. Chairman, it is true, there were some problems regarding tanks and pump-out stations, particularly earlier in the year. I think in June there were about six in operation. At the end of the season there were 91.

We assume that there will be even more next spring. We are thinking of drafting regulations which might require marinas to supply this service.

However, we are hoping that marinas and yacht clubs and municipal docks, and some of the parks, particularly some of the federal parks in the area, will provide this facility. I think one of the problems earlier in the season is that many people did not realize we were serious about enforcing this regulation. In other words, that we were not going to back off or delay. Another problem was the fact that adjoining provinces and states did not have this type of regulation so a lot of boaters—out of province boaters using our waters—did not have the necessary equipment. I feel that by next year there will not be the problems that existed during the past summer.

Mr. Chairman: The member for Essex South.

Mr. D. A. Paterson (Essex South): Mr. Chairman, I wanted to ask of the Minister a question arising out of an article that I read of a report to the Canadian Institute on Pollution Control. In that report which was contained in the *Globe and Mail,* the president said that the key to pollution control was to stop making so much waste in the first place, and I would ask if your department is doing any investigations or studies to inform the public sector how this particular phase may be brought about.

In the same article, the president of this group did not appear to have very much confidence in the new lime process which the Minister introduced with some fanfare some months ago, and possibly, as this was not discussed late yesterday afternoon, the Minister might comment on this process and exactly what is transpiring, or if they are attempting to do this on a commercial scale in other communities, other than Richmond Hill.

Hon. Mr. Kerr: Mr. Chairman, regarding the hon. member's first remarks. The solid waste division of my department is considering an educational programme regarding waste generally. The amount of it, what it is and the problem it is creating.

Regarding the new process, the lime precipitation process. As the hon. member knows, this experiment was carried out at a plant in Richmond Hill with respect to the removal of phosphorus and nitrogen from effluent, particularly that which is causing a problem in our lakes as far as algae is concerned, and it was successful. The experiments were successful, increasing the percentage of removal from approximately 39 per cent to 92 per cent, for the extent of the effluent that was going through that particular plant.

We are also experimenting in Sault Ste. Marie on a larger plant under some different conditions. We are concerned about the possible operating costs of this new technique. The equipment itself is not that expensive, but the cost of the amount of lime for example, that is required, may be prohibitive.

We are hoping it will not be, but when these further tests and examinations are completed at Sault Ste. Marie, we will then be in a position to know if we will recommend its installation in all municipal plants, both provincially owned and operated, and those operated and owned by the municipalities.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Chairman, there is one matter I wanted to raise that has to do, not with the details of the OWRC proposal to service the lower part of York County, but with the responsibility that the Minister has to see that their proposals are co-ordinated with the general planning function of Metropolitan Toronto and with his colleagues in the government of Ontario.

The Minister has already responded to some extent, as far as the details of this programme are concerned. He has assured me and the House, that the Metropolitan Toronto Planning Authority was involved, and certainly will be, as the proposal is expanded. Is he aware, however, of a paper that was produced by the Metropolitan Toronto Planning Board land use division, with Mr. Turnbull as its director, which would indicate that the OWRC proposal will, in effect, be much costlier on a per household basis than similar services provided in Peel and in other areas, but it is compared with Peel. In fact, in order to make it economically viable, the population in the south part of York County, Markham and Vaughan particularly, would have to be expanded by a figure of perhaps more than a million people.

This means that if OWRC were to proceed with the proposal that they presently have, it would be tantamount to a decision being made at the provincial level that this area of Markham and Vaughan will become a major new population growth centre, which might very well be its future. But it should not be entered into until all those people concerned, and those authorities which have responsibility in this connection, have stated their views. While the OWRC has a great responsibility, it does not have the power, in my view, nor should it have, to proceed on the basis that where they make the decision to expend provincial funds will, in fact, be tantamount to the kind of decision that I am talking about.

There is one further aspect of this. The trunk line for sewage would come at the western limit of Toronto. Those people reporting in this paper that I have referred to have indicated that the trunk line might very well be moved east. Instead of just being a conduit for the sewage that would not service any new population growth along its length as it comes down from Steeles Avenue, I believe that it would, in fact, open up a strip of development further east in the Metropolitan Toronto area than it does under the present proposal. It would, in fact, assist the Pickering area considerably in their development programme.

Basically, I am not concerned with a discussion of the detail of the proposal, although I would like to hear the Minister's views, but essentially with his commitment that the decision made by his advisers at OWRC, and with his concurrence, will, in fact, not set a programme for community development that is not correlated with the general programme for the area.

It was pointed out last night by the member for Riverdale that the OWRC decisions in the Peel County area ran counter to the general planning proposals of the Metropolitan Planning Board in the MTARTS research. This is a very serious matter because it simply means that the decisions made by OWRC are going to affect the structure of the community in its basic essentials. Unless we are confident that what we are doing is right, in fact, the chances are it will be wrong. You cannot proceed in such a great project just by the seat of your pants and on what looks good, based on proposals made by the last group of experts in the office. This is going to have ramifications that are going to affect the quality of life in our community for the whole future.

Perhaps the Minister might comment on that.

Hon. Mr. Kerr: Mr. Chairman, I can assure the hon. leader of the Opposition that any plans of OWRC in this particular area will be correlated with the general planning proposals for the area.

The hon. leader of the Opposition mentioned that this proposal will be more costly than Peel's. It is difficult to compare two projects of this size. The population density is different, the—

Mr. Nixon: So that that is associated with the per capita cost?

Hon. Mr. Kerr: Yes. As far as a line is concerned, it is my information that this is proposed to come down the eastern side of Metro in the Rouge River area and, of course, be treated on Lake Ontario and end up in Lake Ontario. Therefore, there is no reason why Pickering, for example, would not be served or in some way benefit from this proposal. As I indicated to the hon. member for Riverdale yesterday, this will depend on the overall planning of the area.

Mr. Chairman: Just before the member for Sandwich-Riverside speaks, may I say that we have less than one hour to go before these estimates must be completed. I am not going to limit you to any particular vote from 607 to 610, so you can range anywhere.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, yesterday I tried to get an answer from the Minister on the subject of detergents. Perhaps I asked the question so rapidly that it did not sink in because twice

he forgot to answer me. I shall fill it in a very little bit.

A member of Parliament from London in the House in Ottawa, recently made the statement that in one year Lake Erie will be completely dead if the use of detergents is not stopped immediately. When he tried to ask the Minister of Resources whether he agreed with the estimate, the Speaker told him that the question was not timely and ruled him out of order. If that question was not timely, when was a question ever timely?

Mr. Greene eventually gave an answer, saying that they were in conference with the presidents of the largest manufacturers on the problem of phosphates and detergents. But he said that as yet there is no adequate substitute for this chemical in the detergents.

I mentioned yesterday about the success they have had in West Germany and Spain. I was talking to my daughter this morning about the problem and she said that she buys a cleaning material, a soap, detergent, which is sold on the basis of being bio-degradeable; that is, it has no phosphates in it. When I asked her whether it was more expensive, she said "no, I bought $3 worth six months ago and I still have about half of it."

I said, "where did you hear about it" and she said, "my mother." So this shirt that I am wearing is washed by this detergent, alternately by the one and the other. It is not that bad, Mr. Minister. You were worried about the effectiveness.

Hon. Mr. Kerr: How long have you been wearing it?

Mr. Burr: Yesterday, the Minister seemed to be more concerned about the effectiveness of the detergent than he was about the effect of the pollution. That is the impression he gave. I am sure he did not mean to give that impression. But what has he to say about this other soap, this other washing material?

Now the quesion I asked yesterday; and for the third time I am asking for an answer. What has he found out about the charge by a Pollution Probe member that it is because the detergent people have long-term contracts for phosphates from ERCO that the problem is not being resolved. That is question one. Then I have two points on the air pollution which I will get in quickly and then I will not take any more time. The first one has to do with a survey in Hamilton.

Mr. Chairman: If you would leave that question until we get to that vote, please.

Mr. Burr: The Chairman has just announced—

Interjections by hon. members.

Mr. Chairman: We are strictly dealing with Ontario Water Resources Commission. I think we should keep it to water resources commission—

Interjections by hon. members.

Mr. Burr: Mr. Chairman, in your absence, we changed the rules. It has been agreed that we range all over the place.

(Mr. Downer is now in the Chair).

Interjections by hon. members.

Mr. Chairman: Would the hon. member repeat what he said in full?

Interjections by hon. members.

Mr. D. C. MacDonald (York South): Your predecessor has just suggested that since this estimate is going to be concluded by 5 o'clock all items uncompleted are on the table and to be dealt with if we see fit to roam.

Mr. Chairman: In connection with the entire department?

Interjections by hon. members.

Mr. Chairman: Well, I should point out, if the members will permit me, that there are two additional votes that do not appear in the estimate book—the document covering the changes has been distributed to all members. If it is the understanding that votes 611 and 612 will also go at the same time, I have no particular objection.

Mr. Burr: I am up to vote 611 right now, Mr. Chairman. The Hamilton *Spectator* of November 7 contains a letter to the editor refuting an earlier statement of Dr. Mastromatteo, the director of the provincial environmental health branch, to the effect that air pollution in Hamilton might be bothersome, but it was not harmful.

In his letter, Dr. Cecilioni reports that he has made a study of the past three years' records of cancer in Hamilton. It shows that in the northeast corner of the city, the number of cancer deaths is three times that of the rest of the city. Expressed in a different way, half the lung cancer deaths in Hamilton occur in this area in which only one-sixth of the people live. This part of Hamilton is the part most serously affected by air pollution, and

probably is heavily populated by workers employed in the polluting industries.

My question, number two we can call it, is what response has the air pollution branch made to this survey conducted by Dr. Cecilioni?

The final point has to do with asbestos. Dr. Irving J. Sellicoff, a professor of environmental medicine at New York City's University Mt. Sinai School of Medicine, is a pioneer in the study of asbestos as it affects the whole community. His studies or the studies he has organized have brought to light some extremely disturbing, although previously unsuspected, information.

The work of the insulation workers is hazardous from a health standpoint. Over a 20-year period, all the insulation workers in New York Metropolitan area have been studied. They should have had only six or seven deaths from lung cancer according to the United States national rates. Actually, they had 45.

There should have been only nine or ten deaths from cancer of the colon or stomach. Actually there were 29.

There should have been no deaths at all from asbestos on the basis of the whole population, but there were 12.

Similar studies in Great Britain, South Africa, Canada and the United States indicate that asbestos not only causes an occupational disease, but also creates a special hazard to households in which asbestos workers live; a hazard carried into the home as dust particles on the workers' clothes.

An asbestos worker who smokes has a risk of lung cancer 92 times greater than that of a man who neither smokes nor works with asbestos.

So I have three questions and then I shall sit down.

This is question three. What steps is the Minister taking to reduce, if not eliminate, the hazard of the asbestos worker in Ontario and that of his household?

Question four: Has an epidemiological study of deaths among the workers in asbestos plants in Ontario been made? And the last, question, five: Is there an asbestos plant at Caledonia, and if so, will the Minister have a survey made of the workers in that area?

Hon. Mr. Kerr: Mr. Chairman, the hon. member has asked some questions. First of all, regarding detergents, I think he wanted to know why we were not using some European methods where the phosphate content of detergents has been eliminated. It is our information that—I believe it was Sweden—they substituted some sort of a sodium-based product and the result of that was worse than phosphate. It corroded basins and fixtures as well as washing machines.

Another type of substitute was some sort of a starch-based product, and it as well caused trouble in washing machines and in machinery and equipment.

So, as yet, we are not aware of any suitable substitute for phosphate in detergents. That is the problem, the fact that there are thousands and thousands of people in this country who buy detergents because of the efficiency of that particular product. If there is a substitute, certainly we would require that it be used instead of a phosphate.

This is being studied. We have been studying it on a concentrated basis since 1964, and, as the hon. member knows, detergents now are of a bio-degradable type and, of course, do in fact, according to IJC figures, cause about 50 per cent of the eutrophication of our lakes.

Regarding the claim of "Pollution Probe" with respect to ERCO, we have no knowledge of any contact, Mr. Chairman.

The second question asked by the hon. member dealt with air pollution. This really is a matter that should be considered by the occuptional health branch of The Department of Health. We have not got those figures, but The Department of Health, in its health study service, would have information regarding lung cancer, for example, in the northeast corner of the city—if they do break this survey down as the good doctor to which the hon. member referred did. All health surveys carried out on workers is carried out in fact by The Department of Health.

Mr. Burr: Mr. Chairman, is the Minister going to answer about the asbestos?

Hon. Mr. Kerr: That would be the same thing.

Mr. Nixon: Mr. Chairman, I want to make a comment on the answer the Minister just gave and then ask two questions, because he has referred to air pollution and the incidence of cancer associated with it.

He said that The Department of Labour might perhaps have further information and The Department of Health. But I had a copy of one bit of research that did not affect the city of Hamilton, but actually the city of Liverpool, which indicated that even if all smoking were cut out, the level of cancer

incidence would be reduced by much less than one-half because of the incidence of air pollution which it is now indicated has a great deal to do with the incidence of lung cancer.

The study went on—and I wish I had time to put it before you, Mr. Chairman, because I know you would be interested—the incidence of lung cancer in large industrial centres in the United States is going to approach one person in four of the adult males, and this is something certainly that must concern us, particularly in our urban centres where air pollution is becoming such a threat.

I have been getting the readings from the air pollution research centres as they are available, and the research people in our office have been trying to correlate these. It indicates that on frequent occasions the level comes above the 40 parts per 100,000 of sulphur dioxide in the ambient air which the Minister in his regulations has set as a maximum beyond which he is prepared to take action.

I was interested in hearing a news report that he was prepared to give the level of air pollution on a regular basis to the people in these centres. I think this is a good thing. I do not believe it should be hidden behind any particular mask of secrecy on the basis of what the people do not know will not hurt them.

Obviously it is hurting them and will continue to hurt them. So this is a step forward as long as it is accompanied by the sort of regulation and the expenditure of public funds and private funds by industry which will see there is some progress taken toward the abatement of this menace.

But the questions I want to put to the Minister have to do with the new vote, I forget the name of it, the disposal of wastes anyway is what it is concerned with.

Because of the regional development areas, the Lake Erie development council had a seminar on this with some very interesting figures and facts associated with it which indicate that in their particular area there is something like 400 tons of garbage that must be disposed of daily.

A lot of this is not garbage as we normally recognize the fact, but a lot of solid waste, other materials that are difficult to dispose of.

Many areas are undertaking very costly research as to how they might deal with this on a municipal basis or on a regional basis. It is in this connection that I hope the Minister is going to be able to announce a programme whereby the individual communities need not undertake extensive and costly research, often with overlapping results, frequently with contrary findings and recommendations, and that this department might take over the responsibility of waste disposal on a phase basis in this province.

Particularly in the large urban regions which are coming to the point where they cannot cope with it in any kind of an effective way themselves.

The answer is going to be very complex. It may involve the use of many abandoned quarries and gravel pits across this province. But the use of garbage for sanitary fill is certainly in question in some areas, and it should be done only with careful engineering supervision and, I would think, with some sort of centralized control. This is something I would like to ask the Minister; if, in fact, he envisages the next few years seeing a centralization of this responsibility to assist the municipalities in fulfilling a function that is almost beyond coping with at the present time.

The second thing that I want to put to the Minister specifically is the kind of waste disposal that is increasingly difficult across the province, and that is getting rid of old cars. There used to be a problem of unsightly junk yards, but still the waste material in these yards was used up in means whereby the steel was reworked in the blast furnaces and so on.

But I am told that this is becoming increasingly difficult to perform since there are other additives for steel that are easier to control and produce a better product, and the use of junk cars for this purpose is almost at an end.

We might have realized this because if you drive through Ontario you can look in almost any farmer's field and see one or two old cars abandoned there with the wheels taken off and the windows smashed. This is really becoming a tremendous eyesore and to some extent a menace.

I do not know what the proposals might be other than the Minister might undertake some programme whereby we can subsidize the removal of these wrecks to some central place and dispose of them in some suitable way.

There are many papers available. We could read them into the record here for days on how, on an experimental basis, some urban centres actually mine the garbage, extracting from it those constituents which are very

valuable indeed if the first capital development and the capital costs of development procedure is made.

This cannot be done by individual municipalities. I suppose it can be done by private entrepreneurs if the centres have access to enough of this raw material.

We have enough of the raw material in the form of waste which must be disposed of in this province, and it is going to be a tremendous problem to cope with it.

I wonder if the Minister can give us answers then as to whether or not he feels that this can be a responsibility subject to centralization, and what he is going to do about these junk cars that are abandoned in the fields in Ontario?

Hon. Mr. Kerr: Mr. Chairman, as the hon. leader of the Opposition indicates, this is a big problem and it is slowly becoming a gigantic problem. I think regarding centralization of the responsibility, I am hoping one of the immediate benefits, for example, of regional government will be some form of waste disposal facility that can be afforded by the top level government whereby municipal and also industrial waste can be looked after and disposed of.

In the riding of the hon. member for Sarnia, or adjoining his riding, there is a private operation which is quite successful. They had problems for a while with air pollution, but this I understand has been solved. I feel that private entrepreneurs can, in fact, get into this field and do very well.

I understand this same organization may be establishing in the county of Halton. They have overcome many problems as a result of the use of the facility, or objections that might result from the use of the facility. But landfill sites, as the hon. member has indicated, are becoming scarcer and scarcer. Land for such sites is becoming more expensive.

Mr. Nixon: How about those quarries and gravel pits in the Minister's own riding and mine?

Hon. Mr. Kerr: Well, this is something, but we have to worry about seepage from these areas naturally, and we have to worry about the soil around these quarries. But if they can contain in some way the waste, there should not be any problem. Certainly this is a solution.

Now, we do have some research. The hon. member asked about research. We collaborate with universities and give grants in aid. At the present time we are supporting a programme by the University of Waterloo on the selection of land-fill sites.

The other point to which the hon. member referred regarding abandoned motor vehicles or junk cars, old cars. At the present time there is a committee chaired by the head of the vehicles branch of the provincial Department of Transport, an inter-departmental committee, which is considering this particular problem and the possibility of some form of legislation.

As the hon. member knows, abandoned cars, certainly in the Hamilton area, are becoming a tremendous problem. There are half a dozen every morning as the sun comes up on some street or another. There have been proposals whereby there would be a sort of central junk yard where these cars could be left by the people who are abandoning them. If they want to take their plates off, fine, but they should leave these cars in a central yard. And possibly we could have some penalties in effect under our Highway Traffic Act or some other legislation whereby if you do not do this, there would be a substantial penalty.

I have been informed by people in the junk business that by acquiring these old abandoned vehicles from such a central location, that they, in fact, could make use of them. In spite of the fact that they are a glut on the market right now, they would be of some value to them and they would dispose of them.

So this is what is being considered at the present time. As I mentioned there is an inter-departmental committee coming up with recommendations, and I am hoping of course that this can be done without any cost to the public treasury.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, I would like to speak to the Minister for a few moments about a matter that is of mutual concern.

That little body of water that separates Hamilton from Burlington. I do not know why we have such a feud over whether it is Hamilton Bay or Burlington Bay. I do not think either one really has much to be proud of.

The Minister and I took a trip around the bay during last summer and at that time we viewed some pretty disgusting sights. I am sure he would agree with me that it is a cess pool.

At the moment, the Minister has a programme underway in regard to the kind of movement that has to be taken by Stelco and Dofasco in regard to the cleaning up of the bay.

The first thing I want to ask him is, has there been a study of the bay that will indicate whether or not it has any regenerative power left. Whether, in effect, if we were to stop polluting today entirely whether the bay could regenerate itself at this point or whether it is, as I suspect in many areas, completely dead.

The second thing I want to ask the Minister is exactly what time limits have been established on the cleaning up of the bay in regard to, in particular, Dofasco and Stelco, and, in general, all of the general industries that line the bay? What time limits have been established? What kind of programme are we talking about? Are we talking about just an extension of the inadequate programmes that have been followed over the last close to 18 years? In the last 18 years, as I understand it, the Steel Company of Canada has spent about $21 million total in air and water pollution control measures. Dofasco something considerably less than that.

It seems obvious that the companies have a programme and the Minister has accepted this programme. I want to know what it means in dollar value to the companies involved because it appears to me that the past record shows that in relationship to their financial ability to clean it up, their efforts have been pitifully small.

The matter of the Ottawa Street docking area for example. The Minister will remember it well; that is that dirty, soupy, brown water. It is almost of a consistency that we say instead of swimming in it you walk on it. Has the Minister any idea now what can be done to clean up that particular portion? Because it is from areas such as that that the major pollution in the bay comes. Unless we can do something immediately to resolve that particular problem and problems similar to that all along the front of the bay, we are not going to be able to clean it up to any appreciable extent.

The other matter that concerns me is the matter of the municipal sewage treatment plant. Stelco and Dofasco's programmes are to some extent tied into the municipal sewage treatment plant that they are proposing to build at this time. I want to ask the Minister as a matter of policy, whether he does not think we might move away from having the onus of building those plants on the municipalities and have OWRC take over entirely the responsibility for ensuring the development of those plants. What we are having right now is that the city of Hamilton is sort of caught between the devil and the Ontario Government.

Mr. Nixon: Which is which?

Mr. Deans: At the moment the devil is the federal government because they will not give the funds. We are in a position where it is financially advantageous for Hamilton to borrow the money from Central Mortgage and Housing, but because Central Mortgage and Housing are unable to give a commitment, the project is being held up. Surely it would be better for the province of Ontario to negotiate with the federal government to have the moneys made available to the province so that we could then only deal with one level. We could proceed in a more orderly fashion towards cleaning up the pollution, particularly in Hamilton Bay.

I was interested in the remarks of the leader of the Opposition in regard to the sanitary sewage and land fill. I raised this matter last year and I am concerned that nothing yet has been done; at least nothing appreciable has been done to resolve the difficulties of seepage from the Hamilton dump on the mountain into the creek that runs directly into Lake Ontario.

The Red Hill Creek was studied during the OWRC study of the area two years ago. At that time it was found to be so polluted that it was a danger to the health of the residents. As far as I can ascertain from having walked down through the area within the last six weeks, there has been really no effort made to stop the seepage from the Hamilton dump into this particular body of water, and this just empties into the lake. There is no point in us talking about stopping pollution unless we are prepared to force municipalities to do something about this kind of seepage.

If the Minister could indicate to me what action there is. I do not want to overlook the effort of the Minister. I think that he is making some effort in the anti-pollution battle. We in Hamilton appreciate his offer to go with the delegation of the municipal council to Ottawa to attempt to raise the funds for the secondary sewage treatment plant. We do not want to leave the Minister with the impression we do not appreciate that. We do. But this is not nearly enough.

The time has come when we have got to get away from this dual responsibility because all that happens when we find two legislative bodies responsible for one thing is that they

play each off against the other. When one does not have the funds, the other, of course, offers to help but cannot make any financial contribution. I think that the Minister has to move into this area immediately, try to get the money directly from Ottawa, use the money as he sees fit and implement the programmes necessary, particularly in large municipalities, to resolve the difficulties they presently have. I would like to know if the Minister can answer the questions.

Hon. Mr. Kerr: Mr. Chairman, regarding the study of the bay. We did not really conduct the study on the bay looking for that particular aspect of it. We were studying levels of pollution and pollutants. I am advised that the bay, in spite of its present situation, does have recuperative powers. A lot of this will depend on the type of waste and the flow-through. Unfortunately, it does not have too much flow-through; very little, that is right. You wanted to know the amount of moneys that the two main companies had spent.

Mr. Deans: No, I was not interested in how much they spend. I want to know if the amount spent is satisfactory to meet our anti-pollution measures in terms of financing.

Hon. Mr. Kerr: The commission is satisfied with the programmes of both of these companies and that by 1973 the problems generated from the waste of these companies will be solved. Dofasco, for example, we know plans to spend another $5 million immediately. We are not aware of what Stelco's figures are, but they have spent about $8 million to date.

Now, regarding the Hamilton plant. There is no question about it that this has been a disappointment, particularly the tender price is discouraging. It is about a third more than was originally estimated. I think in the matter of the province taking this over, we could do this by way of an agreement with the municipality. However, it is again a matter of money—whether or not we have this much or this much funds in our budget for this type of construction. This would have to be worked out depending on the ultimate results of negotiations with the federal government.

Mr. Deans: Could I ask another question about that? I understand it is more advantageous for the city of Hamilton to negotiate with Central Mortgage and Housing and build their own. Why can we not produce the same product through the Ontario government at the comparable price? Why can we not negotiate with Ottawa and have the money made available and produce the same product at a competitive price? Then we would not have this problem of municipalities having to wait for money in order to proceed with the programme.

Hon. Mr. Kerr: Well we do take part in the CMHC forgivable programme. But the problem here is, according to the federal Minister, that the fund of approximately $50 million set aside for this has gone dry. I do not, frankly, believe that is so. I really do not believe that is so.

I think the whole problem here is because they have this millennium that was introduced in the House of Commons the other day called The Canada Water Act. Everything else is stopping, everything. All control measures, all assistance is stopping and that includes assistance to conservation authorities for reservoirs under The Canada Water Assistance Act, as well as loans under CMHC. And this is unfortunate. They can still go ahead with The Canada Water Act and do those things that have to be done.

Mr. Deans: Why could we not produce the same plant at a comparable price? This is the most important issue. Why can Ontario Water Resources Commission not produce the same facility at the same price as the city of Hamilton can by borrowing the money from Central Mortgage and Housing? This is the hang-up. We could go ahead with it tomorrow morning if you can do this.

Hon. Mr. Kerr: We can. It is a matter of money.

Mr. Deans: You can?

Hon. Mr. Kerr: We can if we could—you mean, could the OWRC borrow this amount of money from CMHC? Is that what you are saying?

Mr. Deans: What I am saying is —

Hon. Mr. Kerr: Or should we have the same type of programme?

Mr. Deans: Yes. Why is it more advantageous to go to Central Mortgage and Housing and borrow the money there, than to come to Ontario Water Resources Commission and ask them to go ahead and put in the programme?

Hon. Mr. Kerr: Because we do not have a programme. We do not have a programme of lending money with a forgivable portion of the loan. We do not have that type of programme.

Mr. Deans: Since the federal government has abdicated its responsibility in the field, and since pollution is such a major problem in Ontario, do you not believe we ought to move towards that kind of programme immediately?

Hon. Mr. Kerr: We may very well require that type of programme or at least some form of assistance or grant, but at the present time, as you know, we build municipal sewage plants and operate them, and then charge on a user basis.

Mr. Deans: The trouble is the cost is so much higher.

Hon. Mr. Kerr: That is true, but the cost, I am advised, is not so much higher. It is at cost to the province but I do not know of any forgivable feature of the provincial project. You mentioned that because of the problem now. However, according to the provisions of The Canada Water Act, the federal government will in fact move into areas of municipal sewage disposal. This is one of the main functions apparently, of this legislation, that they will create regional areas and river basin areas and control pollution from municipalities and industries. Therefore, if they intend to do that, which is basically OWRC responsibility at the present time, certainly there must be some money in this programme from municipalities.

Mr. Deans: We are going to create jurisdictional argument from delay.

Hon. Mr. Kerr: Right.

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. Deans: I have a hundred and fifty more things to talk about, but with such a limited amount of time left I will speak to the Minister privately.

Hon. Mr. Kerr: Yes, the member has been trying for some time—

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Chairman. My riding is Windsor-Walkerville.

Mr. Chairman: Windsor-Walkerville. I am sorry.

Mr. B. Newman: Mr. Chairman, I want to commend the Minister on the interest he has shown in the Windsor and Essex county area. It is a great relief to find a Minister as seriously concerned as this Minister is. However, there are still a lot of problems even though he shows the concern that he does. The one that I would like to bring to his attention is that concerning the Wyandotte Chemical Company.

I have been in correspondence with the Minister concerning this problem and the result of the correspondence is that the Wyandotte Chemical Company, I understand, is going to attempt to meet with OWRC objectives. However, the Wyandotte Chemical Company has now changed ownership, it no longer belongs to the group from the U.S. that operated it before, it is now operated and owned by a German corporation with the initials BASF—Badische Anilin und Soda Fabriken—and I am just wondering, at this time, due to the fact it has changed ownership, there may be some agreements that the new owners may refuse to live up to and a result, we will find the effluent still dumped from the Wyandotte Chemical and the Fighting Island area into the Detroit River.

I think that it is time now that we really lay down the law to our American friends. We have enough of our own pollution without having to import any or have our American friends dump theirs on us, especially this type of pollution that we can control.

Air pollution we may not have any control over because of prevailing winds, but at least this pollution coming from an American based company, owned by Germans now, dumping its pollutants on a Canadian island, eventually ending up into the Detroit River, is a thing that I think we should look at very seriously. If we have agreements for this dumping, then we should think seriously of invoking the agreements at this time.

Rather than get an answer from the Minister on this, I will keep talking so that I can complete my remarks and allow others to make comments concerning other topics. In one of the questions, before the orders of the day, I asked the Minister concerning a deadline for dumping of industrial liquid waste. There are a lot of small manufacturers who, in the process of their operations, collect a considerable amount of industrial liquid waste. They do not have a method of disposal at all and it probably is uneconomical for them to go into some type of elaborate water treatment facility, but what they have been doing is taking the waste to a sanitary landfill area and dumping it in that area.

These liquid wastes, as a result, filter through the ground and may have some adverse effect miles away from the source in which they happened to be dumped. I think that there should be some type of plan or

scheme on the part of the department and some deadline set, so that we would no longer be disturbed and bothered by industrial liquid waste.

The University of Windsor Industrial Research Institute compiled a study concerning liquid waste and have come up with some fairly good recommendations that I think the Minister should look into. At the same time, since I am on the University of Windsor and the Industrial Research Institute, I asked the Minister if he was going to make available a grant to them, to further studies. The studies I specifically referred to were the ones in the southern extremities of the Detroit River and the Crystal Bay area. From what I understand, there is a study concerning Crystal Bay that indicates the bay is, by far, more polluted than any dump material that may be thrown into the bay and if this is true, I would certainly appreciate if the Minister would make that public.

There is one other topic that I would like to cover and that is the air pollution in the local area. We have had a real problem with the Chrysler-Windsor Foundry and I understand that will be resolved fairly shortly with the foundry being phased out completely. The Minister has given me his assurance that any new owners that do take over will have to meet with certain requirements before they will be allowed to put the plant back into operation.

However, the Ford Motor Company still have a power generating plant in the community that just pours out the pollutants. In fact, one day—and this happened to be May 31 that I was driving by, on a Saturday and I happened to pass by about 10 a.m. and the white smoke was just pouring out. At 11.10 it was the same thing; at 1.10 when I drove by, it was the same; at 4.20, the pollutant was still pouring out. I think, Mr. Minister, it is time that this facility be put under control.

The Ford Motor Company have a fairly elaborate plant to take care of the new foundry pollution problems, but their powerhouse generating plant still throws the pollutants out into the atmosphere and some type of plan or programme should be underway to completely eliminate that type of polution.

I only hope that the Minister, in the course of his remarks in reply to my questions, has some answers for these because his answers are of extreme concern, especially in the Windsor area since Windsor is considered to have the second highest incidence of air pollution of any of the cities in Canada, as outlined by the Economic Council of Canada. We would certainly like, as quickly as possible and as soon as it is economically feasible to take care of the air pollution problem in that local area. With the incidence of cancer as mentioned by two previous speakers, you can see that Windsor itself has a very adverse position, healthwise, as the result of the tremendous amount of air pollution that we have to suffer.

We have the trans-boundary pollution from our friends across the border that we may not have the control over that we would like. At least let us try to eliminate as much of our own pollution as we possibly can, so that no longer will the residents of the area be bothered with that portion of the pollution that we can control. Could I have the Minister's replies to some of these questions?

Hon. Mr. Kerr: Mr. Chairman, as far as Wyandotte Chemicals Corporation is concerned on Fighting Island, the operation of their waste disposal facilities has been generally satisfactory, as far as OWRC is concerned recently.

Mr. B. Newman: As of when?

Hon. Mr. Kerr: As of September.

Mr. B. Newman: September?

Hon. Mr. Kerr: Yes.

Mr. B. Newman: My letter from you as of September does not indicate that at all.

Hon. Mr. Kerr: I have just forgotten what I said in my letter to you, but the company just recently received approval to proceed with modifications to further improve these facilities for the removal of further amounts of suspended solids. I understand that the problem there is calcium chloride and sodium chloride, and these two salts are being disposed of.

Now, the hon. member also talked about industrial liquid wastes. As the hon. member knows, he has reason to be proud of his city because Windsor is the only municipality that we know of that accepts all types of industrial wastes in Ontario. Most municipalities will not accept industrial liquid waste.

Mr. B. Newman: But they have a problem even with this.

Hon. Mr. Kerr: I understand the city does have a problem regarding this proposal, and the only suggestion I can make is as I indicated in my remarks just previously to your

leader, that private entrepreneurs do, in fact, have the equipment to dispose of all this type of waste, and I suppose it means a further investment by the city of Windsor to acquire this equipment.

You also mentioned Chrysler foundry. You are correct. You were confirming that it will be closed. As far as Ford is concerned, it is being surveyed and it will be put on a programme to control the foundry and its power house.

Mr. B. Newman: Pardon me, Mr. Minister, do you lump the two together, or do you work a programme separate for the foundry and separate for the power house?

Hon. Mr. Kerr: Usually separate; the foundry is under a regulation now.

Mr. B. Newman: Right, and are they under any ministerial order to clean up the power house?

Hon. Mr. Kerr: They are not under a ministerial order at the present time, but just as soon as a survey is completed by air management branch they will be under ministerial order.

Mr. B. Newman: Good.

Hon. Mr. Kerr: The only other point that I think you mentioned was regarding studies at the University of Windsor.

My information is that OWRC is conducting bacteriological studies in that area. I am not quite sure why you are involving Crystal Bay, because the commission's finding is that this is a very clean body of water.

Mr. B. Newman: Mr. Minister, I understand from some secretive report that just the reverse is true, and I would like it cleared up. Is it a clear bay? Is it really as pure as is said by your department? I understand one other study says that it is just the opposite.

Hon. Mr. Kerr: The information I have from the commission—and this I received last summer—is that it is almost fit to drink.

Mr. B. Newman: Well, how often is this tested and how late is this study. I understand a recent study indicates the reverse is true.

Hon. Mr. Kerr: This is the result of a 1969 analysis.

Mr. B. Newman: That was only taken once by the Ontario Water Resources Commission, whereas the study I understand taken by others was by far more recent and was indicative of a completely opposite report.

Hon. Mr. Kerr: They could send their samples to OWRC and we could confirm that, Mr. Chairman.

Mr. B. Newman: Thank you.

Mr. Chairman: The member for Scarborough Centre.

Mrs. M. Renwick (Scarborough Centre): I have two brief questions under vote 611—air management branch. I have been corresponding, Mr. Chairman, with the Deputy Minister on the air pollution in Pilkington Glass area in Scarborough. Is that report ready yet?

Hon. Mr. Kerr: It is not ready yet, I understand, Mr. Chairman.

Mrs. M. Renwick: Mr. Chairman, I would like to say to the Minister I also have letters from students in a collegiate in the Scarborough area asking what I am doing about air pollution in Scarborough.

May I ask the Minister what are you doing about air pollution in Scarborough? In the Scarborough area—Pilkington would be one of them—I understand that on the premises of Pilkington there is a study going on at this time. Is there any study regarding the homes in the area, the effect on the homes in the area of Pilkington Glass?

Hon. Mr. Kerr: Mr. Chairman, Scarborough is part of the Metropolitan area. All areas are being programmed; industries in the whole of Metro are being programmed.

Now, whether or not there has been a study of individual homes I am not prepared to say, but I know that the quality of the atmosphere and the degree of contamination over all of Toronto from all sources is continuously monitored.

I am not sure if the technicians of air management branch are able to break down or separate, for example, residential areas from commercial areas. There is some emission, of course, from homes that use coal—if there still are any—and oil furnaces. If possible we would attempt to provide a separate report on Scarborough.

I think if the hon. member, Mr. Chairman, could appreciate generally the programme that air management branch is involved in; it involves monitoring at certain areas all over Metro, both in the air and at ground level.

As the hon. member knows, some of the sources of pollution, for example in Scarborough, may come from Scarborough's neighbour. So it is difficult to say the degree of pollution originating in Scarborough.

I suppose that all the homes, all the heating facilities of homes and commercial establishments, are inspected, and certainly the air management branch people work on any complaints in this regard.

Mr. Chairman: The hon. member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, the hon. Minister may remember the private members' hour which we spent some time ago on the problem of disposable bottles.

At that time it was suggested to the Minister that there were some nine departments of this government which would have information that would be of use to the Minister in resolving whatever problem exists in this area.

I know that the hon. members have recently received a document entitled, "Report of the Special Committee on Disposable Bottles", as published by the Conservation Council of Ontario. In that pamphlet many of the other items of information brought forward by the Glass Container Council, and by various other sources such as the survey in *Town and Country* of this April, have had the points raised in those surveys either discounted or other information brought out.

And we have seen then, certain surveys which apparently have been conducted by independent sources, and certain articles and ideas which have appeared in the press and in publications such as this. These are all dealing with either approval or disapproval of the results of those surveys. I am wondering what plans the Minister has to propose to the waste management branch, if that is the appropriate branch in this department, to bring together and finally resolve this problem through the intervention of the government of Ontario, and to find out exactly what the facts are.

Surely, unless we know what the damage is that has been done, and what the actual story is as to the use and abuse of this kind of an item, we will not be able to come up with any intelligent approach to the problem.

Can the Minister advise me what he plans to do in order to attend to this problem?

Hon. Mr. Kerr: As the hon. member has indicated, Mr. Chairman, there have been a great number of studies about this problem. I read with interest the findings of the Glass Container Council. I was also quite surprised to read that apparently the state of Vermont had in fact banned non-returnable bottles and had rescinded that legislation; so this was rather interesting and I think would probably have us give more study to this problem, before we rush into legislation.

I also noted that the study indicated that this was a people problem and that the amount of debris of non-returnable bottles matched that of returnable bottles, in this particular survey. Other things such as paper, and shall we say old bones and miscellaneous litter, seem to amount to more of a problem than the non-returnable bottles. So we are studying this matter, we are going to prepare solid waste legislation for next session and regulations so there will be a continuing study of this problem.

Mr. Chairman: The question now, is in accordance with the agreement. Shall votes 607, 608, 609, 610, 611 and 612 carry?

Votes 607 to 612, inclusive, agreed to.

Mr. Chairman: This completes the estimates of The Department of Energy and Resources Management.

Hon. Mr. Welch moves that the committee of supply rise and report that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the Chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and ask for leave to sit again.

Report agreed to.

THE ELECTION ACT, 1968-1969

Hon. J. P. Robarts (Prime Minister) moves second reading of Bill 217, The Election Act, 1968-1969.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, the amendment of The Election Act is as a result of the deliberations of the committee over more than two years. The committee is continuing and they will no doubt bring in recommendations to the House as to some changes, perhaps, in the voting age, and other matters of more immediate interest than those which are contained within this bill.

We look forward to further amendments before we return to the people, an election that may be two years or three years away, and I do not think this is the proper vehicle for talking about principles of The Election Act, which are not contained in this amendment.

The proposals that have been put forward have been generally agreed to by all members of that committee, and we all know that they have ranged far and wide in their researches and have delved deeply into the alternatives that were available to them.

I believe the committee has done a good job. I hope that they will continue and come to grips with perhaps some of the more difficult matters that face us as members of the Legislature and, basically, as citizens of Ontario, in bringing our election procedure and the principles upon which it rests, up to date. For this reason, we on this side, support the bill as it is brought forward and we would expect further amendments within the next two years, in time so that the chief electoral officer can make the arrangements whereby they would be in force at the next election.

Mr. W. G. Pitman (Peterborough): Mr. Speaker, I would like to record that this party certainly approves of the legislation which is before this House.

We too, would like to see, particularly, a further amendment to the voting age. We think that one of the ways we can measure and evaluate democratic processes in our province and in our country is by the way in which we conduct elections, and I think it is totally appropriate that this Legislature, and the committees of this Legislature, should be concerned with this matter and we would hope that over the next year, or year and a half, that further efforts will be made to make our election laws as relevant as they can be in this democratic society.

Mr. W. Ferrier (Cochrane South): Mr. Speaker, as a member of the select committee that has been set up to study election laws in this province, it has been a pleasure to serve on that committee and, as has been stated, this is just the first stage of a two stage revision of The Election Act of the province of Ontario.

There are some things in this Act that I think are a great improvement—such things as the principle of the DRO's being of one party and the poll clerks being of another political party, so that there is a check on the activities of each other. The same applies to the extension of the enumeration throughout the province so that there are no longer rural and urban polls; that the polls be treated alike, and that insofar as is practically possible, all people to be enumerated, will have to be called upon by two enumerators of opposite political interests.

I think that this is a great improvement because in the past, in certain areas, a person would sit down with the telephone book or some such thing and list the names on there and they were not sure whether the person was still living or not. So this is another step forward.

I think that the move to eliminate vouching, except in certain unorganized territories in northern Ontario, is also another move forward. It will bring more pressure to bear on the enumerators and returning officers to make sure they have an accurate and up-to-date list. The provision in this new Act to appoint permanent returning officers is, I think, another step forward so that the province has the permanent machinery to move into an election. The returning officers in each riding will have the opportunity to do a lot of advance work ahead of time to set up for an election. And there will not be quite as much pressure and, perhaps, panic as sometimes may have ensued in the past. We should have more orderly elections, and I think we will have returning officers, in many cases, who will be more knowledgeable about what is going on.

The extension of voting by proxy is another good thing, and I think that, as others have stated, many of these things are revisions that are not of great consequence from a policy point of view. The committee is making a study at the present time of many other things in which we may not reach such unanimity when another report comes in, but I think that I can quite safely say that our party supports the Act as it is presently put before us; and we look forward to further work and further revision in such things as lowering the voting age to 18, and what consideration will be given, perhaps to paying candidates' expenses.

I was quite impressed—and the member for Downsview felt the same way about it—at the way the system operates in the province of Quebec. I think our committee will shortly be considering this and that it would perhaps cut down on the expenses the various candidates have to bear in the sense that there is a ceiling on the amount of money that can be spent—and some of it comes in from the province.

I think at this point that I will say no more and we will reserve our comments for another revision of the Act which we hope will come in in another year's time.

Mr. V. M. Singer (Downsview): I was privileged to be a member of the select committee which brought forward the recommendations which substantially—I think, almost without exception—are incorporated in this Act. I think it was a very good start. We have cleaned up a lot of the nuts and bolts of election procedures in this regard and made some substantial improvements. The improved form of the ballot, I think, is very important. We have a number of investigations that have not yet seen the full light of the report; the ones referred to by the hon. member for Cochrane South are the most relevant. The whole question of the public role in the payment and/or subsidization of election expenses is very important. The question of a top limit on election expenses. The very serious question of full declaration. I think the public is entitled to know and must know how many dollars are spent on elections; and, obviously, the system we have presently in this province does not provide for that.

The question of voting age; certainly we are going to come to a conclusion on that and make a recommendation. The question of permanent registration. Some of us, I may say, sir, came to the committee with the idea in mind that there must be a better system of setting up lists of voters and determining who was eligible. For myself—and I do not want to put words in the mouths of any other members—for myself, having had a look at systems in several parts of this country and other countries, I have come to the conclusion that the system of enumeration, as imperfect as it might be, is probably the best existing system, and we are going to have a very interesting discussion on that.

I commend the government for bringing forward the bill substantially in the form in which the report was introduced. Without elaborating at any great length on this debate I do want to say a special word of praise for the chairman. The hon. member for York-Forest Hill (Mr. Dunlop), as chairman of this committee, has done an outstanding job in my opinion and deserves the commendation of all members of this House.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I will make my remarks very brief because the job has been partially completed. We have had an excellent chairman whose responsibility it was to bring in this Act, and for that reason my comments will be extremely short.

One of the fields that I thought we should maybe consider seriously is the limitation of election expenses. When we look at our friends in the United States and see them spending $2 million and $3 million and even up to $5 million to become elected the governor of a state, we just wonder if we, under our present system, are not eventually heading for a similar type of election expense. We certainly hope not, otherwise we are going to get to the point where the only individual who can run for public office is one who is financially independent. The committee, in their studies of lowering the voting age certainly do have sufficient statistics from the various provinces the length and breadth of Canada so that a recommendation, we hope, will be made in the next report that is submitted by the committee.

The new type of ballot, I think, is unique and it is extremely simple. I cannot see how an individual can actually spoil a ballot.

Mr. Singer: They will find a way, they will find a way I am sure.

Mr. B. Newman: The member is probably right; they will find a way of spoiling it but it certainly is very, very simple.

Mr. E. R. Good (Waterloo North): They could put an X under the wrong name.

Mr. B. Newman: They do not even have to use an X this time so that it makes it that much easier for the individual.

Looking at voter registration in the jurisdictions that we did visit, I have not seen a system that gave as complete a voters' list and as correct a voters' list as the one that we employ in the province of Ontario today. Our friends to the south of us, if they register approximately 75 per cent of those who could be eligible to vote, are quite happy with it whereas ours, I understand, will go up to approximately 97 per cent. In addition to that, ours are recent because an individual still has time to get on the voters' list to within approximately two weeks of the call of an election. So all in all, Mr. Speaker, I would like to conclude by commending the chairman most highly on the most efficient way in which he conducted the meetings of the committee, and the speed with which he was able to bring down an amendment to an Act which certainly did need amending. I should not say "amendment"; a new Act for an Act that needed replacing.

Mr. C. G. Pilkey (Oshawa): I just want to make one comment, Mr. Speaker, and that is in reference to the person who is hospitalized and, as I understand it now, he will have the right to cast his ballot. This is a democratic right that was denied many people in this province and I hope that I am reading that section of the Act correctly, that they do now have a vote, because previously many people were denied that right. I wonder, when the Prime Minister is making his remarks, if he would respond to that section so that—as I read it on page 15 and 23, the bottom of page 23. I trust we are talking about people who are placed in a general hospital, I am not talking about homes for the aged, or institutions or anything like that, or a chronic hospital where they treat chronic patients. I am talking about a general hospital where people might stay for a week during the time the election takes place. Previously they were denied the right to cast a ballot. As I read this section, I take that this corrects that situation.

Mr. Speaker: Is there any other member who wishes to engage in this debate?

Mr. Nixon: A word from the chairman perhaps?

Hon. Mr. Robarts: Mr. Speaker, I do not think that this does, in fact, extend to a general hospital, but there is provision in this new Act for someone who is medically certified to be incapable of attending a poll, to vote by proxy. But section 54 apparently does not apply to a general hospital, but to the person in a general hospital who can vote by proxy.

I think that covers the point the hon. member makes. I do not propose to repeat what has been said here. I think we all realize this bill will be further amended in all probability and there will be further discussion. If something comes to light in the next year or so the bill, of course, will be further amended.

Mr. Speaker: The motion is for second reading of Bill 217. Is it the pleasure of the House that the motion carry?

Motion agreed to; second reading of the bill.

THE VOTERS' LISTS ACT

Hon. Mr. Robarts moves second reading of Bill 218, an Act to amend The Voters' Lists Act.

Motion agreed to; second reading of the bill.

THE SCHOOLS ADMINISTRATION ACT

Hon. W. G. Davis (Minister of Education) moves second reading of Bill 45, an Act to amend The Schools Administration Act.

Hon. Mr. Davis: Mr. Speaker, there will be three or four other bills, some of them related to this, and with the consent of the House I think it will be wise to have it go to the standing committee on education for its consideration.

Motion agreed to; second reading of the bill.

SECONDARY SCHOOLS AND BOARDS OF EDUCATION ACT

Hon. Mr. Davis moves second reading of Bill 46, an Act to amend The Secondary Schools and Boards of Education Act.

Mr. Speaker: Shall this bill be directed to the same committee?

Motion agreed to; second reading of the bill.

Clerk of the House: The 12th order; resuming of the adjourned debate on the motion for second reading of Bill 41, The Ontario College of Art Act, 1968-1969.

ONTARIO COLLEGE OF ART ACT, 1968-1969

Hon. Mr. Davis: I have just received a copy of the remarks that were put on the record by my hon. friend in speaking to the second reading of this bill when it was first called, and I hesitate to put them into the record at this late date again. I think it was well discussed at that time.

Mr. Pitman: Mr. Speaker, I would like to say a few words about this piece of legislation. I think it is a milestone in many ways in terms of the public involvement of this Legislature in the affairs of an educational institution in this province. I think it is a piece of legislation which would make us stop and think very carefully, whenever we see young people who are angry and frustrated and concerned.

I can remember very vividly the days on which these young people arrived at this Legislature carrying their placards indicating their disaffection with the institution, which is the responsibility of the Legislature. I can remember very vividly, the attitudes of many

individuals towards those who appeared rather gaudily dressed and in some ways somewhat noisy individuals.

These were what I would call reluctant revolutionaries because most of them only wanted to go back and do their painting and their sculpture and be left alone.

But they were concerned about injustice, and it is rather important to remember now, Mr. Speaker, as I say, when we see any group of young people in our society who are demonstrating in a peaceful fashion against what they feel to be something that has gone wrong, that we should remember this particular piece of legislation because as it turns out, they were right.

They were dead right, and those of the critics who said these were irresponsible anarchists; yes, there were even suggestions that they were individuals who wished to destroy the society in which they lived, they had no respect for the elders and no respect for the institutions that were created by this province —those people were dead wrong.

I think that it is very important that we consider this, because we are going to be dealing with young people. My colleague, the member for Riverdale, has indicated his position, and from now on the various pieces of legislation that deal with the universities or public institutions in the educational field should come before this Legislature.

I think we must accept that responsibility, and so, as I say, this is an important piece of legislation. I would just like to quote for a moment from a editorial in a well known newspaper, the Peterborough *Examiner:*

> Do student protests ever achieve anything?
>
> In the case of the eight-day sit-in that disrupted classes at The Ontario College of Art in Toronto last spring, the answer would seem to be in the affirmative. Had the students not raised such a fuss over the firing of two instructors and some changes in the curriculum, the chances are that Education Minister William Davis would never have been prompted to order an investigation into the one-man rule that prevailed at the college.
>
> The report prepared by Dr. Douglas Wright, chairman of the committee on university affairs, may well establish guidelines for reform in the other of Ontario's universities and colleges. Certainly administrators across the province will study it carefully, for while the Wright Report may not go as far as many students would like, it goes far enough to cause consternation in the minds of many educators who view student participation in the running of a university as being akin to letting mental institution inmates operate their own asylum.
>
> It is not really all that radical. It advocates a student voice in university government, but not a veto. It calls for a governing council to be composed of nine representatives of the community, six elected faculty members and three students. Subsidiary boards and committees would also have strong student and teacher representation.
>
> The reforms would also have a notion of academic tenure introduced so that teachers would have more security than under their present year to year contract system.

Now, of course, these young people were concerned about what they saw as injustice, and strangely enough the injustice was not so much to themselves as the two faculty members.

I am not going to dredge up the whole controversy that took place on those bleak days. I guess it was last December that this whole business blasted into the headlines in our Toronto papers. I am not going to go into that whole business, but I think it is significant.

Significant to remind ourselves when once again we see young people out on the steps of this building; when once again, we see young people carrying placards; that they may be just as right this time as they were on that occasion.

Now, I want to record one or two comments that are made by Dr. Wright in his brief, the report on the Ontario college of art, just to remind ourselves of some rather important points. It seems clear then, and I am quoting the report:

> That the recent unrest in the college can be largely attributed to an obsolete and faulty pattern of government and administration.

I might add exactly what the students said.

> It is the purpose of this report to propose a structure in keeping with the needs of the college in these times.

I am quoting Dr. Wright again:

> Since change is the order of the day, there is no reason to believe that the structure proposed in this report might not need to be changed substantially before many more years have elapsed. It is to be hoped that

further changes can be developed within the college to the structures outlined in this report so that external influences would not again be necessary.

I think this is a challenge what Dr. Wright sets out in this report. The fact that institutions today can only be expected to service for a very few years, that change is indeed the order of the day, and unless we are willing to manipulate our institutions we are going to face again and again the same kind of student protest which was necessary in order to get the changes in this particular institution.

I repeat again, those changes would not have come unless those young people had been out on the steps of this particular building; unless those young people had been sitting in for nine full days in their own college. The Minister himself, who went down and spoke to those young people in that college during that sit-in, knows well the importance of that particular event. And so I suggest to you, Mr. Speaker, that Dean Smythe of York University, who suggests that we are living today in a revolutionary age, when we see revolt against every institution —whether it is the church, labour unions, corporations, or economic institutions. Virtually every institution is under fire and certainly educational institutions are in a similar position. Therefore, the challenge that this report, I think, gives to us is to recognize that every institution in the educational field is today under fire. We have a responsibility in this Chamber to be responsive to the needs of that change and I hope that every member in this Legislature has read the report.

Hon. A. Grossman (Minister of Correctional Services): This is our bill, is it not?

Mr. Pitman: I might say to Mr. Speaker, the hon. Minister of Correctional Services might very well take a look at his own institutions and might very well see if there are not many more ways in which there could be some changes and some revisions in regard to those institutions. I am not suggesting that perhaps the inmates should run his institutions completely, but I am merely suggesting that there could be greater involvement of those in the institutions in securing changes in those institutions. I think there is a very good role to play.

Hon. Mr. Grossman: We make changes almost daily.

Mr. Pitman: There may be many more than one per day needed in some of the areas. I will restrain myself from delving into that. Mr. Speaker, there is one area in the report which bothers me. I am quoting: "The study is not being concerned with the curriculum."

Perhaps there was no place in this document to give a detailed outline of the curriculum, but rather to relate the needs of the curriculum to the structure—to the government structure. I do not think this was done clearly enough.

In fact, if I might just quote for a moment from the publication of the students themselves at the time of the sit-in. I would like to quote the opening statement they make:

> Dissatisfaction and unrest was centred with the students on the drawing and painting department. The condition was the result of a lack of communication between the students and their department head and this kept them in this constant state of unrest.

I think the Minister will remember very clearly the fact that it was the problem of curriculum as it related to the structure. I think this was not very clearly brought out in this particular report and I would hope that the Minister would take a look at it. In fact, I hope that perhaps when the Minister comes to speak he might tell us what is going on at the college of art. I would assume that this—

Mr. Speaker: I would point out that we are debating the principle of the bill and not what is going on at the college of art, nor the curriculum and I would ask the hon. member to stay with the principle of the—

Hon. Mr. Grossman: He is going to change the name of the college to the "Grossman college of arts."

Mr. Pitman: I bow to your admonition, Mr. Speaker, and I will try to stay on the bill itself. But I hope the Minister might be allowed to wander just a little. I wish that there had been in this report on which the bill is based, Mr. Speaker, a greater degree of concern over the philosophic basis. Perhaps it should be in the bill itself on the college of art. For instance, I think Dr. Wright, in his report on which the bill was based, states that the purpose of the college is simply to provide the opportunity and environment for the education and training of students and teachers in the fine and applied arts.

Surely there is a place in this bill, and certainly there was a place in his report, for indication that it is only in a free community

that any kind of real art can exist. Where there is dishonesty or intolerance and injustice, art becomes a travesty. I think somewhere—I am not quoting, I am stating what I feel—somewhere this should be stated and be a part of a preamble to this bill and a part of the legislation which is being brought in.

I think there is a very good argument for openness, complete openness in the minutes of the council, so that all know exactly what is going on. The kind of unrest that took place during those months, seemingly almost years ago, will not re-occur in regard to this particular institution.

The legislation, based on Dr. Wright's report, suggest a unicameral system and for that, of course, I think he refers to that Duff-Berdahl report and how important that was in his definition of his task. You might say it is rather significant.

I think that at the present time there is a very real ferment going on across the road in another very large and important institution in our province, as to what form of university government they should seek out. Of course, they, too, are turning more and more towards a unicameral system. This is not to say that every university should have this kind of system, but certainly it is a system at which every university should take a very long and close look.

One problem which I do not think is dealt with by the legislation which, I think, we would like to see more specifically laid out, is the extent to which the students are going to have some role. It is laid out in terms of the numbers and varies, certainly, on the council.

We would like, I think, to see more definition of the way in which students reach the council and the way in which they report back to their own student body. The extent to which there is a flow rather than just a very formalized structural recognition of what part students are to play in the government of the college. I think there should be a very much closer definition of the structure for input and output.

I think that we need a stronger definition of the role which students would play within the various curriculum committees within the college. We think, too, that this is a role for which this bill could very well provide a plan, a projection which other universities and other institutions can certainly concern themselves with.

Mr. Speaker, it is so long ago since this bill was brought down—at least it was introduced in this House. So long ago that the events which occasioned this bill took place that one almost has to deal with nostalgia rather than come to grips with the whole matter. However, I think this is certainly a step forward.

We would still like to think that they could go much farther and we would certainly hope that perhaps, looking at the report on which this was based, we might very well expect to see amendments to this bill coming forward very soon, which would deal with the basic problems of an institution in a democratic society, and how an educational institution in a democratic society can properly relate.

It talks about advisory committees. We would like to see a far greater relationship between this institution, not only with this Legislature but the public as a whole. An even greater degree of concern over that problem.

We are standing on the threshold of a revolution in educational institutions and this is, I think, one of the first things I said, one small step. I hope it is not regarded as a large step by the Minister of Education, and I hope he recognizes that this is only one small step, and there is an awful long way to go, if we are really going to comprehend what is needed for educational institutions of this province.

Mr. Speaker: Is there any other member who wishes—the hon. member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Speaker, I am not quite as enthusiastic about the bill as my colleague, the member for Peterborough. I think that the laconic report of Dr. Wright on the Ontario College of Art has the rudiments of some of the basic ideas which are in ferment in the college of art, but I certainly think that the bill itself goes only a very small way toward any form a democratization in the institution as such.

It is such a short way that I doubt very much, in fact, whether it will amount to a democratization of the college of art. I am prepared to give those responsible for the administration of the college and the Minister the benefit of the doubt, and not to oppose the bill on second reading.

I want to take a few minutes to deal with the bill. I was very interested to note in Dr. Wright's report at the every end that he speaks about the interim procedures of the college pending the enactment and coming into force of this legislation.

He suggests that during the interval between the time that his report was made and the time the bill comes into force, there should be some real evidence that the changes which were envisaged by him in matters related to the policy of the college in the field of students' rights—in the field of academic freedom, in the field of tenure and many other areas—the policy of the college should be dealt with and implemented in the interim period, on the way to the final proclamation and bringing into force of this bill.

The last paragraph of his report is worth quoting in that particular context. He refers in the very last paragraph:

> Following acceptance of this report by the Minister and indication that the proposed new structure is to be enacted, it would be desirable and appropriate for the present council and the administration of the college to prepare for the new structure by adopting, under the legal authority of the present council, as many of the structures and patterns proposed in the report as may be possible on an interim basis. Such action will greatly facilitate change.

I think when the Minister is calling on us finally to give approval in principle to this bill, it is incumbent on him in his remarks on the bill, to give us a very clear indication of what has in fact, taken place at the college. This is during the period from, as my colleague the member for Peterborough referred to it as, the Winter Palace scene before this Legislature in February, 1968, finally to the appointment by the Minister of Dr. Wright to prepare the report and the delivery of the report well over a year ago now to the Minister.

I hope the Minister will give us a detailed statement, before we are asked to vote on this bill, as to what, in fact, has taken place at the college in implementing many of these policies.

Let me deal with one minor matter. I am sure that someone will immediately say, it is a technical legal point that can cause a great deal of trouble.

This is the same point I made to the Minister of Justice at the time we were dealing with The Engineers Act and the other Acts that if you are not careful to exclude The Corporations Act, some parts of The Corporations Act will be incorporated by reference in this bill. I think that the Minister should take the advice of the Attorney General or of his own legal advisers, to determine whether or not there should not be a specific clause in this bill to exclude The Corporations Act so that we do not get hung up on the questions as to which clauses are applicable to this corporation or not. If my memory serves me correctly there is a provision which would indicate, in one part of The Corporations Act, that a corporation without share capital or a body corporate such as this, unless it is specifically otherwise stated, incorporates by reference into this special Act, many obviously inapplicable and anomalous provisions of The Corporations Act as such.

Mr. Speaker, basically what Dr. Wright was saying, I think it can be said, in two or three ways in a formal sense, was there will be a unicameral or a single body, the council. That body, in the skeleton framework of this Act, will have very wide powers of delegation to various committees and boards of any kind. I think that is an essential ingredient of the principle of the bill that we are speaking about.

It is that conception of an institution which has an overall governing body but has immense powers to delegate, to committees and boards, practically all its functions, if it wanted to do so. The clause is broad enough to envisage an actual abdication of responsibility, except in the most formal sense of the functions of the council.

For example, the council will have power to appoint such committees and boards, including divisional academic committees and boards, if it seems advisable and confer upon any of such committees or boards authority to act for the council with respect to any matter or classes of matters.

It would probably be difficult to draw a broader clause authorizing delegations to any number of committees and sub-committees and boards to carry out the functions of the council.

That is perhaps a formal way of expressing it. Let me express it in terms of dissent, or as Dr. Wright refers to it, discord.

What he has done in here is to institutionalize discord, not for the purpose of permitting it, but for the purpose of diluting it through the establishment of all these various committees so that never again will there be the kind of focus that will permit the students, as a body, to demonstrate their dissent, because it will be so totally diluted.

I want to suggest to the Minister that there are certain other provisions required in the bill if we are going to democratize this kind

of an institution, and think about it as a model of a modern educational institution.

One of the things which has to be done is that those representatives of the academic community and those representatives of the students on the council should, by the express terms of this bill, be accountable to their constituencies.

All that the bill provides is for election procedures by which the students will cast a ballot for the election of three students to the council. That is not, in any sense, a democratization of an institution. Those students who sit on the council should, in my judgment, be required to account regularly to their constituencies by meetings. In other words, there should be a provision in the bill whereby at least once a term there should be a meeting of the students at which their representatives, their elected representatives, will appear before the students to answer any questions, to enter into a dialogue with the students, and to listen to their views with a view to having the kind of knowledge and feeling and sense about their college as a community which can then be reflected in the debates and discussions of the council.

Mr. Speaker, the remarks which I made in that context are equally applicable to the academic staff who are going to have their representatives on the council. There should be an obligation on those members to report in meeting to their particular body, to their particular constituency.

I have thought a great deal about this question of bicameral or tricameral framework or profile for an educational institution as distinct from the one which Dr. Wright has opted for, a unicameral one, which of course is in the tradition of this particular college.

I know what has happened over the years in the withering away of the equivalent say of the senate at a university. In many ways it has become on many occasions a purely formal body, and the Duff-Berdahl report, of course, bears that out, as does any observer who sat in or watched, for example, even two or three years ago the senate at the University of Toronto in session.

In trying to come to grips with that kind of a problem, the only way I can recognize the unicameral structure for the Ontario College of Arts is if there is a prime obligation on the student representatives and on the academic representatives to report to their constituents; formally set out in the statute to hold meetings at required intervals, with a right in the student body to require such a meeting to be held if a certain percentage, for example, of the students wanted it to be held.

Related to that same area of thought that I have been discussing, one of the things which determines what takes place at meetings for practical purposes is who controls the agenda, who determines the agenda. Unless there is a procedure by which the various constituencies of the college can require certain things to be placed on the agenda through their representatives or delegates on the council, then in a very real sense, there is not going to be a way in which dissent can be institutionalized in a way which would be satisfactory to me. Because, as I said earlier, the dilution of dissent in this bill raises grave questions in my mind about the merit of the bill.

I just happen to think we have come a very long way from Edmund Burke's letter to the electors of Bristol where, in some way or other having been elected as their representative, he is not in any way during the term of his office, necessarily responsive to, or guided by, the decisions of the constituency which elected him if those decisions are reached in any normal sensible manner during the time that he holds office. The extreme example of the Edmund Burke theory of representation is the Social Credit government in Alberta, which believes it has no obligation to account except once every four years when the people in the province can go and cast their ballots.

In this college of art, it is not good enough that the participation of the large body of the students of the Ontario College of Art consist only in voting for three members to sit on the council of the college of art. It is just not good enough. And I think that the Minister should seriously consider introducing amendments to the bill which will give some substance to the need to democratize that institution.

Now let me come, Mr. Speaker, to the numbers game. When I read a bill which is carefully arithmetically calculated to provide nine representatives appointed by the government, six elected on a staggered term basis by the academic community of the college, and three by the student community provided they are full-time—and why, Mr. Speaker (if I may say in parenthesis) why, in our educational institutions at this time, you exclude part-time students is something which is quite beyond me, except that probably you are a little bit afraid of what happens at

Berkeley where perhaps only part-time students appear in the news to have caused some trouble to those who ran the establishment.

Hon. J. H. White (Minister of Revenue): They are non-students at Berkeley.

Mr. J. Renwick: Right!

Hon. Mr. White: Retired folk!

Mr. J. Renwick: I will leave the Minister of Revenue to make his assessment of Berkeley. I would like to hear his views in this debate about these fundamental questions. He had views on the University of Western Ontario bill some time ago.

Hon. Mr. White: I am going to support this bill.

Hon. Mr. Grossman: The member cannot talk us out of it, we are going to support the bill.

Mr. S. Lewis (Scarborough West): Your Minister without Portfolio would call it apartheid in the university.

Mr. J. Renwick: Yes. To close the parenthesis, Mr. Speaker, I think that you do not need to exclude nor should you exclude the part-time students, and I would like to have the Minister comment on that part of it.

But the numbers game is what is wrong with the bill. Why do you not have enough confidence to say there will be six members representative of the public appointed by the government, six members of the academic community, six students, and the president?

Why does the Minister not have enough sense of confidence in the students and the academic community not to feel that he has to have this carefully weighted group whereby the president and the nine members appointed by the government can always determine what in fact will take place—or the six members of the academic community and the students and the president could vote against the elected representatives? You can imagine how likely that is to occur. It is just too carefully designed to show any sense of a basic commitment to a democratically constituted council.

I think it should be six, six and six, just like that. And I think, in addition, you should in some way or other, amongst the six students, provide for one or two, depending upon the number of students who are full-time as compared with those who are part-time, to be representatives of part-time students on that council.

It bothers me when I read a bill such as this, which is designed to put into effect a substantial change in the structure of the Ontario College of Art, to recognize that, for practical purposes, the only clauses in the bill which relate to the structure of that college of art are, in substance, these arithmetically calculated provisions about the composition of the council.

Now, Mr. Speaker, there are three or four other areas that I would like the Minister to comment upon. Why is there not some actual statement? It may require careful drafting but it may be the kind of statement which should be reproduced in the constitutions of every institution of post-secondary education in the province: A statement about academic freedom, a statement about the students' position and relation to that community, a statement about the autonomy of those bodies. Why is it not possible to frame concisely, accurately, without provisos and without ifs, ands and buts, and without being pretentious, a simple basic statement about the gut provisions of our post-secondary educational institutions?

Certainly, Dr. Wright has given indications of the kind of thing which he believes should be, some sort of policy statements, as I gather them. I do not necessarily agree with the wording of all of them but certainly the ideas are inherent in the sections of his report dealing with academic freedoms, students' rights and freedoms, and academic appointments. Certainly, Mr. Speaker, if the constitution of an institution means anything it relates very much to those areas: security of tenure, academic freedom and the rights and freedoms of the students in that educational institution. And I would like to know why it was not possible to move to the point where you are going to include statements such as that in the actual enabling statute reconstituting, basically, the council.

Mr. Speaker, I think I have covered all the points that I want to mention on the bill. I think they are essential ingredients to what we are trying to do with post-secondary educational institutions, and I have grave reservations about this first step. Reservations so grave that, because of the numbers game—if you want me to put my finger on it—raise very serious questions about the bona fides of what is being done, what is being proposed. Not in the question of bad faith but in the sense that I do not think that there has been any real grasp by the government of what, in fact, is happening and is going to happen even though we are

passing through a lull period in the universities of the province of Ontario. In very brief summation, I think you have got to get down to the tough job of democratising the institutions. And that means that people meet together, that when they have representatives to sit on some body which is given a massive authority, the all-inclusive authority of this council, there has got to be some basic responsibility back to their constituents.

I have said enough about the bill, Mr. Speaker. If I am not careful I will find myself opposing it. I would ask the assurance from the Minister that this bill will go to the standing committee on education and university affairs, that the committee will have the opportunity of inviting Dr. Wright to appear before it, that the committee would have the privilege of hearing the views of the members of the student committee, student body and members of the academic body at the Ontario College of Art so that we can begin to get some sense in this assembly of what really are the limits and the parameters of the kind of job which this assembly has got to do in remoulding and restructuring and democratising the post-secondary educational institutions of this province.

It being 6 of the clock, the House took recess.

No. 222

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Thursday, November 20, 1969

Evening Session

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 20, 1969

The House resumed at 8 o'clock, p.m.

THE ONTARIO COLLEGE OF ART ACT, 1968-1969

Mr. Speaker: Is there any other member who wishes to engage in this debate before the Minister?

The Minister of Education.

Hon. W. G. Davis (Minister of Education): Mr. Speaker, I really was fully anticipating the member for Scarborough East (Mr. T. Reid) would engage in a rather lengthy discussion.

Mr. W. G. Pitman (Peterborough): He was inadvertently called off.

Hon. Mr. Davis: Well I shall try very briefly to answer some of the points raised at the outset.

While the member for—

Mr. R. F. Nixon (Leader of the Opposition): Did the Minister reread the original part of the debate?

Hon. Mr. Davis: Mr. Speaker, I want to point out to the leader of the Opposition not only did I read it, I have it marked point by point, line by line, I gave it very detailed consideration; but in that the member for Scarborough East is, I understand, contributing to the general philosophy of the Liberal Party west of here, we will perhaps save ourselves doing that tonight.

So just replying generally to the remarks of the members for Peterborough and for Riverdale (Mr. J. Renwick), I do want to say at the outset, Mr. Speaker, that while they have expressed certain shortcomings, as did the member for Scarborough East, I would like to extend to the author of the report, Professor Wright, my appreciation at least, and perhaps partially the appreciation of the members opposite, for undertaking what is a very difficult task in this day and age and coming up with a report that, I think, provides some very real guidelines; and perhaps sets, to a degree, some of the pattern that we will be seeing in the post-secondary education field.

The report itself is well documented. It is a result of many meetings and conversations with the faculty and with the students. I think it is a very significant document, Mr. Speaker, in the matter of post-secondary government.

I recognize that nothing is perfection, that perhaps as one looks ahead other changes will, of necessity, take place. This is as it should be, because with great respect to some of the observations made by the members opposite, I think one can run the risk of so structuring an institution today as to actually negate the flexibility that we are requiring in the building up of a democratic process.

I think, very frankly, Mr. Speaker, that one can legislate these things in a way that will act to the detriment of the institutions. We have given this matter very real consideration, and as the members opposite will, I am sure, have noticed, the government in its wisdom—and it usually exercises great wisdom—in its wisdom adopted, I think, almost entirely, the draft Act that was included in Professor Wright's report. I think, Mr. Speaker, that this is an indication of the desire of this government to meet these situations and to meet these needs.

The member for Riverdale asked what is happening in the interim. From my understanding of it some things have been done, some things have not been done.

The principal is on leave of absence. I am sure there has been some resistance on the part of some people to some of the changes; and not confined, I would think, solely to the administration. But the reports we have had indicate that we have some real room for encouragement.

To reply to the member for Peterborough on the matter of curriculum I say to him, as one who has a great deal of experience in these matters, surely it would be a great mistake indeed to so structure legislation relating to a post-secondary institution so that it includes matters relevant to curriculum in a way that I think would negate the very real need for a flexible approach that can be

achieved within the institution itself. Any imposition of rules and regulations in this regard through legislation, once again, I think might defeat the purpose of what we are attempting to achieve.

I did not have a chance over the supper hour, Mr. Speaker, to check out the one point raised by the member for Riverdale—but which I shall check with the Attorney General at the first opportunity—with respect to The Corporations Act. But I would say to him also that in the matter of a statement or some preamble as to the position of students and the position of faculty, and the extent to which they must be autonomous and part of any organization, surely once again, Mr. Speaker, this is something that in itself perhaps is almost impossible to define, and if not difficult to define perhaps is best left out of legislation in any event.

I am not suggesting for a moment, Mr. Speaker, that this legislation or this report is the ultimate with respect to the college of art. In my view there are many things yet to be determined—its ultimate objective and its ultimate goal, and these things, of course, will require consideration and a study of the people involved. But, Mr. Speaker, I do say this, with some slight knowledge of the situation not only in this province but elsewhere, that this report in this legislation is indeed a very significant step forward in the evolutionary development of the government of our post-secondary institutions.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. J. Renwick (Riverdale): Mr. Speaker, I specifically requested that it go to the standing committee on education and university affairs.

Mr. Speaker: It will be so ordered.

Clerk of the House: The tenth order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the Chair and that the House resolve itself into the committee on ways and means.

BUDGET DEBATE

Mr. R. T. Potter (Quinte): Mr. Speaker, first of all may I extend well-deserved congratulations to the Provincial Treasurer (Mr. MacNaughton) on his 1969-1970 Budget. There is no question that the great majority of the people of Ontario were as pleasantly surprised as I when he announced that he was going to have a balanced Budget for the first time in many years, even though many of the hon. members in the Opposition seem to feel that this was a catastrophe.

Mr. W. G. Pitman (Peterborough): Well, it is unbalanced now; the Minister of Education (Mr. Davis) unbalanced it.

Mr. Potter: Did I say Minister of Education?

Mr. Pitman: No, but he unbalanced it.

Mr. Potter: While I am more than pleased with the Budget proposals for raising the necessary funds, I wish I could say that I was just as pleased with the dispersal of our tax moneys. It has long been my firm belief that if we in this province are to achieve the greatest possible benefit from the truly phenomenal educational opportunities that are now being offered, our health standards will have to meet our educational standards.

The shemozzle of the past few weeks has pointed out the need for providing the citizens of our province with what I believe to be a total health care programme. This is a programme that was implied by the federal government's so-called Medicare programme but which we are finally admitting is far from what was expected. I stated before, and I would like to repeat today, that the federal government's Medicare programme offered the people of Ontario absolutely nothing. In many cases, they find themselves faced with increased premiums with less service. I repeat again today that I feel our government allowed itself to be blackmailed into accepting this programme.

I am still hopeful that we will give the people in our province what we really need in a health care programme. I hope that we will eventually cover the whole gamut, including the cost of dental care and the cost of drugs and so on. There is no question but that this is going to cost a lot of money, but I think a good programme in this area is far more important than reducing premiums in order to further subsidize people who do not need to be subsidized.

However, for the immediate future like today, I am still hopeful that we will have a better perspective and we will see our way clear to include nursing homes under our Ontario Hospital Services Plan, that we will be able to provide more convalescent and chronic hospital care. I would also urge that the government provide assistance with

OHSC premiums in the same manner that we now provide assistance for OMSIP premiums.

I have already stated my views on these matters in the House and I am not going to waste any more time on them today. Instead, Mr. Speaker, I would like to turn to The Department of Social and Family Services.

This is the department, Mr. Speaker, as all of us are aware, which is primarily concerned with the welfare of the people of Ontario, and I use the term "welfare" in its broadest sense. Perhaps I should say "social services" because this is the handle that is now given to this continuing public responsibility.

The people that we help through our provincial and municipal social services are poor people. They are poor because they simply cannot work to earn the money that is necessary for them to exist, or for them to live as the majority of the citizens in Ontario live today. But there is a slight difference here; for these recipients of public aid are actually people in need. They are people who are either physically or mentally disabled; sometimes they are people who are too old, or they may be victims of unique situations, such as widowed mothers with dependent children.

Yet, Mr. Speaker, there is one group, one element of this group of social welfare cases that does not quite fit into the categories that I have mentioned. There is a group that consists of employable people; men who can work, but men who just do not seem to be able to get and keep a job and maintain their families. This group represents something in the neighbourhood of 10,000 individuals—and I would say approximately 10,000 because this figure is always fluctuating—but these 10,000 individuals in turn have approximately 20,000 dependants, Mr. Speaker, so we end up with about 30,000 people in this province who are receiving allowances because the head of the family is not employed he simply cannot seem to hold a job.

Now I do not want to suggest that all or even most of these family heads are permanently unemployable, because some of them are only temporarily unemployed and after a short time will be returning to work. But there is a large number of them who are considered, perhaps by their physicians, considered only capable of doing part-time work or a restricted type of employment.

The annual cost of these welfare recipients is about $30 million. Since the provincial government pays 80 per cent of this, this represents a cost to our province in the neighbourhood of $24 million.

Now Mr. Speaker, this is money provided by the people, by the citizens of Ontario, to other citizens of Ontario who are quite capable of providing for themselves, although they are not doing so. It is quite obvious that from the financial point of view we have an interest in the employment of people, but our interest should really be two-fold. We should be concerned first of all with the dangers to the man's happiness and well-being when he lives on welfare; and at the same time we should be concerned with the cost to society.

I believe that it is very easy to take the cynical point of view and say that all we have to worry about is the taxpayer, that the welfare recipient is happy enough living out of the public pocket. I submit, Mr. Speaker, that in a society such as ours, a society that puts the emphasis on work and success and achievement represented by a good income and all the material things and social status that money can buy, that it is a very rare and strange man indeed who would be content and happy with the welfare way of existence.

There is no denying, nonetheless, that a man in enforced idleness often drifts into an apathy, develops an attitude of "I do not care anymore". He no longer feels remorse at his apparent failure, or the stings of ambition; he no longer wants to exert some effort on his own behalf, to climb out of the dead rut and strike out on his own in a new direction. It is a fact Mr. Speaker, that the less a man works the less he is inclined to work. That is why we have the old proverb "If we want something done, we give it to the busy man".

We have in Ontario a sizeable number of men living on welfare allowances provided by government. We admit that we have a responsibility to care for the physical well-being of these individuals; and I submit that we have an equal responsibility as to the psychological and mental state. What I am really trying to say is that every person on welfare who is capable of carrying out useful and productive work should have the opportunity to work and to be guided into doing that work.

As far as having the opportunity to work, we usually think that this should be provided by the economic system of the country, and by and large it is provided from that source. Only at some interval is there a lack of employment so that the able-bodied and ambitious men are not able to receive such employment. But there is a marginal type of worker, Mr. Speaker, who even in the best

of times finds it very difficult to obtain employment.

There are many persons who are not attractive to employers for a number of reasons. Some of them may be handicapped by lack of education, by lack of skill, by physical disability, by low intelligence or by emotional disorders. In some cases there may be an absence of ambition or persistence, a lack of the will to work. These are the people who fall victim to progress, the people who find themselves at the end of the line and become welfare cases because of the peculiarities of the age of automation.

Our present complex and highly geared industrial-commercial economy calls for a considerable amount of skill, ability and self-discipline, even in the simplest of jobs. The real simple jobs do not exist any more: If an operation is so easy that it can be done with a minimum of judgment and skill, it is probably being done by a machine, not by a man.

A few years ago there was much talk about automation, but the discussions faded out and we do not hear much about the subject. The fact is that there is a creeping automation, and the more simple skills are being automated out of existence so that these people now are unable to obtain these jobs. For this reason the marginal type of worker is regularly weeded out of the work stream and finds himself, in increasing numbers, on the sidelines. The sidelines usually means the lines of applicants at the local welfare office. Today's total of 30,000 marginally-employable is bound to grow tomorrow.

Now, Mr. Speaker, if government is to fulfill its responsibilities, both to these marginally employable and to the tax-paying public, I think that we must pay more attention to the type of welfare recipient. And to do this we will have to follow, I believe, two lines of approach.

First of all, we must help and guide these people to improve themselves to the point where they are above the standard of marginal workers; secondly, if they cannot reach this standard, then I think we should provide them with some type of work activity that is both beneficial to them and to society.

The one thing, I think, that we must not do is let them continue as long term unemployables who become welfare recipients.

As far as helping men improve themselves is concerned, we have quite a number of training courses and educational opportunities already being offered today. We have found that thousands of people are being trained by the provincial Departments of Labour and the Canada manpower scheme. They have been given months and sometimes years of retraining, they have reclassified themselves and they have been able to become fully self-supporting individuals. I think this has resulted in a notable improvement in the quality and the skills of the work force in Ontario, but we still find that we have a wide fringe of men that these programmes have not yet reached.

The man that does not have the ambitious attitude or the habit of working, or a basic education, is left out of the skill training programmes. The so-called "eager beavers" benefit from our training schemes; they win their qualifications, they get new jobs and they go ahead quite easily. The "weary Willies", the apathetic ones, the undisciplined ones, or the lame ducks—if you like to call them—and the uneducated, can scarcely get the joe-jobs of society, and more often than not they end up on the welfare rolls.

Mr. Speaker, I believe that these individuals, like any of the rest of us, have a right to live. I think they have a right to at least the opportunity to earn some of the good things that make life a little more enjoyable, and since this type of chronically unemployed person is not reached by the skill training and educational programmes, then I think he must be rehabilitated through some other approach.

I am not talking about the physically or the mentally handicapped. For those we already have a very good vocational rehabilitation programme in operation with The Department of Social and Family Services. I am talking about those who cannot get or hold on to regular employment, not primarily because of lack of skill or education, and not primarily because of their own negative attitudes towards working and making an independent living. There are really two extreme points of view about this type of man. Some people say that the man is simply lazy; others who are more sophisticated in human psychology say that he is "emotionally disturbed".

Frankly, I cannot subscribe to either of these views. I concede the psychological judgment that some men are unable to work due to profound "emotional disturbance" and some do need extensive treatment. But I disapprove of the crude statement that the man is simply lazy, because laziness is really a symptom, not a cause, and to say that the man is lazy, really does not explain very much to us. I submit that there are a sizeable

number of men on welfare who fail to be self-supporting neither because they are lazy nor because they are "emotionally disturbed", but because they lack the right attitudes and habits of working. I believe that these men have slipped from one way of life to another, mainly because they have become unemployed.

They have been receiving welfare assistance, and they gradually slip into that rut, where they are quite prepared to continue living in this manner.

These men really have not chosen idleness; I think as I said that they have drifted into it. Sometimes it is because of a period of long illness or sometimes it is due to a fruitless search for a job that they were not able to obtain. But the tragedy is that very few men or their wives or their families ever become fully adjusted to this dependency, to the extent that they are content with their way of life. I think that it is particularly hard on the children of welfare families who have to associate daily with other children and who suffer, without understanding the humiliations, at the hands of other children.

I truly believe, Mr. Speaker, that the longer a man is away from work, the less he is inclined to go back to it. An actual fear of work builds up in this man, a fear of the complex and busy world of industry and business, a fear of competition, a fear of the demands and discipline of employers, a fear of the curiosity and criticism of his fellow workers. Often we find the result is a complete loss of confidence in his ability to cope with the total situation as he finds it in the world today.

I think that this fear stands in the way of these unfortunate people of ever regaining independence on their own, and often it emerges as a deliberate attempt to avoid the employment that is offered to him. I checked into the records and I found a case I would like to quote you—which I think is a typical case—in a survey made by The Department of Social and Family Services. This was a survey of long-term assistance families. For the sake of anonymity I shall call the person involved "Mr. L". I like this; it makes me sound like some of the other members in this House; I like to refer to cases.

"Mr. L" is 45 years old, he has a wife and five children, and he has been receiving welfare assistance for four and a half years. He has renounced the generally accepted concept that he is responsible for his family and its support. In fact, he has already decided that welfare assistance is an institution of which he can be justly proud, as it has supported him, his wife and five children for many years.

You will probably find that "Mr. L" is often unshaven. He does not use his dentures. His oldest clothes are worn when making calls on potential employers, despite the fact that he has presentable clothing. Persistent focusing on these matters eventually produced an improvement, but not before he was informed that he would no longer be interviewed until he made a determined effort to improve his appearance.

Meanwhile, his wife tells us that her husband seldom takes a bath and that he wears his shirts and underwear for weeks without change, even though clean clothes are available. She says that he has steadfastly refused to accept advice from her, regarding this as an invasion of his privacy. The relationships between this man, his wife and children are barren, especially relating to his two youngest children, and they can starve as far as he is concerned.

Efforts to get him employment have proved abortive. He refused two jobs found for him on the grounds of feeling sick. His cheque was withheld but he insisted he was in need and a cheque was released. He was always prepared to call on firms looking for work so long as none appeared to offer possibilities of employment.

This is the type of person, Mr. Speaker, whom I strongly believe that this government must help, and help must take some more sophisticated form than simply urging or persuading him or even securing for him, an ordinary job. I think the answer is the concept of a work activity programme. The idea of work activity for the chronically work-shy welfare recipient is a relatively new one. It has had some practical experience in Great Britain. It was later tried in the United States, and I believe at the present time it is being introduced into this country.

Essentially, it is a programme that combines counselling and work practice in such a way that the welfare recipient gradually acquires the attitude and habits of working. Work activity is a programme of rehabilitation, but it more a mental than physical rehabilitation. It is not training in some specific skill or trade, but if successful, it may lead to skill training or upgrading in the future. I want to emphasize also, that the work activity is not a concealed form of work for relief which was popular away back in the 1930s. The difference is that in work for relief, the welfare recipient was made to

work on some project, not for his own benefit, but primarily for the benefit of society, in order to pay back what he had been receiving from the relief fund. A work activity project is first and foremost for the benefit of the welfare recipient. It aims to change his attitude. It aims to change his habits. The work that is done is quite secondary and might not be of any economic value at all.

I realize that during the formulation of the federal government of Canada assistance plan, the welfare authorities of Ontario and the other provinces impressed upon the federal authorities the need to leave open some way by which welfare recipients could be kept in touch or brought in to touch with the employment activity. The federal government has been firmly opposed to any work-for-relief programme and refused to share in any welfare expenditures if the recipient was required to work for his assistance.

But then it was realized nevertheless that there must be some way in which employable welfare recipients could be kept active and receptive to the employment for their own benefits and for eventual independence. I do not think that they should be separated entirely from the work environment in this programme. I think that the concept of work activity programmes really appears to be the answer and a provision for them has been made in the Canada assistance programme. I think, Mr. Speaker, there should be an agreement between the provinces and the federal government which would open the way for such a programme. The purpose here is to urge this agreement through The Department of Social and Family Services, urge that we make a start towards the treatment of the chronically unemployed, the marginally employable persons or the type that I had described here today.

I think that the larger municipalities in this province would welcome this experiment. Within these larger municipalities, the social service departments are well acquainted with the problem, there is no doubt about that. Welfare administrators all over the province have shown a great interest in the programme and they have already come forward with many worthwhile suggestions. There has been one suggestion brought forward where the idea is to induce the welfare recipient to take part in a programme on an incentive payment basis or an extra amount added to his usual welfare entitlement if he should enrol for such a programme. With this system, after preliminary explanations and counselling, these men would be paired off with a regular employee.

The recipient may first of all start by simply following the employee around for some days or perhaps even weeks and becoming acquainted with the type of work being done by the man that he is paired off with. As the recipient becomes more acquainted with the job then perhaps he can gradually start doing some of them until he eventually becomes quite competent in carrying out these procedures. One example that was suggested on this was that perhaps we could pair a man off with, say, a school janitor in a school and he may, as I say, for several days or weeks, follow the janitor around until eventually he was able to do some of the chores himself. Undoubtedly after a reasonable length of time, he would become capable in performing some of these duties himself. This gradual introduction of a man to this working type of world and life undoubtedly would change his attitude towards his welfare state.

There would undoubtedly have to be a great deal of persuasion and counselling by qualified individuals—encouragement after the man has started and support in every step of the way by the individual with whom he was paired off. There is no question about it, it is not an easy solution, it would be difficult, but I think the results would be most rewarding. Another core idea was the shelter workshop type of employment where men are daily brought together in one building that simulates a factory. Here we have a controlled environment with certain procedures that these individuals are doing. There are many areas in this province today where shelter workshops are being sponsored by service clubs for the handicapped and I can see no reason why they cannot be extended into this other area of unemployed individuals.

Then we can extend this programme to the training-on-the-job system which is not new to this province. The compensation board has been using it for some time to try and rehabilitate some of the unfortunate individuals who have suffered injuries and have come under its jurisdiction. It has arranged with factories in the province for individuals to receive training on the job in much the same manner as in cases where the compensation board provides a fair amount of their salary. Gradually, as the man improves, then the industry where he is working will take over a larger share in the responsibility of his income. I think, Mr. Speaker, that there are many practical and effective projects that

could be devised to assist in this programme if we could convince The Department of Social and Family Services that it is, in fact, a project that should be developed.

I think the basic components of the proposed work activity programme would, as I have said, have to be psychological inducement, financial inducement, practical help and advice as to the arrangements, and controlled and gradual introduction to the work field. But these could be summed up as personal counselling and work practice. I would like to repeat what I said before that the amount or value of the work done on a work activity programme is really a minor consideration. The product that we would be aiming at is not the man-hours or the work that is accomplished, but rather new attitudes that would be developed in the man. But I see no reason why the tasks performed should not be useful to society as well as being beneficial to the individual, where practical. He would probably have more enthusiasm for the job if he felt that he was really and truly contributing something to society, and I do feel, Mr. Speaker, that it would be very worthwhile if our department could see its way clear to discuss this with the federal department.

Mr. D. M. Deacon (York Centre) moves the adjournment of the debate.

Motion agreed to.

Mr. Speaker: Before we proceed, I am sure the members would like me to note the presence in the east gallery of the boys from the Second Markham Scout Troop from Markham.

Clerk of the House: The 26th order, House in committee of supply; Mr. R. D. Rowe in the Chair.

ESTIMATES, DEPARTMENT OF PUBLIC WORKS

Mr. Chairman: The estimates of The Department of Public Works. The hon. Minister.

Hon. J. R. Simonett (Minister of Public Works): Mr. Chairman, it is my privilege as Minister of Public Works to present the 1969-1970 estimates of my department. Since I assumed the portfolio of Public Works in June, 1969, I have had the opportunity to gain greater insight into the programmes and operations of this department and in particular have gained a greater appreciation of their importance to the successful operation of other Ontario government departments and agencies.

The hon. member for Wentworth North (Mr. Connell), who preceded me, summed it up very well when he once said he found a great deal of satisfaction in serving as Minister of Public Works because through the programmes and services provided by the department, he participated in the tremendous growth and development of Ontario.

I am now afforded the same opportunity and I welcome it both as a form of education and as a challenge. It is difficult to grasp the full depth of Public Works' importance to the success of all government programmes without examining and assessing its roles from the vantage point of the Minister's chair. The responsibilities and demands placed on this department are many and varied.

As you are well aware, The Department of Public Works has experienced a period of transition. The department has previously been primarily concerned with the design and construction of buildings; now it is also concerned with the development and provision of certain central services as required by all departments.

To succeed as a central service agency, we in public works must work closely with all other departments and have an intimate knowledge of their programmes. We must be capable of assessing requirements and providing for current needs in addition to forecasting and planning for the future.

I will not go into great detail listing all the changes taking place in my department. We are at this time planning, and in some cases implementing, several central service programmes of an original as well as established nature.

The responsibilities of public works are growing and expanding at an accelerated rate. I wish to acknowledge at this time the efforts of my Deputy Ministers and staff in keeping pace with the demand.

At this point I suggest we proceed, Mr. Chairman, with the estimates of my department.

Mr. H. MacKenzie (Ottawa Centre): Some while back, when the hon. member for Wentworth North retired as Minister of Public Works, I was left with a feeling of some frustration. I felt at the time that I was just beginning to know and understand the man and had found him up to then a most fair, honest and straightforward sort of person who made a genuine effort to be cooperative and helpful. Additionally, the men

he had gathered around him during his 13 years in office reflected the same qualities, capacity and depth as the results of many of their endeavours indicate.

I would hope, Mr. Chairman, the new Minister will reflect the same qualities in his new office as his predecessor.

Mr. R. F. Nixon (Leader of the Opposition): It will take 13 years, probably, before we recognize it.

Hon. Mr. Simonett: You will not be around!

Mr. Nixon: We will go out together.

Mr. MacKenzie: The building construction industry with which this department is primarily concerned is for one reason or another somewhat different from other fields of endeavour. Primarily, the men in the forefront are extremely able ones who have faced heavy, continuous competition all their days, men who have great faith in their abilities and are willing to gamble heavily on that faith. In this city alone they have proven time after time their ability to erect sizeable buildings, equal in quality and workmanship to the best in the world. These same men respond superbly to fair play and straight dealing; but they can move the opposite way in a hurry with the opposite type of treatment, and the end result is always second class workmanship.

These thoughts, I believe the former Minister of Public Works understood well, and he always exercised great care to be guided by them. The new Minister, I am sure, Mr. Chairman, has the ability and capability to discharge the duties of his new portfolio with both skill and competence. I congratulate him on his appointment, and sincerely hope that he has brought not only skill and competence but also the attitude required to ensure the department will benefit from constructive criticisms.

On the subject of criticisms and these estimates, I had hoped this year, Mr. Chairman, to get into some of the detailed aspects of the contract work the department undertakes. Unforunately, the available time is not going to permit an in-depth assessment; and additionally, the blue book on capital works for the year has only just been circulated, making it impossible to properly assess the implications for debate and questioning.

Why the department would delay so long in issuing this information on their detailed capital works programme is cause for some concern. We are now eight months along in the year to which these estimates apply; surely their programme must have been set some time ago.

In any case, it appears the examination of the estimates this year can only, at the most, be superficial. Possibly as the new rules take effect, along with the elimination of the dire necessity of divided interest which rumours seem to indicate will come to pass, the in-depth exploration of the $81 million this department proposes to spend will finally occur.

Recently, Mr. Chairman, the new Minister announced commencement of construction on two more buildings for the Queen's Park complex, namely the Hearst and Mowat blocks. He also indicated a management contract has been awarded to a firm.

Reviewing the blue book for the year 1968-1969, I find this project in the section called "under construction". The estimated cost is $24 million. There was no contract price shown, and the budget for 1968-1969 is shown as $4 million. In the 1967-1968 blue book it is listed as approved for construction, no figures shown. Reviewing the blue books back to 1964, I can find no other mention of the project; which is unusual, in view of the sections in the blue book stamped "approved for preliminary plans" and "approved for working drawings".

Possibly the Minister would care to enlighten us a bit, Mr. Chairman, how it comes to pass that a capital expenditure now shown in the 1969-1970 blue book as $27 million is undertaken before working drawings are fully prepared. Explain, if you will, a major undertaking of this nature is not fully planned and prepared for, the same as, let us say, the new Ontario government office building at Red Lake, with an estimated cost of $300,000, a contract price of $259,900 and a budget for 1968-1969 of $200,000.

On the matter of engaging a management firm to handle this project, I do not know of any conceivable way of showing that this approach is in the best interests of the people of Ontario; except in possibly one way, namely someone along the way failed to plan ahead properly and by using this panacea the government may escape a long term lease incorporating high rent.

In general terms, Mr. Chairman, the approach to building construction using the management firm usually arises when plans are incomplete and the owner has to get under way. He chooses, usually, a general contractor to handle the management at a

fixed fee, either percentage of cost or lump sum. The management firm then undertakes to do all those things he normally would as a general contractor. As soon as the plans for the footings are done, he calls tenders for this phase of the work. Tenders for the steel work or concrete frame, tenders for the masonry work, tenders for the trades, and so on, as the plans for each phase of the construction proceed, are issued through him. Thereafter he endeavours to co-operate and phase in the work, and to ensure workmanship is satisfactory.

Now look carefully at this procedure, Mr. Chairman, and note some fundamental differences from the standard tender call system.

First, the management firm, which is usually the general contractor, does not have to perform efficiently to earn its normal percentage. If mistakes are made along the way, the owner pays.

Second, since a general contractor is not under the gun to perform efficiently, he will probably assign to the project men who could not handle the project on a competitive basis.

Third, in choosing a team of subcontractors, the selection will not be of firms with the normal lowest price, along with financial capability and staff to carry the project through in spirit and intent, but rather of firms which submit a low price and which may or may not get into the team. There are a lot of aspects to this side of the story and many of the lawyers in this House are probably familiar with many of them.

Fourth, in the normal finish off the owner is responsible for loose ends. There is no such thing as a general contractor, the one who is responsible for the work of every contractor or subcontractor on the job, the one who must ensure everything is completed in a workmanlike way and must operate satisfactorily.

The real fundamental, underlying efficiency in this approach is that the management firm does not have the profit motivation and is not performing competitively and this carries through the whole project. As a department which has been charged with all major building construction by the government, a department which should be the apostle of leadership in the construction field, I find their position in this case, Mr. Chairman, approaching indefensibility. If the department continues in this direction, it will not be too long before we have management construction firms with little or no competitive experience in major projects and thereafter prices go up and quality goes down.

Now this is very much in contrast to the type of approach used by Ontario housing and many private firms where the general contractors bring together a complete team of designers, suppliers and sub-contractors and make a proposal at a fixed price on a competitive basis. This approach has the great benefit of sharpening up the designers and making them more acutely aware of the cost of those things they are calling for. As a policing action to bridge the gap between designers, suppliers and contractors as regards costs, it probably has no equal. Certainly designers involved occasionally in this approach, whether architects, engineers or technicians, are going to be better off for it and our province as well. If carried too far, however, our progress in design will stop.

As indicated, Mr. Chairman, it is a good type of policing action and very beneficial to the building industry in the province. Very much in contrast to the department's approach on the new buildings for Queen's Park. I believe, Mr. Chairman, the Minister should take the time to explain to this House and the people of Ontario, the whole history of this project and why complete plans were not prepared and tenders called for the total project in the usual way. Would the Minister also indicate whether or not he believes all other public authorities in the province undertaking building construction projects with public funds should follow the department's example in this case, and why?

For some time, the need for a standard building code across the province, indeed across the nation, has been echoed from all quarters of the construction industry. On May 27, 1968, we heard the Minister of Municipal Affairs (Mr. McKeough) outline a proposal for bringing together a committee to study the national building code and building materials with a view to making the code or a modified form mandatory in all municipalities. So far, we have heard nothing more except that it is coming. But imagine appointing the Minister of Municipal Affairs to head up such a group. Why not the Minister responsible for housing, whose group is compelled to use existing codes and understand their implications?

Better still, why not The Department of Public Works which includes some of the best men in the building construction industry? And if my good friend the doctor will investigate, he will find this is quite the case, they do have some of the best men in the building industry.

Mr. Chairman, I believe the time has come when the Minister of Municipal Affairs should turn this undertaking over to the public works to wind up the details and get the modified code, if it is to be modified, into the hands of the construction industry which has wholeheartedly supported the project. In fact, in their submission, the committee stated—and I quote from *The Canadian Construction Bulletin* of February 18, 1969:

> It is hoped that your committee will include in its report a proposed schedule covering the adoption of the 1970 edition of the national building code and the consolidation of the nearly 40 Ontario statutes, standards and regulations in the construction field.

Mr. Chairman, our needs for housing and other types of new buildings grow greater each day. Costs of construction are already well out of hand and have reached levels where only those with large resources can proceed. The trend must be reversed and there is no easier starting point for the government than the simplifying of the ground rules, procedures and requirements immediately. This will solve part of the problem. Modular construction as advocated under the federal building programme, that is building materials and building modules generally to fixed dimensions, is a solution to another part of the problem.

I was more than happy to hear the former Minister of this department announce last spring that they were proceeding on one project which was based on the modular size. No doubt, if this programme develops, economies will be realized. Some in direct form, others indirect but benefiting the province.

The requirements of different regulatory bodies and authorities alluded to in The Canadian Construction Association's statement quoted above is a log-jam of the worst order. Many designers are continually in difficulties on their projects due to being unable to fully understand the requirements of such department as the fire marshal's, or The Department of Labour, and so on it goes with many trying to guess their way through or entertaining the inspectors trying to convince them that what they have done is okay. At the rate complexity is increasing in the building industry regulations we are probably only one stage removed from creating a new class of professionals and what I might call building construction lawyers, for there is little doubt designers will not be able to afford the time to keep up on regulatory requirements and do the design also.

Still other stumbling blocks are the location of, the cost of, specification of, materials; the relative value and usefulness of different procedures, systems and techniques. At the present time there is just no one place the designer can turn and find out quickly whether a new product is costly or cheap in the total picture, whether a technique is useful in the northern parts of our province or only in the southern, who the suppliers are for seldom-used components and their cost; what the complete specifications are on products. From the designer's point of view, the building industry is inefficient because he too often gets hung up looking for answers and trying to meet regulatory requirements which are not clear. From the contractor's point of view the industry is inefficient for the same reasons.

At some time, Mr. Chairman, the total problems confronting our construction industry and its needs are going to be carefully looked at, the excessive cost paid for, lost time assessed. The excessive costs of over-regulation and requirements which leave no room for reasonable calculated risk will be assessed. It would be then, Mr. Chairman, that those in authority would realize the necessity and undertake to provide for those problems; a building construction authority which would include a complete technical library with a computerized catalogue.

At some later date, Mr. Chairman, an opportunity may be available to develop these thoughts somewhat further. For now let me say The Department of Public Works, with its large building construction programme each year, which can only point up the need, could, with leadership and with a conscience, move ahead in these directions. I recommend this programme to the Minister and hope he will give it some serious thought.

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Mr. Chairman, I rise for my party to criticize this department; and there is so much room to criticize I would like to have a few more Tories here to hear it. Half an hour ago I pointed out to the House leader there was not a quorum and I asked him to get some Conservatives in here. There is still no quorum and I ask you for a quorum call and then I will make my remarks.

Mr. Chairman: Order please! It has been drawn to the Chairman's attention that there may not be a quorum. I will just take a quick count.

We would appear to be two short of a quorum. Would you ring the bells for four minutes, please?

Mr. Chairman: I will now take another count.

There is a quorum at present. Would the member for High Park please proceed.

Mr. Shulman: Mr. Chairman, to come back to this department; of all the departments of government it is without doubt the worst run—and this is saying something for this particular department.

Please do not go, Minister of Revenue (Mr. White), we need you here or we will lose our quorum again.

Mr. Nixon: Please stay and listen.

Mr. Shulman: There has been a very rapid change for the worse in this particular department in the last few months. It all seemed to begin last June, so there must have been something occur in this department then to cause this change.

As a symptom of the way the department now acts, I would like to tell you about an incident that occurred—in fact, in a few moments, I can tell you about two incidents that occurred.

In the House last week I brought up the matter of the Zurich Insurance building at 188 University Avenue. Let me stress that this department is responsible for housing all of the various other departments—Health, Trade and Development, housing—this department is responsible for providing those buildings, providing the accommodation and providing for their safety; and this department has failed immeasurably. It was bad up until June; since then it has become much worse.

It was bad but it was amiably bad; since then it has been miserable, unamiably miserable.

I brought up the question of 188 University Avenue last week as being a fire hazard. This is a building that is filled with the housing people. The building is owned by the Zurich Insurance Company and is rented by this government.

Yesterday morning, early, there was sudden great activity on the third floor at 188 University Avenue and instructions were given, "We have got to get this cleaned up rapidly before noon." There were all sorts of packing cases there in the halls which were a fire hazard and which were an impediment to exits. Suddenly, yesterday morning, there was a tremendous rush and they said, "We have got to get all this cleaned up," and they cleaned it all up very quickly. By 10:30 it was all cleaned up, and sure enough, at 11:00 o'clock who walks in but the fire inspector? Just a coincidence, no doubt.

We went through all this with The Department of Mines for many years. For many years they used to tip off the various companies before they would go to inspect. That has been cleaned up, thank goodness, but it has not been cleaned up in this department.

I would like to mention three buildings which really are examples of the whole problem that we have in this department—74 Victoria, 44 Victoria and 15 Overlea, all of which have been procured by this department and all of which I have mentioned to the Minister in the past. In all of these, inspectors from this department have gone out, done an honest, good job, found safety hazards there, and then found the senior staff in this department unwilling or unable to take the essential measures.

Seventy-four Victoria, occupied by The Department of Labour and the workmen's compensation board. The inspector went out from the department; he found out that the fire bell sounded exactly the same as the elevator bell. He made a report on it. Nothing was done. He made another report on it but nothing was done. Finally, the head of the department had to make a complaint before any action could be taken there.

A fire took place in this building. It was not a big fire, just a little fire; some oakum started to burn. Because of the poor setup in this building, the fumes from the oakum travelled right through the whole building. Everyone thought the whole building was burning down.

Forty-four Victoria, just down the street. I asked the Minister about this the other day. He said he did not know anything about it. His inspector reported that it was dangerous, that there were no means of egress, that there had been a fire drill and everyone had rushed out through the panic doors. The panic doors are the fire doors which close automatically behind you. They rushed down to the third floor and found that someone had blocked off the third floor. They could go no further, but they could not go back because the panic doors had locked behind them.

When I got up in the House and asked the Minister about this, he did not know anything about it. He said, "I do not get reports like that. I have 2,000 buildings to look after. I would not hear about those reports."

I wonder how many of those 2,000 buildings are unsafe. There must be an awful lot if they do not bother telling the Minister about it.

Hon. Mr. Simonett: Did I say buildings or office locations?

Mr. Shulman: I thought you said buildings.

Hon. Mr. Simonett: I did not mention buildings.

Mr. Shulman: I stand to be corrected. How many buildings do you have to look after?

Hon. Mr. Simonett: I did not mention buildings.

Mr. Shulman: All right, whatever it is, the Minister does not know. I presume there is less than—

Hon. Mr. Simonett: I know much more about it than the member.

Mr. Shulman: Well we finally found something the Minister knows something about. He knows how many buildings are in his department and I congratulate him for that. I thought he knew nothing, but he does know something. I am encouraged, maybe there is hope.

I got in touch with the inspector who had made the inspection; I thought maybe he had not made out a written report. I phoned him at his home and I asked him, "Did you make out a written report?" He said, "Of course I made out a written report."

I said, "What happened to the written report?" He said, "Well, I was so worried about that building as a fire hazard that I went back every two days; I made seven inspections; I went back time and time again".

I said, "What came of it?" "Nothing".

And I asked why did nothing come of it. "I don't know, I was told not to go there any more. It was the responsibility of The Department of Labour; they are in there."

But it is not the responsibility of The Department of Labour. This is a department that has failed and 44 Victoria shows it so very, very well.

Fifteen Overlea—here was another massive error by this department, occupied by The Department of Health. The building was so unsafe that the architect himself who built it sent a letter saying it was unsafe. The fire marshal said it was unsafe, there were too many people in there. Pressure had to be finally put on by the architect himself before the number of people in that department was brought down to a safe level.

They are good people in The Department of Public Works. There are a lot of well meaning people.

As my friend said in a previous speech; they have a lot of capable men, and they are so frustrated, they are so upset, by what has occurred here the morale has completely disintegrated in the department.

We have people resigning right and left and when the reasons for their resigning are looked into—and they were looked into—we find that many of them, as many as seven in one month, have resigned because of poor working conditions.

I brought this up here in the House, and the Minister was quite proud of it. He said if they can get a better job, that is great, let them go somewhere else and get a better job.

Now let me tell the Minister something. I am sure he does not know. Nobody tells him anything in his department. Today, in the Minister's office right now, and I am sure he has not seen it yet, the head of his safety branch has resigned. He has taken an early retirement and the reason he has given in his letter, which I am sure the Minister has not seen, is "the impossible working conditions."

I wonder if the Minister knows about that?

Hon. Mr. Simonett: Yes, I know much more than the member does about it.

Mr. Shulman: That will be encouraging. We will give the Minister a chance in a moment.

Then I will tell the Minister something which I know he does not know, because it was just told to me tonight by a member of his staff. I will not embarrass the man because he is sitting here, but he informs me, and I close with this, that the annual Christmas party that has been held in previous years by The Department of Public Works, is not being held this year because too many of the employees felt that the Minister would not fit in.

Thank you.

Mr. Chairman: Does the Minister wish to reply?

Hon. Mr. Simonett: Mr. Chairman, first I would like to congratulate the member for Ottawa Centre on the kind words he had to say for the former Minister and for the staff of employees in The Department of Public Works.

I, too, have found since I went there that we have an excellent staff. We have the best of working arrangements. In fact, since I have been there there has never been a cross word spoken by me or by an employee I have talked to. And that goes from the employee who is cleaning, to the guards out in front of this building—to our directors—to our Deputy Minister.

In fact, I would say to you, sir, that having had a little experience in working with people for the last 35 years—I have had the opportunity to employ people, not like some people who are in this House—

Mr. Shulman: On a point of order, Mr. Chairman—

Hon. Mr. Simonett: I am speaking now and I did not interrupt the member, would he sit down, please?

Mr. Shulman: On a point of order, we do not have 20 members.

Mr. Chairman: Is the member drawing to the Chairman's attention there is not a quorum?

Mr. Shulman: Yes, I am.

Hon. Mr. Simonett: Mr. Chairman, I was directing my remarks to the member for Ottawa Centre. I was stating, at that point, that, over the years I have had the opportunity of employing many men. In fact, I have employees working for me now who have been with me 35 years.

I have employees who have retired on pension from my company and I am not known as one to be difficult to get along with. I am known as one to delegate authority to my men and I would think that the first meeting—in fact, I know, at the first meeting I had with the directors of public works—I met with them, I discussed my method of doing business and told them that as they were hired as directors, I would expect them to play a full role as directors. I would expect them to take responsibility. If they had a problem they could not handle, whether it was a policy problem or whatever it was, I wanted to have the final say. That is the way we are working in public works.

Now the member has had more experience in the building trades than I have—or I think he has, although I have been a builder in a small way. I do not mean building buildings. I worked a little longer trying to build Ontario than some of the critics I have in this House, and I am not directing my remarks to this member at this moment.

I appreciate what the member has said and I do want to discuss for a minute, perhaps, the reason why we went to a management consultant bid on the Hearst and Mowat buildings.

I think I explained last week in the House that the foundations were in, the architectural work was completed, the services were in—services such as heating, air-conditioning—the cafeteria was large enough to accommodate the four towers, and, of course, the committee rooms are there. So, it came to a point shortly after I became the responsible Minister that we were discussing accommodation for people in the city of Toronto. It was brought to my attention that The Department of Education and a couple of other departments would have to move in 1971.

After looking at what had been built there —the accommodations we had there — it seemed to me, after discussing with the Deputy Minister and our directors, perhaps this was the time to proceed with the Hearst and Mowat block. This decision was made and at that time the recommendation of my people was that we go to a management consultant arrangement.

They thought—and I still believe they are right—that it would prove to be cheaper in the long run. Our building would be equally as good.

Of course, as I stated earlier, I am not a builder, I trust these people, but I went further than that and I discussed it with architects, with large contractors, with many people who had had buildings built under this arrangement. They advised me that they thought, under present conditions, that this was the right road to take.

So I agreed with our people and I hope it proves out right. Until such time as the building is finished we cannot say otherwise, but I believe that our building will be equally as good, and I would think by what I have been told we might be able to save some money—not a great deal, but some.

Now as to the building code, I think you said in your remarks that you could not understand why it had not been transferred from the Minister of Municipal Affairs to our department.

Mr. MacKenzie: You said at the time it was transferred.

Hon. Mr. Simonett: Well I am advised—and, of course, I know very little about building codes, because that has not been my lifetime work—but I am advised by our people that as the building code is worked through the municipalities, it is felt that it should be left under The Department of Municipal Affairs.

I think that covers two of the points that you brought up and I would like to say a word on our critic over here from High Park. He first got up this evening and said he advised me about all these happenings last week. If he would look into the record, it was this week.

Next he said that I made the remark that I had 2,000 buildings to look after. I said we had 2,000 employees in The Department of Public Works and, delegating authority as I do to people and trusting people, I do not ask to see every report or every piece of paper that comes in that department.

Nor will I ever.

If I felt that I could not trust the 2,000 people that we have working in the department to carry out their work as they are instructed—

Mr. Shulman: But they are not.

Hon. Mr. Simonett: But they are. If I felt they were not, then I do not want to be a Minister.

Mr. Shulman: You will not be for long.

Hon. Mr. Simonett: I would sooner do something else and work with people that I can trust. But I can trust the employees in public works. I have been there for long enough to find that out. They are doing a good job, a thorough job, and I can go to sleep at night not worrying about them not doing their work during the day.

Mr. Chairman: This is on vote 1801.

Mr. MacKenzie: Could I clear up a couple of points with the Minister before we proceed and get right in the depth of it? I wanted to explore a little further with the Minister his approach or assessment of the best way to proceed with the Queen's Park complex.

The Minister has indicated that he talked around with contractors, and talked around with architects and engineers in the building construction trades generally about the approach to it. His assessment was that they all advised to proceed under the management contract.

Mr. Chairman: This discussion should come under 1802.

Mr. MacKenzie: Well if the Minister would prefer to wait until 1802—it is all right.

Hon. Mr. Simonett: It is quite all right on this vote because we are discussing the estimates in general terms.

Mr. MacKenzie: I wanted to explore this further, Mr. Chairman. There is a genuine difference of opinion here and there is certainly a genuine difference of opinion between the Ontario Association of Architects and with contractors generally—

Mr. Shulman: I do not like to interrupt. But, Mr. Chairman, I thought this matter—

Mr. Chairman: If there is going to be any debate—

Interjections by hon. members.

Mr. Chairman: Vote 1801:

Mr. Nixon: Mr. Chairman, on vote 1801 I would like to ask the Minister about lease-back arrangements that seem to be an innovation in his department.

During the discussion in committee of the estimates of The Department of Education we were discussing with the Minister about the cost of the Ontario Institute for Studies in Education. He finally was able to determine that an arrangement had been made for $2 million a year.

Mr. Chairman: Would you like to leave that to vote 1802?

Mr. Nixon: Well this is certainly a matter of policy. And on a matter of policy I would ask the Minister if in fact he has undertaken lease-back arrangements, rather than construction of the buildings under his direction; and if so how many of these have been arranged?

Hon. Mr. Simonett: Mr. Chairman, do I understand you were talking about OISE? Is this the building—

Mr. Nixon: The Chairman does not want me to talk about specific buildings, so I am asking you if it is the policy of your department to arrange lease-back arrangements for public buildings that would be provided for departments?

Hon. Mr. Simonett: Yes, it is the policy in some cases to have lease-purchase arrangements, and there are also lease-back arrangements—then of course there are buildings that are built by public works.

Mr. Nixon: I wonder if the Minister could point out to the House the advantage in this sort of a contract over the normal procedure, in which it has been the policy of the department simply to accept the approval from the Treasury Board from one of the departments, in this case The Department of Education, and then build the building?

This one, apparently, according to the information the Minister of Education (Mr. Davis) gave us, is going to cost $2 million a year. But he assures us, of course, that that includes janitorial services.

Hon. Mr. Simonett: This is not anything new with The Department of Public Works. I think there are many buildings that we feel we should build ourselves. These are permanent buildings that we are sure we want to keep in this complex.

Mr. Nixon: What others have you got on lease?

Hon. Mr. Simonett: We have many for the OPP—

Mr. Nixon: Quite a few liquor stores?

Hon. Mr. Simonett: No, no, we do not build liquor stores. That happens to be somebody else.

Then there is The Department of Health. But there are many outside of the Queen's Park complex here that we are building in the province of Ontario that would be on a lease-back or a lease-purchase agreement—many of them.

Now with this particular building, as I understand it, there was an opportunity to get a lease and a builder to build the building. And, of course, at that time capital funds were—we were not as flush in our capital account as we should have been. And I suppose this is the reason the arrangement was entered into with OISE and this is the way it has proceeded.

The actual rent is not $2 million a year. I believe it is $2.1 million, I am sorry.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Chairman, just two questions in regard to the estimates.

Under accounting services under unemployment insurance, what unemployment insurance do we carry? We had quite a full debate about two days ago about the fact that we did not have unemployment insurance in any of the government services. What unemployment insurance do we carry in public works?

Hon. Mr. Simonett: We carry the same unemployment insurance as any other employer would carry. Unemployment insurance is not a provincial matter, it is a federal matter. We have to pay our unemployment insurance like everyone else.

Mr. Deans: Mr. Chairman, if I may, that just is not the case. We had a very interesting discussion here the other night with the Provincial Secretary (Mr. Welch), who is responsible for all of the employees of government, all civil servants of the government. At that time we discussed whether or not they were covered by unemployment insurance, and it was pointed out that they were not.

It was also pointed out that the reason they were not covered by unemployment insurance was two-fold: one because the law did not demand it; and secondly, because the job was considered to be of long term—there is very little likelihood of them ever being laid off.

In the event that there were cutbacks there would be alternate employment found within the governmental agencies. And this just is completely out of line with what other departments are doing.

Now I am not quarrelling with it. I think perhaps other departments need it. But I want to know why it is that one department of government finds it necessary to carry it while all others find it totally unnecessary.

Hon. Mr. Simonett: Mr. Chairman, I think the hon. member would understand that in public works we have a lot of casual employees, or employees who work on construction. So in our department we do pay unemployment insurance for the employees in The Department of Public Works.

Now the amount paid out last year was $78,000 for 800 unclassified tradesmen, and 79 classified probationary staff. Now you can understand why we are paying unemployment insurance, because we do have a great part

of our staff working on construction in the summertime. Then they are laid off at particular times. We could be slack as far as work is concerned, or it could be weather or other ways.

Mr. Deans: I find it difficult, because I am sure the same situation prevails in other departments of government. I can understand the probationary employees. I think it is necessary in all services, government included, to carry employees until the probationary period is over. But can you tell me whether those employees in the classified or unclassified trade—I did not get whether it was classified or unclassified — in the trades that are covered by collective agreements; who bargains for these tradesmen employees?

Hon. Mr. Simonett: The unclassified? Their bargaining agents are the classified unions, the unions in whichever trade they are working. And we pay union rates.

Mr. Deans: What is happening then, is you are really subcontracting after a fashion. They are not in the civil service association then?

Hon. Mr. Simonett: Right!

Mr. Deans: One final question: under the aid for remedial works, and so on, it says:

> —to provide for the construction of remedial works to alleviate flooding conditions, erosion of farm lands.

Is this paid because of some work done by public works or is it paid just on the basis of the erosion of farm lands, regardless of how it occurs?

Hon. Mr. Simonett: Well, Mr. Chairman, I suppose when this first got into the public works vote—I would think they were the only department in government doing any drainage work or any erosion work. And it is something that has carried on through the years, although we have other departments in government now that look after some municipal drainage, and of course conservation looks after some parts of this. But there are still parts in the province of Ontario where there are problems, and this is why this grant still remains and we find that it is activated occasionally.

Mr. Deans: Is it activated on an individual basis? Can individuals apply for this grant for flooding problems which they have? Or is it done on a municipal basis? Or how does one apply for a portion of this $75,000?

Hon. Mr. Simonett: It must be a municipality to apply for it.

Mr. Deans: It must be a municipality?

Hon. Mr. Simonett: A municipality, and normally we pay a grant, a 50-50 grant if it is a project that would come under our department and not covered by another department.

Mr. Nixon: I just want to ask on that question, since it is in the first vote, according to the blue book that you provided, there are 18 dams listed. Are any of those built in areas presently covered by conservation authorities?

Hon. Mr. Simonett: Mr. Chairman, I think that phase of our department in this right, has been transferred to The Department of Lands and Forests and it comes under the jurisdiction of Lands and Forests as of April 1 this year.

Mr. Nixon: Oh I see, well I am glad to know that because the ones that are listed in the blue book are directly under The Department of Public Works, but they may be works that have been completed this year. Does that mean, then, that the vote that the hon. member has referred to previously, will be phased out or will there still be a fund there for special remedial works that are not covered by any other agency?

Hon. Mr. Simonett: That is right, we are still going to continue with this vote for special works that would not come under the dams programme or conservation or municipal affairs.

Mr. Nixon: I cannot imagine what they might be. Now what might they be?

Hon. Mr. Simonett: Mr. Chairman, for expenditures this year in the different works, for wall construction, phase two, Perch Creek, Lambton county—$19,400; the corporation of the township of Mersea re shore protection of Wheatley, $25,425; and again, in Mersea, $17,716.

Mr. Nixon: No conservation authorities there.

Hon. Mr. Simonett: No conservation authorities.

Another one in the same township for $15,637. In the municipality of the township of Oranmore, Parry Sound, we had an expenditure of $321.72; corporation of the township of Chatham, cleaning out creek in Chaplain township, Parry Sound, $500.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I wish to ask the Minister how much progress has been made in the centralization of purchasing service and in what way has it been done, what method of centralization is being considered or implemented?

Hon. Mr. Simonett: Mr. Chairman, that comes under 1806, if you wanted to—

Mr. Deacon: I think it is 1801, under your "purchasing services".

Hon. Mr. Simonett: That is "general purchasing" for the department, it has nothing to do with "central purchasing".

Mr. Deacon: It still would apply as a procedure. It would be part of the purchasing services, and would surely be considered in the centralization proposed by the government, or suggested by the government that they are introducing.

Hon. Mr. Simonett: Mr. Chairman, that is the purchasing branch within the department, to purchase supplies for our department. The central purchasing comes under the last vote. This is just our own little branch within our own department to purchase supplies for our department. The other purchasing, central purchasing, will be for many government agencies.

Mr. Deacon: You do not take part in centralized purchasing?

Hon. Mr. Simonett: Yes we do, but we have to have something in our branch as well.

Mr. Nixon: And all the other departments do as well?

Hon. Mr. Simonett: Yes.

Mr. Deacon: What sort of central purchasing is one where you set up your own separate divisions for small operations?

Mr. Chairman: The member for Riverdale.

Mr. J. Renwick (Riverdale): Mr. Chairman, I would like the Minister to explain the policy of the department with respect to contracting out the maintenance and cleaning work in the buildings which come under the jurisdiction of this Minister. How expensive is the policy, and what protection is afforded in the contracts that are let out for maintenance and cleaning, as to the terms and conditions and other characteristics of the employment of persons employed by the maintenance and cleaning firms, to whom the contract has been given?

Hon. Mr. Simonett: Mr. Chairman, it is the policy of Public Works and the government to have our own cleaners, I believe, in this building. Then, on many of our leaseback arrangements the lease includes cleaning so we have nothing to do with the cleaners in that particular area. We are on contract in some of our own buildings in Toronto and I could tell you which ones—70 Lombard Street, the regional office at Mimico, Frost Building south, Queen's Park office extension, 8 York Street, 434 and 454 University Avenue, 135 St. Clair Avenue West, 880 Bay Street, 204 Richmond Street, underground parking garage, the driver examination centre—and I guess, that is it.

Those are all under contract in Toronto, and most of the lease buildings we have, that includes cleaning so we have nothing to do with that and of course, here, these are all out by contract and they hire and employ their own people.

Mr. Chairman: Is there anything else under Vote 1801?

Mr. J. Renwick: The other question that I raised was as to the protection or the standards required by the department in letting such contracts, as to the terms and conditions of the employees of the maintenance and cleaning firms who receive the contracts.

Hon. Mr. Simonett: Mr. Chairman, those are worked out with the actual contractor, all we do is ask for a bid and he hires and employs his own people, we are not responsible at all.

Mr. J. Renwick: Mr. Chairman, would it be possible for me to obtain a copy of one or more of these contracts which would be typical of the kind of arrangement which is made, so that I could examine the terms to see whether or not there is not some way in which the employees of those firms could be protected?

Hon. Mr. Simonett: Mr. Chairman, we would not object to furnishing the hon. member with a copy of the contract. I am sorry we do not have one with us here tonight, but we would be very happy to supply one.

Mr. J. Renwick: Mr. Chairman, in further pursuing that matter, I wanted to know if these contracts were submitted to tender? In other words, the conditions of cleaning

or employment conditions, if there are specifications as to the type of cleaning standards that will be achieved, and the hours of cleaning. Are they put out to tender calls on this, or is it a negotiated contract?

Hon. Mr. Simonett: Yes, they are put out by tender, they are advertised and of course the specifications are prepared within the tender as to the performance we expect.

Mr. Chairman: The member for High Park.

Mr. Shulman: The Minister has said that it is his policy to delegate authority and to trust the people who work for him and he hopes things get done because he does not see the reports. I would like to pursue this a little further. What happens when something does not get done, what happens in a place like 44 Victoria, where a member of your staff comes in and makes numerous examinations, sends in a written report saying the place is not safe? You do not see the report because it is your policy not to see these things, but to delegate them to trust and nothing is done. The situation today is the same as it was when he made the report four months ago. Does the Minister not feel any personal responsibility?

Hon. Mr. Simonett: Mr. Chairman, I think we have threshed this old straw long enough. It has been on now for about three days. I am sure that the people that are responsible for looking at that report have done something about it, or will do something about it and why should we thresh it any longer because nothing has happened down there yet, to my knowledge, and if it was really something that was terribly urgent, that might cause us to move the people out, I am sure I would hear about it.

Mr. Shulman: Mr. Chairman, I am intrigued by the Minister's remark. He says nothing has happened yet, which means, in effect, the place has not burned down yet. Of course nothing has happened because there has not been a fire yet.

What your report said—if you would take the trouble to read it and you have certainly known about it for some days now—what the report said was, if there is a fire, people are going to die. If there is a fire tomorrow, it is going to be your responsibility, yours and nobody else's and you cannot say, "I delegated the authority." "I trusted people."

You have been told about it and nothing has been done since you were told about it and it is now four months since that report went into your department. There is something wrong. You cannot delegate authority if the authority is not being used by someone else, and you cannot get up and say, "Let us not talk about it." That is not going to make it go away. If it was just one building perhaps we would have nothing to talk about because I have yelled at you so much about it. I presume that by tomorrow you will get someone to do something. Well, what about all the other buildings? You cannot evade your responsibilities by saying, "I am not reading reports." Reports come into your department that say buildings are unsafe. There is more than one. I will give you more examples if you want them before this night is out. It is your prime responsibility and you have failed it.

Mr. Chairman: On vote 1801.

Mr. Nixon: Mr. Chairman, will the Minister have the responsibility to provide the educational television facilities that have been under discussion in the Minister of Education's estimates recently? It has been indicated that there will be the development of broadcasting facilities and facilities for the ETV staff, but will there be any responsibility for the broadcasting facilities? I presume that would be the CBC's responsibility rather than this Minister's.

Hon. Mr. Simonett: Mr. Chairman, I would take it that when and if the building is built, we will be responsible for the premises, but I know we would not be responsible for any of the equipment or the telecasting units.

Mr. Chairman: On vote 1801. The member for Oshawa.

Mr. C. G. Pilkey (Oshawa): The buildings that are announced in this report to be constructed, are they all tendered?

Mr. Chairman: That is 1802, really—provision for accommodation 1802 to 1803. Detailed questions are appropriate to another vote. We should finish up vote 1801 first. The member for High Park.

Mr. Shulman: I would like to pursue the matter of policy, Mr. Chairman. I submit and there is proof to back it up, that the policy that the Minister has enunciated tonight—and which it was obvious to us that he has been carrying out since he took over—has been a failure inasmuch as the morale has fallen so badly since he has taken over

that many of his employees are resigning because of working conditions. I would like to ask the Minister, what has he done about it since this was brought to his attention? I would like to also ask him, what specific working conditions were the resigned employees complaining about and have any of these conditions been rectified?

Hon. Mr. Simonett: Mr. Chairman, again I think this is the second time I have answered this question, and I think I said the last time that the working conditions within The Department of Public Works, in my estimation, are good. It is a citizen's privilege if he does not like the company or the people he is working with and he can better himself. Certainly that seems to be his prerogative and more power to him. I am sure that there are many of us in this building and many of us outside this building who are not in the employment that we started with. We felt we could better ourselves; we moved on and up, or otherwise we would all be in the same job we started at.

Mr. Shulman: Obviously the Minister is not aware of what his problem is. Is the Minister unaware there are at least three people in the last six weeks who have left his department with nowhere else to go, because they found the working conditions so bad—the most recent being today? The Minister surely cannot be unaware of that.

Hon. Mr. Simonett: Mr. Chairman, I think the hon. member thinks that all this came about since I became the responsible Minister, so perhaps I should give the House some figures. From April 1, 1968, to March 31, 1969, there were 229 terminations. I was not the Minister then.

Mr. Shulman: Right!

Hon. Mr. Simonett: From April 1, 1969, to September 30 this year, there have been 142 terminations. Figure that out on a monthly basis to see whether things have not changed a bit since last year.

Mr. Shulman: I am afraid you are going to have to eat those words a little bit, Mr. Minister. If you will ask your deputy in front of you to pass up the slip which he has in front of him, it will show why people resigned during the reign of your amiable predecessor and why people resigned since you have taken over. You will find there was not a single resignation during the previous Minister's reign—and I refer to that whole year you mentioned—because of the working conditions. The resignations because of poor working conditions began the day you took over.

I am asking you to look at those figures. They are there right in front of you; they are not going to go away anywhere. I ask you, what has gone wrong, what is wrong with the working conditions? You have done a survey, you have found that these people are resigning every month and a sizeable number say it is because of the working conditions. What specifically is wrong?

Hon. Mr. Simonett: Mr. Chairman, maybe to put this at rest, I will give the hon. member some samples of the reasons for termination: obtained a position closer to home; transferred to other department; moving from area; to continue education; entering own business; dissatisfied with prospects of advancement; home responsibility; dissatisfied with working conditions; health reasons; maternity reasons; dissatisfied with remunerations; superannuated at 65 years of age; superannuated at 70 years of age; obtained better-paid position; dismissed due to inefficient performance; dismissed due to unauthorized absence; superannuated between 65 and 70 years of age; dissatisfied with job assignment; dissatisfied with supervision.

Mr. Shulman: What month is that, please?

Hon. Mr. Simonett: This is for the complete year.

Mr. Shulman: That cannot be the complete year. You have only read out about 20 reasons.

Hon. Mr. Simonett: I only read out 19 to be exact.

Mr. Shulman: More than 19 people resigned. Goodness, the Minister is dull.

Let me try again. There is a monthly breakdown; it is right there, I will send you a copy if your own deputy does not give it to you. I have got them all here; he sends them to me. I am sorry, he does not send them to me; someone else sends them to me. Mr. Chairman, I say there is a monthly breakdown available there. If the Minister does not have it, I will send it across to him.

If you look back to before your taking over—and you can take any month you want, prior to your taking over as the Minister; any month you want—there is not a single individual who resigned because of poor working conditions. The day you took over was when you started to get resignations because of

poor working conditions. All the other reasons that you mentioned were there before, and they are there now. But there is only one new factor, and again I ask—and without abuse, I am asking, because something is wrong—has the Minister or the deputy looked into it to find out what it is?

Mr. Chairman: On vote 1801.

Mr. Shulman: Is the Minister not going to reply?

Hon. Mr. Simonett: Definitely not!

Mr. Shulman: No; the Minister is not going to reply! Then let me just ask the Minister whether, when the head of one of his departments resigns, as one has just resigned, and gives as the reason, "impossible working conditions," and I am quoting, does the Minister take the trouble to look into it, to contact that man and find out what are those impossible working conditions? Did the Minister?

Hon. Mr. Simonett: Yes I did, and I understand the gentleman—and I know the gentleman, who is 60 years of age—wanted to take his superannuation.

Mr. Shulman: Did the Minister not read his letter of resignation? Has the Minister a copy of this man's letter of resignation? If he has not, I will be glad to supply one to him. I quote from the letter:

> I asked for an early retirement because of impossible working conditions.

Did not the Minister take the trouble after receiving that letter to contact this senior man to find out why he had resigned?

Hon. Mr. Simonett: You have the letter.

Mr. Shulman: I am asking you, have you done anything about it?

Hon. Mr. Simonett: What can I do about it? If the man wanted to take his superannuation, what am I going to do about it?

Mr. Shulman: If you were a responsible Minister, you would find out what those "impossible working conditions" are so that you will have someone still working for you this year. At the rate they are quitting, you are not going to have any staff.

Hon. Mr. Simonett: We have no problems.

Mr. Shulman: Mr. Chairman, how can we suffer a man like this? You have impossible working conditions; you have senior members of your own department telling you this; you have as many as seven people in a month resigning because of that, and you do not even take the trouble to contact any of these people to find out what is wrong or to make any efforts to rectify it.

Vote 1801 agreed to.

On vote 1802:

Mr. Chairman: The member for Wentworth.

Mr. Deans: Mr. Chairman, is this where we might talk to the Minister about the working conditions of the members, and about accommodation in particular? Could we discuss for a moment the accommodation for the members of the assembly under this vote? We can; very good, because they are terrible.

First of all, I want to say to the Minister that the people in his department who look after the members' accommodations have done a very good job with very limited resources. I do not know who they are but whoever did the most recent job on behalf of this caucus did a very good job—very efficiently and well done. The only problem is that the end result is that we are still terribly cramped. We have not got nearly enough space for members. There is no privacy; the accommodation, in actual fact, is deplorable. It is unbelievable that people elected to represent constituencies in this province should have to share cubicles one with the other, with hardly enough space to move around in.

I understand that some time ago, we were planning to move into the north wing. Even that, though it is an improvement, certainly is not the best possible facility. One reason is that it is fairly inaccessible, so it is not easy for people coming in off the street to find it. You have to climb down the stairs and around the back of this stairwell here in order to know where you are going, so if these are going to be the facilities, if the plans are going to go ahead, I want first of all to register a complaint that that is not the place to put the members in the first place.

Under the present working conditions—the conditions that we have had since I have been elected here in the last two years—I do not think in any industry or any business they would put people with the kind of responsibility we supposedly have into accommodations such as we are provided with. I honestly believe that this government owes more to the members than they have been given.

Now how, in heaven's name, do we get through and get some action on providing each member in this House with one office,

an office in which he can close the door when he wants to speak in private with some constituent who has a problem that he does not want anyone else to hear about?

Hon. Mr. Simonett: Mr. Chairman, I am sure that the government and I would agree with his statement that we are long overdue to get private offices for our private members. I can recall when I came here ten years ago, and at that time when we had to dictate, we had to bring a secretary in the House in the morning and sit in your seat and dictate. Well, that was not satisfactory and some of the cubicles now are not either.

This is the government's policy, that we would take the first and second floors of the north wing and make it into office space for the private members. Of course, we have the north wing there, and this seemed to be agreeable to all the caucuses when this was first brought up and at the present time The Department of Public Works are updating the electrical system. We are planning to air condition that wing and we are progressing, slowly perhaps, but we are still working at it, in the hope that we will have the accommodation ready and other accommodation that we can give every private member a private office plus a place for a receptionist or a secretary.

Mr. Deans: I say to the Minister that—

Mr. Nixon: When?

Hon. Mr. Simonett: We are working at it now.

Mr. Deans: I doubt very much if this will be ready within the next year. I think the Minister would agree with me that it is not within the next 12 months that we are going to be able to move into this, is it?

Hon. Mr. Simonett: Mr. Chairman, if it was not for air-conditioning I think we could have it ready for next year. Now, this decision is being weighed at the present time—whether to air-condition this whole building or not, and it is a major job to do that, as you know, and it would have to be planned and started on before we lay out the offices.

Mr. Nixon: You are air-conditioning this chamber?

Hon. Mr. Simonett: We are talking about the whole building.

Mr. Deans: The other question that flows from that is, if we are going to the first and second floors in the north wing, access to the second floor in the north wing is very limited from this building. If someone comes in from the front door, access to the second floor of the north wing is a very limited thing—one elevator to my knowledge, one elevator and one small stairwell.

It is pretty darn difficult for someone looking for you to find you. It is difficult for me to find people in there let alone someone coming in who does not frequent the building very often, and if we are going to do that, you are going to have to take another look at getting better accesses to that particular portion of the building.

Hon. Mr. Simonett: Mr. Chairman, as the plans materialize and before they are finalized, they will be discussed with the three caucuses to try and arrive at something that is going to be satisfactory to all the members that have to use these offices. We are not going to build something you do not want, we are going to try to take the space we have and do the best we can with it, so we have good accommodation for our members.

Mr. Deans: How long would you expect to take before the air-conditioning is completed and this particular wing finished, so that we can move into it?

Hon. Mr. Simonett: Mr. Chairman, I cannot answer that right now, we are working towards this end. If it was not for the air-conditioning I could tell you it would be ready for next fall, or perhaps sooner.

Mr. Deans: Not before the next election?

Hon. Mr. Simonett: Yes.

Mr. Chairman: The member for Dovercourt.

Mr. D. M. De Monte (Dovercourt): Mr. Chairman, is it proper to discuss the restaurant in the building under this vote?

Mr. Chairman: That will come under accommodation, will it?

Hon. Mr. Simonett: All right, yes.

Mr. De Monte: Well I refer to the restaurant—

Mr. Chairman: You mean the operation of the restaurant? The accommodation is all that this Minister is responsible for.

Mr. De Monte: May I ask the Minister then, Mr. Chairman—I understand there was a new contract made with certain people—I understand that the old contract was with the Civil Service Association, am I correct?

Hon. Mr. Simonett: Right.

Mr. De Monte: May I ask with whom The Public Works Department has contracted under the new system?

Hon. Mr. Simonett: Mr. Chairman, it was J. & J. Dinely Limited, I believe.

Mr. De Monte: Can I ask the Minister, Mr. Chairman, who J. & J. Dinely Limited is?

Hon. Mr. Simonett: Mr. Dinely had been in charge of the services here for the Civil Service for a number of years—13 years, and the other J. Dinely is his son, who had been assisting him. When we were notified that the Civil Service wanted to terminate their services they formed a company, took over the staff, and are carrying on for a period, a contract, of two years.

Mr. De Monte: Was this contract tendered upon or was the contract just let to J. &. J. Dinely? Was there a tender issued?

Hon. Mr. Simonett: No, there was not a tender, it was negotiated with Mr. Dinely because he had been an old employee. And, of course, he was taking over the staff that were originally working here and we felt some responsibility for them although they were not our employees.

Mr. De Monte: With respect, Mr. Minister, could not J. & J. Dinely have stayed with the Civil Service Association and run the other cafeterias?

Hon. Mr. Simonett: The Civil Service pulled out of all the cafeterias.

Mr. De Monte: The Civil Service Association pulled out of all the cafeterias? Can I ask a further question: Is the so called dining room over here subsidized in any way by The Public Works Department or by any other department?

Hon. Mr. Simonett: Mr. Chairman, it is subsidized to this point that the room is ours, the equipment belongs to the government, and then we pay for the tea, coffee and free crumpets that the members get in the afternoon and evening.

Mr. De Monte: In other words the capital investment that a normal restaurateur would have to make is subsidized by The Public Works Department?

Hon. Mr. Simonett: Right.

Mr. De Monte: May I also ask this—what are other details of the contract that The Public Works Department has made with J. &. J. Dinely? Could the Minister table the contract in this House please?

Hon. Mr. Simonett: We have not the contract with us but we would be very happy to furnish you a copy of the contract. I do not know whether you were asking why we did not charge for the space and for the equipment—were you wondering why?

Mr. De Monte: It strikes me that if any other restaurateur was going to contract with The Public Works Department on a tender basis, the restaurateur would have to contract on the basis that he pays for his own capital investments.

Hon. Mr. Simonett: Mr. Chairman, that could be, but that has not been the policy of the government, because actually these restaurants are used for food for the employees. Now if we charge them for the space and the equipment, this is going to reflect in the prices that our employees pay. So this is a service, the same as many other companies furnish for their employees so that they can get a lunch or a meal; that does not reflect the rent for the building and the equipment.

Mr. Chairman: The member for Oshawa was on his feet.

Mr. Pilkey: Mr. Chairman, the question that I wanted to ask was: buildings that are announced in this public works programme—are they tendered for?

Hon. Mr. Simonett: Yes, all buildings are tendered.

Mr. Pilkey: I am talking about announced ones, the ones that you are going to construct. Obviously the ones that are built—there is not much we can do about them.

Hon. Mr. Simonett: Mr. Chairman, that decision has not been reached yet. They could be tendered for, or they could be on a consultant basis. This decision will be made as we get ready to call for tenders or get ready to proceed with the buildings.

Mr. Pilkey: Are these open tenders, then, that you use?

Hon. Mr. Simonett: Public tenders.

Mr. Pilkey: Public tenders.

Mr. Chairman: The member for Oshawa Centre was cut off.

Mr. Pilkey: It is Ottawa, not Oshawa!

Mr. J. E. Bullbrook (Sarnia): All left wing.

Mr. MacKenzie: Mr. Chairman, I was talking a while ago and trying to get at the species of many of these contracts which the Minister just mentioned again here. As I understand it, he stated that on the proposed projects, the decision has yet to be made as to whether they should be by management or by straight tender. I do not want to be troublesome, but I do want to be persistent on this, because to me it is quite a major approach in the building industry, the construction industry. The Minister indicated before, Mr. Chairman, that he talked around with architects, engineers, contractors and generally the building construction industry, and his concensus was that it would be most profitable to the department to proceed in this direction.

Before I go further, I wonder if the Minister would make some effort to indicate how the people in Ontario are going to benefit from this type of approach to building construction?

Hon. Mr. Simonett: Mr. Chairman, perhaps in order to get my story across, I will read this statement. It will take me about eight minutes.

The term **project management** today is loosely applied to several quite different methods of carrying out construction projects. In this statement, project management refers to a firm hired by the owner to take complete responsibility for both design and construction. Construction management refers to the owner hiring an architect for design, and a construction manager to assist in cost control during the design phase, and also to manage the construction phase of the project.

In the past, project management firms have been employed mainly on large industrial processing installations, and similar projects in the petroleum, mining, pulp and paper and hydro-electric fields. The project manager acts as the owner's agent in co-ordinating, directing and managing the activities of all the planning, design, construction and operating groups involved on the project. In addition to the fees for management services, the project manager is paid the standard scale of fees for design and engineering services, which are executed either within his own organization, or by consultants hired by him. In recent years on very large and complex building projects, some institutions and organizations have employed project management firms to assume total responsibility for the planning, design and construction of major building projects.

We have not engaged any project management firms to date, since our senior architectural and engineering staff perform these functions for the department. We are at present collaborating with the Ontario architects' association in the development of a construction management type of contract which will incorporate the best features of the various methods in use, and which will provide for earlier completion of buildings and more economical cost.

They stipulate that some form of contract used by the department for years has certain disadvantages for large projects under today's rapidly changing conditions, such as, first: full advantage is not being taken of the construction industry, nor of systems and methods to control cost in the design stage.

Second: tenders must include heavy contingency allowances for price or wage escalation, and anticipated various construction delay periods, particularly on work executed in the later stages.

Third: only a few of the larger contractors now with a tender on projects, have an extended construction period, and there is no doubt but what heavy contingency allowances must be carried in their tenders on such projects.

The purpose of construction management contracts will provide the following advantages:

(a) Employment of a construction manager in the early planning stages of the project will permit use of his practical knowledge in assisting in the control of cost.

(b) Construction can start before the entire design is completed with savings in time of six months to a year in completion of a project.

(c) Sub-trade work will be tendered subsequently at time close to the actual execution of each item of work, resulting in better planning procedure and a reduction in risk which will permit lower tender prices.

(d) This type of contract will give the department better control of both cost and scheduling than was possible on the stipulated-sum form of contract.

To date we have awarded four contracts for construction management. First: Cook and Leitch Limited, on the data-processing

unit in the Macdonald block, Queen's Park, Toronto, contract value $395,750; second: Ross Johnstone Limited, on the kitchen-dining areas in building A of the Ontario Science Centre, Don Mills, contract value $350,000; third: Secant Construction (Central) Limited, for the building construction works of the Ontario Pavilion, CNE grounds, Toronto, contract value $9 million; fourth: Pigott Project Management Limited for Queen's Park office extension programme, phase 2, contract value $24 million.

Mr. MacKenzie: Well, Mr. Chairman, that gives a good outline of how the management contract works, but the fundamental question, Mr. Chairman, was how do the people of Ontario benefit?

As near as I can understand from what the Minister has said, he has right away taken the general contractor out of the picture; there is no such thing as an overall tender where prices are competitive on the total project, and where the man in charge is working under the rules in the control of competition, where the man in charge will not make a profit unless he operates in a very competitive and efficient way.

This is the basic point I made when I was talking about this, Mr. Chairman. Roughly speaking, this system takes out the competition of the general contractor. We do not have a general contractor. It is quite in contrast to the turnkey operation.

Now, in your reply there you tried to work in a little bit of turnkey which the hon. Minister of Trade and Development (Mr. Randall) is doing. He is approaching this thing quite a bit differently from you. He goes to several contractors and lays down certain specifications about what he wants. The contractors pull together a complete design team. They not only design the building, they have the architects, the engineers, the contractors, all sitting down together and working out the best arrangement for the minimum cost.

I would like the Minister to enter into this a little further, and show me just how the people of Ontario are going to benefit. I cannot believe that those in the construction industry who are knowledgeable, and who believe in competition, could possibly advocate this approach to building construction.

It can only lead to higher costs. It can only lead to people coming in as management consultants, or management firms if you like, who do not really know the business and who have never operated under severe competition conditions.

Hon. Mr. Simonett: Mr. Chairman, again I do not want to get into a debate with the hon. member because he has some knowledge—much more knowledge, perhaps, than I have—about the construction business.

I am told, though, and I am told this by many contractors that I know and have known for many years, that about 90 per cent of any bids today by the general contractors are made up of subcontracts, or the general contractor actually is only building about ten per cent of the building.

I talked to one gentleman last week, who is one of the larger builders in Ontario, and he said he goes up to 15 or 18 per cent. So they are depending on the bids of the subcontractor when they tender on a large project. Now, all we are doing is asking for bids on management, which is all the general contractor is doing anyway. He is only building ten per cent of it, and 90 per cent is being built by the sub. So he is only a manager managing his subs.

So we go the other way, and 90 per cent of it or more is given to the subcontractors. I cannot see where there is going to be a great deal of difference—only we can call for these bids as we need them, and as we progress on the building.

Mr. MacKenzie: Mr. Chairman, can the Minister give us figures to bear out his statement? The hon. Minister of Trade and Development showed in his approach to it that he was able to bring the cost of housing down from $10,000 per unit to, I think it was, $7,000 per unit—a very substantial decrease in the cost per unit. That is in the turnkey operation.

Can the Minister supply us with figures per square foot, or cubic foot, or on some other basis which we can understand, to show that the method he is using here is going to realize savings?

Hon. Mr. Simonett: I am sorry, Mr. Chairman, I cannot supply those figures and I do not want to lead the House astray. I am advised that perhaps we might come up with savings of up to ten per cent and get the same type of building. But again, I think there is a matter here that we are quite interested in, and that is of flexibility.

When you start a large project that is going to go on for two or three years and, as our need for space changes and building materials change, then we are flexible when

it comes to finishing that building—to do the things we would like to do with it at that time.

Mr. MacKenzie: Mr. Chairman, there is another aspect to this. In view of the Minister's firm position on this approach to building construction—and it is firm, it is very rigid—does he advocate that all public authorities in the province of Ontario adopt his approach to building construction? Does he feel that this province will benefit if they all adopt his approach, assuming that, in his capacity as Minister of this building construction branch, he is endeavouring and attempting to give leadership to this province?

Hon. Mr. Simonett: Mr. Chairman, no, I would not agree that we should do all our buildings this way at all. But with our large projects—or projects that are going to continue and be under construction for two or three years—I think we agree now until we are proved wrong, that this is the way they should be handled. With a project that is going to be built within six or eight months, I can see nothing wrong with that going to a firm tender and getting bids.

Mr. MacKenzie: Is the Minister going to advise the Minister of Trade and Development that his methods are wrong, his approach to construction is wrong, and that he can save more money by adopting this Minister's method?

Hon. Mr. Simonett: Again, not being a builder, but any advice I can get from contractors, architects, engineers—and I know many of them in the building business—indicates they think this is the new approach. Many of our old contractors are also going to this approach to building. So again I am not going to argue with them. Maybe they are wrong, but, at the present time, the information I get from our own people and from those who are knowledgeable in the building business—and I have talked to builders as far away as British Columbia, that this is the way to do it now—on very large projects. This is the way it is going to be done, and, again, I think we should give it a good try.

It is not going to cost us any more, or I am assured it will not. Then again, I am thinking about three years ahead to where we can suit our space to what we want on the day the building is going to be finished.

Mr. Chairman: The member for High Park.

Mr. Shulman: I want to pursue the matter brought up by the member for Dovercourt about the restaurant. I am sure we all agree about this restaurant; it is not something that any of us are proud of, and certainly none of us likes to take any—

Mr. Chairman: I must remind the committee about the time.

Mr. Shulman: I am only going to take four minutes myself. There is one thing I have noticed about that restaurant: We have never seen a Cabinet Minister eat there. I would like to ask the Minister involved—

Mr. J. E. Stokes (Thunder Bay): We had one tonight.

Mr. Shulman: —if the Cabinet Ministers, perhaps, have some special, better-appointed restaurant? Is there another restaurant in this building which is set up for Cabinet Ministers? I am just curious.

Hon. Mr. Simonett: Mr. Chairman, yes, there is a Cabinet restaurant here. I do not say it is any better, but the reason we have a Cabinet lunchroom is that many Cabinet meetings carry on from the Cabinet room into the Cabinet dining room. If you have never seen any Cabinet Ministers in this restaurant, you cannot be in there too often.

Mr. Shulman: I am not.

Hon. Mr. Simonett: All right then, why do you not go there before you make statements like that?

Mr. Shulman: I have been there enough. I do not want to go there again, let me assure you.

Mr. MacDonald: He is substantially correct. The Cabinet is not there very often.

Mr. Shulman: I suggest, Mr. Chairman, the member for Dovercourt is quite right. That place is bad and the reason it is bad is that the Cabinet does not come there.

Why do you not come in there a couple of times and see what it is like and get him to improve it?

Hon. J. H. White (Minister of Revenue): How would you know whether it is so bad?

Mr. Shulman: I have been in one or two restaurants in my life. The Minister of Revenue should do something about that. He is the only one with any brains over there.

I would like to go on, Mr. Chairman. I received a complaint from one of the workers in the housing department—

Interjections by hon. members.

Mr. Chairman: Order, please!

Hon. Mr. Simonett: The quality of the restaurant does not come under us at all.

Mr. Shulman: Yes, but you house them, that is what the problem is.

I received a complaint today from one of the workers in the housing department who complains he is being poorly housed by you. I am referring now to the third floor at 188 University Avenue, which is overcrowded. They have made numerous complaints and requests to either take some of the people out or get more space. What has the Minister done about it, or does he know about it?

Hon. Mr. Simonett: Yes, I have talked to the chairman of the housing department; I have talked to the Minister of Trade and Development. We know they have a problem and we are going to do something about it.

I am sorry we are not going to do it tomorrow, but we are working toward an area where they will be better housed.

Mr. Shulman: I am pleased you are going to do something about it. I should point out that the first complaint that was sent in to your department was in 1966, but I am glad to hear you are going to do something about it soon.

Under 1802, I see you have a fair amount for travelling expenses. I would like to ask the Minister why it is that in this past year his department, which approximately a year ago had approximately 125 drivers and cars, now has 185 cars. What is the need for this tremendous expansion in cars and drivers?

Is this where you are spending your money? Is this why we are not getting proper accommodation, where you should be spending your money?

Hon. Mr. Simonett: Is that on vote 1802?

Mr. Shulman: Well, it sure should be, but if you do not want to discuss this, I understand.

Mr. Chairman: This has to do with building accommodation. The member for Hamilton Mountain.

Mr. Shulman: Oh, I beg your pardon, Mr. Chairman. Under this vote there is a great deal for travelling expenses and a great deal of that money goes toward the cars. That is where it goes and that is why I am questioning this tremendous expansion in car fleets.

Hon. Mr. Simonett: Mr. Chairman, it is not an increase, it is a decrease from the year before. If you note in 1968-1969 we spent $177,000, and we reduced it this year to $142,500, so we are getting better. That was not the new Minister either.

Mr. Shulman: The Minister is getting worse, Mr. Chairman. He had better read those figures again.

Last year you had 125 cars and drivers, now you have 185. My question was, why the extra 60 cars and drivers?

Hon. Mr. Simonett: Mr. Chairman, I do not have the number of cars recorded here. I could get—

Mr. Shulman: I am glad to supply them to you.

Hon. Mr. Simonett: —them from the office. Now, you say you have the number?

Mr. Shulman: I am always glad to supply them to you.

Hon. Mr. Simonett: If you would like to supply them, we could get them over there. Now, if there is an increase—

Hon. Mr. White: You have got—

Hon. Mr. Simonett: —if there is an increase in vehicles, I believe that prior to me going in there, there were a few more vehicles put on to deliver mail from the central post office. I would have to check and see how many that was.

Mr. Shulman: You are delivering the mail?

Hon. Mr. Simonett: Yes. We have a central post office and we deliver to the different buildings in government.

Mr. Shulman: I can see there might be a little saving here. Why do you not try using the postal department instead of hiring all these cars and drivers?

Hon. Mr. White: You speak to Mr. Keirans.

Mr. Chairman: The member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): Mr. Chairman, I think what impresses the visitors to these buildings is the vision of grandeur that our forefathers had in erecting this particular edifice. I think, likewise, visitors to the new Macdonald complex are equally impressed, especially with the good taste of the appointments there.

However, one of the things we sort of lost in between is the fact of the accommodation in this building for the members. I think, perhaps, it might be worthy of consideration to hire, or seek the advice of somebody—

Mr. MacDonald: That was covered by an earlier debate.

Mr. J. R. Smith: —qualified in office design with the view of taking some measure to improve the situation. We seem to have, not only sleazy accommodation, but probably also the rejects from the department's furniture department.

I would just like to add my weight to the comments of the member for Wentworth and the others who have already spoken on this matter.

Mr. Chairman: On vote 1802.

Mr. De Monte: I have a question about the edifice right here.

May I ask the Minister how much the carpet cost in this building, the one they just laid?

An hon. member: The runners?

Mr. De Monte: I will get to the runners later. I would like to know about the carpet.

Hon. Mr. Simonett: You are talking about the ceremonial carpet?

Mr. De Monte: No, no. I am talking about the carpet that was laid.

Hon. Mr. Simonett: On the main floor?

Mr. De Monte: The ceremonial carpet went on above it.

Hon. Mr. Simonett: Yes, well it was just under $18,000 for the main floor. That is the sub-base and the carpet.

Mr. MacDonald: Mr. Chairman, I was rather curious. I assume you meant the carpet.

Mr. De Monte: Just a minute. How much did the ceremonial carpet cost, Mr. Chairman?

Hon. Mr. Simonett: I am sorry, we do not have that figure with us. As you know, it is just being installed at the present time—

Mr. Shulman: Did you get a price first?

Hon. Mr. Simonett: We do not have the figures with us, but I would be very happy to get them for the member and furnish them to him tomorrow.

Mr. De Monte: Would the Minister table that figure, Mr. Chairman?

Hon. Mr. Simonett: Does the member want it tabled or does he just want me to give it to him?

Mr. De Monte: I would like to get the cost.

The other thing is, what is the longevity of this rug?

Mr. Shulman: In 1971, we are going to roll it up and throw it out.

Mr. O. F. Villeneuve (Glengarry): The member for High Park will not be here.

Mr. De Monte: Has the Minister enquired into the longevity of this rug and what it will cost to replace it when it wears out?

Hon. Mr. Simonett: I cannot tell the member what the replacement cost will be when it wears out—prices can vary. We expect that rug will last at least ten years. The same material was used in the Ontario pavilion at Expo, and over 5,000,000 people walked over it. And most of that carpet—

Mr. De Monte: Was it put in here?

Hon. Mr. Simonett: No, it is being used in some government buildings though. But it came out in very good shape—so it proved equal to the test.

Mr. De Monte: Mr. Chairman, I notice that the floor underneath, especially in the area to the west here, lasted a long time. What was the purpose of laying that rug?

Hon. Mr. Simonett: Mr. Chairman, we were faced with tearing up the old floor and, if we were going to build terrazzo, we would have had to tear up the sub-floor. The cost would be around $150,000.

The decision that had to be made by Public Works was to spend $150,000 and disrupt the whole main floor in this building throughout last summer or longer. So we came to the decision, after we got a price on that carpet. We thought it would do a good job. It wears well. It has quietened down the first floor so if you have an office down there at least you can hear yourself in the office when you get all the school children in. I believe it will work out well.

We have had many comments on it, all good so far, and to get something for $18,000

compared with $150,000 and the inconvenience, we thought we should proceed this way.

Mr. De Monte: May I ask another question? Why is there a difference in the colour between the streams of rugs that go along? Is it a defect in the rug, or what is it that causes the difference in colour?

An hon. member: What difference does it make as long as it is all red?

Hon. Mr. Simonett: I do not think there is any difference in colour; it is just the way the light gets on it, and it is viewed.

Mr. De Monte: What was the purpose of the ceremonial rug, the permanent ceremonial rug?

Hon. Mr. Simonett: We have the Lieutenant-Governor who lives in the building. He comes in here quite often and it is customary to have a ceremonial rug. The other one is worn out, so we thought we should replace it.

Mr. De Monte: It is not a laughing matter.

Interjections by hon. members.

Mr. De Monte: It is quite a bit of money. What type of floor was already there on the west side of the building? Is it a ceramic floor or terrazzo? What was the matter with that floor that a rug had to be laid on top of it?

Mr. R. S. Smith (Nipissing): The Liberals are on that floor.

Hon. Mr. Simonett: I doubt if the member would want rugs in the centre hall and in the east wing, and a terrazzo floor in the west wing. It would have been noisy. And of course we have the Liberal caucus there, and we would never want it said that we would not give them a rug to quieten their offices down.

Mr. De Monte: That is why you put in the ceremonial rug, because you certainly want the next government to have ceremony. But certainly, Mr. Chairman, I would like to know, does the Minister mean to tell me the rug was laid simply because there was a question of noise?

Hon. Mr. Simonett: No, that is not what I said.

Mr. De Monte: No, it is not a question of laying a terrazzo floor or a rug. I understand you could have replaced the rubber tile there for about $2,000, perhaps a little cheaper than that. Does the Minister know how he could have replaced the same floor that was there?

Hon. Mr. Simonett: Mr. Chairman, we could have left the old floor the way it was, but we thought it was not a good respectable entrance for the Parliament Buildings, Queen's Park, Toronto.

I would think that anyone will agree with me that the carpet has improved the entrance of this building. I am proud when I come into it. My friends are proud when they come into it. I hope all the members are proud when they come into it. And it has cut down the noise a considerable amount on the main floor.

Mr. MacDonald: Mr. Chairman, this is so important I feel impelled to get in on it. There are a number of points that rather intrigue me since we live with it and walk on it. There was a difference in colour—the Minister may have forgotten—so much so that they took one strip up in the centre foyer because the difference was so marked. I presume it was a difference in the dyeing vats.

However, not being a housewife, I have always been a bit intrigued in this contention that is now advanced that it is just as easy, if not easier, to keep a carpet clean than it is to keep tile clean. But am I not correct, in commenting on the reply that the Minister gave to the hon. member with regard to the longevity of the carpet, that the longevity of the tile before it was much shorter? Indeed, I get the impression that you made the change because the other floor was really on its way out—tiles were coming up and many a tile had been tacked down. If the Minister now speaks rather disparagingly about having only a tile floor in the entrance to the Parliament Buildings of Canada's greatest province and so on, I wonder who was in on the original decision to put tile down. Secondly, why were the tiles so defective that the thing lasted for so short a time—was it four or five years?

Mr. B. Newman (Windsor-Walkerville): No, not that long; about three.

Mr. MacDonald: The hon. member for Windsor-Walkerville says only three years. If tiles were laid in my house and they began to peel up and had to be tacked down at the corners in three years, I would have taken a pretty healthy look at the contractor and the people who did the work. I am not objecting to the change that has been made. I agree, I think the Minister is correct when he says

that it costs less. It certainly has an air of affluence if that is the appropriate image for what this government aspires to be. It is quieter. But my queries would be more on the amount of money that went into it, and how little service we got out of the money, on the tiling that went in there only three years before.

Hon. Mr. Simonett: I am advised that when the tiles were laid, they did not put down a new sub-floor and that whole floor was very uneven, so perhaps it was—

Mr. MacDonald: They did put down a new sub-floor; I walked on it.

Hon. Mr. Simonett: Before they put the tile on? No, we put the new sub-floor under the rug but not under the old tile.

Mr. MacDonald: My recollection is that a new one was laid.

Hon. Mr. Simonett: There was a floor, but not a new sub-floor. It was uneven and this is what caused the tile to warp. This is what I am told, I was not there when they laid the tile. I was there when they took them up, though, and I did not see any sub-floor because we put a new sub-floor under the rug, a plywood sub-floor.

Mr. Shulman: The year that this rug—

Mr. Chairman: Order please!

Mr. Shulman: —for $18,000 plus, went down, was the same year that—

Mr. Chairman: Order please!

Mr. Shulman: —the government said they did not have enough money to give to the Big Brothers.

Mr. Chairman: The time has now expired.

Votes 1802 to 1806, inclusive, agreed to.

Mr. Chairman: This concludes the estimates of The Department of Public Works.

Hon. A. F. Lawrence moves that the committee rise and report that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, it is the intention tomorrow to go to the Budget Debate; on Monday, estimates; on Tuesday, estimates; on Wednesday, legislation; and on Thursday back to estimates.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, the House leader says "estimates"; does he mean perhaps the report of the estimates' committee?

Hon. A. F. Lawrence: Yes, the intention is that on Monday we would probably consider the concurrence in supply for The Department of Agriculture and Food; and on Tuesday, therefore, I think University Affairs would be the next department up; on Wednesday, as I say, we would have legislation. On Thursday it is hoped that we could by then reach The Department of Health estimates.

I should say, Mr. Speaker, as well, that on any of these days, now that we are getting down to the end of the order paper, in the happy event that we would complete any of these estimate items, at any time the House should be ready to go to legislation or Budget Debate. I think this has been indicated to the Opposition before by the House leader.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 o'clock, p.m.

No. 223

ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT – DAILY EDITION

Second Session of the Twenty-Eighth Legislature

Friday, November 21, 1969

Speaker: Honourable Fred McIntosh Cass, Q.C.
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1969

5

Price per session, $5.00. Address, Clerk of the House, Parliament Bldgs., Toronto.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 21, 1969

The House met at 9.30 o'clock a.m.

Prayers.

Mr. Speaker: Statements by the Ministry.

Hon. C. S. MacNaughton (Provincial Treasurer): The members of this House will be aware that the civil service arbitration board has been considering a matter concerning fringe benefits in the Ontario public service. This matter was referred to the arbitration board following extended negotiations between representatives of the government and the Civil Service Association of Ontario.

I am pleased to be able to advise members that the award of the arbitration board has now been received. The board consisted of His Honour Judge J. C. Anderson, chairman; Mr. J. W. Henley, representative of the official side of the Ontario Joint Council; and Professor A. Krueger, representative of the staff side.

The award deals with five main subjects—medical insurance, Ontario hospitalization insurance, vacations, attendance and separation gratuities, and long term income protection insurance.

The highlights of the award are, firstly, medical insurance. It is recommended that the government continue to pay 65 per cent of the premium for medical insurance as provided under the Ontario Health Services Insurance Plan.

Hospitalization insurance. The board recommends that the government pay 40 per cent of the premium for hospitalization insurance. In lieu of retroactivity, the government will be asked to pay the full cost of premiums for both basic medical insurance and hospitalization insurance for the months of January to May 1970 inclusive, and for the month of June 1970 in respect of hospitalization insurance only.

Vacations. The present plan provides employees with two weeks vacation during their first three years of service, three weeks vacation to employees with more than three but less than 20 years service, and four weeks vacation thereafter.

Under the terms of the award, all employees will be entitled to at least three weeks vacation per year effective January 1, 1969 employees with 17 or more years of service will receive four weeks vacation. The service requirement for four weeks vacation will be reduced to 16 years on January 1, 1970 and to 15 years on January 1, 1971.

In addition, the government has confirmed its previous offer whereby each employee on completion of 25 years of service will receive one extra week of vacation entitlement, on that occasion only, to mark the attainment of a quarter century of service.

Attendance credits. Employees will continue to accumulate attendance credits at the present rate of a day and a quarter per month. The board recommends the introduction of an annual bonus system whereby employees will be rewarded each year for maintaining good attendance. The annual bonus, based on attendance credits not used in the current year of employment, will consist of one-fifth, one-quarter, or one-third of attendance credits unused in that year, the fraction depending on length of service. One-fifth for employees with less than ten years service, one-quarter for employees with ten years or more of service, and one-third for employees who have accumulated 261 attendance credits by the beginning of the year in question.

Separation gratuities. The present separation gratuities based on accumulation of unused attendance credits at time of separation will continue for present employees only. However, employees hired on or after January 1, 1970 will be entitled to a severance pay based on length of service in respect of involuntary termination, including death, retirement, disability or indefinite layoff. Employees to whom the new severance pay plan applies who voluntarily terminate or who are discharged for cause will not be entitled to a severance payment.

Long term income protection insurance. The board has recommended the adoption of a long term income protection plan to be introduced on a voluntary basis in respect of present employees and on a compulsory basis in respect of employees hired on or after the date of implementation of the plan. The plan would provide for the maintenance of 50 per

cent of income beginning with the seventh month of absence subject to the customary provisions governing such plans. The government will pay 50 per cent of the premium for this plan.

May I say in conclusion that the parties to the negotiations are indebted to the civil service arbitration board for its consideration of this matter which, as will be seen from my review of the award, was a subject of some complexity. The parties to the negotiations will co-operate in the details of the implementation of the arbitration award.

Here is an example of the attendance bonus system. In the case of a public servant who accumulates 15 days of attendance credits per year and to whom the one-fifth fraction applies, this bonus system would work as follows:

A public servant who is ill for five days in a given year would have ten days of unused credits in that year. He would be paid a bonus of one-fifth of his ten days of unused credits, namely two days, and would have eight days added to his accumulated sick leave credit.

Mr. Speaker: Oral questions.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the Treasurer if there are any further arbitrations pending, or does this clean up the matters that have been pending for so long?

Hon. Mr. MacNaughton: Mr. Speaker, as far as I am aware it cleans up everything in the fringe benefit area.

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Lands and Forests.

During the last few days I think a question was put to the Minister about charges laid against Domtar, Red Rock, having to do with pollution in the Nipigon River and Nipigon Bay area. These have now been announced.

I wonder if the Minister could indicate what effect this may have on the industry in the area and if there is some liaison between his department and The Department of Energy and Resources Management in this matter?

Hon. R. Brunelle (Minister of Lands and Forests): Mr. Speaker, I am just in the process of reading this; it arrived at 2 o'clock this morning from Sault Ste. Marie. I am just reading about these charges having been laid, and at this stage I do not know any more than I am reading now in the press.

Mr. Nixon: Well perhaps there might be another occasion when we can investigate the matter further when the Minister's colleague is in the House as well.

A further question to the Treasurer, Mr. Speaker, having to do with the negotiations with the government of Canada resulting from the white paper put forward by Mr. Benson. Have arrangements been made to receive Mr. Benson by the Cabinet of Ontario for discussions of the white paper, and have plans been made for a meeting of provincial Treasurers involving the federal level for the interlocking of plans for budgets that will be coming down early in the year?

Hon. Mr. MacNaughton: Plans have been made to receive Mr. Benson. Dates have been proposed—I believe they are December 10 and 11, following the reconvening of the constitutional conference—for the tax structure committee to meet, at which time the province, of course, will be represented.

Mr. Nixon: A supplementary: Will there be a special series of meetings in Ottawa, at the time of the federal-provincial conference involving Premiers and Prime Ministers, where the Ministers of finance and Treasurers will be meeting separately to work out these matters?

Hon. Mr. MacNaughton: My reference to the tax structure committee includes Premiers and Ministers of finance. Those are the members in the tax structure committee.

Mr. Nixon: So that one of the major parts of the agenda of the federal-provincial conference will be actually the tax structure committee meeting?

Hon. Mr. MacNaughton: Mr. Speaker, I do not know. It depends on a person's own attitude as to which is the most important part of a five-day conference. But, certainly, the meeting of the tax structure committee at this time, following the tabling of the white paper, I should say would be regarded as very important.

These are the dates that have been proposed as I recall them—I think December 10 and 11. And that would be following on the end of the three-day constitutional meeting.

Mr. Nixon: Right. Just as a matter of clarification, I was wondering if the two were concurrent and I was not aware that the dates followed one another. If Mr. Benson is coming here to Toronto, is any arrangement being made where he might be asked before our committee of the Legislature so that we

can hear his views on these matters, as well as the government?

Hon. Mr. MacNaughton: Mr. Speaker, not at this time, no. His visit is to meet with members of the government. That was his request and it has been acceded to and, as I stated, he is coming, but there has been no further arrangement beyond that.

Mr. Nixon: I have a question for the Premier. Has he been contacted by representatives of Rogers cable television with regard to the possibility of televising the work of the House, or the committee, in the projects associated with cable television and community television, in the Toronto area?

Hon. J. P. Robarts (Prime Minister): I believe I had a communication, Mr. Speaker, from Mr. Rogers. I do not know whether it was weeks or months ago. They were simply offering their services in the event that, in due course, we chose to televise our proceedings in this House. As I say, it was just simply to say that they were available when we want to use their services.

Mr. Nixon: As a supplementary question. Since our experience with television in the House is now many months old—dating from the time of the opening of the Budget debate —is any further investigation taking place as to the possibility of bringing television in here on a more regular basis?

Hon. Mr. Robarts: I do not have any active study going on. I do not really know what more there is to study. I have not, in fact, given it a great deal of thought since those events.

No doubt in the somewhat brief interval between the prorogation of this session and the commencement of another one, it is a matter that will be given some consideration.

Mr. Nixon: Are you going to involve the other members of the House in this consideration, or is it going to be sort of a personal consideration?

Hon. Mr. Robarts: It is not my habit or practice to make unilateral decisions in matters like this, Mr. Speaker.

Mr. D. C. MacDonald (York South): By way of a further supplementary. Can we have the assurance of the Prime Minister that if there is further consideration of the use of television, there will at least be further experimental *ad hoc* use of television to clarify whatever doubt there may be in the mind of the Prime Minister as to its validity?

Hon. Mr. Robarts: I can only say this, Mr. Speaker. If any member of this House has any ideas on the subject, I will be delighted to have them. Put them down in writing and let me have them.

Mr. Nixon: We have discussed them here.

Mr. G. Demers (Nickel Belt): We want it in writing.

Hon. Mr. Robarts: Well, there are a million angles to it. Let me have the hon. members' ideas.

Mr. MacDonald: Is the Prime Minister in a position to clarify this morning the purpose of the $50 million loan that the government is backing for Hydro?

Hon. Mr. Robarts: Yes, Mr. Speaker. I went into this, as a matter of fact, quite carefully, and I will be happy to let the hon. member have a copy of the prospectus, which is published and a copy of which I have here.

The $50 million itself is part of the total financing programme of Hydro for a year, and they inform me that in their total planning, this $50 million will be used entirely for the 1969 capital construction programme. I will send over a copy of the prospectus.

Mr. MacDonald: Mr. Speaker, is it not correct that, if the $50 million loan is for the total programme, some portion may be for capital purposes, but in fact, it will meet conversion needs also? Or to put my question—

Hon. Mr. Robarts: You have a total capital of some $400 million and part of that is raised by one particular issue of $50 million. Of course, the $50 million is part of the total $400 million.

I asked for a look at how the thing worked itself out and I am satisfied that this $50 million will be used for capital construction.

Mr. MacDonald: Well, is the Prime Minister in a position to indicate how?

Hon. Mr. Robarts: There are $450 million, if this is what you are getting at—I do not really understand the burden of your question. I do not know what point you are trying to establish.

I can only say that in the total financing for the year, there is some conversion—i.e., I believe what you are referring to is a maturing bond that is re-funded. In total there is something over $100 million in the total Hydro financing programme for the year

which is re-funded in that set—that is, to replace maturing bonds.

Mr. MacDonald: If there is over $100 million being re-funded this year, does that not mean that the other $50 million, beyond this loan, is going to be absorbed, in some fashion, from the existing finances or the internal reserves?

Hon. Mr. Robarts: It is in the total. The $50 million is just what the financial people at Hydro feel that the market can absorb at any given time. In other words, you do not carry your offerings in the market to the specific sum of money that you many need at one time—you do it over a period, so that the issues that come from Hydro and to the financial market, come according to the best judgment of the investment syndicate as to when the money is available; where will it be successful; is it the best rate you can get and so on. But, as I look at the total picture, I am satisfied that this $50 million to which you are referring specifically, will have nothing to do with re-funding. That has been done in some other part of the total financing for the year by Hydro and this $50 million is for capital requirements.

Mr. MacDonald: Mr. Speaker, I find myself a little nonplussed, because now is not the appropriate forum to be able to get clarification on something that I think we should be able to get somewhere.

Hon. Mr. Robarts: I am doing my best.

Mr. MacDonald: I know the Premier is doing his best and I am not blaming him, I am complaining—

Mr. E. Dunlop (York-Forest Hill): Blame yourself.

Mr. MacDonald: —about the inadequacies of the mechanism. I am not complaining—I will go on for a half an hour—

Mr. Speaker: Perhaps, the hon. member would go on with his question.

Mr. MacDonald: Yes, but my question of the Prime Minister is that he said there was going to be $100 million re-funded in the overall programme this year. Does that mean that we can contemplate further loans later this year? And supplementary to that, if there are two per cent added higher interest costs, where is that going to be absorbed, out of the reserve fund or a further increase in Hydro rates next year?

Hon. Mr. Robarts: Mr. Speaker, if we are going to get into that type of detail, I might suggest that the member let me have a specific question to which I could get specific answers. I do not think there will be another issue of Hydro in 1969. I think that this is the last of them and I fail to understand just what the member is trying to get at.

There is $103 million of maturing debts in 1969 of the Hydro Electric Power Commission of Ontario. Those must be paid off, because they have matured. They will be paid off out of sums collected into a sinking fund; some of it will probably be paid off by refinancing, that is, by additional securities of Hydro that are issued in the market in this year. Perhaps some of it will be paid off in shifts in the need for working capital from within.

It is a huge organization and they have got a pretty sophisticated financial plan and control so that to say a payment of the maturing debt would come from any one specific spot, is rather hard to do. That is why I said that the $50 million is part of a total large financing plan and while it bears little relationship to any specific financial commitment of Hydro, it bears a very definite relationship to the total financial commitment.

In other words, if you need $400 million odd, you might pick up $100 million here, if the market is favourable in April and then you might use bank loans until you find another favourable time to get into the market to float another issue. Then you would pay back the bank loans which had been used to pay the capital requirements for the construction of various plants and things. So it becomes very, very difficult to say that the proceeds of any one issue are earmarked for any one specific purpose because you are dealing with the total.

As closely as I can find out, the refinancing and the payment of the maturing debt has already been accomplished in 1969. Therefore, the proceeds of this particular loan will not be used to pay off a maturing loan, but will go into the funds necessary to pay the current demands upon Hydro for their capital construction programme.

That is about as clear as I can make it, but if the hon. member asks some specific questions I would be very happy to sit down with the Hydro financial people and see if I can dig out the answers you require.

Mr. MacDonald: I accept the Prime Minister's challenge in that connection. If we cannot get satisfaction at the—

Hon. Mr. Robarts: It is not a challenge, I am just trying to meet the member's question, that is all.

Mr. MacDonald: You see, Mr. Speaker. If I may, by way of final supplementary question, when the Prime Minister says as closely as I can find out, is he admitting that he has a problem, like we have, in finding out exactly what is happening?

Hon. Mr. Robarts: No, I have no problem, but before I go to Hydro and ask them for information, I would like to know, specifically, what I am asking for, and that is why I am asking the hon. member.

He asked me specifically yesterday if this $50 million was to be used in—I think the term he used was re-funding—it is not really re-funding, it is to pay off a maturing obligation. I can assure him, and I made quite certain that I had a specific answer to his specific question—I can assure him that this $50 million will not be used to pay off any maturing debt.

Mr. MacDonald: As close as the Premier can find out, that has already been done?

Hon. Mr. Robarts: No, no, no. What I am saying is specific, but then if I am to be at all honest in the matter, I have to put it in the context of the total method by which Hydro finances its operations, and that is why I have gone into this long story about the $400 million and the fact that individual issues are not related necessarily to specific obligations. But if there is anything more specific, let me know and I will get the answers, do not worry about that.

Mr. MacDonald: I have more questions, Mr. Speaker, but my targets are not here.

Hon. Mr. Robarts: The member makes it sound like a contest.

Mr. MacDonald: I am quoting from the Speaker—I thought it was quite an appropriate phrase.

Mr. Speaker: And the Speaker was quoting from an hon. member, I notice by *Hansard*; from the leader of the Opposition, I think. I thought it was a very good phrase too.

The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): A question of the Prime Minister, Mr. Speaker: has the Minister of Social and Family Services completed his investigation of the dismissals at St. Monica House?

Hon. Mr. Robarts: Is this question directed to me again?

Mr. Speaker, after yesterday's discussion I had someone in my staff check as to what had happened about St. Monica House and on one of these pieces of paper I have it.

I explicitly stated, if the member will look at *Hansard* on pages 7644 and 7645, that I had no intention of instituting an investigation. If members will recall, yesterday I was having a little difficulty recalling out of the welter of questions and answers just precisely what I had said, but when I checked the record I found that far from making a commitment that I would investigate, I said I had no intention of instituting an investigation. I think primarily that comment of mine was based on the fact that St. Monica House has an independent board of directors, and some of these matters are internal to their own management.

Then the hon. Minister of Social and Family Services made a statement on October 29, and I think if the member refers to that, the inference at least would be that if there is any further information required it would come from him; so if there is some further question in this regard may I suggest that the member address it to the Minister.

Mr. Burr: Well, Mr. Speaker, this is why I rephrased my question.

Mr. Speaker: Order!

The hon. member has the opportunity to ask questions, not to make statements. Has he a further question? Supplementary to that?

Mr. Burr: Yes, a supplementary question, Mr. Speaker: is it likely that the Minister of Social and Family Services will be here next week?

Hon. Mr. Robarts: If my memory serves me correctly I know that he is going to be away, but I do not know the specific dates. However, in order to bring this matter to a conclusion I will find out when he is going to be here and if he is not going to be back before this session prorogues I will undertake to get the answer to the member's question personally.

Mr. Speaker: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Speaker.

I have a question of the Minister of Mines: am I correct in my understanding that there was supposed to be a special meeting of

Cabinet to study the comments and observations made by the various northern development conferences? And am I correct in saying that the Minister said it would be held about November 19? If so, is he prepared to enlighten the House as to what stage of development these consultations are in at the present time?

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on Wednesday last, some material was put on the hon. member's desk indicating that the Cabinet meeting had been held the day before.

Mr. Stokes: As a supplementary, is the Minister able to tell the House what might happen to the observations and recommendations made at those conferences?

Hon. A. F. Lawrence: Yes. In that same material, Mr. Speaker, it was indicated that each one of the recommendations had been very intensively considered by the Cabinet the day before, that is, on November 18, and certain procedures are now in progress. It is certainly my hope that announcements will be made by the Prime Minister or the government in the very near future respecting some of the recommendations and suggestions emanating from those conferences.

Mr. Speaker: Has the member a supplementary question?

Mr. MacDonald: We will watch but we will not hold our breath.

Mr. Speaker: The Minister of Tourism and Information has a reply to a question asked by the leader of the Opposition the other day.

Hon. J. A. C. Auld (Minister of Tourism and Information): Mr. Speaker, two or three days ago the leader of the Opposition asked me if I was aware of a proposal that Lincoln and Welland might withdraw from the Niagara Iroquois Regional Tourist Council and I said I was not aware of this but I would enquire.

I think the answer I would give is that they have not suggested they would withdraw but the Niagara region have made a proposal to the department for a specific programme which they would like to carry out and asked the department for a substantial grant, something in the order of $130,000, which I may say they have been told it is unlikely we will be able to grant, since I think that total budget item is, I think, $160,000 for the whole province. But we have informed them that we have a co-operative marketing and advertising programme which they were not aware of, apparently, and which is of interest to them.

Mr. Speaker: The member for Scarborough Centre was on her feet a short time ago. Has she a question?

Mrs. M. Renwick (Scarborough Centre): Mr. Speaker, I was going to ask the Prime Minister if he would care to take another question for the Minister of Social and Family Services or would he prefer to wait until Monday, to see if he is going to be here?

Hon. Mr. Robarts: Mr. Speaker, this is the problem when one tries to be accommodating. I do not propose to answer all the questions that might be asked of any Minister who is not here. I said I would get the answer to the St. Monica matter because I was involved in it at the beginning.

I think it would be a very bad precedent, and it would not do the question period any good, if we get into the situation where I am supposed to be responsible for any questions anyone might want directed to a Minister who did not happen to be here. The Ministers are here to the full extent of their ability in the discharge of their duties elsewhere. I think everyone realizes it is impossible for everybody to be here every day during the question period. But I do not want to get myself in the position where it is going to be assumed that if a Minister is not here, I am going to field his questions for him. I could do it but it would just add another couple of hours in what is already a fairly busy schedule.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): A question of the Minister of Trade and Development, Mr. Speaker.

Was it more than coincidence that on Wednesday morning a crew moved into the Ontario Housing building at 188 University Avenue to clean up the obstruction of packing cases, just one half hour before the arrival of the fire inspector?

Hon. S. J. Randall (Minister of Trade and Development): I do not know, Mr. Speaker. I was not aware that a crew moved in. I will be glad to have a look at it but I would remind the hon. member that that building is owned by Zurich Insurance Company who is in the casualty and fire business. I think they would have an interest in keeping their building fireproof.

Mr. Shulman: Well, as a supplementary question, did the Deputy Minister receive a complaint yesterday from members of the Ontario housing department who work on the third floor at 188 University Avenue about the overcrowded conditions and the fire hazards?

Hon. Mr. Randall: He has not communicated one to me yet.

Mr. Shulman: Will the Minister enquire?

Hon. Mr. Randall: I would be delighted to enquire.

Mr. Speaker: The member for Thunder Bay.

Mr. Stokes: May I ask the Minister of Trade and Development whether he is in a position to state what the status is of EIO loans in northwestern Ontario now that it has been made a designated area under the federal plan?

Mr. Speaker: I would think that this is not a question that falls under the oral question period as being of urgent public importance.

Mr. Stokes: It is to the people of northern Ontario.

Mr. Speaker: It is of public importance, but I doubt very much if the answer to that at the moment is urgent. I have no power to direct it to the order paper. The Minister, of course, has. I would rule it out of order as an oral question unless the Minister wishes to take it as on the order paper.

Hon. Mr. Randall: Mr. Speaker, I do not mind answering the question—

Mr. Speaker: The question is out of order for oral answer. If the Minister wishes to have it placed on the order paper he can do so.

Hon. Mr. Randall: I will place it on the order paper.

Mr. MacDonald: Mr. Speaker, on a point of order. I do not want to be critical of you but this is a magnificent illustration of the problem we face. In the three northern conferences there were endless hours of discussion as to the integration of the federal and provincial programmes—to what extent the EIO loans became available in a designated area. Not only in northern Ontario, but in any other area that is designated, this is a matter of urgent public importance. Now, I grant, you cannot be omniscient and knowledgeable on every subject, but I submit to you, sir, that in this instance you are dead wrong.

Mr. Speaker: Of course, Mr. Speaker could never be right, so far as any person asking a question is concerned, because obviously they would not have asked it unless—

Mr. MacDonald: I am not talking about that at all.

Mr. Speaker: Perhaps the hon. member might do me the courtesy of listening to me; I listened to him.

Any member who has a question obviously would not ask it unless he felt it was of urgent public importance, I agree. On the other hand, if I do not think it is of urgent public importance then, of course, the member quite rightly, or his leader, feels that I am completely wrong. And I could be, because as the hon. member says, I do not have any way of knowing what is going on in certain areas, politically or otherwise, other than what I read, and I must try to keep up with the newspapers and to see what is of urgent public importance.

I must say that I have not seen anything particular about this matter. The easy way to get round a situation such as this, if I might say so to the hon. member for York South, is by a short preface to the question, which would advise Mr. Speaker of the situation. I have never stopped members from making such a preface; usually it is "in view of", or something like that.

If that is done, then Mr. Speaker is aware of the situation, and if the hon. member for Thunder Bay wishes to rephrase his question to give Mr. Speaker some indication of the reason for the urgency, then certainly, provided it does appear so, I have no objection whatsoever.

Mr. MacDonald: On a further point of order, before we get back to the question, would it not be safer for Mr. Speaker, if I put it this way, to allow the Minister the discretion to decide whether a matter is of urgent public importance? At this point you said "this is out of order" and the Minister, in effect, had to sit down, when I suspect, because of his knowledge of what happened in northern Ontario and the nature of this problem, he would readily have answered because he knows it is of public importance.

Mr. Speaker: Well, if the hon. member would read the rules which we adopted temporarily for this session, he would find that the matters of public importance and urgency are left to the Speaker and the matters of taking it on the order paper are left to the Minister. There is not any discretion on the Minister to do that under the rules we now have; it is up to Mr. Speaker. I have no objection—I would be delighted to follow whatever the rules are—but that is the way they are at present.

Hon. Mr. Robarts: May I speak to this point of order, Mr. Speaker, because I think it is quite important.

Mr. MacDonald: Hear, hear!

Hon. Mr. Robarts: Mr. Speaker, as far as this side of the House is concerned we recognize that there are going to be extremely arbitrary decisions that have to be made by you. We recognize that you will be unable to satisfy every shade of opinion that may exist in this House about every question, but if the oral question period is to function as it has been functioning, and I think well, then we just simply have to accept your arbitrary decisions. Some of them we may construe as being in our favour, some as being opposed to whatever interest we may have, but, as far as I am concerned, the only reason I think you need this arbitrary power in this question period is to make sure we do not spend the time in arguing points of order. That is the point. As far as we are concerned, we will accept your rulings in the interests of a crisp, brisk, fast, informative, oral question period.

Mr. Nixon: Mr. Speaker, I want to make a comment on the point of order, since the other two members have spoken. You recall that in the problem days in the question period it was Mr. Speaker's function to act as what somebody called a pipeline between the Opposition and the private members and the Ministry. He was not expected to make any particular judgments on the urgency; instead it would be left for just the sort of discussion going on now, with arguments back and forth as to whether the question was important enough to be answered. But I agree that we, in the discussion leading up to the rules, agreed that Mr. Speaker's rulings would not be challenged during this period. Implicit in that was our acceptance that Mr. Speaker's judgment would be accepted on all occasions and we do so now.

Mr. Speaker: Now, may I say this—and I will try not to take any more time so that the member can get his question in—if the hon. members will word their questions so that Mr. Speaker, as well as the House, is aware of the urgency, then there is no doubt; the question will be put and not ruled out of order. So I would ask the hon. member for Thunder Bay if he now has a question he wishes to ask.

Mr. Stokes: In view of all of the questions that I have had from the municipalities in northern Ontario about whether or not they qualify for EIO loans since the area has become a designated area under the federal plan, and in view of the commitment that the Minister gave me some weeks ago to clarify the situation, is he in a position now to state how the two will be complementary or how they might apply in any given situation.

Mr. Speaker: I compliment the member. The Minister might answer.

Hon. Mr. Randall: Mr. Speaker, in answer to the hon. member, I pointed out that a few weeks ago we had received some direction from Mr. Waldo Ledene, the representative from the federal government at the northern meetings, that we would be able to jell the two programmes, and since that time my people at ODC have been to Ottawa and have talked to Mr. Tom Kent and some of his staff.

There have been no written clarifications yet from Ottawa but we are given to believe and to understand that the programmes will be compatible; we will be able to work them together in the interests of the people of northern Ontario and I have given the members of this House my assurance that this government, through ODC, will make that possible.

Now, I cannot tell you what the federal government's final plans are going to be, I have not heard from Mr. Marchand and until I do I cannot definitely say. I have a letter in my hand which says we can jell the two programmes; but it is our intention to make sure that the two programmes do jell, so northern Ontario gets the benefit of both worlds.

Mr. Speaker: This ends the oral question period. Perhaps the members would like now to be informed that in the east gallery as guests we have students from Hillfield College in Hamilton.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. W. D. McKeough (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Ontario Municipal Board Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, this bill is in part housekeeping and in part provides that where the number of the members of the board attending the hearing of an application is more than two, the number shall be uneven and the decision of the majority of such members constitutes a decision of the board.

THE MUNICIPAL FRANCHISES ACT

Hon. Mr. McKeough moves first reading of bill intituled, An Act to amend The Municipal Franchises Act.

Motion agreed to; first reading of the bill.

Hon. Mr. McKeough: Mr. Speaker, provision is made in this Act, for the renewal or extension of gas franchises by the Ontario Energy Board.

Mr. Speaker: Orders of the day.

Clerk of the House: The 12th order, resuming the adjourned debate on the amendment to the motion that Mr. Speaker do now leave the chair and the House resolve itself into the committee of ways and means.

BUDGET DEBATE

Mr. D. M. Deacon (York Centre): Mr. Speaker, before I adjourn the debate, when we were on this subject before, I mentioned that I would like to say something with regard to the question of foreign ownership and the foreign investment of funds in this country.

To begin with, might I say that I have no concern whatsoever how much money we borrow from foreign countries as long as we are reasonably satisfied that the management of the economy in that foreign country is not any worse than it is in our country, or as good as in our country. When we borrow money, we still have control over our own destiny—once we repay that debt, we are finished with it.

Our only concern with borrowing money, I repeat, is how much we have to repay. The rate of exchange depends on how well our own country's affairs—the economy of our country and the foreign exchange of our own country—is at the time we are repaying the money. If it is likely to be worse, in relation to the other country, then we certainly can often make very advantageous deals in that country.

But I am concerned, I am very seriously concerned that we have foreign capital coming in here, which takes an ownership position; for in an ownership position as opposed to when they are lending this money, there is control implied and that is something that has caused us a great deal of concern, and justly so, in recent years.

The degree of ownership and control by interests beyond our shores has come to a point where it is in danger of actually destroying our country, as a country, in the next few years if we do not do something about it. I suggest that we must take steps to solve this problem. We have to find a way within our means to do so, so that we can again be assured of true control over our own destiny.

One price of control that I suggest we are paying, to an increasing degree, is the transfer of Canadian talent beyond our shores. Time and time again, I have seen promising young men, after being a short period with a Canadian subsidiary of a foreign-controlled corporation, appointed to some other branch beyond our boundaries, where there appears to be a greater opportunity for that person than in the Canadian subsidiary. The top jobs in the Canadian subsidiary time and time again are reserved for appointments from head office, people they are grooming for the top slot, perhaps, at head office, and they are wanting to make familiar with the various operations around the world or beyond their shores. They keep on moving men into this slot and that slot for a period of years and the Canadian top slot is kept for these people.

All too often we find our Canadian men never do have an opportunity to come back to Canada so that they actually run the company with which they started that foreign controlled Canadian subsidiary. We have seen it often occur with the oil companies and

with some of our major chemical companies. I think we have to take a look at what is causing this approach by foreign-controlled corporations in our country.

When we have talent from abroad come to us to head up these corporations, we often find they are unaware—not through any lack of good intentions, but just because they have not been brought up in our own country and are unaware of our own problems and our own aspirations. They are unaware of their obligations and the obligations of good corporate citizens as well as their own personal obligations to the community. They are unfamiliar with the local scene and therefore they cannot exert upon head office abroad the real import of making decisions that are in the best interests of Canada and of the people who are working for that company in this country.

They have the best intentions, I repeat, but because they are naturally much more familiar with the country where they were brought up, and they are the persons in the top, decisive role, they often completely ignore the role of responsibility they have in communities, and for better government and toward the better overall life that we have in this country.

We read about many situations and I know of several that have never been publicized, where excellent sales opportunities have been developed abroad which would have helped our export business and which would have provided employment here, but which have been transferred by head office, after having been developed by the Canadian sales team to another plant outside Canada because it suited the overall corporate interest to so do. It ignored the best interests of Canada. It is very discouraging to Canadian sales teams which had the initiative to develop the orders.

Also you find situations where Canadian organizations have said, "I know head office does things certain ways but it does not suit Canada. We have a different situation here, we do not operate on the same structure, we can do a far better job with an altogether different structure." But head office counters with: "We are sorry, you have to stick to our system of organization, our type of programme".

Canadians do not have control because Canadians do not have the top role of responsibility. In so many cases, the decision is not in favour of the wishes of the majority of the organization in Canada. It is very frustrating and it means that bright chaps who have ideas become discouraged and go elsewhere for jobs, or they just decide to lean back, take their pay and act as mechanical operators of the concern directed from abroad.

With our natural resources, we have had problems. The Minister of Mines (Mr. A. F. Lawrence) has told us the moves he has been endeavouring to make to ensure that in the withdrawal of these diminishing resources which are so valuable to Canada and of such value to so many of these foreign countries, that these resources are not just taken out in raw form. Great pressure is being put on by government to change that situation. It should not be necessary for government to do that; it should be something that is inherent in the wishes of the controlling group and that is the reason why the control should in some fashion be brought under Canadian hands.

We have seen the government in Ottawa move to control the situation with regard to banking, with regard to finance, with regard to the communications fields, and recently a little bit of a move into natural resources through the Panarctic Oil situation where the Canadian government has taken a substantial position. That is what the federal government has done, but we have done nothing here in this province with our own opportunity. We have a company called the Ontario Development Corporation. The Minister says he is studying and considering ways and means of having some ownership interests obtained for the assistance he gives these companies which we are encouraging to come in from outside Canada to set up plants in our country.

If a person from outside Canada wishes to set up a new organization here to serve the Canadian market—and unfortunately so often it is just designed to serve the Canadian market, not to export beyond that, which is something we always have to take into consideration, and it is very important to consider in anything we do in this country—they can go to the federal government as a designated area and get perhaps a third of the money they require. They can get all this and perhaps another 50 per cent of the money from the provincial government in the way of assistance. So the overall risk is between 10 and 15 per cent of the total cost of the proposals they are putting forward. Usually these foreign corporations can arrange with a Canadian chartered bank for a loan, which is backed by their guarantee to provide that small amount of 10 to 15 per cent of equity capital that would be required.

But we, with having put up some 85 or 90 per cent of the money, do not have any share in the ownership of that corporation. This is all crazy. There is no other place you could get this type of assistance. I do not know any place where a person can get that type of backing with that little amount of one's own money involved, and not have to put up some share on which some of the profits, if it goes well, accrue to the one who is lending the bulk of the money. I am so surprised that the Minister of Trade and Development is still only considering this type of approach.

What we should be doing, in my view, is setting up the Ontario Development Corporation in such a way it can take a stock risk capital interest in ventures. We should not just be content with the Ontario Development Corporation but set up a northern development corporation, another one in the energy field, and one in the technological field; we should arrange for several corporations for those who want to start up new developments or those who have existing developments and want to get some assistance so that they can go to one of these corporations. We should have a variety, with a little bit of competition, so that there is not just one agency to go to. Go to one of these corporations and put a proposal before it and if the proposal seems to be a good one, seems to be in the interests of the province and in the interests of those who are investing their money, in such an important way as we are now doing through our Ontario Development Corporation, then we should take a risk capital position as well as our loan position. If it goes badly, we do not take most of the losses, which happens when you are just lending money; but if it goes well, we take a good share of the profit as well.

If we set up these extra new corporations and change the present format of our Ontario Development Corporation, I think we would be taking one of three important steps that I believe are necessary in order for us to get control of our economy in this country and particularly in this province.

The second step that I suggest we need to take is to press the federal government to require that 75 per cent of the voting control of all corporations in this country be in Canadian hands, whether other Canadian corporations or Canadian residents, within 15 years. Now this does not mean that 75 per cent of the ownership is in Canadian hands. It means 75 per cent of the voting control.

You may have seen situations where a company has had two types of stock listed in the stock exchange. A well-known example for many years was Weston's "A" and Weston's "B".

George Weston had an "A" stock which was a non-voting stock, and a "B" stock which was a voting one. There were about relatively the same number of shares of each class of stock outstanding. Insofar as the profits of the company were concerned, they shared alike.

The only difference in those two classes of stock were the vote. The "B" stock had the vote, and the "A" stock did not. Now if you study the price trends of these two stocks, sitting side by side, day after day, with a broad investor interest, you will find that the difference in price was 5 per cent or less over the period of years. That is how much weight investors gave to the importance of a vote. It is not all that important in the minds of investors.

For example, if International Nickel—the majority of the shares of which are held outside the country—were to create a special class of share, similar to the present outstanding common stock, but having a provision that it has ten votes per share instead of one vote per share, and they issue purchase rights that could be subscribed only by Canadians, then the voting control would come back to Canada. But it would not mean a major shift in actual ownership of the company. It would only mean a change in the location of control.

Now people will say that this is something that foreign investors would not tolerate. They could not imagine having the Canadian people with all this amount of control. How could they be sure to be able to give good direction to the company?

I counter with the point that we generally consider effective control of any company of even medium size to be 20 to 25 per cent of the stock. I am suggesting in this proposal that 20 to 25 per cent of the stock in the hands of the foreign corporation would be effective of voting control—but there is a very, very subtle psychological difference here.

When one knows that 75 per cent of the votes have a certain common interest at heart, there is no question that one unconsciously takes into much greater consideration the interests of that 75 per cent even though the existing group in New York of International Nickel knew that they still had sufficient

stock to control and direct that company's affairs under normal conditions.

If Canadians saw a situation arising where they felt decisions made in New York were not in the best interests of the Canadian people, and the Canadian shareholders, there is no question that they could, and would take action.

With that subtle background, it makes a fantastic difference as to how and what decisions are made. I have seen companies which have started out with a very small foreign ownership, but where the content of foreign ownership and control increase over the years and gradually change the place where the real decisions are made from within this country to outside this country. No doubt the decisions are made with the best of intentions and, no doubt, that these people who invested money have done a great deal to develop our country—development that would not have been possible without them and a rate of development which is the envy of countries around the world. But when there is this feeling that true control is outside the country, the actual respect for the needs and the wishes of the people here naturally goes down.

So I suggest what we must do is to urge the federal government to institute the requirement that within 15 years, 75 per cent of the voting control of all Canadian corporations be held in Canada by Canadians.

The third factor, which I am glad to see is something that is possible with the new white paper, concerns changes in taxing provisions. From the discussions I have had with the Minister of Revenue (Mr. White): in this province. It would appear that there should not be any difficulty in giving Canadian corporations the same advantages in purchasing shares of other Canadian corporations that foreign owners or foreign buyers now have.

This type of provision would mean that if money is borrowed to purchase shares of a Canadian company then the interest on the money that is borrowed can be deducted as an expense before calculating income tax by the Canadian company borrowing the money to purchase that other Canadian corporation.

This is a privilege that foreign owners generally have and one which now has given them a definite advantage in buying corporations in this country over other Canadian companies which might wish to buy the same corporations.

If we take these three changes in provisions, first of all that of changing our direction of the Ontario Development Corporation so that it does take an ownership interest, so that it does have a position of control, to an extent anyway, and has some influence in whatever company is being assisted; so it does have an opportunity to gain profit beyond interest return and repayment of debt if the company prospers.

In addition to the Ontario Development Corporation, we should establish other development groups or encourage others to set them up, so that we encourage development in northern Ontario, or in other specialized areas such as energy development or technological development; so that we have several opportunities for support of good ideas. We do not then have to just go to one government group. Then, I think, we will see a great change in the participation of Canadian investors and Ontario investors in such ventures.

Imagine the difference in the attitude of an investor towards some new venture in this country where, in this province, the government had a 40 per cent interest or so. Not a controlling interest, but an interest that is sufficiently large to ensure that if anything goes wrong, the government will take a position in it. It will help attract the ordinary unsophisticated investor. And because of its size and marketability, I am sure that it will also attract some of the funds that large mutual funds and pensions funds now have, the funds now are often directed to the United States, because there is not sufficient marketable securities in this country at the present time to warrant purchase of Canadian securities.

We must broaden our market for our Canadian investors because the York University study done two years ago indicates that some 10 billion dollars over the next eight years will leave this country unless we do develop better opportunities.

The second point, I repeat, is that of voting control being brought back through various means that could be available to these companies, but one that would be a requirement for their continuation in Canada so that the true end control in the case of a crisis is with the Canadian interests and the power of decision would be in Canadian hands. And the third point is the giving of the same interest deduction privileges as now are enjoyed by foreign buyers to Canadian corporation wishing to purchase companies in this country.

So I hope that we will see a change in the attitude of the Minister of Trade and

Development (Mr. Randall). We must recognize this great opportunity that he has to work with the investing community and with management people who have ideas, who wish to develop but have difficulty in finding out how they can set up good vehicles for development and extension of their ideas. This could provide another avenue of investment for the ordinary Canadian investor as well as sophisticated investors. If these steps are instituted I am sure that we will see that within 15 years Canada has control of her destiny. I urge this government to take a look at this situation, not keep on bewailing the situation, but doing something about it.

Mr. S. Lewis (Scarborough West): Mr. Speaker, I would like to use the Budget debate time I have to reflect, for the House, on the saga of Hanes Hosiery Limited, a strike of recent note in the province of Ontario which was brought to national notoriety by the appearance of some exceedingly attractive and conceivably voluptuous women who discreetly—

Mr. V. M. Singer (Downsview): Conceivably?

Mr. Lewis: Conceivably. I use the word advisedly because if the hon. members will remember, they concealed the more voluptuous parts of their anatomies in barrels and paraded by way of protest up and down, in front of the plant which was under siege in Rexdale, Ontario.

In a sense, Mr. Speaker, I regretted the note of levity which that incident on their part introduced into a strike which was a microcosm of all that is wrong in labour relations in Ontario. A most significant strike at Hanes Hosiery Limited, now virtually over.

I always thought that the anatomy of this industrial situation—may I be permitted to use that word—should be discussed in some detail in this Legislature because I think it has interest.

All the hon. members of the House who are present will know, of course, of Hanes Hosiery Limited and its famous advertisements with the girl in the diaphanous transparent gown whose bottom is elevated on pillows in that unsubtle and explicit sexual symbolism which has become characteristic of Hanes advertising. But the rather more important aspect of Hanes is to demonstrate the "government-industrial" complex which joins hands, in this instance, to demolish a legitimate local union—the Textile Workers Union of America—to break a strike, and to reinforce unfair labour practices and gross and improper company behaviour in the province of Ontario. Another medal of virtue is due The Ontario Department of Labour and the hon. Minister from York Mills.

I wanted to speak about Hanes today because it is, in a sense, a friendly obituary for a strike. The decertification vote for Hanes was taken on Thursday, November 13 last. It is now before the Ontario Labour Relations Board, it will undoubtedly be upheld since the vote, as in all such decertification procedures in Ontario, was conclusive. I feel that in these dying hours the time is appropriate to say what there is to say about this unprincipled, sordid, and very sad episode in Ontario's labour history.

Mr. Speaker, you will recall, sir, that Hanes was founded in 1963 out in Rexdale and has enjoyed a fairly vigorous corporate life. It consisted at the point of its introduction of 160 workers, of whom 144 were largely unskilled, the other 16 being in the nature of what are called "fixers", an appropriate word in the textile industry, meaning that they are indispensable to the use, repair and maintenance of the very specialized mechanical equipment and used in the creation of dyes. In fact, without them the operation collapses.

The work force at Hanes at the time of its inception was largely an ethnic work force and, as one might think in a very unskilled situation, an exceedingly insecure work force. There was a total absence of fair employment practices in the plant; it was ruled and dominated by the most petty and authoritarian of management attitudes which, when they were not paternalistic, were autocratic in the extreme.

There were a few hourly workers, Mr. Speaker, who received the advanced sum in Ontario of $1.30 to $1.40 an hour but the majority were piece workers: not entirely an accurate name, Mr. Speaker, because the machines never worked properly, so there was always a maximum to the number of pieces which could be produced on any given day.

To make up for this in Hanes Hosiery Limited the women arrived at work at 6 a.m., and worked through the regular shift to 4.20 in the afternoon—many also worked during their half-hour lunch period. And in the entire history of Hanes from 1963 until the strike in 1969, there was not a solitary wage increase for those unskilled women making, it may be said, something in the vicinity of $60 a week.

There was also, to show you the way in which labour relations are conducted in Ontario, Mr. Speaker, a system of bonuses at Hanes Hosiery Limited. One could make up to $10 a week; you could make $2.50, $5, $7.50, $10—the amount was entirely capricious; it was extended at the whim of management at a moment's notice. You could open up your pay packet and find the bonus was there and think you were entitled to it, and the next week it would not be there; the amount varied as the appetites of management varied. It was a typical textile industry situation.

The machines breaking down several times a day as they did, uniformly lowered the take-home pay $5 to $10 a week. The work that was then finished by an unskilled worker was handled in a variety of different departments; faults discovered in the nylon hosiery after all this handling were usually deducted from the production workers' pay—that is the way in which it worked.

Now the work atmosphere, Mr. Speaker, was one of suspicion and gossip; tattle-taling, I suppose would be an appropriate word, because there was no seniority provision and no job security. The workers were forced to switch jobs at a moment's notice, often to a lower-paying job purely at a supervisor's convenience. Any complaints were met with the refrain, "if you do not like it, then leave." Repeated requests for wage increases were met with the response, "it is up to the head company in another jurisdiction. We will let you know in two or three weeks."

Supervisors in the plant regularly followed women into the washrooms to make sure they were not loitering and there were bells ringing to bring the workers back to their machines—

Mr. Singer: It sounds like Queen's Park.

Mr. Lewis: Yes indeed, there are analogies. There was, in other words, an atmosphere of pre-19th century feudalism in the Hanes Hosiery plant.

The results of this intolerable environment, which existed from 1963 to 1968, was that spontaneously and in an unsolicited fashion, within Hanes itself, as in the history of all great trade union developments on the North American continent—there came the demand for a union. Some of the women in the plant approached the textile workers and asked whether it would be possible to form a trade union local. Of course, they were told it was, and within a period of three to four weeks—stimulated by an event involving the wearing of pedal pushers to work, for which a girl was sent home—all the cards were signed that were required—fully 80 per cent of the cards. On July 23, 1969, before the Ontario Labour Relations Board, the significant certification was achieved. I quote from the copy of the board:

> At the hearing, council for the respondent requested the board to direct the representation vote of the employees in the bargaining unit. There are, however, no circumstances in this case that would require the confirmatory evidence of a representation vote, and in our view the board's usual practice in applications of this nature should be followed. The request of the respondent is accordingly denied. Certification is granted.

How could it be otherwise? Fully 80 per cent of the cards had been signed. But it was an ominous portent, Mr. Speaker, that even on something so evident and compelling as the right to form the union, the company felt compelled, in this instance, to initiate the first challenge.

Then the story begins to unfold: It is symptomatic of so much that is intolerable, Mr. Speaker, with a department, or more accurately, with a Minister who sits paralyzed in the face of so much of what is wrong with industrial relations. A Minister who watches the deterioration of the bargaining process, the inflammation of tempers and moods and responses as though, with calculated intent, a government wished to allow illegitimate and unjustified industrial tension to flourish in the province of Ontario—one suspects to serve certain political ends. But more of that later.

The first meeting of the union and management at Hanes was held on August 20, 1968. There was only one union and one management representative present, because management wanted to wait until its counsel, Mr. Ferguson, returned from his summer vacation—one must always pay homage to summer vacations in negotiating agreements, Mr. Speaker. And so, in order to conform to the Act, the first meeting was held and it was agreed that negotiations would be delayed until September.

The second meeting was held on September 26, 1968, at which time the lawyer for the company, Mr. Ferguson, was present: the only time—I suppose his vacation discomfited him—that Mr. Ferguson saw it necessary to be present from that point on. The agenda of meetings then proceeded as follows: The third meeting was October 9; the fourth, October 28; the fifth, November 6.

Then, November 15; with the final meeting on November 26, there being absolutely no monetary or any significant offer during the whole process of negotiation, the textile workers union moved to conciliation.

Now, Mr. Speaker, in terms of what one might expect in an atmosphere which is fairly sophisticated in the province of Ontario around industrial relations, what were the issues which crunched the negotiations? Negotiations broke down in six areas, one of them being primary, but the other five being significant.

1. The company was not prepared to grant maternity leave with the assurance of returning to a job. This in a plant where fully 85 to 90 per cent of the workers were women!

2. While the company was prepared to grant eight statutory holidays, any work performed on those holidays—if it was authorized, was to be paid at regular rates and not at time and a half.

3. In the area of hours of work and overtime, the company was prepared to agree to a 40-hour work week but overtime would not begin until nine hours a day, or 45 hours a week, had been worked.

4. In the field of welfare plans, the union sought the normal hospitalization and medical clauses, a weekly indemnity for non-occupational accident or sickness after eight days. The company offered absolutely nothing on any of the fringe benefits whatsoever, even though they are paid in full in another jurisdiction. I am coming to that shortly.

5. On wage rates, there was absolutely not a single jot of an offer from the company throughout the negotiations, something which assumes significance when I read a letter into the record very shortly, Mr. Speaker.

6. On the crucial issue of union security, the company gave an unequivocal "no". It was not prepared even to countenance a smidgeon of union security; not even a minimum check-off position.

Mr. Speaker, the company knew that the Textile Workers of America do not have a single contract in Canada which is unguaranteed for union security. It knew that this was a bargaining condition which would undoubtedly frustrate negotiations, but even forgetting all of that, it is absurd that in 1969, in the province of Ontario, a question like union security should be negotiable at all. A civilized system of labour relations simply would not permit it, and I am therefore going to interlard this saga with certain observations, and there comes a point for one right now.

In the Woods report, the federal study of industrial relations, it is pointed out on page 149, section 481 of the report, and I quote:

> An important ingredient in the Canadian collective bargaining system is that a union gains exclusive bargaining authority, and with it, the duty to represent all employees in the prescribed unit in the collective negotiations of terms and conditions of employment. These policies in our view give the union a claim to general support from employees in the unit in the union's capacity as a collective bargaining agent, whatever other functions it may perform as an instrument of social transformation.

Then clause 483:

> We recommend that the compulsory, irrevocable, check-off of regular and reasonable dues be available to a certified union as of right upon the negotiation of its initial collective agreement and thereafter, and that this right be extended to a union recognized voluntarily by the employer.

Well there you have it. I think the authority is unimpeachable. I think the object is obvious. And it is indicative of the level to which labour relations in this province have descended over the last several years, that in a situation where management had such obvious powers beyond those given to a union, it should insist, in the process of negotiation, that union security was non-negotiable.

Management failed on maternity leave, on statutory holidays, on hours of work and overtime, on welfare plans, on wages, on union security; indeed, on all the areas one would think elemental to the negotiation of a contract. Therefore one would believe, by extension, that there was something in this province, Mr. Speaker, which would not allow such an untenable position to persist. But no, not in the province of Ontario. In the province of Ontario that is perfectly legitimate. Shades of Proctor-Silex, Mr. Speaker, shades of Proctor-Silex.

A pattern becomes discernible. A union—and the guild in Peterborough—negotiating a first agreement: An intransigent company. . . . Somewhere, deep in the dim-consciousness of the members of this House lurks a recollection of section 12 of The Labour Relations Act. I read section 12 into the record:

> The parties shall meet within 15 days from the giving of the notice, or within such further period as the parties agree

upon, and they shall bargain in good faith and make every reasonable effort to make a collective agreement.

Why have that section in the Act anyway? What is the point of littering your legislation with sections which are so obviously designed to pervert and to destroy the collective bargaining procedure by masking it in a cloak of respectability?

Mr. Speaker, as you know, the bargaining continued. On December 8, the strike vote was taken with some 98 per cent of the membership in favour. December 9 was the date when the request for conciliation was made. Now, here the pattern continues, and really, it is just incredible what the government allows.

Mr. B. D. Stevens, conciliation officer for the Ontario Labour Relations Board, called a meeting for January 27, 1969. The meeting was duly attended by the company who refused to sit in the same room as the union and the negotiator, Mr. Stevens, suggested that they forget the whole business.

That was the sole conciliation meeting. On February 11 there arrived at the Textile Workers Union office, the following letter from the Deputy Minister of Labour:

By direction of the Minister of Labour, the Hon. Dalton Bales, Q.C., I wish to inform you that after careful consideration, he has decided not to appoint a board of conciliation in reference to the dispute between the above-mentioned employer and trade union.

What does a "no-board" ruling mean? It means simply that there was such obvious intransigence on management's part that it was not even worth sitting down and having a conciliation board, a report which surely went to the Minister, sent out by him, which means that the Minister knew, and must have reported to his Cabinet colleagues, that there was not the slightest evidence of good faith at any step in the bargaining process. But, as usual, there was absolutely no response from government.

On March 3, that epic day, 1969, the strike began. There were about 35 of the 160 workers who crossed the picket line. The rest maintained an unflappable solidarity and some considerable enthusiasm. Most important, Mr. Speaker, most of the "fixers" that I referred to earlier in my remarks, most of the "fixers" also went on strike, and the union, therefore, thought that it had a better-than-average chance of humbling the company. After all, within textile technology, the machines cannot function without the presence of the fixers. The speaker having been through many textile plants himself, is aware of this particular aspect.

The behaviour of the company was absolutely implacable prior to this event and needs some recitation. The company was willing to violate the elemental process of all free collective bargaining, and it had instituted a process of letter writing. Perhaps I can take a moment to deal with this letter writing.

On February 20, 1969, before the actual strike was held, a letter went out to the workers at the Hanes plant, part of which read as follows: and I want to put it on the record:

Dear Mr. and Mrs. McMahon:

As you are probably aware, we have not been able to reach an agreement with the Textile Workers Union of America. The negotiating procedures as required by our laws have been carried out and now we have been notified by the union that they will probably call a strike of our employees. Having in mind the position that was taken by the union on certain vital issues in the negotiations in the past—

by the union, mark you,

—it does not appear that there is any useful purpose in having further negotiating meetings.

For instance, the union has insisted that all our employees must be members of the union and must pay union dues through checkoff. As a matter of principle, we will not impose either union membership or the payment of union dues as a condition of employment.

On this item, we are not now prepared to change our views. As I have said, this is a matter of principle, but this is one principle on which we cannot change our views.

Fairly clear reflection of what was about to happen over the subsequent months.

Mr. C. G. Pilkey (Oshawa): Incredible.

Mr. Lewis: To continue:

This is a crucial time for you to carefully consider all the facts—

said the company to Mr. and Mrs. McMahon,

Discuss this matter with members of your family.

No doubt around the dinner table.

Above all, please remember that we intend to operate our plant even though the union decides to call a strike. We hope that all our employees will continue to

work. This is your right if you want to do so, and we intend to provide every possible means of protection to permit our employees to carry on their work.

If the union engages in any unlawful activities when conducting a strike, we will of course have to seek relief from the courts. The law permits peaceful picketing, but the law does not permit mass picketing. physical violence or any other forms of intimidation.

This, to a work force, Mr. Speaker, of about 140 unskilled women terrified about holding their jobs: physical violence, mass picketing and intimidation!

The letter goes on:

We have negotiated with the union in good faith. Of course, we regret the fact that any organization would now attempt to get our employees out on a strike, however, the most important thing we can do at this time is to assure you that your job is available for you in the event that the union calls a strike, and that we will do everything possible to make it possible for you to exercise your right to work.

In my cultural legacy, Mr. Speaker, there is a word called "chutzpa". Freely translated, it means roughly audacity, gall, presumption, bravado. There is no word sufficiently inflammatory to describe the "chutzpa" of management in this instance—if I may have that momentary reversion to my inheritance.

But that is nothing, nothing, Mr. Speaker, compared to the missive that followed on March 17, two weeks after the strike had begun, and several weeks after all the negotiations had broken down, during which time there had not been the slightest tittle of a management offer. I read the letter because even some of the more inscrutable and phlegmatic government members will find this hard to absorb. It came on March 17 from Hanes of Canada Limited to the strikers and reads as follows:

Since March 3, some of our employees have been on strike.

A perceptive observation since 130 of the 160 were on the picket line.

In my last letter to you, I assured you that we intend to operate our plant and to provide all employees not only with jobs, with with full protection. We have complied with these undertakings and, as a result, over 50 per cent of our employees have remained at work.

Remarkable arithmetic calculations.

If you have not yet returned to work—

said Hanes,

—please be assured that your job is now available for you and that we will hold your job open for you as long as we possibly can.

Mark the words.

I hope that you will decide to report to your department supervisor after receiving this letter. I can assure you that we will continue to do everything possible to give you the greatest degree of job security. In addition, you should know that we intend to now grant a general wage increase to all employees, as well as to give other benefits which have not been previously enjoyed.

We are not permitted on our own, under the terms of The Labour Relations Act, to raise wages or make any changes in the terms or conditions of employment during the negotiations with the union. We now are able to make changes for the benefit of all employees.

The immediate changes effective on and after Monday, March 17, will be as follows: (a) The starting rate will be increased from $1.30 to $1.50 per hour. (b) The company will pay 50 per cent of the premium cost of the Ontario Hospitalization Plan for all employees not now covered under an existing family plan. (c) All employees shall receive an immediate pay increase of 4.5 per cent on all hourly and piece rates.

These benefits are fully deserved. I know that they will serve to confirm our faith in our employees and in the future of our company.

Well, Hanes Limited, Mr. Speaker, certainly did not know of the existence of The Ontario Labour Relations Act. They apparently were not aware of other clauses in that Act which make illegal such offers in the post-bargaining process. The letter went on to a peroration of the usual homilies and exhortations about returning to work.

On March 24 the union sent a letter to management saying that implicit in management's letter was reference to the jeopardizing of jobs if workers did not return to work and that the letter appeared to ignore the provisions of section 1, subsection 2, of The Labour Relations Act, which says that you do not cease to work once you are engaged in a strike.

The union pointed out that even the Rand Royal commission would not tolerate the kind of presumption which the management had indicated in its letter of March 17, and sent it all off to the company suggesting a meeting be held to resume negotiations on all matters.

The letter was accepted by the company and diverted into the gracious hands of one Mr. Ferguson, who, feeling momentary pique, urged the union to kindly address any further correspondence on the subject directly to himself, rather than to the company. Then he went on to reaffirm what had been said in the original letter, ending as follows:

> Under current circumstances, the representatives of the company cannot see any useful purpose in meeting with the union. However, I will advise you if I receive any further or other instructions on the matter. In the meantime, I would hope that you will refrain from repeating any allegations that the company has engaged in any activities contrary to The Labour Relations Act.

That is the way the company dealt with it, and that was said to the union on March 27, after the strike was already well in progress.

Mr. Speaker, the saga continued to unfold in its own tortured, if predictable, way. The strike proceeded. The members felt there was some harassment on the picket lines. They felt pressed by the police, perhaps with warranty, perhaps in an unwarranted fashion. Needless to say, these women were highly vulnerable, engaged, as they were, in a first strike. However, there were new initiatives, and so morale remained fairly high.

In the middle of April, Mr. J. E. Scott of the Ontario labour relations board phoned George Watson, president of the Textile Workers' Union of America, and asked whether the union was prepared to bargain. The union indicated complete flexibility on bargaining and on terms. Scott then called the company whose position remained absolutely unchanged. Scott called George Watson back and said, "Forget it".

On April 28, 1969, driven by frustration to the ultimate extremity, the union applied under The Labour Relations Act for consent to prosecute. On July 3, 1969, in a majority decision of the Ontario labour relations board, chaired by one Mr. Owen Shime, whose judgement in such matters is impeccable and illustrious, the board agreed to the union's right to prosecute the company. I will quote from the documents. In the first application:

> Having regard to the evidence, we find that there are issues of law and fact that have been raised which might properly be determined by a magistrate . . .
>
> We therefore consent to the institution of a prosecution to the provisions of sections 51 and 69 of The Labour Relations Act".

Next:

> Having regard to the evidence, we find that there are issues of law and fact that have been raised which might properly be determined by a magistrate. We therefore consent to the institution of a prosecution against the respondent . . . that it allegedly, on March 17, unlawfully failed to bargain in good faith, and make every reasonable effort to conclude a collective agreement contrary to sections 12 and 69 of The Labour Relations Act.

Next:

> Having regard to the evidence we find that there are issues of law and fact that have been raised which might properly be determined by a magistrate. We therefore consent to the institution of a prosecution against the respondent, that it, allegedly, by letters dated March 17, 1969, and March 24, 1969, did unlawfully seek, by threats and other means, to compel those of its employees engaged in a lawful strike to cease to exercise their right to continue to strike, contrary to the provisions of sections 1(2), 3, 50 subsection c, and 69 of The Labour Relations Act.

Now, can I summarize to the members of the House what that means?

It means that the Ontario labour relations board did the unprecedented thing of granting the right to prosecute the Hanes company, not just for one section, but for section 1, subsection 2 of the Act; for section 3 of the Act; for section 12 of the Act; for section 50, subsection (c) of the Act; for section 51 of the Act; and for section 69 of the Act! Hanes had surely achieved a certain industrial notoriety in being found wanting on so many counts simultaneously by a majority opinion of the Ontario labour relations board.

I am going to take the time, Mr. Speaker—it will only take two or three minutes—to read the sections in the Act which Hanes had allegedly, and apparently, violated.

Section 1(2) reads:

For the purposes of this Act, no person shall be deemed to have ceased to be an employee, by reason only of his ceasing to work for his employer as the result of a lockout or strike or by reason only of his being dismissed by his employer contrary to this Act or to this collective agreement.

A fairly simple proposition. One would have thought that Hanes might have had the decency to respect it.

Section 3:

Every person is free to join a trade union of his own choice and to participate in its lawful activities.

A transcendent and obvious principle of labour relations in Ontario, easily violated by this company with no response from government.

Section 12 again:

The parties shall meet within 15 days from the giving of the notice, or within such further period as the parties agree upon, and they shall bargain in good faith and make every reasonable effort to make a collective agreement.

A clause which for this company was so much extraneous claptrap in the Act.

Section 50, subsection (c):

No employer, employers' organization or person acting on behalf of an employer or an employers' organization, shall seek by threat of dismissal, or by any other kind of threat, or by the imposition of a pecuniary or other penalty, or by any other means, to compel an employee to become, or refrain from becoming, or continue to be, or to cease to be a member, or officer or representative of a trade union, or to cease to exercise any other rights under this Act.

Another wholly persuasive and compelling facet on which labour relations are founded: another aspect of the law which this company was prepared to flout at will.

Section 51:

No employer, employers' organization or person acting on behalf of an employer, shall, so long as a trade union continues to be entitled to represent the employees in a bargaining unit, bargain with, or enter into a collective agreement with, any person or another trade union, or a council of trade unions on behalf of, or purporting, designed or intended to be binding upon the employee in the bargaining unit of any of them.

Another simple proposition which this company had no use for.

And section 69, of course, the classic illustration and the classic Achilles heel of the whole Act in this area:

That the corporation is liable to a fine of not more than $1,000.

So here you have a company which probably set records in Ontario labour relations history for simultaneous violation of legitimate and paramount sections of The Ontario Labour Relations Act. If taken to court and found guilty on those violations—and one suspects they might well have been, because usually what the board grants to prosecute is borne out in court—this same company might have suffered a fine of $1,000 maximum, more likely $200 to $500.

What does one divine beneath that kind of absurd flim-flam legislation? One divines, Mr. Speaker, a straitjacket to maintain the union under control, but to allow the company to act in a state of freedom, in a fashion as irresponsible as possible with any punitive aspects rendered totally inconsequent.

Then the question arises, Mr. Speaker, leading to the next part of this saga—as I said, Hanes in microcosm is illustrative of everything that is wrong with industrial relations in this province—was all of this unusual for Hanes Hosiery Limited? Was Hanes acting out of character—this contempt for the due process of bargaining? Was it some momentary aberration of a fledgling company fighting for survival? Was this an example where Hanes, losing its senses, was about to be brought to justice voluntarily?

Let us examine the background, Mr. Speaker, and in order to examine the background it is necessary to make the following points:

First, Hanes Hosiery, Rexdale, is a subsidiary of Hanes Limited, located in the village of Hanes—how quaint—near Winston-Salem, North Carolina.

Second, the ownership of Hanes Hosiery Limited is typically that of southern United States ownership; a family partnership, although legitimately incorporated as a company, with all the other trappings that go with public listing. But it is still a family business, maintaining all the condescension and authortarianism that is characteristic of companies of this kind with their headquarters located in the deep south.

One might say, Mr. Speaker, that the Rexdale plant in Ontario is the only outlet for Hanes which has so far managed to penetrate our "quiet and tranquil" Canadian labour environment.

The hosiery division of Hanes, in its proxy statement at the annual meeting of shareholders April 25, 1966, demonstrated that Mr. Gordon Hanes, of North Carolina, chairman of the board of directors, on March 11, 1966, owned, of record, some 383,143 shares, or 8.7 per cent of the corporation's outstanding stock. Together with his father, wife and children, he beneficially owned, in the aggregate, 1,107,506 shares for 28.5 per cent of the total shares outstanding. In order to reassure the shareholders, the proxy statement goes on to say that to the knowledge of the management no other person owned of record, or beneficially, more than ten per cent of such outstanding shares.

The Hanes family, therefore, could be said to be in control. That is, good old James G. Hanes, senior, and Helen C. Hanes, and James G. Hanes, the third, and Eldridge C. Hanes, and Margaret Drury Hanes, all of whom were deemed to be associates of our friendly neighbourhood Gordon Hanes, within the meaning of The Securities Exchange Act in the United States.

An hon. member: Would that be a family affair—

Mr. Lewis: My friend from Huron-Bruce, with his usual driving perception, notes that it is a family affair and he, of course, is right.

An hon. member: Got the wrong man there.

Mr. Lewis: Now this does raise a question. The hosiery division was described lyrically in the proxy as follows:

> The hosiery division of Hanes Corporation is one of the country's leading producers of ladies' hosiery. Its knitting machines—up from 25 in 1901 to more than 7,000 today—

A regular Horatio Alger, Mr. Speaker, of the corporate environment.

> —turn out stockings at the rate of one per machine every 10 to 15 minutes for a production of over 150,000 dozen pairs per week. They gobble up yarn at the rate of eight miles every second—

Hon. A. Grossman (Minister of Correctional Services): That covers a lot of legs.

Mr. Lewis: Might be enough to strangle the management, was the way I would have interpreted it.

> —enough to reach around the world 10,500 times in a year, or to the sun three times.

Note the analogy to the sun. Hanes has never been very *au courant* with contemporary events.

> Annual production approximates 100 million pairs of stockings of some 6,000 different styles, sizes, lengths and colours.

None of which are ever worn, as a matter of principle, Mr. Speaker, by the member for Scarborough Centre (Mrs. M. Renwick).

> The Hanes brand, the country's most widely advertised and most popular hosiery sold under a mill brand, is distributed in the United States and Canada through wholesale distributors.

We are always noted in passing in the reports.

It is a very profitable family affair, I would like to point out, if that is permissible in the Legislature.

Hanes did annual sales in 1968—welcome, Mr. Minister of Labour (Mr. Bales); thank you for being here—of $145 million; up 11 per cent from 1967. Hanes had a net income before taxes of $16.5 million; up 18 per cent from 1967. Hanes had a profit after taxes of over $8 million; up 7 per cent from 1967. And Hanes had a working capital in 1968 of $30.3 million, up 10 per cent from 1967.

In other words, this family affair—this absolutely odious southern American corporation, in terms of the entire negotiating procedures which I have laid out in this Legislature—is managing to make ends meet very happily. When you measure the profits before taxes per dollar of sales, Hanes, believe it or not, stands second of the 17 largest companies on the North American continent, although its total net sales stand at 17th of those 17, indicating just how viable this concern is. And so it is that at the end of the proxy statement, the finale would be as follows:

> Underlying the gratifying Hanes record of the past is the dedication of the men and women of our organization—

One can hear the bugle faintly in the background rising to a crescendo, Mr. Speaker.

> —the goodwill of our customers and the support of our directors and shareholders. Relying on this bulwark for our efforts, we, in management, look forward with eagerness to the opportunities for our company.

Opportunities which embrace the destruction of a union; of course in partnership with the government of Ontario. I would never wish the Minister of Labour to feel that he was left out of such destruction, which involved behaviour as irresponsible as we have witnessed in Ontario.

However, Mr. Speaker, these family affairs, these profit structures, are not of themselves conclusive. One might look at Hanes' labour history in the United States, something which no doubt the Minister of Labour did when anticipating what might occur when Hanes cames to the province of Ontario in 1963. Can I take a moment to tell the members about it because I think it begins to imply why it was that the whole experience has been such an unmitigated and unwarranted disaster.

In 1944, Hanes was originally organized as Hanes Knitting Company just outside of Winston-Salem, North Carolina. In 1958, after 14 years of a collective bargaining relationship, the company refused to renew the arbitration and check-off clauses in the contract. On top of this the company demanded a no-strike clause which would expose the union to damage suits. This was an obvious effort to destroy the union and a strike took place in August, 1958. The company brought in strike-breakers—scabs—and before long the union was destroyed. All the union had wanted in that case in the United States, Mr. Speaker, was a contract "as is"; they had not even asked for any increase. That is the way it was in 1958.

In 1965, the Textile Workers of America made another effort to organize Hanes Hosiery in the United States and a number of employees had the effrontery to distribute leaflets at plant gates, exhorting their fellow workers to organize. Hanes Hosiery peremptorily dismissed eight of the leading union organizers, resulting in an ultimate verdict from the national labour relations board in full plenary session, that Hanes had committed an absolutely unjustifiable act and that all eight workers were to be fully reinstated with $46,000 in back wages at six per cent interest! So they were.

In 1966, the order was given to have a representation vote taken in the Hanes plant in Winston-Salem in the States. But Hanes, being a company that is enlightened in the field of labour-management relations, as we have seen, would not give the names or addresses of the 4,000 employees involved. There followed, Mr. Speaker, an absolutely incredible chapter in American labour relations history.

Hanes having been found guilty of unfair labour practices, of the following:

> That the company informed the employees that if they continued their activities on behalf of the union they would be caught up in a firing spree at a later date; that they informed employees if they ceased their activities on behalf of the union their jobs would be secure; that they informed the employes that anyone who was for the union had a bad attitude towards the company; and that they discharged and thereafter failed and refused to reinstate employees because of their membership in and activities on behalf of the union.

Hanes had been caught out in a way that finds very few parallels even in the sordid textile underworld of the United States. Hanes was now taken by the national labour relations board to the supreme court of the United States, in a precedent-setting case, to force Hanes to give the 4,000 employees' names and signatures to the union for purposes of conducting a vote!

There is not another example, Mr. Speaker, that can be called to hand, where the national relations board of the United States has been driven to that extreme to bring a company into fair labour practice.

Two years later, of course, the vote was taken, and failed, because in the interim, as the Minister knows, when time expires, unions can effectively be crushed. And although it was by no means overwhelming, the union failed.

The latest episode in Hanes, by the way, took place as recently as a few months ago, in 1968. An interesting little item just a few months ago, I am exaggerating—a year ago, Mr. Speaker—from the *Daily News Record* in Winston-Salem:

> SMALL HANES GROUP PROTESTS WAGES
>
> A small group of employees of the Hanes Corporation is staging sporadic sit-downs in the plant to protest the amount of the pay raise which went into effect Monday. Production has not been affected materially. An eight cents an hour pay increase, effective Monday, remains the major issue. The spokesman for the workers said that the raise was not enough to meet rising insurance rates and the federal income surtax.

Of course, it is not when there is no union, and the improved rates cannot be achieved;

but it is again symptomatic of the company with which we are dealing.

I want to say to the Minister, through you, Mr. Speaker, that all of Hanes' behaviour in the southern United States, and in Ontario, raises questions of basic corporate citizenship.

Who are we inviting to Ontario to set up company practice in this province, with all the subsequent violation of labour law that follows?

What is the state of our indigenous Labour Relations Act which permits the affair of Hanes versus the textile workers as I have described it?

Is it not evident, Mr. Speaker, both from the history and from the reality, that Hanes was never prepared to allow a union in its Rexdale plant; that it could not tolerate a union in the province of Ontario, having engaged in the most oppressive of union-busting activities in the United States; that it was determined to resist at all costs, and that there was apparently nothing in The Department of Labour prepared to cope with it?

If I may go on, Mr. Speaker, the even greater anomaly is the sheer impotence of our law. In this province in the past two years or three years, the pattern has developed of using the *ex parte* injunctions to clobber legal strikes. But now we have a new and rather more sophisticated innuendo, and that is to use the good fair bargaining clause as a means of forcing unions to seek consent to prosecute, without any viable recourse in law at all, because of the inconsequential level of the fines.

So we insert in our Act a clause which seems to give it viability and substance, and behind which clause the most notorious and infamous management practices are sustained.

When we debated this in the labour estimates in the House, even the Minister was unable to give us any explicit definition of what was meant by "bargaining in good faith." We recited the offences: the litany of cases which have characterized Ontario in the last several years with the full knowledge and complicity of the Ontario Department of Labour.

But never, Mr. Speaker, was there the slightest suggestion from the Minister or that entire Cabinet front bench, that good faith bargaining would be given some substance in Ontario—that it would, in some way, be legitimized.

I therefore want to depart momentarily, again, to say that there is no reason, other than political intransigence for the government of Ontario not adopting the practice of the national labour relations board in the United States. Under good faith bargaining, section 8, subsection a, clause 5, over the last many years, violations of good faith have been found with regularity, and specific directions have been given by the board to individual companies to correct them.

Now, around what issues have they been given rather than granting consent to prosecute? In gunfire fashion, Mr. Speaker, I am going to digest various rulings made within the last two or three years and taken at random from the national labour relations board. I think they will interest members:

> The board held that the employer violated 8(a)5, good faith bargaining, by refusing to bargain in good faith where employer:
>
> 1. Unreasonably delayed commencement of negotiations with certified union despite union's repeated request,
>
> 2. Unduly protracted negotiations thereafter,
>
> 3. After several months' negotiations, finally made so-called wage offer to give union lump sum of money to distribute among employees,
>
> 4. Took shifting and unconvincing positions for rejecting union security,
>
> 5. Suggested deferral of announced strike until employer could present final offer which turned out to be tentative and left many matters to be worked out later.

That is the famous Gophers aviation case. Next:

> Examiner held that the employer violated 8(a)5 by insisting on the use of tape recorder at negotiating meeting as condition of bargaining, since employer was motivated not by desire to avoid misunderstandings over agreements already reached but by desire to delay and frustrate bargaining.

That is the B. F. Diamond Construction case. Note, Mr. Speaker, the variety within which the NLRB has the right to make rulings. Next:

> The examiner held that the employer violated 8(a)5 by engaging in dilatory tactics and bad faith bargaining where, among other things, the employer, during negotiations, suggested that the question of paid holidays be postponed until end of negotiations, knowing it would not agree to any paid holidays and union would not accept contract without them, since it

created an impression of bargaining while knowing that no agreement would be reached.

That was the Shovel Supply Company case. Next:

Examiner held employer violated 8(a)5 by its refusal in reply to the union request during strike to resume negotiations until the strike was terminated and pickets removed. Since existence of a strike does not suspend bargaining obligation an employer may not condition such obligation on strike's abandonment.

That is the General Electric battery products case. Note:

Examiner held employer violated 8(a)5 by engaging in dilatory tactics and bad faith bargaining where among other things employer refused to make any concession on union's most important demands. Such refusal by employer without reasonable explanation for its position was bad faith bargaining since employer knew that such position would prevent consummation of agreement.

The Shovel Supply case again. Note:

The board held employer violated 8(a)5 by entire course of conduct during bargaining negotiations where it unilaterally instituted wage changes over union objections.

That is the Cork Industries case.

And so they proliferate. I will not read any more. But I put them to the Minister, sitting there in solitary splendour; master of his portfolio, if not its implications. I put it to the Minister that had the Ontario Labour Relations Board similar powers in the province of Ontario, you would never have a Proctor-Silex; you would never have a Hanes hosiery. And there is no excuse whatsoever for not allowing it.

If I can suggest to the Minister a remarkable little pamphlet put out by Cornell University called "Good faith in labour negotiations, tests and remedies", in which, with some precision, the area of board activity, present and future, is delineated. It gives the board the right to reinstate workers, to pay back wages, indeed, to force punitive damages on a company which has acted in a given manner—such as Hanes Hosiery in this instance.

So what do we have as we look at it, Mr. Speaker, in this consistently repugnant situation? A first contract, a sort of negotiation interval, a breakdown of all company union contacts, a consent to prosecute with an unprecedented violation of the labour relations Act in several sections, on the part of the company, a sense of dismay and frustration on the picket line, and an obvious quest to destroy a union organized in good faith and entirely legitimate. Indeed one must say, Mr. Speaker, that the textile workers certainly take second place to no other union for honorable intentions and capacity to represent its employees.

I suppose one would think that there were no other ingredients which could be added to this story. But there is another, and that, too, has to take a moment to elucidate in this house.

Let me go on with the continuing marathon.

On May 26, 1969 the company, feeling that it had not done enough, applied for an injunction to prohibit picketing. Now if ever there was another piece of audacity, that was it, and on June 16, 1969, I am very pleased to say, Judge Leiff threw the injunction application out of court. I am sorry he did not physically throw the Hanes' representatives out of court; I would have been inclined to do so.

He pointed out that there were occasional incidents on the picket line, as there inevitably are in individual strikes. But only on the occasion of a strike trailer being the focus of union activity, and only on those days when strike pay was issued were tempers even fragile, let alone volatile to the point where one would apply for an injunction. And he threw the whole business out. So it seemed for a moment at the end of May, that, all of this history notwithstanding, the Textile Workers Union, the David of the textile workers, might well defeat the Goliath of the textile industry.

It was not to be. In June, Mr. Speaker, the most serious transgression occurred. I want to raise it in the House; I want to raise it with the Minister. I want to put it in the public arena, and indicate the total pressure that was brought to bear.

In the month of June, a group of "fixers" from the parent company in Winston Salem, North Carolina, were imported into the province of Ontario, for what I believe to be, and the union alleges to be, the precise purpose of breaking the strike.

A little while ago, Mr. Minister, I pointed out that the fixers were indispensable to the functioning of the whole plant. Within the technology of textile, if your machinery breaks down, as it often does, and there are

no fixers available, you cannot maintain a viable operation, and it is true that Hanes Hosiery in Rexdale was perilously perched over those intervening months in the summer, because the plant simply could not operate.

With the agreement of the federal department of immigration, fixers were brought in to the province of Ontario, to cross the picket lines, to service the machinery, to get the plant going again, and ultimately to break the strike. Now, Mr. Speaker, the union got wind of it, of course, and on June 16, 1969, they had a meeting with the immigration officials and requested that something be done. Immigration said, "Put it in writing". So on June 25, 1969, the following letter went to The Department of Manpower and Immigration, the Immigration Division on University Avenue, attention Mr. O'Doherty.

Dear Sirs:

We are the bargaining agent for a union of employees of Hanes of Canada Limited, 8 Tidermore Avenue, Rexdale, Ontario. There has been a strike at these premises since March 3, 1969. Some short time ago, following the commencement of the strike, the company engaged the services of persons believed to be citizens of the United States of America. The names and addresses of those persons are believed to be as follows:

And they were included in the letter. Incidentally they were all accurate.

All of them are employed as fixers which in this industry means that they attend to the mechanical repairs of the production machinery.

We do not know whether or not these persons have compiled with the requirements of Canadian law in gaining entry to Canada and in remaining to work in this country. This letter is given to you in response to the request made by Mr. M. R. MacDonald for a written report on the matter discussed in his office with the representative of this union on 16 June and this for the information of your department only.

My friend from Dovercourt is saying something in the background?

Mr. D. M. De Monte (Dovercourt): That it was illegal for them to come in and work.

Mr. Lewis: It raises a neat point of Canadian law, Mr. Speaker, a neat point of Canadian law. It is apparently perfectly permissible to come into this country on a visitor's pass with a work permit for the purpose of strike-breaking. Perfectly legitimate!

On June 26, after receiving the letter, the federal department of immigration alleges, and use the word "alleges" advisedly, that it made contact with the company.

I have checked on these facts rather carefully, Mr. Speaker, with a very estimable member of the House of Commons in whose judgment I have complete confidence. I therefore have confidence in what I am about to say to the House.

The immigration department consulted with the company. It alleges that it phoned a Miss White, the office manager of Hanes Hosiery Limited at that time, and that Miss White told the department of immigration that these fixers, so-called, indeed existed. That, indeed, they had come into the country as recently as June 21—no question about that. That it was all right, because it was simply a continuing pattern over the years of the parent company sending specialized personnel to the subsidiary in moments of need. In this instance that is all that was involved; they were there for specific fixing and dyeing purposes, and as "trainers", and that as far as the company was concerned it was legitimate.

Mr. R. F. Nixon (Leader of the Opposition): It is like American advisors in Vietnam.

Mr. Lewis: Like American advisors in Vietnam, it does not have quite the explosive element, but it has a parallel.

The department of immigration then says that it called the union to tell the union what it had learned on the phone from the office manager of Hanes Hosiery. The Minister is a legal man. He will know that there is no circumstantial evidence here! The department of immigration says that the person to whom they spoke from the union—whose name they do not recall because they happened not to note it at the time—told them that in view of those facts everything was fine and there would be no further representations from the union.

Mr. Speaker, there is not a single person in the upper echelons of the Textile Workers of America—from George Watson, the president, to all the individual representatives involved—who remembers receiving any such phone call. They certainly did not receive even the courtesy of a written reply. And there is more than a marginal coincidence in the fact that the department of immigration would remember the name of the office

manager of the company but not the name of the trade union representative to whom the information was conveyed.

The reality, Mr. Speaker, which the union alleges, and which I would underscore, is that the federal department, and the the provincial Department of Labour in terms of its involvement throughout the piece, and the company, engaged in one of those friendly conspiracies to demolish a strike. And in the process allowed either a request for landed immigrant status or a request for a visitor's pass with work permit—or whatever device was used—to have the crucial, indispensable, human components of that particular industry brought into Canada from the United States, sent by the parent company, a parent company whose history in labour relations is as iniquitous as can be.

Without any serious checking, without any careful, scrupulous view of what was involved, free entry to the country was gained. The results were of a very conclusive fashion. The plant was rehabilitated, Mr. Speaker, and the strike was ultimately broken because absence of fixers was the union's major weapon.

I would have thought that the Minister of Labour might have made representation at some point to the federal Minister. I would hope that he might still do so. I would hope that the law might be profoundly altered one day. But it was the beginning of the end for the union. The heroic solidarity which existed up until that point was about to crumble.

Not that The Department of Labour was unprepared to make another attempt—even though it was a situation so unjust, that one wonders how it could persist in this society. The Department of Labour, on July 23, called a post-strike conciliation meeting, I think with Mr. Greenaway of the board as the officer in attendance at that time. The only company representative was Mr. Ferguson, the lawyer, who attended, as he said, purely out of respect for the Ontario Labour Relations Board representative. He was not authorized to make any changes in the company's position.

On October 9, last month, an application for decertification was filed and the board granted leave under section 46 of the Act for a vote on November 13, which of course was, as is in all such affairs conclusively for decertification. Particularly conclusive, because to the everlasting credit of the Textile Workers' Union, they announced they would boycott the decertification vote because the decertification procedures in this province are indefensible in the way in which the Act works.

The whole Ontario Labour Relations Act is riddled with such injustice and inequity, transparently demonstrated step-by-step in the Hanes Hosiery Limited strike, that the Textile Workers' Union decided to boycott the vote; and in the one ballot box outside the company's gate, sitting almost as forlornly as the Minister now sits—not a single vote was registered!

Well, Mr. Speaker, to tie the tag ends together, let me say, so that it is on the record, that the union did everything that was humanly possible to support the strike. This demonstrates, in a sense, the nobility of the union in conditions so adverse. One wonders sometimes whether the struggle availeth, whether there is point to it, though in the long run, of course, there always is. It was, a first contract, an unskilled work force, it was a small plant, with particularly vulnerable women workers, many very new to the country, and therefore highly sensitive to pressure. In the face of the insurmountable obstacles, the Textile Workers' Union throughout paid a strike pay of $25 per week for a single woman, or a married woman with a working husband and dependents; they paid $35 a week for a married woman who is the single supporter with $3 a week for each dependent. They paid all the rents, they paid all the mortgages, they paid all the automobile insurance premiums, they paid fuel costs, they paid personal debts where necessary. They went right down the line with the strike even though it became evident, sometime in June, that it could not be won. The union at one point was even prepared, in a moment of enormous frustration in the quiet of its own inner sanctum, to consider minimum checkoff, rather than traditional union security; but of course, the company would then have erected another vulnerable obstacle barrier to legitimate negotiations had that been the case.

At no time was the union membership, to this day, able to collect unemployment insurance, because productivity never exceeded 74 per cent and the number of employees never exceeded 94 or 95 out of the original 160, so that the 85 per cent conditions, under which unemployment insurance becomes available, were never met.

If I may make summary, Mr. Speaker. We are faced with a wretched series of revelations all contained within the ambit of Hanes Hosiery Limited. First the perilous state of union security provisions in the province of

Ontario. Second, the irrelevance—indeed the offensiveness—of a good-faith bargaining clause in The Labour Relations Act, denuded as it is of any substance and any meaning, used to pervert the collective bargaining process rather than to enhance it. Third, the absurdity and the humiliation of decertification procedures working injustice after injustice upon a legitimate work force. One wonders about the whole Ontario Labour Relations Act, Mr. Speaker. Fourth, the federal department of immigration, supporting laws which in turn encourage the importation of strike breakers into the province for the most unpalatable of reasons. Fifth, the American control of subsidiary companies, not only to the point of profits and expansion and priorities in economic terms, but even to intruding on the hitherto sacrosanct nature of the collective bargaining process.

Yet the Minister, whether it was in Proctor-Silex or in Hanes Hosiery Limited, was willing to allow this kind of distorted American view to dictate policy behaviour resulting in damaged Ontario industrial relations. Yet another dimension of the Americanization of this economy and this society. No real appreciation, Mr. Speaker, no real appreciation at all, on the part of the Minister for industrial relations on any sophisticated level of operation. The Hanes Hosiery Limited strike affords, I suppose, for us in this side of the House, another glimpse at the extreme alienation of the Tory party from the urbanized environment; from the urban industrial working class, not to say the rest of urban society.

In a sense it is reassuring, because one knows the political end which such alienation results in: defeat! But the reality, Mr. Speaker, is that in the process of the alienation and in the process of the incomprehension, you destroy unions, you outlaw strikes, you disinherit people who have every right to fair wages and you pervert the whole process of industrial relations. That, one can hardly suffer, even in the face of salivating over the prospects for 1971.

Mr. Speaker, the government supports an Ontario Labour Relations Act which is unlovely and unfair. It supports individual situations which are iniquitous and discriminatory as in the Hanes situation. It above all supports the indefensible violation of individual rights.

In this situation, as in all the others which have dominated Ontario's labour landscape over the last several years and need not have been—we say to government, Mr. Speaker, we say to them there is, of course, only one recourse open for us and that is to bring these people down. That is precisely what we intend to do in the very near future.

Mr. J. R. Smith (Hamilton Mountain): Mr. Speaker, a 19th century philosopher wrote: "'Tis in vain that I sit down to write—when I have not yet stood up to live." Those words tend to be the echo of youth today as it heads violently and unpredictably into 1970's.

Never in the history of this country—nor in the history of this province—has the cry of the young people been as loud or so apparent. Never before have the chants, songs and speeches ever threatened the values and the property of the established society and never before have so many feared that the sounds of distant drums may turn into war cries.

What good is learning, what good is writing, what good is enquiry, if we do not allow these young people the full opportunity of an educational system which allows them the opportunity to live and experience? They may be more able to sit down and write—but not just write what we—the establishment—want to hear.

Today, youth is in revolt against the solid respectable optimism of the establishment. They are fed up with the high-sounding terms which make no sense to them. They are sick and tired of being preached at by administrators, educators and politicians about the opportunities, challenges, productivity and material standards of today's society.

Some thinkers are of the opinion that the establishment's unwillingness to bend to meet and adequately discuss the challenges of the younger generation is the cause of their discontent. Aside from demonstrations and violence, many of the young generation express their hostility in creativity. And it is on these individuals I say the focus of attention should be placed at this time.

The result of this expression has created a new culture in Canada. A culture established by poets, artists, writers and critics who talk of despair, hopelessness, injustice, inhumanity, lovelessness, faithlessness and homelessness.

Many of these young people are rebels without a cause—or who have lost their cause because after a while they lost sight of the nature of the rebellion. Many of these kinds of youths are university students who advocate overthrow, but who have nothing better to offer. As a matter of fact theirs is just a suspended state of animation where to criticize is the end. They do not wish to form a

government, but rather to hypothesize about their utopia like a pure theorist.

We have a world of obscene drawings and humourless poems. In this lonely world, men scribble, frustrated tenderness becomes cruel with mockery and it is a world where youthful ambitions have collapsed. This is a world in which poet Alan Ginsberg "saw the best minds" of his generation being destroyed by madness, starving and obsession. It is a world we will soon hand over to this younger generation. We will pass the torch to them and then they in turn will pass it to a younger generation which 50 to 100 years from now may also be in revolt.

But, I believe the problem—or I should say—the solution to the problem rests in our hands. It has been said that youth today suffers from the psychology of being powerless despite the newly-found ability to disrupt the campus. Young people have a sense of being caught in the machine of society and government without control over their own lives and the issues that affect their fates.

Where do we fit into their world? What can we do to bridge the generation gap? These are the questions we should be asking and trying to answer. These are the questions of the day.

We, the government, must redevelop our thinking on many matters which concern young people today. As far as many of them are concerned a Conservative is a Liberal with grandchildren. We must show them that we care and we are willing to sit down and to talk or at least to hear what they have to say.

I am afraid to say that as far as digging in and trying to help the situation, the provincial government stands out like a tuxedo at a hippie wedding. We cater to senior citizens by giving grants to start drop-in centres and meeting places, but we neglect young people with no such provisions.

I suggest we follow through on the proposals of the report on unreached youth which was released this June. In it, a provincial youth foundation is suggested. This is an area where the government can set up an independent commission which could look after this problem and start providing answers rather than double talk.

Some of the suggestions in the report said the foundation should "have financial flexibility to solicit and accept funds, not only from government allocation, but from non-government sources, including private foundations".

I would also like to add, Mr. Speaker, that I believe that labour and the general public should also be approached so that a competent staff needed for such a foundation, could be hired and programmes launched. Members of the community at large could either donate money or services. This is one area I would strongly like the government to get into.

The need is present. The foundation would be free to initiate experiment and innovate activities. The foundation would have freedom to disseminate information without fear of reprisal even when it may be critical of the established institutions. Most important, as it is suggested in the report, the foundation could establish effective communication channels with all departments of the government concerned with youth.

This foundation could turn the cry of youth into the voice of youth.

A foundation would, in the opinion of the committee on unreached youth, help bridge the gap "between research findings and practice".

In the report "Alienation, Deviation and Social Control" released by the committee, the idea of "half-way homes for unemployed independent youth" is suggested. This is another area in which the provincial government, I feel, is lagging behind independent organizations and municipalities.

In my own riding, Hamilton Mountain, there are many programmes already under way which could use the support of provincial funds. One for example is a drop-in-centre at the local YMCA. Its purpose is to be a gathering spot for youths to cultivate interests, share goals and become involved in community work. It also contains workshops which provide useful information to youths, supervised by both part-time and full-time staffs.

Youth-on-the-Spot, a Hamilton Social Planning Council programme, which is designed to promote summer volunteer work among teenagers, has also been most successful. Last year, about 150 students worked without pay in the community in health, welfare and recreational agencies. Student volunteers are not paid salaries, but gain valuable experience in relating to people and spend summers experimenting in different situations which they could later relate to their jobs. Now that is the key; young people today want to relate to people and their vocations.

Generally, the only qualifications for a volunteer job is a pleasant, happy, well-adjusted personality with a desire to help

people. They must be able to apply their imaginations to working situations and they must have certain hobbies and skills.

But government can go beyond recreational planning. A foundation can set up clinics to help student-teacher relationships outside the school programmes, and so on.

On the question of these student volunteers, I would like to say that we are faced with a serious problem which perhaps reared its head this summer. The crisis of the unemployable, young people unable to find summer employment. I think it is going to become increasingly more difficult for many young people to find summer employment.

Surely students who qualify for such programmes as "student volunteer work" as "Youth on the Spot", should be able to obtain points from such a body as the Provincial Youth Foundation whereby they would be entitled to apply for extra credits when they apply for their student awards at university. What better investment could the senior levels of government make in such a programme with its young people?

A foundation could also enter into and help family projects which could initiate better understanding between parent and child. But as it stands now, most drop-in centres operate in isolation and in many cases the burden of responsibility rests on the shoulders of volunteers. And this is probably the reason why certain drop-in centres run into difficulty with their neighbours—and in some cases, the Yorkville area of Toronto, are drop-in centres for a great number of youths.

These are the challenges and I must add that we are meeting many. On the positive side of the ledger the provincial government is involved in a number of projects like the junior ranger programme sponsored by The Department of Lands and Forests. Last year the programme employed 1,739 boys in 73 camps across northern Ontario and in other programmes 1,388 university and high school students were employed in department work.

Surely this is a beginning—a drop in the bucket—and there is no duplicate programme for young ladies.

The provincial government is providing equipment assistance to amateur minor sports. Any league may apply and request financial assistance based on the number of teams and players. During the year 1968-1969 assistance was given to 1,200 associations, involving about 65,000 athletes 18 years and under. We in the sporting city of Hamilton take full advantage of this programme.

Awards and financial grants are given to top athletes in the province and The Department of Education provides for cultural exchange programmes where top scholars can take part of their education in another country. University, high school and elementary school grants are provided, as well as provisions for the government to pay all or part of the costs for seminars and performing arts tours.

Summer travel projects are also included in the provincial budget. But as near as I can determine most of the travel grants are used by youths to travel between Ontario and Quebec and many European countries.

This is probably one of the hang-ups we, as a nation, have where we get all excited and hepped-up about Canadian culture and Canadian nationalism. For some of us the only thing we can think of is, perhaps, the loose term "habitant soup" type of culture. It is all one-sided in the direction of the interprovincial travel of young people, especially Ontario people, heading east to the province of Quebec and on return visits. I feel, Mr. Speaker, we are neglecting the western provinces and British Columbia and the northlands.

Why cannot many of our young people visit Ontario where there is the French culture and Indian reserves as well as the western provinces?

If I may quote Walking Buffalo, a Canadian Indian who said, in a Canadian Press story:

> Let the white men quit reading their piles of books. Let them go outdoors into God's university.
>
> Let them watch the clouds change colour and feel grass between bare toes. Let them feel the wind through their hair and see creatures all around them. Let them smell earth and feel hearts beating in chest.
>
> Then let them wonder who made all this. Maybe pretty soon they say God did. Then all will be well with them.
>
> Maybe if we all live together in God's university awhile, our children maybe learn they God's children. Maybe out will come leader country needs. Maybe he be man who knows how to love and sees not colour of his brother's skin or anything else. He just see man.

In a technological age this might just be one answer to the helplessness and hopelessness problems of our youth. Travel mixed with education could help youth find new direction. But the words of Walking Buffalo are

just that—words—unless a careful reorganization and stepping up of the province's participation with youth is established. Unless we find it in our hearts to hear the voices of youth the potentiality of this province could be curbed.

Our hopes of continuing prosperity lies in our present education of our youth—not just in our schools, but outside the classroom as well—into the community. A provincial youth foundation could, if given a chance, remove the responsibility from government departments of looking after youth. It could be the basis of a unified programme which could devote all of its time to youth affairs.

This is not the hope of my report. It is the reality of the situation as it stands today.

One need only look in the mass media and read about student violence. I was very interested, sir, to drive by this way last Saturday afternoon and see the 5,000 demonstrators streaming down from the front lawns of Queen's Park on to College Street with their neat little red flags, their black flags, and their red arm bands. And, oh yes, there was the great lorry with the Communist Party of Metro Toronto out in front with their loudspeakers, and hundreds behind with their flags and banners. Right behind that was the New Democratic Party of Metro Toronto; all the new left were out.

We see it everywhere we go. We see it on television. We read in the paper of student unrest. But how many of us have taken the time to personally go out and try and understand the problem? How many have the time? How many know how to go about this difficult task?

When is the last time any member of this Legislature properly allowed youth to enter their lives? We can no longer continue to look at youth with coloured spectacles. We must first admit that maybe we are near-sighted concerning the problem and admit maybe youth may have some foresight worth hearing and seeing in person.

Now is the time for this province to become involved and ask what is it we can do to become more involved.

Mr. Speaker, in conclusion I would like to add a few comments about the proposals for regional government in the Hamilton-Burlington metropolitan area.

On Monday, this will be a very important day in the history of our region when the steel commission brings down its report to municipal leaders and politicians in the city of Hamilton. I am sure those of us from that area wait with great anticipation the results of this document.

One thing I would like to say here publicly, Mr. Speaker, is to call upon the people of Burlington to re-examine their position and come out in support for regional government of the united Hamilton-Burlington region when they go to the polls in their municipal election and vote for this by plebiscite.

I personally feel that perhaps the politicians of that great city of Burlington have had some second thoughts upon their earlier position of wanting to go in, either on their own or with Peel county, when they decided to place this matter before the electorate of that community in their municipal elections in the first week in December. Perhaps they have had second thoughts and this might be a very good way for everybody to get out of a very structured position.

Mr. Speaker, the letters to the editor of one's home paper certainly provide some refreshing reading. There has been a great deal of controversy and letters surrounding the proposed Hamilton-Burlington regional government proposal in our press. I would like to share with the hon. members a letter from a resident of Burlington that appeared in the November 19 issue of the *Spectator:*

> The present attitude of Burlington council may result in Burlington becoming a part of the one-tier government with Peel county. It has been negative in its approach to regional government.
>
> First, there was opposition to the Plunkett report recommending that Burlington become part of the one-tier government with Oakville and the southerly part of Peel. There was an outcry from Burlington citizens and the council against the recommendations.
>
> Second, the steel commission was presented with a report by the town, unanimously endorsed by council, opposing a two-tier system including Hamilton and Wentworth county. Some council members have publicly spoken very anti-Hamilton.
>
> Our town's brief left much to be desired. It failed to discuss the pros and cons in a constructive manner. It was a negative report from start to finish. It is hard to believe that an ugly old goose like Hamilton could have hatched the beautiful duckling that Burlington has turned out to be. It is difficult to understand how all at once Hamilton is a bad influence.
>
> For decades, farmers have brought their produce to the Hamilton market from all

over southern Ontario. When I adopted this part of Canada in 1945, Burlington was a quaint small town of 4,000 to 5,000 people with a few businesses on Brant Street. The main part of the present Burlington was farm land, some of the best in Canada, which we have since grown because of and as part of a social economic community centred around Hamilton.

Is this bad? Do the approximately 40 per cent of Burlington's bread winners who work in Hamilton turn their backs when they go home? What about the 30 per cent of Burlington wage earners and business men who are earning a living in Burlington as an indirect result of Hamilton employed people living there? Among these can be numbered our teachers, town employees, doctors, carpenters, lawyers, nurses, realtors, insurance agents, and so on. I am sure that all of us who live in Burlington are for Burlington. We are and we want to be proud of our town. We know it is a good place to live. We want to contribute our part of its forward progress, to be a good citizen and also to be a good neighbour.

I am sure the majority of Burlington citizens want our town to be a good and co-operative neighbour with all the adjoining communities, including and especially Hamilton. The strong anti-Hamilton feelings expressed by some members of council and supported by other less committed members may force them to option for one-tiered government with Peel. If presented with the alternative between Hamilton-Wentworth and Peel, they may find it is difficult to save face if they choose Hamilton-Wentworth. They will have backed themselves into the position of having to choose Peel.

Based on the Plunkett report, this means one-tier government. Burlington would have to lose its identity, the very thing the anti-Hamilton campaigners wish to preserve. The name Burlington would be lost.

We have a minority of members on council, the seat of government would undoubtedly be in the eastern sector, namely, in Peel. Our citizens would have little or no encounter with the majority of council members, since they come from a municipality to the east.

I will not go on, Mr. Speaker, but the point is that Burlington could lose out if it joins Peel.

I know that not all members of the Burlington town council are unanimous in their antagonism toward metropolitan government with the city of Hamilton-Wentworth county. I say this, as representing a workingman's riding in the city of Hamilton, that we in our community really have not got all that to gain by uniting with Burlington. But we share the same goals, the same aspirations, the same problem as the people in Burlington and the whole arc around the head of the lake.

As we are going to march into the seventies and into a new industrial era, a new world, we want to join hands and work together with all of the people at the head of the lake—work together for a new metropolitan government and a better community in which to live.

Mr. Speaker: The member for Port Arthur.

Mr. R. H. Knight (Port Arthur): Mr. Speaker, the member for Scarborough West (Mr. Lewis) dealt with the middle-aged group in our society, the working man. The member for Hamilton Mountain (Mr. J. R. Smith) has just dealt with the young in our society. Although it was not planned this way, I suppose it is appropriate that I should now deal with our elders.

For some time now I have been studying, or at least I have been trying to give more attention to, and greater concentration on, the living conditions, the situations, the attitudes concerning our elders in this society. And now I have an opportunity to speak about it.

I have chosen to speak on the elders of Ontario at this time, because I am honestly worried about them. I think that some of them are cursing this society, and I have to wonder what happens to a society which is cursed by its elders.

You know we are told that in the day of the caveman in this world, this nomadic people lived on the theory of the survival of the fittest. Those who could not keep up to the tribe were left behind, thus travelling in the wide open spaces as they did. If one of the older women or men fell behind the tribe, they were left there, screaming, dying in agony, and the scavengers of the earth came along as soon as the tribe went over the hillside or over the horizon, and picked their bones clean.

I do not say our society is leaving its elders to have their bones picked clean by these animal scavengers—but I wonder about those other scavengers, the modern-day scavengers. I am just wondering if we are not leaving many of our elders in this society to

the scavengers of high costs, loneliness, government red tape, segregation, modern profiteers, and the other greedy sectors of our population.

You know, those cavemen I was speaking about, we are told, used to go out on a hunt to find their food. They would bring home a slaughtered animal, heat it up, and then all of the people in the tribe, the young, the strong, the healthy and the elderly, would converge on the animal to tear it limb from limb to see who could get the choice morsels.

We are living in an age of great affluence. There is considerable for everyone, fortunately, in this day in which we live. I just wonder if the stronger sectors of our population are not rushing in to get their share of this affluence, to fight with one another for a share of this affluence, and are perhaps leaving the old people to fend for themselves because they are just not strong enough to get in there and pull their fair share.

I am thinking, Mr. Speaker, that in front of this building, as the member for Hamilton Mountain mentioned, we have all kinds of demonstrators, all kinds of groups who are bringing their cause to government. We have seen a number of groups from labour, we see all kinds of student groups coming forward, socialists and so forth, but we have not yet seen the old people of this society converge on this building in great numbers—because they are not in there fighting for their fair share.

I think possibly this is in keeping with the pride that these people have, the pride that they have in this country and the ability they have to cope with difficult times.

I think the time has come for us to take a look, another good look, at these people. I am well aware of the efforts of the Senate select committee on the aged, sometime in 1965, and then the select committee on the aged, where members of the Legislature examined the problem and brought forth recommendations. I for one though am not just satisfied with the use that has been made of those recommendations in this province.

I have questioned the Minister of Social and Family Services (Mr. Yaremko) during the debates on his departmental estimates and he has suggested that everything possible was being done. I have spoken to the people in his department who are concerned with the aged, Mr. Speaker, and I am satisfied that they are trying their very best.

There is a very genuine interest in the aged, but I just do not think there is enough going into it. We have forgotten in this society, I think, just who these people aged 70 and over are. They are the people who brought us through two world wars, a depression, a recession. They brought us through inflation, they have coped with this inflation.

They are the people who paid their own way, and many of those in that age bracket are somewhat destitute today, and have to live on whatever they can get from the guaranteed income for the elderly and the old age pension from Ottawa.

A lot of these people depleted their savings, depleted their funds, paying doctors' bills at a time when they did not have OMSIP or OHSIP, putting their youngsters through university at a time when they did not have such programmes as the Canadian Scholarship Foundation Plan. Here they are now, many of them are living on an income that you could have perhaps survived on about 15 years ago.

I just think that we are forgetting about them, Mr. Speaker. I have spoken to quite a few of our elders. I prefer to call them elders because when I was a boy, I was taught to respect my elders. I think the term elders, our elders, this society's elders, is a very good word for our older people. I think it is better than aged, or senior citizens, or pensioners, or any of those terms.

I like the word elders because that was the way it was ground into me: "Respect your elders, boy." That is the way I was taught and I think even today I still feel the same way. I respect my elders. But I see a society that has become selfish trying to keep up with the cost of living and trying to grab, trying to pluck that animal clean, this animal, this society, that it is just pushing the elders out of the way.

How many people do you know, of my age group, for example, who have their mother or father or both living with them in the same house? I think very few; very few people; very few Canadians, of actual Canadian origin who were born in this country. But if you look at the Oriental Canadians, you will find it there. You look at your Jewish Canadian families, and you will find it there.

Many European people—I think of Ukrainian people, up in the Lakehead, of which there are many and I know many—keep mom and dad home. They are not too worried about the white hair and the false teeth and the bickering attached to age, or the crippled body. They see something far more important beneath that surface. They see a human

being, a person, someone who is completing their life.

Now, for my part, I am ashamed of the people of my age who have put their elders out for a million different excuses. And this government, this society, provides institutions for them. We call them homes for the aged, and these are wonderful for people who want to go there, people who have no place else to go. But not for many others, who have struggled and battled to hold on to their independence, and hold on to what little pride and self-respect they had. To have to go into a place like that—you have spoken to these people the same as I have—they feel they are being condemned to death.

They do not want to be removed from the midst of their loved ones, they do not want to be taken out of the flow of society and set on a shelf somewhere. They sit there playing cards, or watching television and they watch their numbers being decimated, day after day, week after week, month after month, saying: When is my turn coming?

I understand from a spokesman in The Department of Social and Family Services that the department thought at one time, when there was quite a movement to set up these sunshine clubs, or the sort of clubs for the elderly; the department suggested: Well, here we have these homes for the aged right in the community, they have a huge recreation hall and all of the facilities, a movie projector and a piano, everything that you want. Why do you not use the homes for the aged in your community as the centre for the elders of society, and you folks who are fortunate not to be bed-ridden—are fortunate enough to be ambulatory and able to walk around out there and take the bus and everything—why do you not come down to the home for the aged and make this your centre? Then the people who are in wheelchairs and not able to get around, will be able to join your meetings.

And you know, those people who still had their independence, I am told, would not hear of it. We are not going in there; no way are you going to get us in there. We want to be out here in society where, down on the main drag and the main street, where people can drop in and come and see us and join in our affairs and so forth.

So, Mr. Speaker, if anyone can prove to me that the attitude of our elders, as I have portrayed it, is not true, then fine and dandy, but I do not think you can. Because the truth of the matter is we do not even know how many people of over 70 we have in this society. I have been trying to find out for a year and all I have been told is, "You have got to wait until the next census. The last one was in 1966, I think, so we have to wait five years until we get another census and then we will find out how many we have. We do not even know how many we have.

We do not know if these elders of ours are eating enough, we do not know if they have proper housing or if they are clothed properly; we do not know what their attitude of mind is, and the worst part about it, Mr. Speaker, I think we have become so caught up in the other problems, the other priorities of this society, that we do not even care. We do not care, and the worst part about it is that they know, and this is why I say, many of them are cursing us, and they are cursing the society, and I do not like the idea of my elders cursing me.

Take the subway here in Toronto; you walk on the street and you see these elders walking along. You see so many who are sad, they are dressed with clothes they picked up at the Salvation Army, and I am not just talking about the bums. I am talking about people who are living on hard times in the middle of 1969 affluence. And how many times have I heard, even around this building and elsewhere, "My goodness, I wonder how the old people get by, on the little amount of money they make." I am making ten or twelve thousand dollars and I can hardly make it.

The member for Hamilton Mountain, a little while ago, spoke of the generation gap, and those of my age group wonder why the principles, or a lot of the principles and the institutions and standards we were brought up on, these students, especially university students and other student movement groups, are tearing apart.

They are taking apart church, they are taking apart adult authority, they are slamming government, and so on, and we wonder why the great loss of respect. Yet, you know, in some way it is just; in some ways we deserve it and we deserve every bit of it, because the question has to be, are we demanding, from those that are coming after us, the respect that many of us in our age group are not giving to those ahead of us?

I think myself, that there would be an awful lot accomplished, an awful lot redeemed, in the respect that the young people in our society today show for people of our age group—I am thinking of the age group of, say, 35 to 50—if we were to do something special for those ahead of us. Something to

demonstrate the respect that we have for our elders.

Mr. Speaker, I think that I am well provided for by the time I am 65 or 70, between the Canada Pension Plan, the retirement fund, the old age pension, and other securities that this society has provided me with. I will be in pretty good shape by the time I get to the age of the people I am talking about right now. And I suppose most of the people who are now fortunate to be, say 60 years old and below that, are all going to be in pretty good shape by the time they get to 65 or 70. But there are some three or four hundred thousand people in this province, Mr. Speaker, who, as of 1970 will be probably about 70 years old, and above that, who are out of the picture.

They came a little bit too late, they grow old a little bit too fast, and I think that because of this—because of all that they have done to build us the foundation upon which we are now building this affluence that we are planning our future on—I think that we should lift them from among our number and elevate them in our minds, in our approach, in our attitudes, to the position of the elite of our society.

I think that they have earned it for us through their life. They have earned it through two world wars, bringing us through the recession, the depression, and all of this cost of living and to what I think to be a fair society. While we go on enjoying its affluence, and we are certainly entitled to enjoy this affluence and to have a full and wholesome life ourselves, I think that we have got to do more, we have got to single out these people.

If Ontario is a land of opportunity, then it is a land of opportunity for those who can take advantage of that opportunity. But once you get to the age of seventy, no matter how much vigour of soul and spirit you may have, if you are locked in a body that is now bent and starting to wear—you are running into all kinds of health problems, and so on—you just cannot take advantage of this opportunity. I think that we should be big enough to bring the living standards of our elders in this society up to a new priority in our affairs.

I realize the great problems that face this Legislature, the problems of pollution, proper education for our young, housing and so forth; I do not say that this has to be top priority—but I say it has got to be a much higher priority, because you see, the one thing you do not have once you are 70, is very much time.

This is when time is really starting to trickle out, and this is when you are faced with a very great truth. How am I going to end life, how have I lived life, surely, but how am I going to end it? I would like to think that our elders end their life in this society, not cursing the society as the cavemen elders certainly did, as they laid on their backs having their bones picked apart by vultures and jackals and other animals of prey.

I do not like the idea of elders dying, cursing this society and saying that they have built, they are wallowing in all of this affluence over my dead body, over our dead bodies. You know, in some ways, Mr. Speaker, you have got to be dead to be honoured.

About ten days ago, Canadians all across this country gathered in front of the war memorials and paid deep respect to the fallen of our wars, and it seemed just a little bit contradictory to me, feeling as I do about what the society is doing to its living heritage, its elders, those who are still alive. I think to myself, that many of these elderly people, these people of 70 and over, were the loved ones of those who fell, those who are dead, those who gave their lives to buy us our liberty. I think to myself that many of these were the friends and acquaintances of the people who died, and I think to myself that if these people had not died they would be among those same living—our elders, that this society has lost respect for.

It seems rather hypocritical to be there honouring them as they lie below the surface, when, if they were alive and on the earth, they would not get the same respect. I know there are those of 70 and over who have a great deal of respect, but in many cases these are the people who, well, they were born into wealth or they got their breaks, they had their good fortune. They perhaps did not have the problem of health that others had; they perhaps did not have a couple of children to put through university; there are a host of reasons.

One cannot say that because someone is old and destitute, that they have wasted their life, that they did not plan for the future, that it is their own fault, because this is not the truth. If a man was left with some permanent injury, for example, in the first or second world war, he may very well have lived to the age of 70 or over, but because of that ailment, because of that problem, he never had the opportunity perhaps to get as far ahead as others at his age. If they had to put a couple of children through university or something, it is quite possible they had to

deplete their life savings in order to do it. There are a host of reasons. We do not know what all these reasons are. And that is what bothers me.

I think we should make it our business, Mr. Speaker, to find out why, find out where these elders of our society are, find out if they are eating enough, if they are clothed well enough, find out what their attitude of mind is as they pass on; do not wait every five years to find out where they are and what they are doing.

In many cases these people are not going to come to us. The Minister of Family and Social Services said, "Well, our doors are open, we are ready to look after any of these people that are called to our attention", but these are proud people, they figure if they go to the Minister they are going for welfare and they do not want welfare because they are proud. And we should be proud of them for it and we should take that initiative for them, and not wait until they come to us.

Let us find out where these people are and let us see to it that they are elevated to the prominence in this society that elders are. Think of the Oriental society and, you know, the old people are treated practically like gods. The same is true with the Jewish and many of the European societies where, my goodness gracious, they would not any more think of putting their elders out in some home somewhere away from the family than they would think of putting their kids out. They are part of the family.

My feeling and my main argument here today is that I accuse this society of segregating its elders, of not including them in what is going on, in not enjoying all of the wholesomeness and richness and the beauty that people of 70 and over have to offer.

I am reminded of this every time I sit beside old persons on the train, for example, as I travel back and forth to Trenton, some 100 miles, and start talking to them. You can approach an old person by saying, "Oh, well, he has white hair and false teeth and maybe bad breath and he is all crippled and so on", you can approach him that way and then you are turned off. You can approach him and say, "This is a person, this is a human being, an accomplished person; I think I will sit down and find out if I can learn something from that person", with a certain sense of respect.

My goodness gracious, I have been like a blotter all my life and I owe what I have to older people as far as I am concerned, because these older people, these elders, were good enough to share some of the benefit of their experience with me.

There is so much beauty in them and so much to be learned from them, and there is so much room for them in our society. Every time I see an old person unhappy and sort of pushed aside, walking down with that old grey coat from the Salvation Army, and I listen to young people my age who say, "Well, you know, we have kids and she is pretty bickery and so on, we would not want to keep her around the house so we put her somewhere else, you know, where she can have her independence", I call that selfishness, Mr. Speaker.

The family of which I am a part, the Knight family, comes from a long line of farmers in Essex county just outside of Windsor, and my dad for years has told me the stories of grandmother and great-grandmother and great-grandfather and how they pioneered this country and how they rocked in the rocking chair in the kitchen and felt so much at home. And even though they were somewhat senile everybody in the family, you know, would go along with them, with this sense of honour, almost a sense of worship, because it is in the family and so on.

But this is not the attitude today. And the whole thing that bothers me is that our elders know it, they know it. And I am ashamed of it. Maybe I am laying it on thick, Mr. Speaker, but I could never lay it on thick enough, as far as certain individuals of the age group that I am talking about are concerned.

And this is the strange part about it, because we coming after have prepared so well for our late years in life, we will be so well taken care of that I think we can afford to set up special programmes. Because no matter what programme you set up for the people in that age bracket of 70 and on, it is going to phase out, in the next 15 or 20 years, automatically; it is going to be gone as they pass on.

What is it worth to us to purchase for them the peace of mind, the satisfaction of ending their years, completing their lives in Canada, here in Ontario, in a sense of satisfaction, with a feeling of not having been forgotten, with a feeling of being very much a part of what is here?

I cannot help but think of the justice of our young people, those coming after me, for example, the students, condemning people in my age bracket which actually is so ironic when I think of the attitude of those of us

who are in control, in the age bracket to run this society, about our elders, this attitude of nonchalance. We do not hate them, we are not against them or anything like that, we know they are having a hard time in this rising cost of living, we know we have programmes for them, but these programmes are not reaching them, and we are just satisfied to go along and say, "Well, if they come to us, then we will look after them" or "If one of the members of the House brings it to my attention, then we will look into it", or if a social worker happens to discover somebody.

I was talking to a Toronto couple here about six months ago in the course of investigating this situation to make sure that I would have some ground for the arguments that I am putting forth today. There was a lady there 78 years old and she was telling me that her husband is 82 and they still have their home. They worked hard all their lives, they were able to obtain their home, and they put some savings aside, but she said, "Mr. Knight, we are paying $540 a year property tax, it costs us anywhere from $70 to $100 a month for food, our house is getting old now so it is costing us money for maintenance, we belong to a senior citizens club and we have to take the bus, we have to travel, and that is costing us money". But in any event, Mr. Speaker, because they have this bit of savings, of course, they are entitled only to a straight old-age pension; they do not get that extra guaranteed supplement that comes from Ottawa, so their income consists of two times $79 a month, which is $158. That is what they have to plan their lives on, but it is costing them about $250 a month to live, so do you know what is happening? The money is coming out of that savings and she said to me, "You know, in about two years the savings will be gone and we are so worried because what is going to happen to our house then? We will no longer have any savings, certainly at the rate the cost of living is going up now, it is going to cost us even a lot more. We are not getting by now without dipping into the savings, we are going to have to go into one of those places".

Of course, I tried to tell her the wonderful atmosphere there is in these places and how much society has spent to put up these places. But she said, "We want to be together and we want to keep what we have worked all our lives for", and she said, "About $50 a month would probably do it for us, but we are not considered elderly persons of need because we have our house and we have this little bit in the bank".

So I wonder, I ask myself, if $50 a month would be enough to buy these people that wonderful proud independence that they fought all their lives for, if that would be enough. Can we not find it for them and others in that age group who are fighting to retain this self-respect, this independence, this feeling of being somebody and controlling something? And not being done to, but doing things?

I understand it costs somewhere in the area of $250 or $300 a month to pay the cost of a single person living in a home for the aged. Here are two who for $50 a month could provide for themselves. So why not come up with the $50 and help them to keep their independence?

I know there is a programme, The Department of Municipal Affairs has sort of grazed the surface; they say "We will let you have up to $150 a year toward the cost of your property taxes, but after you die we are going to take it out of your estate". Well, there again, you see, insult. To this attitude, the feeling of these people is: By golly, I will be dead and I will still be paying taxes", and that is just how practical this philosophy and logic are. The elders see immediately what it means.

We just never seem to want to go far enough. And that is the attitude, that is the feeling that I have as I read the reports of the Senate select committee and the select committee of this House on the ageing. The feeling that I had was, "let us not do too much. You know we have got to justify this to the rest of the hungry sectors of our society, that vast, voting public out there, so we had better not, we have got to absolutely justify every single cent that we give to these people."

And yet did they ask questions like that?

Did they make such comparisons a few years ago, when the war was on and when the depression was on? Was there any limit to what those people were prepared to give for us, the future Canadians? Was the price too high for them to purchase us our liberty, and to set us on the road to affluence that we are on now? Never, because you know just as well as I do, how unselfish those people are, and how unselfish they were in those days.

And we march out on Remembrance Day and we pay respect to those who are below the ground and for those who survived. And you know it is not just an army that fights a war, it is a whole country, and our wars were fought by this whole country, and the

people living in those days. I think to myself of the people who will be seventy in 1970, Mr. Speaker. They were 32 years old when I was born, sir. When I came into this society those people were 32 years old—they were running it. They were something like me, they were raising their family and they were trying to struggle and get along and they were just coming out of the depression.

Oh, I was looked after, I am all right. They took care of things for me then. How much do I owe them in return? How much is enough to pay them back for that? I can never imagine how much would be enough. But they do not ask very much, you know. People of that age have resources. They learned during the days of rationing in the war. In the days of the depression, they learned how to get by on a little bit, but boy, is it not a great compliment to us in this age of affluence with all our money and everything that we have got, that these people are in their little rooms, in their little places, left there to bring out the old gimmicks and the old tricks that they were taught in the depression days that they went through during the days of rationing in the war?

And we go along and we say we have got a lot of problems, you know—we are very, very busy down here in Toronto. We are trying to clean up pollution, we are trying to build up a better educational system and you know we have got housing problems, we have got to take care, especially, of the voting majority out there. You know "you have not a high enough priority." You know "times have changed here, fellows, you are the aged, that is all. And after all, you should not be coming to government, your sons and daughters should have looked after you."

That is what would have happened. So government says now—do not do too much for our elders, for those senior citizens because then if you do, well, you make it unnecessary for the sons and daughters to do it.

Well, I say the heck with the sons and daughters, let us shame them, and let us see to it that people of 70 and over who will never be able to enjoy the magnificent insurance and credit and other types of programmes that we will be able to enjoy when we reach that age. Let us make sure that we look after them.

Any programme that is put into effect for these elite, these elders, will phase itself out. I do not put any price tag on it. I say let us go out and let us find them; find out how many they are, where they are and let us look after them, and let us give this society a whole new attitude about our elders.

The same as the Oriental people are doing, the same as the Jewish people are doing, and others that I have mentioned.

The elders are the untouchables of society. That is what they should be because, Mr. Speaker, I have got to be a little bit selfish you know, I am sure that financially I will probably be provided for and so will you when you get to be 65 or 70, but I am just wondering what the attitude will be of the younger generation, the younger groups that are coming after me—if when I have the opportunity to do something about building up some respectability for those ahead of me, if I did not do it, what is it going to be like by the time I am 65 or 70, if this attitude continues?

We continue to treat our elders as welfare cases. I think that something drastic has got to be done, Mr. Speaker. There are a lot of better brains in this House than mine. I am only speaking with my heart now, but I know that we can do something. I do not know exactly what it is. Perhaps we could begin by having the Minister in charge of citizenship move in here and do something special to try to turn this kind of attitude back to respectability. Let us start calling them our elders, instead of pensioners, or the aged.

I think, myself, for some people, growing old is a very beautiful and a very wonderful thing. I think that there are people with a strength of character who grow old with great grace and in great beauty, and ultimately, of course, die—with great strength. They are something to behold. I think that today, growing old and dying is greatly dreaded because society has pushed that aside, except for the odd funeral and so on.

We could do something so wonderful with this thing that we all have to go through, namely, growing old. We could give it a new respectability, and the way we are going at it right now is no way, because we are segregating, and I think there is a trend in the world today against segregation.

We are trying to get back to equality; this is why the races are mixing. There is greater ecumenism between the churches and people are coming together. They are starting to identify with one another more and more. We must not leave the elders out of this trend.

I think we have got to make a deliberate effort to bring them into it. So there should be a movement, in whatever services this government provides for our elders, toward

getting them back into the community, back into the life stream where we can see them, and we can meet them, and we can admire them, and we can enjoy the benefit of their experience.

Let us get them back so that they, themselves, feel they are wanted, that we appreciate all that they did for us. My goodness gracious, the people who built this building are probably no longer around, but they built it and we are making good use of it, and it is a lovely building. I think some of their ghosts speak to me up on the fourth floor, it is so vacant up there.

And, of course, trying to put this speech together, Mr. Speaker, all kinds of ideas came to mind. I thought to myself, "by George, the people that used to walk these halls and so on are still around." But I began feeling strongly about it, because what good is a Canadian, what good is his whole life, if he grows old in disrespect? The only thing he can look forward to is that his children grow up and go, and his house grows old and it goes, and he is placed somewhere to await death—unless he has a lot of money, unless he can buy that respectability in those last years.

You hear it said very often: "When I get to the point as I grow old where I am going to be a bother to somebody—when I am going to trouble somebody, I hope I die." This is a very proud and a very wonderful attitude, but it is not a necessary one. It should not be a necessary one in such an affluent society when, surely, we have enough to provide for these people.

For myself, Mr. Speaker, you can take $100 a month out of my salary—and God only knows, I am doing the best I can to get by on it—any time you want, to put it into this kind of a programme for our elders, because it is very important to me.

I cannot be proud of a society in which a large number of its elders are cursing that same society. I do not know how I can say it any stronger, but I believe it. I heard it with my own ears. We all know how difficult it must be for them to live on so little, when we ourselves, who are making so much, are having such difficulty.

I hope that the Cabinet will get their heads together and go back and take another look at it. Let us not just sit and say, "well, we do not know where they are, the next census will be in three years."

My goodness gracious, three years. How many of these elders may pass on by that time? Time is of the essence for them; they have no time to wait.

Mr. Speaker, I wonder whether the Minister of Social and Family Services has an advisory committee on ageing? I know he has an advisory committee on Indian Affairs, which is composed of people from the Indian community—people who are qualified to speak for the Indian community. I just wonder whether he has an advisory committee on our elders who are from among our elders.

There are many who pass the age of 70 who are still extremely brilliant. I think of Mr. McRuer, for example, who is quoted over and over and over. I understand he was some 72 years old, a very honourable gentleman.

I am sure that there are many in that age group who would be unselfish enough to look around at others in their age bracket—who would be of tremendous guidance, tremendous help.

One of the big problems of The Department of Social and Family Services is, I know, to communicate with these people, because if they are having difficulties, in many cases they will not tell you. They are too proud and they are going to be proud right to the end. But we have got to make it our business to find out and make sure that they are looked after.

Let it not be said of this society, or of this Legislature, that, because we were so overwhelmed with pollution and traffic congestion and all these other problems and all the political power struggles that have gone on in this place, that we forgot them. Maybe those youngsters out there — maybe those youngsters that come out and march up and knock on the door and play in the band and do all kinds of things out there, maybe they will not forget.

You know, maybe we will say, "Well, that is enough, that is all we can do," and continue to reduce an important thing like this to a matter of dollars and cents. But, I bet you they will not. And if we let it go and they have to shame us, believe you me, we are going to be shamed.

So I speak from the heart, Mr. Speaker, and I would hope that the Cabinet, under the leadership of the Minister of Citizenship, realizes if anybody is a citizen in this country, it is a man or a woman of 70 or over. Two wars, depression, recession and they have had to arrive at this cost of inflation and are now using the tricks of the depression, the days of rationing, to survive.

That is citizenship—and that is beautiful, Mr. Speaker. It is just beautiful, the resourcefulness of some of these people. I wonder how often they eat meat. How much macaroni do they eat? What is their diet? Are we making them die? Are we putting them into hospitals earlier than they should be in hospitals

We know that these institutions are overcrowded. Are we putting them into the homes for the aged too early? Because we are not making it possible for them to hang on out here in society.

We are robbing them of maybe a year or two or six months or seven months of that wonderful, delicious independence that we all enjoy.

Mr. Speaker, this is my suggestion. I have spoken a lot longer than I had expected to, but my plea is for my elders. Take them off the charity rolls, put them in the classification of the elite where they belong. Put them in a position of reward. Make it a higher priority with government. Make it a higher priority with everyone.

In society, let us reach out to these people and make them feel wanted and make them smile and make them happy, just because they are elders. Never mind examining anything else. Just on that single point alone—let us have an advisory committee on the ageing, so that there is a continual dialogue, a continual flow of information, true information about these people, to the Minister of Social and Family Services—something special from the Minister, the Provincial Secretary who is in charge of citizenship of this province.

Mr. Speaker, before I conclude, just a couple more points. I wonder why it has taken so long for the bill concerning the introduction of half fares in Metro Toronto to get through this House. I understand it we will be lucky if they get it by Christmas.

Here is an example. That was no priority. It has got to wait for all kinds of other things. But what does it mean to those people in that age group? They take their place in that low priority in society. They are not our elders, you know. They have no priority at all. I am not trying to lambaste this government or lambaste anyone. We are all to blame. I am only saying that that is a prime example.

I have to think of the whole business of teacher's superannuation, especially those superannuated before 1966. How long now have they been screaming for more, telling us how little they have? Why goodness gracious, when I went to school, these same people who are in their seventies now, were maybe 40 or 45. They were my school teachers, they were running things and I admired them and respected them so much.

Now I hear that many of them, maybe some of the teachers that taught me, cannot get by. There is hardly any profession much prouder than that of the teacher. To think that they are reduced to this indignity.

Mr. Speaker, I would think that in that area, we can get cracking right away. You know, get more done. I am thinking of—close to home—the elderly gentlemen who waited on us, the attendants.

I will be very blunt about it, because I think everybody is in a good disposition of mind at this point. I understand they make $11.00 a day and I understand that it has not been increased for four years. And I say to myself, why not? I think the world of those gentlemen, and I am sure everybody here in the House does. You know why? Because they are not organized.

There is no labour group, or sort of civil service, that can come in and help these fellows. What happens is that they have got to go around and maybe whisper something into the ears of one of the members. Because they are afraid if they say too much, contrary to this feeling of being elders, and being respected, and having a right, they felt: "My goodness, if I say something to the wrong guy, I might lose my job."

You know as well as I do, Mr. Speaker, they would not lose their job, if they said, "We need". Why is it that they have to have that feeling? Why should they think of us this way? It condemns us. It is not a good critique on us. I am not trying to criticize anybody else, but I just say it is something that exists.

Well, here is an area very close to us and we all know these gentlemen and if they—right outside our door—cannot get greater assistance when they need it, well then that tells the whole story of those in that age group all through the province as far as I am concerned.

Mr. Speaker, our elders. I have been very privileged to have been able to speak about them and I hope that what I have said is not considered a condemnation of others in this House, or necessarily a condemnation of the

society. I just think that we have to put more concentration on this. If I am wrong, I would hope that this government, with all its energies, will go out and prove me wrong. Thank you, Mr. Speaker.

Mr. W. Ferrier (Cochrane South) moves the adjournment of the debate.

Motion agreed to.

Hon. A. F. Lawrence (Minister of Mines): Mr. Speaker, on Monday next, it is the intention to go to committee of supply where there will be a request, if the House concurs, in the report respecting the estimates of The Department of Agriculture and Food. After that, the House should be prepared to go to any item on the order paper.

Hon. A. F. Lawrence moves the adjournment of the House.

Motion agreed to.

House adjourned at 1.00 o'clock, p.m.

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