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CHRISTIANSON, John Aaron CORBETT, A. H.	Portage la Prairie Swan River	86-9th St., N.W., Ptge. la Prairie, Man. Swan River, Man.
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DOW, E. I.	Turtle Mountain	Boissevain, Man.
EVANS, Hon. Gurney FORBES, Mrs. Thelma	Fort Rouge Cypress	Legislative Bldg., Winnipeg 1 Rathwell, Man.
FROESE, J. M.	Rhineland	Winkler, Man.
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HARRIS, Lemuel	Logan	1109 Alexander Ave., Winnipeg 3
HARRISON, Hon.Abram W.	Rock Lake	Holmfield, Man.
HAWRYLUK, J. M.	Burrows	84 Furby St., Winnipeg 1
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HRYHORCZUK, M.N., Q.C. HUTTON, Hon. George	Ethelbert Plains Rockwood-Iberville	Ethelbert, Man. Legislative Bldg., Winnipeg 1
INGEBRIGTSON, J. E	Churchill	Churchill, Man.
JEANNOTTE, J. E.	Rupertsland	Meadow Portage, Man.
JOHNSON, Hon. George	Gimli	Legislative Bldg., Winnipeg
JOHNSON, Geo. Wm. KLYM, Fred T.	Assiniboia Springfield	212 Oakdean Blvd., St. James, Wpg. 12 Beausejour, Man.
LISSAMAN, R. O.	Brandon	832 Eleventh St., Brandon, Man.
LYON, Hon. Sterling R., Q.C.	Fort Garry	Legislative Bldg., Winnipeg 1
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STRICKLAND, B. P.	Hamiota	Hamiota, Man.
TANCHAK, John P.	Emerson	Ridgeville, Man.
THOMPSON, Hon. John, Q.C. WAGNER, Peter	Virden Fisher	Legislative Bldg., Winnipeg 1 Fisher Branch, Man.
WAGNER, Peter WATT, J. D.	Arthur	Reston, Man.
WEIR, Walter	Minnedosa	Minnedosa, Man.
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THE LEGISLATIVE ASSEMBLY OF MANITOBA 8:00 o'clock, Friday, March 24th, 1961.

MR. CHAIRMAN: Department VIII - 3 (a).

MR. EVANS: Mr. Chairman, before we proceed, I wonder if I might table some information for the Honourable the Leader of the Opposition in response to some questions that arose on March 21st concerning the submission by the Province of Manitoba touching on the historical and legal background of the Crow's Nest rate case. I am submitting, Mr. Chairman, seven documents, most of them marked as to the places at which this reference is found.

MR. A.J. REID (Kildonan): Mr. Chairman, I have a few brief comments to make before the Honourable Minister gets on with this division in his estimates. On this matter of card plan that has been instigated to assist old age pensioners. I understand that if a pensioner had an accident, or some emergency befalls him and he requires heavy medical attention, that Medicare will not assume responsibility for such medical debts acquired; and that proves quite a great hardship on these old age pensioners. I believe I mentioned this here before, the medical men have a clearance office in Room 322 in the Medical Arts Building. Now any afternoon or any morning you gentleman have half an hour or some time to spare, if you would go up there and see these old age pensioners coming up there, paying a dollar or two a month out of their \$55.00 a month, and I believe many of them will not have their debts paid up until they come to the end of their time. Well, I think it is quite a hardship on them, Mr. Chairman, and I believe that Medicare should make some adjustment to pay these debts for these old age pensioners.

Another point, Mr. Chairman, is the Nursing Homes. Many nursing homes in the city are what you'd call just straight nursing homes. They cannot give any medical care or attention and a few that do have that service, well the fees are out of proportion to what these old age pensioners or their dependents can pay. I'm sure there must be some way and means of acquiring some nursing homes, with the assistance of the Welfare Department to take care of these people, because definitely, Mr. Chairman, dependents can't carry the load that's expected of them. Now we've heard quite a bit on this basic Social Welfare Allowance. I don't think I could say too much more because my honourable colleague filled in that field broadly and widely, and didn't leave too much for me to say, but nevertheless, Sir, I think that Social Allowance should be computed on a cost of living basis. As we know, the cost of living keeps rising and old age pensions and other means that the old age pensioners have to live on, stays at the same.

Another point, and I believe that the Minister brought it out, but I wasn't too sure that I was clear on it or not, but many pensioners require just a little assistance that should be provided on a provincial basis, possibly sometime an emergency where they can't look after themselves or not. I don't know how many welfare workers we've got that could help them or assist them, but I am sure that if they went around it would be a great help to them. They could assist them, possibly during the period of their convalescing or the emergency, where they required this assistance in their own homes. Now another form of assistance, Mr. Chairman, I think should be provided on the provincial basis. When old folks are travelling some place and an emergency befalls them and these people have no means, it's very difficult for them to get any help because they're not resident in a certain municipality, and they can't get into a hospital, and under this plan you have now, it's very difficult to get help of any kind. Also, Mr. Chairman, as I understand, on this Medicare where doctors are doing volunteer work, it's all very well when a patient comes to their office but many times a patient can't come to the office, and I understand when the doctors make house calls they have difficulty in getting paid or they don't get paid at all. I definitely believe that when a doctor makes a house call, when he takes that much time in driving back and forth, that the department should possibly pay him a small fee. I'm not possibly stating a full fee, but I think they should be paid.

Now I believe my colleague mentioned the period of time that is required for a welfare worker to get on a case. It is difficult, very difficult, Mr. Chairman, especially in cases of emergency when a person requires a welfare worker, it takes them quite a period of time to get there. I think it has been stated here before that the Welfare Department, I guess it's so overloaded or whatever it is, it takes them two or three months possibly to look into a case. Many a time, Mr. Chairman, if the Minister will vouch what I got to say, the patient is no longer with

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(Mr. Reid, cont'd.) us here -- by the time the welfare worker gets around. Another point, Mr. Chairman, on welfare, is welfare for indigent persons. Now I believe that should be wholly borne by the Provincial Government. At the present time, these people move into a district, they've got no residence here, and they haven't got any residence there, and the local municipality is burdened with the cost. By the time the province pays back -- and it is unfortunate that many of these people, they acquire residence in this district and they have never been self-sustaining. I can recall a case from Kildonan Constituency, and I believe these people live in Lockport now, that all the period of time they're living out at Lockport and I believe it must be about ten years now, they've never acquired residence there and all during that period of time they've been on welfare, and the city of East Kildonan is paying that cost all along.

I don't know if the Minister is going to take it under advisement, but I think I've seen a piece in the paper that groups are going to propose and meet with them -- the case of unmarried mothers and their children. Many people apply for these children for adoption, and I don't know whether these mothers have any religion or haven't, possibly they have, but nevertheless, I believe these people that are kind and gracious enough to adopt these children should have the privilege of definitely bringing them up in their own religion. I think we've seen cases in the paper and heard of many cases where it was quite a hardship on people when they adopt a child and they're told they must bring it up in a certain religion. So I hope, Mr. Chairman, that when the Minister divides his department, I believe that many of these conditions will be rectified; and I am sure that these points I have mentioned could easily be added and amended to our present Welfare Act.

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I don't think I can be accused of taking up too much time in this department for this is the first time I'm speaking, and I can assure you that I'll not be more than four or five minutes. The Honourable Minister of Health is so sincere and he so strongly believes in what he is doing that it is absolutely right, that I hate to disagree with him even for one minute, but I'll say that I have to disagree with some of the policies within the government that he represents. I hope the Minister will not take this as a personal remark or as a personal attack because I certainly do not want to hurt his feelings, as I said, for one single minute. What I have to say is my own opinion and it doesn't necessarily have to be that of the Liberal Party as a whole.

I mentioned in my Throne Speech that I believe in welfare to the extent in which we will be helping the needy, but not the greedy; and I believe that's the aim of the Honourable Minister too, but I'll come to it later where I consider that we are helping some of the greedy people in the Province of Manitoba. I must say that I feel like disagreeing, and I do disagree with the honourable member immediately to my left, when, just before the dinner hour, he was trying to push the Minister over the brink. I think that the Minister is doing the right thing. I think that he has learned the lesson of caution shown by the examples of some of the Ministers of other departments of his government. Take for instance the Department of Education. They rushed pell-mell into a good plan, and I will have to say they partially spoiled something that could have been wonderful if they didn't rush into it too fast. Take for instance the same thing -- you all noticed last year I opposed the formation of Metro on a principle, and I believe that if more time would have been taken we could have accomplished something that would have really been worthwhile. As I understand now, many, many people are dissatisfied with the way things are going in Metro, and into that I will not go deeply. There are other matters in which the government rushed pell-mell and I don't think that the honourable member, before the dinner hour, was absolutely right in accusing the Minister of not going full hog in his welfare department. I'll however agree that far with the honourable member, that if anything was promised, that promise should have been fulfilled.

I believe, as I said before, that welfare spending is necessary to help the needy. It is our duty to help the less fortunate but I'll also say that excessive unproductive spending may undermind the buoyancy of our economy. When I say excessive, I mean cases which were not thoroughly screened and where the greedy, as I call them, are getting social allowances when they do not qualify for such or do not qualify for the excessive amount that they are receiving. I, for one, know that in some of the constituencies, it doesn't necessarily have to be my own, there's some people that are presently receiving social allowances who should not be receiving the amount that they are receiving. Some of them, in fact, do not use more than 25 percent of what they

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(Mr. Tanchak, cont'd.) are receiving for the purpose of what that allowance was given. -- (Interjection) -- No, it's still another minute and a half, and I'll take full measure on that. I can prove that, but I don't think it is absolutely necessary. I know some people who, instead of using the money that they get for the purpose that it was given, they use it for personal pleasure, for drinking and so on. In fact, I have drawn to the Department of Health and Welfare some such cases, because I do not believe that the money of which we are the watchdogs, the members of this House, should be spent in a manner such as this. Some one family in particular I know that is presently, if the reports are correct, receiving benefits a little in excess of \$300 a month -- \$300 a month. I said benefits -- \$300 a month makes \$3,600 a year; and I think that in the City of Winnipeg thousands of families do not make that money. This is out in the country. Thousands of families do not make \$3,600 a year, and that particular party would be silly to go out and look for employment as long as the people who are paying are willing to keep the family going. We have a responsibility to the Province of Manitoba, and I say again, let us help those people who are needy but not those who are greedy. I think you will hear more about this. My colleague will expand it a little more so I'll just leave it to him.

MR. T.P. HILLHOUSE (Selkirk): Mr. Chairman, I think every member in this House is agreed that the emphasis in any social program must be placed in that dealing with the aged and infirm, and I think perhaps the Honourable Minister of Health has placed the emphasis as it should be on that particular facet of Social Welfare. It's perfectly true that the government did make promises under The Social Allowances Act of bringing into being an overall comprehensive social allowance scheme. It's perfectly true, too, that the government has not adhered to these promises and, to that extent, can be blamed. On the other hand, Mr. Chairman, I think that the government should go a little easy in implementing the full extent of its Social Allowance Act until such time as it is certain that it has devised a set of rules and principles upon which that act can be enforced, so that the needy will be helped and not the greedy.

In an issue of the Carillon News of March 3, 1961, there's an article there dealing with a family in Woodridge which is in disorganized territory. Now if that article is true, and I called it to the Minister's attention before the dinner recess, it states that this family, that is a husband and wife and seven children, are receiving \$273.00 a month by way of relief. Now it doesn't say whether that includes the family allowance that these children are getting, but if it does not include the Family Allowance, the ages of the children as given here would make the additional amount \$38.00 a month. Nor does it say whether that includes Medicare or the MHSP premiums that the province is paying, and if these items are still to be included, these people are receiving approximately \$300 a month, which I submit, Mr. Chairman, is much more than the average family in that district, where the breadwinner is working, is earning. Now if the amount of that relief as stated in that newspaper is correct, I think it's time that we took inventory of ourselves and ask ourselves where we're going. I don't know the basis upon which they fix that relief but I do know this, that in some areas in Manitoba today people who are on relief are being paid at a scale higher than the living standards of the people around them who are not on relief and that, in itself, is certainly bad psychologically and will eventually lead to a state of affairs where it won't pay to work. Now for these reasons, I suggest to the Minister that we should go very, very carefully in the matter of the full expansion and implementation of The Social Welfare Act until we're absolutely certain that we have a set of rules and principles upon which we can assure the taxpayers of Manitoba that we're not wasting their money.

Now I know that this subject of welfare is a subject concerning which there is a great deal of talk. I know, too, in the City of Winnipeg that Alderman Spence, I believe, suggested some time ago that an investigation should be made into the welfare of the City of Winnipeg; and I suggest to the Honourable Minister I think it's pretty nearly time that we had a similar investigation in the Province of Manitoba to find out who is on welfare; whether they're employable or unemployable; and what we can do to find employment for those who are employable because in some areas, and I think every member of this House will know of instances where individuals are on relief, have been on relief for a number of years and will stay on relief until somebody prods them in the place so that they will get a job. I'd like the Minister to tell the committee whether that figure of \$273 is correct or whether it's just a newspaper guess, because if the figure of \$273 is the correct figure, well I think it is pretty nearly time that we did something about this.

MR. PETER WAGNER (Fisher): Mr. Chairman, I believe the Minister wouldn't even like that I'd be sitting here and not get up and speak on his estimates, at least for a short period, because who should stand up if it's not a neighbour, and I'm the neighbour of the Minister of Health. However, even some of my people say in Fisher Constituency that "George is a good fellow but what the heck can he do with that Conservative Government?" So I must say that I sympathize with the Minister if that's the case. However, I always get all the sympathy from the other side of the House and that's practically as far as I get -- just sympathy. I'm not here on my feet to criticize the Minister. I just want to draw to his attention, and I believe he would even appreciate me bringing these items up to his attention. I must admit at the outset that I come very often to the City of Winnipeg, whether we are in session or we are out of session, approximately every week or every second week and I have to visit the Old Age Department and the Welfare Department and all kinds of departments, because I'm fortunate enough to represent the unorganized territory which more or less it falls into my own lap.

However, I want to draw to the attention the very first thing of all, as the Honourable Member for St. John's stated, that some of our people still are thrown into the lap of municipalities. I must agree to that because I have many people come to me and state that a municipal council will refuse and the individual would contact the Welfare Department, and the Welfare Department would tell them to go back to where they come from, so there is something of that nature, Also, I want to draw to the attention that the welfare worker will come up into the area sometimes immediately after the application has been received by the department, and the allowance or the assistance or the relief, if you want to call it, is granted within two weeks or a month's time; and to other people in the same category, it's pushed around, pushed around and I even have to come to Winnipeg, sometimes two or three times on the same case, and it's delayed for a year and then the person qualifies. That needs to be straightened out. Sometimes there is an investigation made, not directly with the applicant. It is being sought through other means and ways like visiting a storekeeper in the area or some groups of people or an individual. Well, I disagree on that, because the investigation should be done on applicant's signature and on the applicant's request and a social worker should visit the applicant, never mind visiting some people or groups of people that they may be -- oh, not on a good friend and good friendships of that particular party and they can give all kinds of stories.

Also, I want to draw to the attention of the Minister that some people, before reaching the age of 65, they were drawing a higher welfare assistance. That was based on the need, but when they came into a 65 year old age allowance, they did not receive \$55.00 because it was felt that they don't need the \$55.00. I cannot figure this out because once the person was on relief, as they want to say it, was drawing \$58.00 or \$60.00, and then when they are sent out on the old age allowance it only drew \$41.00. I understand that these blue forms, the social allowance forms have been sent in to the department and some of the individuals were turned down. Well it strikes me kind of odd when the person qualifies, strictly on relief, for a higher assistance than the old age allowance, something should be done or at least looked at. Some people in the same category -- I'll draw an example, single men -- one will draw \$23.00 a month, the other would draw \$43.00 a month. I'm not accusing the Minister; I'm not accusing the social worker; but what I am trying is to bring to the attention that some kind of overall general policy should be levelled that these discrepancies would be filled. I have been to people, visiting the people, and they kind of have an ill-feeling, saying, "Because I have a car I don't qualify for social assistance". Well, that doesn't mean that you want to make a beggar out of a man. You want to dispose of the car and maybe the car is worth only \$100.00, but due to the fact that he drives a car, he doesn't qualify for relief. When the people are trying their best to carry on on their own and yet they need a little bit of an assistance, they again are refused or they are sent to the next-ofkin, telling them that so and so should be helping you. We were discussing the social workers. I don't know if it's in every constituency that way but in my own experience, since I got elected in '58, it so happens that I already have in my area four new social workers. Well, it's pretty hard, once the social worker gets acquainted with the area, he knows where the people live; their standards of living; their circumstances; he knows how to analyze a case. But no sooner does a social worker get acquainted with the area, he is transferred or he gets another position. So in my case there were four already changed hands.

The Medicare card, I must admit, that in the same standards of living, the same

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(Mr. Wagner, cont'd.) circumstances, one group of people are going to have a Medicare card and the other group of people are refused. So again this should be looked into. There are cases in my area that a man is drawing \$55,00 and his wife is sick and she's under 65, and he wouldn't receive any further allowance. I believe I mentioned on the Old Age resolution when I said I know a man who is 70; he has to support a wife under 65; he has a high school girl; and he applied for Social Assistance over and above the \$55.00 and was refused. Now when I am listening to the Minister stating and the other side of the House, and I must agree with the Honourable Member from Selkirk that there are people in my constituency also that I have a feeling that they shouldn't be on the Social Allowance or they shouldn't get a supplementary assistance, and yet they get it. They are exempted from paying hospital premiums; they have a Medicare card; and so on and so forth. So all these things should be looked after. I don't criticize the Minister on this point because I'm sure that he's trying his best and it's not very easy to look after the whole Manitoba all in once. But why I'm doing this -- I wouldn't have been standing on my feet even today -- I'd like to bring it to the attention of the Minister personally but he's such a busy man whenever I come into the City of Winnipeg, of course I don't try to make an appointment because I'm not sure when I'm coming myself, so I try to hit a jackpot as it is; and I don't happen to hit the jackpot. I must admit that the Minister is kind enough when I really need him, he goes out and meets me at 12 o'clock at night after the sitting and I don't care to do that because I know everybody is human.

However, I want to bring these few questions to his attention and when I heard him saying about housing for the old age, I, too, would like to see some old age people living in their own society; in their own community; and particularly there is an Old Folks Home at Komarno, it's dilapidated and it's a very old building. I would like to see that building — oh, I would say it should be torn down and rebuilt and that's final. I would also like to see it in other areas because the old people, particularly I refer myself to the country people, they don't care to go out into a strange area or into the city. They want to stay in their own community where they know everybody and everybody knows them and they would like to have the rest of their days spent in their own society.

I would like to bring to his attention one more thing. I didn't get a direct answer on this pork redistribution. It was brought to my attention by a number of business people. Some business people just ordered 100 cases or 200 cases, thinking that for their own area, for their own community that would be enough; and they found themselves that they ran short. When they tried to reorder they couldn't get any more. Other business men went and ordered over and above their quota what they think their community would go through. It was drawn to my attention of one businessman, and it's in the Gimli Constituency if I may say so, it was a good amount and I just wonder what that businessman or business people did with that pork. Was it left to them or was it returned to the department? Did they pay the full price or wholesale price? What actually happened with this pork? And on this, Mr. Chairman, without any reservations, I wish to conclude, but with these few questions, I would wish that the Minister would take note and try and investigate these little things that create so much in the little small communities.

MR. J.M. HAWRYLUK (Burrows): At the outset, I wish to say that I do not intend to be critical of the Minister of Health and Welfare, because my personal opinion is that the Minister of this department has a difficult chore and I think one cannot help but be in sympathy with the present Minister in this House or in any other Province of Canada, because it's one of the most difficult departments to head, due to the fact that there is so much to be done across Canada in the field of social welfare. I cannot help but give personal credit to the Minister because, in my estimation, he is a dedicated man in that particular job. I feel that in the past few years he has implemented some of the problems that were prevalent in this province. He is putting into effect -- no doubt there is criticism coming from this side of the House, possibly it's needed -- but I think the long-reaching plan of the Minister, no doubt some of his ideas will be fulfilled in the next couple of years.

There's one thing I think possibly it's either the Minister of Health and Welfare that might be in a position to answer because -- under Welfare or the Attorney-General. I believe you're all aware of the situation and the publicity that we received a few months ago regarding a great deal of -- I would say bad publicity -- regarding the Hallas case. Unfortunately, it was played up to the hilt and no doubt there was some reason for it. There were a lot of feelings

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(Mr. Hawryluk, cont'd.)....expressed publicly in the press, also privately, and in many cases in a lot of other organizations. This is a situation possibly that has occurred from time to time, but I don't think that it came to a head as it did about six months ago. I do not need to tell the honourable members the background of that case. All I can say is that it was built up to the extent that it brought about certain opinions. Unfortunately, it brought in other aspects, the religious aspect, as well. We find that we had headings of this kind, which to start with: "Return Bobby, Petitions Asked," and people went out getting signatures. We have another heading here, it says: "Housewife asks Duff to call Session for Bobby," and we had a final statement made that the step would do away in regard to some new legislation in which private adoptions which officials fear not to be abused in the future. I feel that it was an unfortunate situation and I don't intend to embellish it. I don't intend to go into the background of why it happened but I would like a statement from the government as to what will be the policy of the government in future so that this deplorable situation will not happen again. In the first place, it affected the people, the foster parents, that became very much attached to this youngster. I believe they kept this youngster for quite a number of years, and in all likelihood, their intentions were to adopt this child. The result was, due to a certain flaw, they unfortunately could not and, as a result, forcibly were asked to give up this child. Now I feel that, again, this is something that I don't think should happen again in this province because it involves personalities, it involves human beings who become attached; and the result is this feeling is not easily eradicated. It's not an easy thing to give up a child that's been with you for three or four years, with the possible idea that the foster parents will eventually be able to adopt that child, and then comes a day or the time when they are told flatly they cannot, due to a loophole -- a loophole in the law, in the statutes.

I don't know what the policy will be, as I said, by the Department of Health and Welfare or the Attorney-General, but I thought this matter should be brought up. I think it's something that should be discussed and I think the policy should be expressed by the Minister concerned in the House at the present time, because I don't think we should have this kind of difficult, unfortunate matter creep up again, at any time in the next, as I say, decade or so. In this particular case it brought a lot of anguish, and even in this day and age right here at the present time, we find that there's still contemplation that the people have still fond hopes of **possibly** being able to adopt this child legally. Now according to the last statement, it said here: "The Cabinet Order Refused as of February 4th - Lyon's Decision Ends Hallas' Last Hope," and so on. I just appeal to the government that this is something that should not happen again, under any circumstances, involving any family with any kind of religious background. I hope that we can get some opinion today in regard to this matter.

MR. A. E. WRIGHT (Seven Oaks): Mr. Chairman, much has been said about this question of Social Assistance and I feel I would like to make a few observations and a few suggestions at this time. I think most of us agree that we are our brother's keeper, and we have the same objectives. Sometimes we disagree along the way as to how to reach these objectives, but I would like to deal with the question of the municipal angle. We mustn't lose sight of the fact that people apply to the municipalities and, after a period of three months, it is decided as to whether they are eligible under The Social Allowances Act. These people apply, and if they are accepted, the municipality has no way of knowing what happened to them. Now some may say that they're not interested as long as they're not on the municipal roll, but I submit that that's not the case, that these people are sincere, these welfare workers, they would like to know. When I enquired at our Municipal Office they couldn't tell me how many of these cases had been accepted. They had no knowledge and no records of this. Now we have, apparently, no standards of municipal relief. It all depends on where you live as to what standards you get. I would like to suggest that there should be a standard laid down by our Provincial Government, Provincial Department of Health, to the various municipalities, a minimum standard of assistance which must be given to people; and if these standards are not adhered to, then I would suggest that the provincial share should be withheld until it is met.

I would like to make a suggestion, too, in regard to this business of the \$5.00 that is given each month for various comforts to our old people in the various homes. Five dollars may be sufficient in some cases but in many, many cases it isn't. A man may be a heavy smoker all his life, and I don't think anyone wants to deprive him of a little bit of pleasure he

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(Mr. Wright, cont'd.).....gets. I would like to see a little bit more elasticity in the regulations in that regard. I don't think it would mean too much financially and I think it would do very very much for these people. In talking to people interested in the field, they commented this is one sore point in the regulations. In regard to the board and room situation, \$60 a month is paid for board and room to a single person or for a single person, perhaps \$5 for the various little comforts plus \$5 for clothing and, on top of that of course, a medicare card; but if this person should be placed with a relative, and I might point out that the relative may have an extra bedroom in his home that he wouldn't need otherwise, but to keep this relative, they only give him \$45 a month. There's a discrepancy there of \$15 a month. Now the point may be taken that we should all try to help our own flesh and blood, but sometimes I think this is a hardship on the people that are, in many cases, expending themselves to take care of a relative. The relative of course if fully ambulant and able to get out, but I don't see why there's a \$15 differential there. I am very pleased to know that social workers are now visiting these people in order to place them under The Social Allowances Act. I think that was a good step forward because people were very reluctant to apply to a Box number in Winnipeg. There was nothing very personal about that and I, knowing very very many of our conscientious older citizens, sometimes pride has kept them for a long time before they finally made up their minds to apply, and I think that that is certainly a good move. To have our social workers visit these people in their homes is certainly a sign of recognition.

I don't think I have very much to say, Mr. Chairman, except that I noticed under the Elderly Persons' Housing item in the estimates there was only a \$5,000 increase shown over that of last year. Now surely we cannot be contemplating any major capital expenditures with a mere increase of \$5,000, or perhaps I didn't catch it in the estimates. Is there an amount of money under grants somewhere that -- do we not contemplate spending any more? Perhaps the Minister could answer that. I'd be very interested to know, Mr. Chairman.

MR. GRAY: Mr. Chairman, on observing the honourable members here, their faces, when someone from our section gets up to speak, I notice a nervousness. What else can he tell us? The Minister told us everything. May I, Mr. Chairman, remind you of the Biblical phrase: "That peace and contentment are as a cemetery". With the living people, there always has to be disagreements sometimes and this is what makes democracy. I realize fully that a democracy doesn't work for the good of everyone. If there are 19 against and 21 for, on a certain question, the 19 are dissatisfied. Nevertheless, as far as I am personally concerned, I'd rather live under a democracy and be dissatisfied than under any other system, so when we ask questions and we discuss programs and particularly the welfare of the people, I do hope that the honourable members will not get too nervous. If I should disclose what's in their minds when I or anyone else gets up to speak, I don't think it would be in order. I think it would not be parliamentary.

When we adjourned at 5:30, the Honourable Minister had made a statement in reply to a question with regard to the means test, and I think it is a soothing explanation to members. Personally, since I am in this House, I always condemned and hated the means tests. I think it's a very very evil idea of helping people under this condition. I remember vividly what has transpired during the 1930's; how the unemployed had been treated by the City of Winnipeg with the sanction of the Province of Manitoba of that day. They put on such terrible inhuman means test that today people were saying that we were living in a barbaric age. That's one instance. Anyone who applied for relief in the City of Winnipeg, he wasn't allowed to go out and buy his groceries or bread or food anywhere he wants, but they give him slips, ten loaves of bread; a half a tomatoe, two potatoes; 16 beans, counted; and they had to go to the store and get it. When they were asked to give them a certain order for all these commodities so they could go and bargain, could go and do his shopping -- no. So naturally the people at that time didn't go to the corner grocery because they were known there, so they went to the big stores, miles away from their home, to get these few commodities. They were compelled to cut wood all day long for the miserable relief they have received, where a machine could have cut all the wood in one day when they had to work days and days and days. I could speak for an hour to tell you the miserable regulations which the City of Winnipeg at that time put in in the early days of the depression, in order to make their life so miserable that many of them starved; sold everything in their homes in order to get relief. The very same thing that we had suggested at

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(Mr. Gray, cont'd.)....that time is now in effect, for at that time they seldom could save 10 cents on a family. I know of families that used to lock up their bread so the children when they come from school would not eat it because they would not have sufficient for supper. I know all this, but the soothing effect which the Minister made before we adjourned this afternoon, I think they may have some effect on those who have to or are compelled to apply for additional relief for necessities. And so I congratulate him for this although I don't agree with him, but at least it shows a little bit of sympathy and consideration which we all appreciate. I think perhaps this explanation may do perhaps some good.

We realize that we cannot change the policy of the government. We realize it's good and it's humane; and as intelligent as the Minister is, he still has to hear or listen to his master's voice; and anything that the Minister says in denying it, it's a fact -- His master's voice is here now with the Minister: "you have so much money; break your own neck, do what you can," otherwise perhaps things would be much different and very much more humane, so I'm accepting that explanation. I don't think it will change his mind or the mind of the administration whatever I am going to say or anyone else on this side of the House, but I feel that a little bit of sympathy, a little bit of advice, a little bit of consideration helps a lot. As a doctor, he should know that sometimes a needle or an aspirin or a pill for a patient relieves his pain temporarily, and that's exactly what they are doing. But even this I'm quite happy about it. I do hope -- no use arguing now about it; no use suggesting anything because we all know the estimates are here; we have no right to suggest any increase. All we can do is criticize in the democratic shrine that we are sitting in, and perhaps they will consider it for next year or the next few months, which they have done for the last 20 years since I'm here, things that they have suggested or rejected and introduced next year or five years later. They are all these years behind. Instead of making a complete job, and believe me, Mr. Chairman, that I'm not speaking politically, I have no intention -- Laugh all you like, I don't care. I'm speaking to myself perhaps sometimes because I want to speak to an intelligent individual, so if you make fun of it, it's your business. But I do say this, we have a large number of people in this province who are suffering; a large number of people who do not get the just reward for their work and contribution that they have made for years and years. They're not getting it. All they ask is their own insurance. They have invested their effort; their work; their sweat and blood while they were young -- they couldn't save up anything -- they are now entitled by the present generation, they're entitled by the present government to see that they be rewarded for all the misery and hardship and tragedies they have gone through in the past.

Well, Mr. Speaker, all I intended to say to the administration is this, if you analyze wisely your own feelings, your own heart, your own sympathy, understanding to those who are in need, I'm definitely certain that if all of us -- I hope we live -- when we come to the next session, the administration will bring in legislation of improvement to the present situation. So I say to the Minister we live in a world of misery, tragedy, hardship, war expectations; we live in a world of unrest; at least our own population should not suffer of another dime to make the life happier. I do hope that the administration will take it seriously in consideration and I look forward to the next session that they, not us, bring in better legislation, more improved, more humane treatment, to those who are in need.

MR. N. SHOEMAKER (Gladstone): I hope my honourable friend doesn't break his neck for a little while, till we get through with the estimates anyway, as was suggested by my honourable friend from Inkster. But with my honourable friends to my left implying that he isn't going half far enough in the field of welfare and certain members in our section here suggesting that he's going too far too fast in the same field, it is little wonder that the Honourable Minister is frequently referred to as the Minister of Wealth and Public Helfare. Now considerable has been said about the fact that we should recognize that we are our brother's keeper and that the "haves" must take care of the "have-nots." Sometimes it's difficult to distinguish.

Now I just have two or three questions that I would like the Minister to give me an answer to if he's in the position at this time and, if not, he can give it to us again. But I would like to know what percentage of the patients in the nursing homes are paying for their own welfare there. Or, to put it another way, what percentage of the patients presently in provincial nursing homes are the government paying for. Then I would like, too, to know what,

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(Mr. Shoemaker, cont'd.)....under Item 3 (e), Assistance for Municipal Aid Expenditures, I would like to know what the arrangements are now between the government and the municipality as regards their social welfare cases. I would also like to know if there has been any changes whatever in The Elderly Persons Housing Act since the one that was laid on our desks a year ago -- you remember in this little folder. I don't know whether we are up-to-date on that or whether has been any changes in that.

Since several of the honourable members have touched on the subject of child welfare, I don't know whether that comes under your department or not, Mr. Minister -- (Interjection)--Pardon? Well I'm a little bit concerned about an article that appeared in the Free Press of December 14th, 1960, and it's headed: "A Foot too Low". That may go for several of us but this refers — and the sub-heading is: "Ceiling Blocks Home for Child". I would just like to read about one paragraph. It says: "A North Kildonan family's disappointment while seeking a foster child may result in amendments to provincial legislation. An application by Mr. and Mrs. Douglas Neil was vetoed by the Kildonan Health Unit because provincial government regulations stipulated that the child's bedroom ceiling was 12 inches too low. However, by sheer coincidence, a provincial board of health meeting today was scheduled to discuss relaxation of the regulations." Now, Mr. Chairman, if it is a fact that there are quite a number of foster children seeking homes at the present or in the future, and we have regulations of this kind, it seems to me that they are going a little too far here because the article does go on to describe what a lovely home it was and they were quite satisfied with the foster parents, but all that was wrong was the child's bedroom was 12 inches too low. I would like to hear the Minister comment on that one.

Now, Mr. Chairman, I have another Chamber of Commerce resolution for you. I'll sent it over to you, Mr. Minister. After all, and I've said this before, it is understandable that certain organizations would send in probably resolutions that are not well thought out but you can't say that generally about the Chambers of Commerce, because these are given pretty good consideration I think. It says and I quote: "Whereas only people who are totally disabled can qualify for disability pension; and whereas many people who are partly disabled have been found to be unable to earn a living; therefore be it resolved that the Manitoba Chambers of Commerce urge the Federal and Provincial Governments to amend The Disabled Persons Allowance Act to make the disability pension available to persons who have been found to be unable to follow their usual occupations due to some partial disability, and when such persons have not the opportunity or the qualifications to change to a different occupation where their disability would not be a hindrance." Now my honourable friend may say that this is being taken care of under the present social allow ances legislation but it isn't if the person is under 65. I know in my own constituency that there are, not too many, but some under 65 who are really in a much worse condition, both physically and financially, than certain people over that age limit. If it is intended that the social allowances program will be extended to cover people in this category, then perhaps they can be handled there or, as the Chamber suggests, perhaps the Old Age Assistance regulations could be liberalized a little bit. But I will send that over to the Minister.

Another subject I would like to comment on briefly is on Medicare. I note in Wednesday's Tribune of this week, March 22nd, under the heading: "MMA Criticizes theMedicare Plan. The Manitoba Medical Association, Tuesday, bitterly criticized the Provincial Medicare Program describing it as unsatisfactory, confusing and irritating to patients and doctors." Now I didn't think personally that the Manitoba Medical Association were criticizing it in the fashion that is portrayed in this paper, and I would like to hear the Minister comment on that. I can send that article over to him too, Mr. Chairman, if he likes. I think that is all I have to say at this time, Mr. Chairman.

MR. PETERS: Mr. Chairman, I, too, was very disturbed by this article in the Tribune of Wednesday, March 22nd, 1961, and this is what they had to say: "The Manitoba Medical Association, Tuesday, bitterly criticized the Provincial Medicare Program describing it as unsatisfactory, confusing and irritating to its patients and to its doctors." I'm not going to read the whole article, Mr. Chairman, but I'd like to point out a few items that are in this press report. It says: "If the object of Medicare was to preserve the dignity and the selfrespect of individuals unable to pay for the medical care they needed, said Dr. Lawrence Rabson,

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(Mr. Peters, cont'd.)....it has failed." He also mentioned that it's a faltering step in the right direction. Now, Mr. Chairman, what I would like to say is this, that no matter what the government intends to do, what they propose to do, if they haven't got the full backing of the medical profession behind them -- and I do know this much that the Dental Association, as the Minister stated this afternoon, he has had very good co-operation from them -- but somewhere along the line the medical people are not in full accordance with what the Minister says.

Earlier this afternoon when he was speaking he said something about Manitoba being the first province -- I would like to read from the Public Health Annual Report of the Saskatchewan Government ending March 31st, 1960, and this is what they have to say. "Saskatchewan was the first province of the Canadian provinces to set up a provincially administered health service program for public assistance, beneficiaries, thus removing the major part of responsibility for the type of care from the municipalities." This is what I want to point out, Mr. Chairman, that somehow here the Medical Association is not agreeing with what the Minister wants to do. In 1945, the Saskatchewan Government, in association with the Saskatchewan College of Physicians and Surgeons and representatives of other health organizations, did get together and they did do something. And they've done something. I agree that probably we are a little ahead in certain fields, but we are much behind in other fields. I don't think the Minister should say that we are the first that did this, because we're not. If the Minister wants to refer to the report, he can. In Saskatchewan there are 35,000 people that are covered by this Medicare program that they have there. According to the latest estimates that we have here in Manitoba, there are only 19,000. True, we only started a few months ago to institute this Medicare program, but I think that taking the lesson from other people that have been in this field for all these years, they could have instituted more of their program. As the Honourable Leader of the Opposition pointed out earlier this afternoon, I think it's the Provincial Treasurer that's holding him back on his program. I realize that the Honourable Minister of Health and Welfare wants to do these things, but the Provincial Treasurer won't give him that money. I think that what "Duff" was trying to do was copy "Dief" and he did to a certain extent. He promised all these things and he said to -- I shouldn't refer to the Honourable Minister of Health and Welfare as George -- he said, "Go ahead, George, you do it and we'll back you up, "but he didn't do it to that extent -- (Interjection) -- Yes, if George is willing, we're willing to let him do it. But when we get on that side of the House we will do it.

MR. TANCHAK: Mr. Chairman, I'll again promise to be very brief. (Interjection)--Three minutes and a half. There was a certain amount of coalition with the Honourable Member from Fisher here; I agree with the first part of his speech when he said that the Honourable Minister is with the wrong party. I would say that he should be on this side to the right of me. But I'll disagree with the balance of what he had to say. As far as the social workers visiting, there are different business men or different people of higher respect in the community, when they come in; I completely disagree with that. I think that they should go and visit-not simply visit to one.....

MR. WAGNER: Mr. Chairman, I did not say social worker! I said investigation was made.

MR. TANCHAK: Well, there's the investigation. I think that it is their duty to go out and visit as many people in the area as they possibly can to find out more about them, not that I say that all applicants are dishonest, but when we are trying to screen the dishonest from the honest ones we have to do a thorough job, and we have to take the attitude that we must do it to protect the public purse. And I would advise that the Minister even see the Honourable Member of perhaps the of the CCF, or the workers, and go and see him and see what he thinks of it. See the merchants and see the storekeepers, the merchants, the doctors, the lawyers in that. I don't think that anybody who does apply and who is sincere about it, and who has lived throughout all his life, conscientiously, honest worker, hasn't anything to hide, that it is a humiliation to him to have to go and apply as has been formerly mentioned, I don't see why they should apply, apply to the municipal men or even go to the Minister, to the Priest, to the Padre, and lay before him his troubles. Because if the person was honest throughout his life, I know that if I knew that, I would be the first one to advise him what to do. And I don't think it's a humiliation when he has to go and ask for help when he's really honest and he deserves

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(Mr. Tanchak, cont'd.).....that. As far as the purchase tickets in stores that was mentioned. I think that's a very good idea in some cases where you find out that the father, we'll say, or the leader of the household, is nottoo thrifty. As I mentioned before, some money is being used for other purposes. I didn't want to say it before, but I could say it now because I've come across some cases like that. We call it simply boozing. Some of that money is being used for that purpose. If the family got a ticket to purchase groceries, I think to a large extent that would be overcome. Still, I've had some complaints or reports made to me that certain merchants will even under tickets, will give a certain amount of cash to the ticket-holder after he has purchased a little bit, a little groceries, he'll give him a little cash on that. It seems to me that the papers tomorrow should headline this debate here, "Welfare from Conception to Resurrection." Regardless of whether the party needs it or not, I still say it is our duty to help those people who need it, but not to go all out. Some of the honourable members here to the left say that the people are not tax-conscious; they say that they are not being taxed enough; tax them a little more.

MR. PETERS: Who said? Who said that?

A MEMBER: Take it easy.

MR. TANCHAK: Some of the CCF; I can prove it to you in Hansard. I haven't got it before me but I've heard it on two occasions that the people do not mind paying the tax, they are not being taxed enough, providing they get the services....

MR. GRAY: Mr. Chairman, on a point of privilege. I have made that statement, but what I said is that the people these days are not worrying so much about the taxes but are worrying about the service they get for their taxes.

MR. TANCHAK: Mext week I'll bring the exact words. --(Interjection) -- no time right now - exact words that were said, that the people are not being taxed enough.

MR. GRAY: I did not say that.

MR. TANCHAK: I'm not accusing the Honourable Member for Inkster. I have too much respect for the honourable member, too much respect for his age. I said some of the Members of the CCF Party. It seems to me that regardless of the cost, they would like to push us over the brink and spend money, not all of them, but some of them, right and left. I don't agree with that idea. I simply say that, let us help those that need it but not go overboard without investigating fully and screening fully. I know it's a hard job for the workers and the Honourable Minister to do that, and I realize that in the process of screening some of these get through -undeserving cases -- and I believe in some cases that could not be helped. But still it wouldn't hurt to tighten our regulations a little ; look into them so that we'll be assured that those who are greedy are not getting it.

MR. DOW: Mr. Chairman, there have been some words mentioned tonight in regards to a group of people that unfortunately are not able here to defend themselves, of which I take a certain amount of pleasure in the fact that I will try and state their case. It would look to me that concern was offered by certain clippings in the paper that the preservation of the dignity between the medical practitioner and the patient was being destroyed by Medicare, and I would like to suggest, Sir, that in rural Manitoba we have had over the years and generations back, a group of dedicated, sincere individuals, the general practitioner, the infantry of the profession, who have met the needs of their people and we in this House or in public hear very little from them. From my experience, both municipal and personal, I feel that the general practitioner has given the people in rural Manitoba all the medical care that they required and the monetary return to them has been the second thought. It would seem to me, Sir, that we are taking away certain incentives from these individuals who have, by their actions, have contributed to society as their place in society to the welfare of the people.

MR. PETERS: Mr. Chairman, I would like to add this too, The Honourable Member that has just spoken has spoken about general practitioners in this province. In the urban areas, I will say this, and I know very many of them right here in the City of Winnipeg that give of their services, and are very happy to give of their services to the people, and they are the ones that are not complaining about Medicare. These are certain people that are, and that's why I brought it up, Mr. Chairman.

MR. JOHNSON (Gimli): I think in view of the many remarks, I'll try and be brief and hit on as many of the points as I can quickly, but I do think that there's one thing that I would

(Mr. Johnson, Gimli, cont'd.)....like to say and share with the House and bring them up-todate. I'm not prepared to comment on the press clippings, and what I have read as to the brief submitted by the Medical Association re Medicare. But Medicare is unique in the sense that it is a single card given to the patient which includes these four services as you know, medical, optical, dental and drug. It seemed to me, and to my group, that the professions traditionally as we have heard expressed in this House, have traditionally met need throughout the years. As the House also knows, across the Province of Manitoba for many years there have been different arrangements made in different pockets throughout the province for the payment of services to physicians looking after provincial responsibilities. It has always been my feeling that administratively this was difficult; it was a hit and miss affair, and as we passed this Act unanimously ensuring the people who are in need of essential health services, it was my duty as Minister to approach the Manitoba Medical Association in this regard. I had somewhere around 22 meetings between the executive of the Association, university officials, President of the University, Dean of the Medical College. It became apparent, as we had our discussions, that there was a threat to the method by which medical students had been trained over the years. And certainly it became only too apparent that the government had a dual responsibility in this area: (1) to make sure that we have the first class medical school that we have; that we would not, by bringing in a form of comprehensive medical care, in any way jeopardize the teaching of medicine, and this of course, is a concern of the deans across Canada of all medical colleges, not only in this province but elsewhere. It was also the wish of the executive of the MMA that finally, and speaking for both rural and city practitioners, that the interim arrangement would be the prepayment at a modest price to the government through the Manitoba Medical Service to protect the public, to sell us a comprehensive scheme whereby we paid for house and office calls of these recipients, and that in the meantime, while we formed a teaching commission to investigate the impact of teaching or comprehensive medical care in general on the teaching of medicine, that the profession unanimously requested that they would carry on treating these people in hospital as they have done over the years. Internal discussions went on between the various men in the Association and practitioners in different areas, and this is the arrangement we came to. And I must say I had the utmost co-operation and understanding, and was very pleased with the attitude, because after all we do have a responsibility to underline this problem, and as you know the teaching commission is now sitting and I guess these are the briefs that are being presented. I have not seen this brief as yet; I don't know just what is meant by some of the statements that have been made. However, this is something that I am very close to. I think we will have to await the report of the commission who are looking into this whole area. It is important, as we all know, that despite our medical care plans for the future this will have to be the guide line to us in arranging for the care of these people.

I might inform the House that we in the Department, or the government, will be preparing a brief to present to this commission, and due to the pressure of work we haven't completed it entirely. However, on the whole, I must reiterate again how very pleased I am for the cooperation received from all groups to date. I have had noting of an official nature whatsoever stating that the Medicare Plan is unsatisfactory, and I have had no complaints from the recipients thereof. So this is exactly the situation and I'll be only too glad to report to the House in due course.

I must say that in answer to some of the questions, there are about 2,700 people in nursing homes, or Old Folks homes, across the province today to whom assistance is being given by way of subsidizing the pension and extra cash, extra personal allowance of \$5.00 to 1,900 of 2,700 people in these alternative care facilities. All these people have been classified as to type of institution they are in, the type of medical condition from which they are suffering, and we are working very hard on a pamphlet which we hope to have ready before too long, pointing out the function of the particular institution concerned and the type of care that they could probably best provide in the future. I must say that many of these nursing homes are rendering very good care. I think over the years they have been largely neglected. I can also point out that in rural areas all of these people get a Medicare card. In the City of Winnipeg we pay the City of Winnipeg Health Department for the medical supervision of our responsibilities in these care institutions. I can also inform the House that having recently acquired more long-term chronic facilities, extended care facilities at St. Boniface Sanatorium, we

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(Mr. Johnson, Gimli, cont¹d.) are working with the City Health Department, and the municipal hospitals, and the Plan, to try and get some of the very sick people who should, in our opinion, really be under the benefits of the Hospital Plan into the longer care facilities. This is a process that has already started some weeks ago.

The statement has been made in the House about the time required to enrol a patient on social allowance. Of course in any new program like this, first things come first. As I pointed out, the staff -- we've an excellent staff, and they are working around the clock to meet this problem, which of course has never been done before. These people have waited since infinity in the past. There's a suggestion we take over all welfare from municipalities. This may come to pass in the future, but as you know, we are building our welfare program on a regional basis. On a regional basis such as this there's more opportunity for local contact and greater understanding of both conditions and problems by the staff involved.

The Honourable Member from Emerson questions this business, and quite properly, of believing in helping those in need and those who are not just greedy. Of course, as I pointed out in the introduction to my estimates, this is the absolute reason for good staff, one of the reasons for the building of a sound program, and certainly we think it's up to the people in the community, to everyone in this House who feels that the unnecessary welfare dollar is going the wrong way, to bring it to the attention of our authorities. We find that in the public interest we must meet need within the resources of our province. We don't believe in stretcher bearing; that's why we're trying to build the staff, to have individual attention given to real cases of need. I think the Honourable Member from Selkirk and the Honourable Member from Emerson have both pointed out rather large sums of money -- \$273.00. I would point out to my honourable friends that, after all, \$273 for a family of 10: \$23 in food per month for the adults; \$20 for the second, 18, 13, 11; clothing \$5 a month If you take on the accommodations and so on -- the type of cases they're talking about, I'm almost certain would be where the breadwinner is disabled or completely unemployable for medical reasons. In these cases they are always brought to the attention of our Rehabilitation Division re employability in any case of a high cost nature of this type. However, when our workers move in and see eight very hungry, inadequately-clothed children, the problem is to meet this need. Certainly we're very sensitive to the charge of overpayment in certain cases, but again we depend greatly on our trained staff; we depend on the public to bring these cases to our attention if they feel it's being abused. Certainly I have seen cases where there are neglected -- we've come across a place where the children have not got enough of the basic essentials; where the father may be buying booze or where there may be money under the floorboards. In these cases we do take appropriate steps, and usually they're brought to our attention before too long. We've even had cases where we have found fraudulent representation in obtaining waiver of benefits or retaining benefits, and have instituted action. Members must always realize that in the field of welfare, wherever it is being administered, the staff are at times walking a tightrope, and however these -- I see no real threat to the program in the sense that I know what it costs to feed five children and you don't get many steaks at Pierre's on this kind of a diet. And I would also say that, although I fully appreciate the reasons why the Honourable Members from Emerson and Selkirk have put up the point of going easy in certain cases, certainly the rules and principles are laid down as I said in my introduction, and re-emphasize the staff development is of prime importance, the right man in the right place, and I am confident that our people have been doing an excellent job to date. The whole purpose when we see these tough hard-core cases is to bring them to the attention of our welfare department.

I might point out to the Honourable Member from Selkirk that before our program began we had an intensive review of our administrative set-up by the Organizations and Methods Division. We looked very carefully at our rules and regulations; we are continually looking at this, and there is a real need in the future for more adequate research into all of these problems, and I can certainly assure you that the suggestion concerning the standards of relief which has been mentioned to me and the investigation thereof is something that we are already starting to look at again, from a very -- it is very essential you keep reviewing these things. My Honourable Member from Fisher Branch has the right idea. I certainly encourage him to get out and build some housing to keep the old folks at home where they belong, and we'll give him a hand with it. I'm only too happy to welcome him to come in and talk with me

(Mr. Johnson, (Gimli), cont'd.) after the estimates, concerning some of his problems. However, I certainly agree concerning housing, elderly persons' housing, and I believe the home he's referring to may have to close because -- but I think there may be -- if he peruses the Willard Report a little more carefully, towards the end he may see something that will catch his eye, as I noticed it last night.

The Honourable Member from Burrows brought up the business of, in a board and room situation where we pay up to \$60.00 a month. Actually the regulations say although it's \$60.00, the director is allowed to go up to \$90.00 in a very special situation where there may be extra care for extra need. I don't know again whether I could justify this for very expensive tobacco but -- I'm sorry, the Honourable Member from Seven Oaks; I was getting my honourable friend from Burrows mixed up -- however that's a point I thought I'd bring to his attention. The Honourable Member from Neepawa brought up the question of percentage in nursing homes; 70 percent was the answer. He also brought up the question of disability allowance. I think nothing has given me more concern and time and effort and heartache than the present disability allowance legislation, and I think the federal people are looking at this again. We, of course, are limited. The question of partial disability gets into the area of employability, which is a source of irritation to the federal authorities, and there are real -- when you get into it closely -- there are real problems arise. However, I do believe when we say people are totally disabled that we should make it stick and that we should be getting these people some assistance. In my estimates you will notice that the D.A. is practically the same as last year. One of the reasons for this, and the reason Old Age Assistance is down, and Blind, a little bit in the estimates, is because in the last year we have -- in 1955 -- I'll take Disability Allowance first. When disability allowance came in in 1955 there was quite a backlog and there were quite a few enrollments all of a sudden and the case load grew. Then the staff got behind in taking and processing applications, and each year in the estimates they make provision for taking on quite a few for back payments, because they had enrolled and they had to go back nine months and pick it up, and they'd have to put larger amounts in the estimates to make up for the slack in getting on with the investigation. Since the reorganization of the pensions department a year ago we're right, pretty well up-to-date now, and the department -- these are the estimates the department gave me, and told me that instead of five investigators, with the 15 we have at the present time in fhe field taking these applications, getting them processed almost on a current basis, and these men also, of course, assist in the social allowances field, that they can predict quite confidently that they won't need to add this little extra bit for picking up the backlog this year. Our case load is up quite a bit over the previous years. We'll come to that probably a little later. The case load is up -- there were 1,245 in January 1959; January 1960, 1,347, and the case load at the present time is 1,440 and the estimated rise in the coming year is to 1,517. However, the present Social Allowances Act, of course, as written when fully proclaimed, will -- at the present time it's just covering those people, as we know, who are disabled to the point that they require someone else to look after them. When we proclaim that section which refers to just disabled, we can get around this and we think, in the meantime, the Federal people will be doing something about it. The other point I wanted to mention was the

MR. SCHREYER: Mr. Chairman, may I ask a question? The Minister said that the Federal people will probably in the interval do something about those who don't come under the Social Allowances Act at the present. Will he just explain that a little further?

MR. JOHNSON (Gimli): Yes. What I'm referring to, Mr. Chairman, is that under the present Federal regulations we are limited to the degree we can go in enrolling people on disability allowance. In lowering their regulations, they are afraid of getting into the area of employability. They feel that this is a piece of legislation that can easily be misinterpreted and they have very strict rules in there. However, having bought the Social Allowances Act in philosophy and willing to pay on a basis of us administering our own D. A. program, I think they are going to have to look at this jungle of needs tests that I mentioned in the introduction to my estimates. Certainly we'll take all of this very constructive criticism that has been given and look at it very carefully.

The Honourable Member from Burrows has mentioned the child welfare legislation. There is a bill -- it will be before the House very shortly, and once that bill is before you I

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(Mr. Johnson, (Gimli), cont'd.)think, if it's agreeable with the honourable member, we can have some debate on it at that time. Certainly the Hallas type of case is most regrettable in my eyes, but I think that in speaking with many foster parents across the province and in meeting with these mothers, foster mothers, I am most convinced that the placement of children in adopted homes such as our children's societies have done in the past years has really set up probably one of the model children's aid pieces of work in the child welfare field in Canada, wherein we have reversed the old business of 80 percent of the children being, in 1942, in institutions, and 80 percent now being in foster homes. The legislation that is coming forward will be of some assistance. However, there's no doubt that problems like this should not happen at the best of times, and certainly what will happen cannot happen really if there's proper administration. I'm not trying to be critical of the Children's Aid Society. They have a tremendous job in placing these children at times and finding suitable adopted homes. And we don't want to cramp their efforts. The foster mothers tell me -- who have many, many babies, one of them over 100 -- that there's really no need for this type of situation to develop. And I think we can discuss this further at the time of introduction of the bill concerning adoptions which I will be bringing forward for first reading any day now. It's with the Legislative Council.

MR. L. DESJARDINS (St. Boniface): Mr. Chairman, the duty of the Opposition is mostly to act as watchdog over the people's business and to criticize when there is reason to criticize. And you know, Mr. Chairman, some of the policies of this government has made it easy for this Opposition to do this duty. But, Mr. Chairman, I think that it is also proper for any members of the Opposition to give credit where credit is due. Now we've all noticed that every single member that rose to speak here today has started by more or less trying to apologize to the Honourable Minister. Well there is a reason for that. And I wish, as a member of the Opposition, as a member of the different party, it would be a lot easier for me to be able to find something to criticize him instead of flattering, but I don't think that there is another Minister here so interested, so sincere in his department. I have had occasion of visiting the Selkirk Hospital with him. I've seen how interested he is, how much work he has put in. I have had different occasions to discuss certain things with him and I saw there again, how honest and sincere he was. I am a member of the Advisory Board of the St. Boniface Hospital, and I have had occasion there again to see what a friend the Honourable Minister is. Now you might find it s trange for a member of the Opposition to stand up and praise the Minister like that, but he is one that will always welcome criticism or suggestion, and unlike some of his colleagues he won't bite your head off if you have something to say. And I think that beside that we can be pretty proud, because I don't think he's a politician, he's mostly a statesman. In fact I think he's a Liberal. He certainly believes in liberalism and believes in most of the things we believe around here.

Now, Mr. Chairman, I think that we should -- although every member of the Opposition and every member in this House can say what they think -- I think that the members of the party to my immediate left should certainly, before criticizing so much, without asking so much, should realize how much the Honourable Minister, how much of a friend he is to the people in need. But it wouldn't be right if I didn't criticize at all. And I have something that I would like to criticize. I would say that if the Honourable the First Minister was in the Chamber tonight, I would say to the Honourable the First Minister that be careful, because George has a big heart and he'll get you in trouble. I think that definitely he should be forbidden and he should not have anything to do with any investigation at all. Not that we want anybody to suffer when they shouldn't and people in need, but I feel that maybe the Honourable Minister would find it practically impossible to say "no". Now another suggestion, and this point might have been brought in but I would nevertheless like to mention this in case it wasn't. I think that a man like that who is bringing in a big program, something new, you can't really criticize. You can suggest -- you can bring your suggestions and certain advice. Now this might have been remedied or maybe this was rumoured, but I understand that if children wanted to help their parents, people that had no money at all, that if they took them in and if they took care of feeding them and lodging them, these people would then not qualify for any help, we'll say for dentures, or anything like that. Now if that is true I wonder if that could be taken care of, or if -- as I say, Rome wasn't built in a day and it takes a while to correct those things, and I think definitely this should be a point, because I certainly feel that we, as I said before, we should help those

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(Mr. Desjardins, cont'd.) that need it and there's definitely 20, 25 percent of our citizens that need help. But I think that we should give the people their pride, not take their pride away from them. And if somebody has enough pride to help their parents, has enough sincerity, I don't think that they should be penalized for that. Now, as I say, this might have been remedied, this might have been corrected, or maybe the Honourable Minister said something on this, I'm not sure. Now I think that this plan in a lot of ways is probably the best, a very good plan anyway. It's certainly not perfect, and I think that one of the things that needs to be done is to see if we can take some of this red tape out of there. There seems to be quite a bit of that. As I say it's a new plan, it's a complicated plan.

MR. JOHNSON (Gimli): Mr. Chairman, the best example to give him is an actual case pulled from the files. The sort of thing that really makes the program live. A lady 73 living alone in a small home. Her needs test came to \$67.00, pension of \$55.00; son contributes towards winter fuel, insurance and extras when needed. We enrolled her on Medicare.

MR. DESJARDINS: Mr. Chairman, what was the last sentence of that answer?

MR JOHNSON (Gimli): She just needed protection from catastrophic health needs and she was given a Medicare card because here contributions from her family in addition to her pension didn't place her in any needy category.

MR. DESJARDINS: Mr. Chairman, it is not true, then, to say that if an old age pensioner or an older person receives help from children or from some other well-meaning citizen, that this would disqualify them from any assistance.

MR. FROESE: Mr. Chairman, I have one item that I would like to bring to the Minister's attention and also a question to go with it. We have a home for the aged in Winkler, which is not in my constituency, but the people in my constituency support that home quite well. Last year they had a small deficit at the end of the year, about \$5,000, and the home has been in operation and I think it is always filled to capacity. Then there's another home being planned in my constituency, and I would like to ask the Honourable Minister what are the prospects for increased grants for housing for elderly people, the homes for the aged? Is there a possibility that grants similar to what hospitals are getting today might be available for these homes for the aged? That would be in respect to depreciation and interest on capital.

MR. JOHNSON (Gimli): At the present time at this session, there will be no contemplated change. We are looking critically at the Willard Report and I understand that there are some recommendations concerning this type of care facility in this report. And we've been studying the matter within the department. However, the grants are \$1,200 per bed and per diem rate support for the recipients of social allowance, wherein in setting the per diem rate we take the amortization charges into consideration in our payments for the people who need help.

MR. CHAIRMAN: (g) passed; Resolution 50 passed

MR. GRAY: Mr. Chairman, in connection with (g) may I say a word please? Before dealing with this item, the Honourable Member from Emerson, I believe, made a statement that he has respect for the old gentleman from Inkster. The press also reported that the aged Member from Inkster has said so and so. I'd like to, before I deal with this item, I'd like to notify the House that under the Biblical Law you cannot bury a man as long as he stands on his feet; even a mortician cannot do it. I'm still -- (Interjections) -- I'm still on my feet and I hope I'm not buried yet.

Now, coming to the item of \$65,000 - Alcoholism Rehabilitation Program. I suggest that this is a very, very small amount for such a very serious program. The small population of the Province of Manitoba are spending over \$50 million on alcohol, and the province, I don't want to anticipate a budget, but I think perhaps there's going to be a \$15 million revenue from this year. After having such revenue, and The Manitoba Liquor Act, the taking over of the sale of alcohol by the province was not for the purpose of revenue, and it was not for the purpose of increasing the consumption of alcohol. I know the story of a man that promised his wife not to drink any more. Then he walked on Main Street and he passed one barroom and he says "No, I will not go in"; the second one, the same thing. When he came to the third barroom he said "Well, if I could manage not to go in the other two, I deserve a drink". Now, the moral is this, that you cannot treat and cannot cure the man that has been drinking for 40 or 50 years of his life, while at the same time there should be a program of education. I realize that some other department has a certain small amount of money as well, but I do think that under the Health and

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(Mr. Gray, cont'd.) Public Welfare estimates, this is a very, very meagre amount. I hold in my hands a little book, reference notes on alcohol problems. I don't know why they sent it to me. Probably the other members also received it. It's a beautiful, well-prepared booklet in connection with the problem of alcohol. The heading of this booklet is: Why Talk about Alcohol Problems? Which Alcohol Problems? Describing Alcoholism. Alcohol in your Body. Alcohol and your Safety. Alcohol is Treated, and so on. It's a very, very fine text book. It was published in Ontario but I understand that the Alcoholism Foundation of Manitoba are distributing it. Now little booklets with advice like this will do a lot of good, but what can they do in such a serious situation for \$65,000 grant. I say that based on the revenue of \$15 million and expenditures of the people of Manitoba to \$50 million, I think to remedy the situation and avoid the treatment and the hospitalization of alcoholics, this \$65,000 in my opinion is "peanuts", if I could use the word, for this particular purpose. I would like to suggest to the Minister, or ask him why in such an important problem of Public Welfare, of prevention of mental cases, of prevention of people spending all their money and the money of their families, where they steal the bread and the butter from the table in order to use it for alcohol, why should such a small amount be included in helping people in such a tragic situation? Under the estimates of Education I suggested that more money be spent on the young people, children at school. Now this deals actually with those who are alcoholics, and I think more money should have been spent for such a needy purpose.

MR. JOHNSON (Gimli): Mr. Chairman, I just want to answer the Honourable Member from Inkster, that this has been something which has had a lot of discussion and concern by the department, and he has hit the nail on the head. The problem in a few short words is that it's very difficult to communicate the problem of alcoholism. Alcoholism, as the Alcoholism Rehabilitation group describe it -- they are in the area of alcoholism as compared to alcohol education. I think my honourable friend will agree with me that the Alcohol Education Committee with their advertising have done a great deal towards pointing out the dangers of office parties on New Years Eve and that sort of thing. But the problem of alcoholism is one of treatment. I can best summarize this by a little note which the president of the Alcoholism Foundation of Manitoba passed to me with some articles he wrote me on The Challenge of Alcoholism. If the National Council on Alcoholism of the United States with resources and money and workers make our local efforts seem minuscule, "We find that the greatest difficulty is reaching ministers, doctors, etcertera, to say nothing of the man on the street", it makes our local efforts on a budget such as ours seem very good. In other words the process is a slow one, and the process has to be one of reaching the community, reaching the professional man, reaching the man on the street with the message that alcoholism is a very complex problem, in rescuing the man, as you say, who has been drinking for some years. Certainly I agree with my honourable friend that the more alcohol education that goes on through the normal process of education in our schools, through our newspapers and by the message, and a resource being made available to those who want to try to stop, which we have and we have lots of concern -- we haven't a lot of money there but they're doing an excellent job. It's something that we can't advertise too widely but these are the remarks of the president of our local group.

MR. CHAIRMAN: 4 (a).

MR. SCHREYER: Mr. Chairman, I kept out of the general discussion under 3 on Salaries, so as to try and help expedite the passage of the item. Then in the calling of the sub-items you slipped a couple of them, Mr. Chairman. I was waiting for item 3 (c); I certainly didn't hear that one, Mr. Chairman. I didn't hear that one called. Well, Mr. Chairman, if I might, I only have two specific questions. I notice in the answer to the questions which we asked of the Minister on No. 21, Votes and Proceedings, that the Social Allowance case load is estimated at 19,000 for the month of February. Now this represents an increase of 50 percent over the same period last year. And I would assume then that the case load of social allowances this year will be approximately running 50 percent higher than last year. If this is the case, I would ask the Minister to reconcile that with the appropriate allocation increase shown in the estimates of only \$600,000. In other words, if the load is increasing 50 percent and the money allocation is only increasing 10 percent, how does the Minister explain this? That's the first question. The second one has to do with the payment of social assistance or allowance. I take it that the social allowance or assistance is paid out on a

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(Mr. Schreyer, cont'd.) sliding scale. That is to say, if the number in a family is, oh, shall we say seven, the amount paid to the youngest three or four would not be as great as it would be for a family in which there are only one or two children. Now am I right in assuming that? Well, Mr. Chairman, the payment of social allowance is on a sliding scale, is it not? That is, the larger the family the amount slides downward. I'm not objecting to that; I was just wondering if this is the policy that's followed.

MR. JOHNSON (Gimli): Mr. Chairman, in answer to the honourable the member, in the regulations it points out the amounts for food, clothing, shelter, etcetera. The personal allowances does not extend to the children. Of course, they keep the Family Allowance, as that, as you know, doesn't come into the calculations, but that is pretty clearly spelled out in the regulations. If there is any difficulty I could go over them in detail. There's the special needs section and so on. The figures are simply that for the coming year the department advised me that -- of course, in the past years you know how case loads build up, it starts at zero and builds up to say around 3,500 on cash but trying to split an average at \$20.00 a month through there which was the average amount, came to about 2,500 at \$20.00 a month. This is cash, and then for the coming year the anticipate approximately 5,000 at \$20.00 a month and approximately 17,000 more on Medicare and the estimate is up by that difference between 6,170 and 6,654. Last year we passed 6,050 and we have in Supplementary Supply \$120,000.

This was because we picked up that large aged and infirm case load on the first of February at slightly increased rates. We had to go back and pick up two months for aged and infirm , and we have to put that through supplementary this year. In the coming year where we estimated last year a little low there, and where we actually spent\$2 million we expect\$1,9 million for aged and infirm in institutions. That's about 1,800 to 1,900 cases at \$90.00; it's down a little bit because of the lack of the retroactive clause and because we're pretty well --the department don't anticipate a great increase in case load in that area this year. The Medicare, of course, goes up a little bit from \$380,000 to \$514,000. As you take on more recipients, you pay more into the pre..... pot. I think that's really the story here as given by the department. The inmate type case is around 5,100 and the average per person on that is \$33.00 a month. We call this all social allowance now but I have to break it down to the traditional method of the categories under social allowance -- the old mothers' allowance type of case; the relief in unorganized territories sort of thing, where we are the municipality, is around a million; the aged and infirm load of 1,900; the supplementary assistance of approximately \$1.2 million and the Medicare of around \$514,000. July 1st we took on approximately 10,000 under Medicare. It's rising all the time as we enroll people and it's estimated at \$514,000; the case load rising to, they feel, 19,000 by April 1st, 1962; the average case load at the moment 17,000; the average cost \$30.00 a year.

MR. CHAIRMAN: (b) passed.

MR. PETERS: Mr. Chairman, under item 4 I think I should bring to the attention of this House the article that was published in the Canadian Home and School Association. It's the official magazine of the Canadian Home and School and Parent Teacher Foundation, and in it it says: "A successful experiment, Saskatchewan first." And this is to deal with blind children. "Sometimes people try to be too helpful and I have to show them that I can get along okay," wrote 12-year old Melvin Graham in a school essay. Melvin, one of Saskatchewan's 24 blind children had just completed his first year in a Regina public school among more than 500 sighted children. His was a test case by the Department of Education, the Regina School Board, and the Canadian National Institute for the Blind and was a resounding triumph. When school finished Melvin's report showed him to be second in a class of 32. His average for the year was over 80 percent. "We wanted to see if there was a place for Saskatchewan's blind students in our regular public schools," commented W.G. Bates, Supervisor of Guidance for the Department of Education. So as every case of placing a child so handicapped in a regular school will always be an experiment, Melvin's success will be a guide." Mr. Chairman, I would like to point out that we here in Manitoba should try and go along with the experiments that have been going along in other provinces to help our children that are handicapped, not only the blind but the deaf, and I think from this one instance we have learned a pretty good lesson, and we should follow it.

MR. GRAY: Mr. Chairman, I'll only be 30 seconds. I hope and pray that the conscience

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(Mr. Gray, cont'd.) of the administration in the coming year will awaken to see that the old age pensioners as a basic rate cannot exist on \$55.00 a month, and I hope the mistake they have made this year by defeating a motion of requesting the federal government leave to consider \$75.00 minimum will materialize in the coming year. I see a lot of hopes in the present administration, at least, I hope so anyway, and I pray that this will come next year, and instead of us bringing in a resolution and being defeated we will support your resolution of accomlishing what we have requested this year.

MR. REID: Just one question here, Mr. Chairman. I was just wondering if there's still a means test on blind persons and I mean by that -- I know they get a pension of \$55.00 a month and some of them have a little initiative; they go out and make a few dollars and try hard to improve their standard of living, and when they do that then their pension is jeopardized and it's cut down. I firmly believe, Sir, that there should be no means test on blind people; they're handicapped as they are, and if they have the initiative and the gumption to go out and make a few dollars, that we certainly shouldn't put a means test on them.

MR. CHAIRMAN: (d) - passed. (e) (1) - passed. (a) - passed. (b) - passed. (l) - passed. (2) - passed. Resolution No. 51 - passed. Item 5 - passed.

MR. JOHNSON (Gimli):Mr. Chairman, is the charge to capital -- every year the Department of Public Works staff and the Health and Welfare Superintendent of our institutions get together and we pick out items in each hospital each year; this is the maintenance of these institutions; for instance in Selkirk, furniture for replacement in the Nurses Home and replacement of furniture in Ward 6, and certain farm equipment, and we have to have a greenhouse out there, a new one, that's \$111,000 altogether; Brandon it's around \$56,000; Portage la Prairie in the Atkinson Building a new heating unit, a new alternative water unit and remodelling of furniture comes to \$185,000. This is the area in the mental health field that I find a little difficult at times, where I can tell you there are two chairs in the north wing of the Atkinson Building that need some green upholstery, Sir. \$185,000 altogether.

MR. HAWRYLUK: Just before -- on this item here. I have on two occasions asked the Minister, pleading and begging that some consideration be given possibly in the very near future about a hospital in the north-end part of the city. This is something I think the people in that area on the other side of the CPR tracks are entitled to. The population is increasing. I know that I have spoken to a lot of people who feel that they have population in that area, which now covers a large area because of Metro, and I think that the Minister last year did tell me that there were some surveys being made regarding locations of possibly new hospitals in Greater Winnipeg, and I'm just wondering if any consideration is given by the Cabinet for that purpose because I don't know, because I think at that time you did say something about a survey being made in Greater Winnipeg.

MR. JOHNSON (Gimli): Well, Mr. Chairman, the most comprehensive survey has been tabled; you know, the Manitoba Hospital Survey Board? I think after you've read that I'd be glad to discuss it with you. I have browsed through it quickly but look at the general recommendations there and then I'll be glad to discuss it with you.

MR. CHAIRMAN: Department XII - Municipal Affairs. 1. Administeration.

MR. LYON: Mr. Chairman, the latest statistical report available on the Department of Municipal Affairs is that which is going to be distributed, I think momentarily, to the members of the committee, and it deals with the operations of the municipal corporations of the province for the calendar year 1959. I think it will be appreciated by honourable members that these annual reports are usually not completed until the end of June, and by August the information is assembled and published in the report which is shortly to be made available to you. Some of the highlights of this report that may be of interest to the members of the committee are as follows: The taxable assessment of the municipalities of the Province of Manitoba increased by \$474,281,894 or by 79 percent, between the years 1950 and 1959. This increase has resulted from a re-assessment of the taxable properties of the province on a uniform basis during the period and from a natural increase resulting from a physical growth. These two factors have produced an increase in the taxable assessment of the province of \$52,465,754 in the year 1959. Almost 60 percent of the total increase in taxable assessment between the years 1950 and 1959 has taken place in the city municipalities of the provinces, where the rate of physical growth has been the highest. The amount of money raised through municipal taxation has increased by

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(Mr. Lyon, cont'd.) \$29,243,009 or by 93 percent in the 10-year period, 1950 to 1959. Municipal taxes increased by approximately eight percent between 1958 and 1959. The highest increase in taxation in '59 took place in the town municipalities where the rate of increase was approximately 12 percent while the lowest increase was reflected in the rural municipalities where the increase was approximately seven percent. The total taxes imposed in all municipalities of the province for all purposes in 1959 amounted to \$60,667,379. Almost 44 percent of this amount was raised for school purposes and about 45 percent of this amount was raised for municipal purpose. The balance was raised in respect of debenture indebtedness and deferred liabilities. The tax collections in 1959 represented 100.95 percent of the total taxes imposed. This was the most favourable year from the standpoint of tax collection with the exception of 1958, in the 10-year period 1950 to 1959.

The suburban municipalities of the Metropolitan Winnipeg area had a very favourable tax collection year in 1959. They collected almost 112 percent of their tax imposition. The city municipalities collected 101.33 percent of their levies but had a slightly less favourable year than 1958 when they collected 102,27 percent of the levies imposed. The town and village municipalities collected 98.34 percent and 95.78 percent of their tax levies in 1959, but in each instance their collections were down from 1958 when they collected 102.28 percent and 98.79 percent respectively. The rural municipalities collected 98.88 percent of their levies in 1959. Their collections were less favourable than in 1958 when they collected 106.21 percent of their tax imposition. The municipalities of the province showed an operating surplus in 1959 of \$1,031,789. Revenue after provision for uncollectable taxes amounted to \$75,943,952 as against expenses in the amount of \$74,912,163. The cash position of municipalities as of December 31st, 1959 was better or equal to every year in the ten-year period 1950 to 1959, with the exception of the years 1952 and 1958. An improved cash position was indicated in 105 municipalities while 85 indicated a reduced cash position. Five additional village municipalities indicated cash surpluses in 1959 but two rural municipalities, one suburban, and six towns, which formerly indicated cash surpluses, failed to maintain their cash positions in 1959 due either to insufficient levies or necessary and unanticipated over-expenditures.

Investments are not taken into account in determing the cash position of municipal corporations. The municipalities of the province held investments amounting to \$20,944,381 on December 31st, 1959. These investments were almost four million higher than in 1958. They included the assets of funded reserves and unreserved bonds and debentures held in treasuries of the corporations. Debenture indebtedness increased from \$94,950,882 in 1958 to \$105,646,677 in 1959, or in the amount of \$10,695,795. Seventy percent of this increase occurred in the city municipalities, 11 percent in the suburban, and 14 percent in the towns. Only a relatively slight increase in debenture indebtedness occurred in the rural municipalities and villages. The deferred liabilities of the municipalities of the province increased from \$16,804,130 in 1958 to \$15,232,319 in 1959. Reductions in deferred liabilities occurred in the cities and villages and rural municipalities, but increased by \$337,825 in towns and by \$20,823 in the suburban municipalities. I should mention that these figures are indicative of the growing trend to provide increased municipal services to citizens. Such matters as sewer and water utilities are certainly on the increase. Ten additional municipal corporations operated utilities as part of the municipal business enterprise in 1959. Forty-nine operated sewer and water utilities, three operated electric, and three operated telephone utilities. Only one corporation operated a transportation utility. Twenty-five municipalities operated boards and committees during 1959; 11 operated parks boards; and seven operated library boards. The remaining committees were charged with the operation of medical care districts, athletic councils, recreation commissions, community centres and cemeteries. The net surplus from utility operations decreased from \$1,810,711 in 1958 to \$1,623,733 in 1959. While total revenue from utility operations increased by \$1,248,502 over 1958, operating expenses increased by \$1,435,480, giving a net decrease of \$186,978 in utility surplus in 1959.

The Provincial Municipal Assessment Branch has continued to maintain and revise the assessments in all municipalities re-assessed and, during the summer, completed new assessments in seven and commenced assessments in two other rural municipalities. Work is in progress now in five of the larger towns of the province and one village. It is anticipated that the re-assessment work in these units will be completed before the rural phase of the program

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(Mr. Lyon, cent'd.) begins anew in the spring of 1961. As a result of legislation enacted in 1959, this branch of the department prepared the equalized assessment of the province for the years 1961-62 during the summer of 1960. New equalized assessment of the province now amounts to \$1,258,422,700. This represents an increase of \$196,849,700, or an increase of 15.6 percent above the equalized assessment for the years '59 and '60. During 1960 the Provincial Municipal Assessment Branch began the transfer of all data pertaining to the assessment of properties under the jurisdiction of the provincial - municipal assessor, and to punch cards so that the assessment tax rolls of the municipalities might be produced mechanically. This work entailed the transfer of date in respect of some 230,000 individual parcels of property and involved the punching of some 650,000 cards. This work has now been completed and combined assessment tax rolls for the municipal taxation year 1961 has been prepared and were distributed to all municipalities under the jurisdiction of the provincial-municipal assessor on or about the end of December, 1960. This is an additional service which has been made available to the municipalities, and I would suggest that it has relieved municipal clerks of the laborious task of rewriting the assessment tax roll documents annually and will permit the more effective use of their time, previously spent on this work, on other important municipal administrative duties.

In accordance with Section 110 of The Municipal Board Act, I have already tabled the Second Annual Report of the Municipal Board. You will observe that the board has dealt with and issued orders in respect of 577 matters in the year 1960. Approximately 42 percent of these orders dealt with matters involving municipal school and hospital borrowing. Roughly 12 percent involved plans of sub-divisions, building restriction caveats and zoning appeals. Another 22 percent of the orders dealt with appeals against property assessments. The balance of the board orders dealt with supervision of municipalities and school districts, regional libraries, town planning schemes, courts of revision in local government districts, equalized assessment appeals, rules of residence, appeals against the apportionment of special schools levies for the year 1960, and other miscellaneous matters. I should mention to the committee, Mr. Chairman, that it is anticipated that the work of the Municipal Board will be increased as a result of the legislation providing for the establishment of Metropolitan Government in Greater Winnipeg. The Metropolitan Winnipeg Act requires numerous matters involving the operation of the Metropolitan Corporation to be referred to the board. It is expected that the board will be required to deal with an increasing number of financial matters and assessment value appeals as the Metropolitan Corporation assumes jurisdiction over all the functions which have been delegated to it. Accordingly, it has been considered expedient to increase the membership of the board to five and to provide that a quorum of the board may sit concurrently in more than one place at the same time. These changes have been considered necessary in order that the board might handle the increasing volume of work with despatch. I may say that legislation will be put before you within a short time with respect to the matter that I have just mentioned.

I should like, Mr. Chairman, in concluding this brief departmental statistical summary of the work of this department to pay some small and perhaps inadequate tribute to the Deputy Minister, the present Deputy Minister, Mr. C.H. Chappell, and his predecessor, Mr. W.J. Johnston, their senior staff and all of the members of the staff of the department who work under them. Acting as I am, in rather a caretaker capacity for this department over the past few months, unfortunately brought about by the untimely and sincerely sad death of our friend and colleague the late Maurice Ridley, I have found that they have extended to me every degree of loyalty and assistance that one could hope for in such circumstances. These are the, I would say, the effective men who deal from day to day with our municipal people. The present Deputy Minister, Mr. Chappell, knows practically every municipal man in Manitoba and I think that the reflection of the work that is done by the department is indeed due in large measure to the work and to the dedication which Mr. Chappell and his staff bring to their particular duties. I should also like to express no less sincere appreciation to the various municipal officials of the Province of Manitoba with whom I have had the privilege, over the past few months, of contacting in this capacity as Acting Minister. I should mention, as well, the executive of the Urban Association and of the Union of Municipalities. I think all of these men deserve the highest praise and credit which members of this House can give them. They are dedicated public servants who are working in another level of government but who are endeavouring as much as

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(Mr. Lyon, cont'd.) possible, and as much indeed as each member in this House, to bring to their work and to bring to the tasks which come before them that degree of enlightened administration which we attempt to bring to the provincial level of government in this House. I think it would be churlish of me indeed if I were not to pay some passing reference to the extremely fine co-operation which these gentlemen throughout all of Manitoba, and particularly in the executive of the Urban and Union, have extended to myself and to the department over the past year. I know that this continued co-operation will be with us in the future and it is something that we can look forward to with a great deal of pleasure. With these few remarks, Mr. Chairman, I will attempt now to answer whatever questions may be put by the members of the committee, and I hope that I can be of assistance in giving whatever information is sought.

MR. E. PREFONTAINE (Carillon): Mr. Chairman, I think I will bring a different story than the story that we have just listened to from the Honourable the Acting Minister of Municipal Affairs. In my estimation, Mr. Chairman, this department of Municipal Affairs has been the poor relation under the administration that we have now running the Province of Manitoba. It has had a part-time Minister for a year and half previous to having a full-time Minister, which we have had only for nine months. I would like to pay a tribute to the Honourable Mr. Ridley, who did a wonderful job for the short space of a few months that he was the Minister. After his death, the present the Attorney-General was appointed as a caretaker-Minister, as he has just mentioned. Mr. Chairman, I believe this is not good enough for the Department of Municipal Affairs for the Province of Manitoba, and I will bring out certain reasons to prove that this department has been neglected and the job has been neglected. I feel that the First Minister should have appointed a full-time Minister immediately after the death of the previous Minister and that the municipalities of this province deserve to have a full-time Minister all the time, especially after the fact that the late Minister had been ill for a while, although be had done a wonderful job, he should have been replaced immediately with a full-time Minister.

Mr. Chairman, there are certain matters that were not looked after properly, it seems to me, in that department. We have just received tonight, the statistical information with respect to the operations of 1959. Mr. Chairman, this is too late. This information, in previous years, has always been tabled at the start of the session. Last year they were tabled on the 5th of February by Mr. Ridley, in order to give the members a chance to familiarize themselves. If I had not gone to the Library to get the statistics myself, I would not be in a position tonight to answer the Minister or to make some comments on the financial situation in this province. I think that it's not right that the members should be faced, at this last minute, with this information which is very complicated, and that the members should have for about a month previous to having to discuss the estimates. We haven't yet had tabled before us the Equalization that was made last fall by the Provincial Municipal Assessor. I have with me here the -- what used to take place in this province -- I have the reports for five years from the Assessment Equalization and Appeal Board. These were always tabled a month previous to the debate on the estimates of the Minister so that the members of the House could familiarize themselves with the equalization made by this board at that time. Now we have no information except the Minister telling us tonight that the new equalized assessment has jumped by -Idon't know the figures now — it's up to one billion two hundred some odd million as against \$1 million. It might have gone up by about \$200 million. Well, this is too late. It's not proper. We should have more information. We should have the details of the equalized assessment as between municipalities and the increase from year to year so that we could discuss these matters properly. There's a laxity there. The Minister should have seen to it that this information should have been tabled. Of course it's not statutory, but it's customary. It has been done every year previously and this year we have no information of that kind.

Furthermore, there was laxity in not sending the Unconditional Grant soon enough this past summer. In fact, in certain local government districts, in school districts, they did not know until October what amount of money they would get and they did not receive it in time to use it to repair their roads leading to schools. Even in the organized municipalities the Unconditional Grant did not reach the municipalities until the end of July or the beginning of August. It seems to me that that is quite a hardship on some of the municipalities who are not operating on a cash basis. They have to borrow money to do their work and they should have had this money coming to them much sooner. Now I think these points show that there has been

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(Mr. Prefontaine, cont'd.) some negligence there and that this House has not been well treated with respect to these two important reports that we should have had before us sooner.

Now with respect to the financial conditions of the municipalities, I do not agree at all with the Acting Minister of Municipal Affairs. Ihave here the information for the year 1958 and '59, and two columns that strike me very forcibly is the increase in tax arrears as between these two years. In 1958, tax arrears were \$10.9 million; in 1959, \$11.690 million; so an increase of \$764,068 -- three quarters of a million dollars in the increase in tax arrears. That's way, much more than any increase in previous years. That's an indication that the municipalities are not so well off. Wellwhen we come to the summarized statistics, and I have it for five years here, we see that the year 1959 is one of the worst years in the history of the municipalities of this province. In 1958 there were 146 municipalities operating on a cash basis and, in 1959, there were 105 only, a reduction of 41. Well that, to me, is a great indication that the municipalities have had their trouble in 1959 as compared with 1958. Now with respect to taxes collected, the average collected in 1959 was 100.95 percent; in 1958, 103.23 percent. The rurals did much worse than the others. In 1959 they collected only 98 percent and, in 1958, they collected 106 percent. But what is still worse is the gains and losses on a cash basis as between '58 and '59. In 1958, 146 municipalities had a gain of \$4,575,000 and 44 had a loss of \$783,000; but in 1959, only 105 municipalities instead of 146 had a gain of \$2,128,000 -- that's a difference of \$2 million there. With respect to losses, there were 85 had losses, 41 more than the year previous, with a total loss of \$3 million. And to finish it all, we have a record deficit for the year 1959, that's at the bottom left-hand side of the Comparative Summarized Statistics, and I'm reading from this: "The immediate cash deficit of all municipalities is \$2,445,623." This is a record deficit for one year and I do not think, Mr. Chairman, that the municipalities have done well in 1959. I think it's their worst year in comparison to '58 especially, which was a good year, the last year under the Liberal Government. I say that the picture that was presented to us by the Minister, to me, is not a correct picture. I think that I'm presenting you as fair a picture as I can from the statistice that I have studied and analyzed during the last few days, because I went to the Library to get these figures because they were not presented to us as they should have been in due time.

Now the debt of the municipalities is increasing; has increased by \$9 million. This is a serious thing, and we don't have the debt with respect to school construction. Well, that debt is very important to the municipalities because the municipalities will have to tax themselves to collect that money. Now this is not available to us, neither from the Department of Education nor the Department of Municipal Affairs, and I would like to have the increase in the school debt — school debentures — it's very important. I'm sorry that the Leader of the CCF Party is not here. Last year he lamented the fact, in a speech in this House, that the debt of the municipalities were increasing rapidly. He was worried about that debt. We know what has happened in the past. So many municipalities have had to be put under the Public Utility Board because they were too far in debt. Well, there's a danger of this developing. The Leader of the CCF Party was scared of the situation and he asked the Minister, at that time, to be supplied with the school debt also so that together with the school debt and the municipal debt, we would have a real picture of the total debt that will some day have to be paid for by taxes on the municipal ratepayers.

MR. LYON: Mr. Chairman, would the honourable member permit a question? Would he tell me how many municipalities he is alleging have been put under the Municipal Board over the last year or two?

MR. PREFONTAINE: Oh, no, I said in the past. I mean during the depression years. MR. LYON: Oh, I see. I think your remarks inferred that there had been some put under recently.

MR. PREFONTAINE: No, no. I said in the past. We've had the experience. I say that if there had been a full-time Minister of Municipal Affairs, I wonder if the government would have used the increase in the equalized assessment in order to lower its grants to schools? Now, we have been accused in the past by the present First Minister, of having used equalized assessment in order to get away from spending so much money for schools. I would like to quote from the Tribune of the 31st of March, 1955: "Mr. Roblin maintained that the government had saved some \$400,000 in school grants because of the higher equalized assessment". Now

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(Mr. Prefontaine, cont'd.) it seems to me, although I haven'thadtime to figure it out, I didn't have the equalized assessment, but from the figures given us by the Minister of Education, is seemed to me that the government is saving this year about \$1.5 million in school grants because of the increase in the equalized assessment. If I'm not right, I stand to be corrected, but I'm quite sure I'm close to being right because it affects the City of Winnipeg and St. James and all places where the equalized assessment has gone up. I say that if there had been a full-time Minister of Municipal Affairs, I wonder if the same situation would not have happened this year as happened in the past, when the Premier of this province in the past stated, time after time, that the government would not use the increase in equalized assessment in order to lower its own contribution to schools. The members, those who were here, will remember that the floor was raised to take care of that situation under the old setup. Now this has changed.

I have with me here the report of the Municipal Board and one thing puzzles me, Mr. Chairman. It's with respect to 12 appeals that have been made by certain municipalities from their equalized assessments. Now six of these municipalities were re-assessed by the Provincial Municipal Assessor and it was understood that the actual assessment would become the equalized assessment. Now, in 12 cases, the Provincial Municipal Assessor has been sustaining only one. The Municipal Board has overridden the Provincial Municipal Assessor in 11 cases and reduced the assessment. I just can't understand that, how it is that the figures provided by the Provincial Municipal Assessor, especially for these six municipalities, would not stand. He assessed these municipalities and, in one case, I just cannot understand it, it's the case of the Rural Municipality of Lac du Bonnet, there was a reduction after the appeal to the Municipal Board from \$2,747,000 to \$1,978,000; a reduction of \$769,000 on an equalized assessment of \$2.7 million. I just can't understand how this is possible. Even in the City of Winnipeg the Municipal Board allowed a reduction of \$9 million. These things are hard to understand, Mr. Chairman, and I certainly would like to see, to possibly have a chance to ask some questions of the Provincial Municipal Assessor and possibly the Municipal Board. Now we are under a new system whereby we're not guessing any more, as the old board used to do to quite an extent, because the Provincial Municipal Assessor has assessed nearly all the province himself. He is the person that is doing the equalized assessment, so there should not be this disparity.

Mr. Chairman, I believe that the government has ignored the municipalities to quite an extent. I believe they should follow the example of the Frost Government in Ontario who has come out with a system of grants this year whereby they're giving assistance to the municipalities to the tune of .54 million additional dollars. If I had time I would read a statement appearing in the Globe and Mail. It is very interesting. I have a statement here: "Municipal Aid leads Budget, House Warned. Grants to local governments and school boards will reach a record of \$398,900,000. The blunt truth, said the Provincial Treasurer, is that the provincial budget is being bled white by the huge grants to municipalities and school boards." They have adopted a new system of grants whereby they will pay \$5.00 per pupil this year, \$12.00 next year, and \$20,00 the year after next in order to relieve taxation. This is done on condition that the bill that is sent out for taxes will be reduced to landowners and owners of residences in order that their taxes would be reduced. I say that the government should have followed this example. The load on municipalities is getting very, very high, very difficult. The financial situation is not as good as we were led to believe that it is. I say that possibly if we had had a full-time Minister, this possibly would not have happened. I think the department has been neglected and should not have been neglected. I'll have some more questions when we go into details about the Advisory Committees up north and up south and east, and many other matters, but maybe the Minister would like to take care of this financial situation before I go into these questions.

MR. REID: Mr. Chairman, I, too, pay my respects to the former Minister of Municipal Affairs, and I had some close association with him in the municipal field. I also feel sorry for the 'pinch-hitting' Municipal Minister. Mr. Chairman, when the Greater Winnipeg Investigation Commission was instigated to study the possibility of the Metro government, it was composed of municipal men with many years of experience. This Commission spent a large sum of money and hired the best advisors that they could possibly find in the field to present a report that would definitely be very acceptable to Greater Winnipeg area and the municipalities. But what happened? When the present government drew up the Metro Bill they disregarded many of

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(Mr. Reid, cont'd.)....the points and suggestions.....

MR. LYON: Did you vote for the present Metro Bill?

MR. REID: I voted for it -- definitely. But when you study the Metro Bill, Sir, you can definitely see that the personnel that drew up the master plan for Metro Bill lacked in municipal experience and "know-how". They absolutely disregarded advice and suggestions of this commission who were men fully qualified and experienced in municipal fields. And then they went one step further. They set up an Executive Board of Metro. From Chairman down, they picked personnel that had no experience in municipal fields, or very little. That is why, Sir, we have discord and lack in harmony between cities, municipalities and Metro; and the blame can be laid on the Provincial Government in their choice of personnel. True, some of the Metro councillors have experience in municipal affairs, but many have not. Now, just after three months in office, the public remarks that I have heard been made, are claiming they are experts in the municipal field. Well, Sirs, that wasn't my idea of Metro. I thought that we would all work to a common good of the Metro area as a whole, and it surely don't look as if it's shaping out that way to me. The only recourse left now, of the present cities and municipalities, is to appeal to the Municipal Board to rectify present disagreements, or the section of this Metro Bill — which they will have to wait for a long time -- Section 210, "In the year 1965 the Lieutenant-Governor-in-Council may: (a) appoint a committee of such number of persons as he deems to be suitable, or (b) appoint under Part 5 of The Manitoba Evidence Act such commissions as he deems suitable to review the whole field of common municipal service, included those to which the Act applies; and to review the operation of this Act and the activities of the corporation and the area of municipalities they're under; and to consider each other relevant matters as the Lieutenant-Governor-in-Council may prescribe; and a committee or commission shall report to the Lieutenant-Governor with respect to the matters referred to them and they shall set forth in their report their findings and recommendations." But nevertheless, Sir, it says: "The year 1965, the Lieutenant-Governor may...." In other words, Sir, the circle will start all over again.

Now, Mr. Chairman, I believe one of the greatest services that the Municipal Board could do to the cities and the municipalities in Manitoba is to undertake a review and a study and revise property taxation, especially in regard to financing of our school system, because, Sir, it has been definitely shown every year now, and again this year many members claim that their municipalities and cities are satisfied with the present setup under this government or any government, but definitely, Sir, that's not true, because the school taxes and all taxes have jumped up again this year in practically all of Greater Winnipeg and, I believe, in many municipalities throughout Manitoba. In other words, Sir, the financing of our school systems has become definitely unbearable and our present system of real estate taxation can no longer bear the load. There are many angles which could be studied. Sir, I'm no expert in this field, but as an individual taxpayer and speaking for others, some different system of financing education must be sought in the near future. I've mentioned in previous speeches that a basic plan of education for Canada should be defined. This plan could be financed on a federal basis. Whether this plan would include just elementary or possibly just high school levels, as I mentioned before I'm no authority to elaborate on same, but if our Municipal Board, while it was in office, did nothing else but really and earnestly undertook such a study and eventually became a success, not only for Manitoba but Canada as a whole, they would have accomplished something that the people right across Canada would all benefit and definitely appreciate, Sir.

MR. CHAIRMAN: 1 (a) - passed.

MR. LYON: Mr. Chairman, I'll make one or two comments about the remarks that have been made by the Honourable the Member from Carillon and the Honourable Member from Kildonan. If it will make his conscience feel any better, and I doubt if it will, I'll tell the Honourable Member from Carillon that I don't take his remarks personally, I take them politically. Of course he leaves himself open to the obvious rejoinder you know, Mr. Chairman, that probably one-half of a Roblin Cabinet Minister is at least the equal, if not better, to a full-time Campbell Minister. I don't know if that's the case or not but that's an obvious rejoinder that could be made to his criticisms. But in any case, the suggestion that he has made that the department has been neglected, that things haven't been done that should have been done and so on, I think is rather broad, rather a broad sweeping attack without too much

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(Mr. Lyon, cont'd.)....substance in fact. Now with respect to the information that was tabled tonight, statistical information, I consulted the department about this, and while I'm not going to categorically deny what the honourable member has just said, I was advised by the department that it was common practice to distribute this at the time of the estimates and that's the practice that was followed. The honourable member nods his head in disagreement. I can't prove that he is wrong -- I wasn't here. He was here and I must take his word if he says that is the case. I'm only going on the basis of information given to me by the department.

MR. PREFONTAINE: May I repeat the words that were stated by Mr. Ridley last year. In his address he said that he had tabled the statistical information a month previous to his speech.

MR. LYON: I noticed that, Mr. Chairman. I checked back to see what the practice had been prior to that and I found it had been exactly what I did tonight. That's what I was told anyway. But what are some of the other allegations that the honourable member made? Well to be true to the tradition of his Party, he must paint a picture of gloom and doom because if he didn't do that he would be inconsistent with some of the other talks that we hear across the way, and I suppose that this is fair game. The people of Manitoba are getting rather used to this. I would suggest to the honourable member that the municipalities are merely reflecting today some of the enlightened progress that they are getting provincially, and that they are going ahead with progress in the municipalities today. Whether or not my honourable friend likes it or not, the fact is that this is what's happening. Municipal services are being extended. Certainly some of the debt is increasing in the municipalities, because you can't extend services without doing that. Though I know that it won't please my honourable friend, but the province is going to progress notwithstanding all of the talk of gloom and doom that he may give to us. I suppose that in 25 years from now we'll look back at this period and say, "Why weren't we going a little bit faster." Probably that's what those who follow us will be saying. I could never make an answer that would be totally satisfactory to my honourable friend in that regard so I shan't attempt. He doesn't appreciate or comprehend or understand that the people of Manitoba want service. They know that they are getting service from the Provincial Government nowadays and they know, as well, that they want service from their municipalities. All that I can say is that I thank Heaven that we have as dedicated a corps of municipal officials in Manitoba who are prepared to give them that service, notwithstanding the occasional shaft of doom and gloom that they may get from the odd Liberal spokesman in Manitoba.

Well now, the information, he said, with one other matter wherein the department showed great negligence was the fact that the equalization was not tabled. He referred to the fact that equalization used to be tabled when there was an Equalization and Assessment Appeal Board. Of course it was tabled then because it was required by statute. -- (Interjection)---Oh, yes it was. The act required it to be reported and tabled in the House. Now I have a copy of it here if the honourable member would like to look at it. We're not withholding anything from him at all, but there's no statutory requirements for its tabling at all. I'd be quite happy to hand a copy of it to my honourable friend through the page and he can have this information, but I merely suggest to him that this is not any evidence of negligence whatsoever. This is just a question of information which is available to him when he asks for it. There's no statutory requirement to file it whatsoever.

He says that there is laxity in not sending out the Unconditional Grants soon enough. Has he checked the Act? Again I suggest that to him. The Municipal Grants Act requires that grants shall be paid on the last day of each year that is not a holiday. That's in the Statutes of Manitoba, 1957, Chapter 74, Section 3, Subsection (3), a bill that was introduced, I presume, by my honourable friend when he was the Minister in this particular department. To the best of my information from the department, there's been no undue delay whatsoever in sending out Unconditional Grants. If he has any specific instances in which he feels there has been hardship, let him tell me and I'll be quite happy to see if we can rectify them in some way if there have been such cases. The department advised me, however, that the grants have gone out in the usual fashion and, to the best of their knowledge, without prejudice to any of the persons who are receiving them.

He talks about tax arrears being increased \$700,000, but of course he doesn't tell you-he conveniently overlooks the fact that more taxes are being collected by the municipalities in

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(Mr. Lyon, cont'd.)....Manitoba today than ever before in our history, and all I suggest to him is that if he works out the tax arrears, these would be the total amount that's being collected, he will see that proportionally they are on a ratio. It's nothing that should be of too much concern although at any time we always watch with a close eye the amount of tax return. I merely mention this fact to my honourable friend in order that he may keep statistics in perspective. We all know the old saw about figures: figures by themselves don't tell us anything, it's the people who use the figures who can tell us whether or not they mean anything. I merely suggest to him that if he keeps all of these figures in context he will see that things aren't quite as gloomy or doomy as he might suggest to the people of Manitoba.

He says that there has been a huge increase in the equalized assessments because there has been a part-time Minister. Well, Mr. Chairman --(Interjection) -- Well, that's the note that I have. He says possibly if there hadn't been a part-time Minister there would have been less of a great increase in the equalized assessment.

MR. PREFONTAINE: Mr. Chairman, I never suggested anything of that kind.

MR. LYON: We can always check Hansard. I accept my honourable friend's denial of it. This is the note that I have of what he said. I couldn't follow his reasoning, and now that he's denied it I'll accept this withdrawal of the statement that I thought he had made.

He made some query about the Municipal Board Report -- 12 appeals, 6 were re-assessed. I don't have that information in front of me. He said that there were 12 appeals and 6 re-assessments. He pointed out particularly the Rural Municipality of Lac du Bonnet -- a reduction of \$769,000. I don't have any particular facts on that but I'll certainly attempt to get what I can. I merely suggest to the honourable member, of course as he well knows the Municipal Board is put there for the purpose of hearing appeals and of course if the Provincial Municipal Assessor was infallible we wouldn't need a Municipal Board to correct any errors because there would be none to correct, though merely because some changes are made by the Municipal Board, after due hearing and after the taking of evidence and so on, I don't think is a suggestion for any great concern. People who are doing the assessments in Manitoba today by and large are the same, and I congratulate them for this, the same enlightened people who were doing it in his time. Certainly I don't know -- if the fact that there were six appeals and re-assessments, if that can be attributed to a part-time Minister why I take full blame for it, but I don't think even my honourable friend in his most irrational moments could come up with such a statement as that.

He says that this government has ignored municipalities; that we should follow the Frost government. Well, Mr. Chairman, that's a pretty broad and general statement, again without too much substance in it. I wouldn't say that this government has ignored municipalities at all because all one has to do is look at the education budget to find out how much the government is ignoring municipalities. All one has to do is to look at road grants to find out how much the government is ignoring municipalities. All one has to do is look at The Social Assistance Act to see how much the government is ignoring municipalities. All one has to do is look at all of the other legislation that has been passed by this government with the obvious intent to assist the municipalities as much as possible. Whether or not my honourable friend knows it, certainly the municipalities know it. They know that they are getting more by way of direct and indirect grants from this provincial government today than was ever the case before in the history of this province. I don't have facts and figures in front of me on this particular question but I know this to be the fact, and so does my honourable friend because he sits here and votes the money and he knows where these direct and indirect grants are going just as well as I. So I suggest to him, with all deference, that while he can made the statement, I think he would have a pretty tough time proving that indictment in any court that would listen to reasonable evidence.

We come now to the few remarks of the Honourable Member from Kildonan. Perhaps I misconstrued what he said, but I judged him to say that the province was deserving of some blame because Metro appointed a number of people to its staff who had no municipal experience according to him. Well I would remind the honourable member that the only person who was appointed to Metro by the Provincial Government was the chairman, Mr. Bonnycastle, and that after his appointment the subsequent appointments were made by the chairman and, subsequently, all ratified as I recall by the Metro council, the council of elected members from the ten areas

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(Mr. Lyon, cont'd.)....in Greater Winnipeg. If the honourable member knows of any other people that the Provincial Government appointed to the Metro staff I would like to be advised of their names because I don't know who they are, other than Mr. Bonnycastle.

MR. REID: I would just like to ask, Mr. Chairman, did he appoint his own executive body? That's the body I was referring to.

MR. LYON: Now what else did he say? That there was some friction between Metro and the area municipalities in Metro. Well I can't denv that. I suppose if we read the papers we are going to find that there is the odd dispute between Metro and some of the area municipalities. I think the honourable member must realize though, along with all of the citizens of Greater Winnipeg, that this is a new concept. This is the second form of Metro government in Canada; the third on the North American continent. We're embarking on a new venture; Metro government is now embarking on a new venture. We have no particular apologies to make for Metro and we have no particular criticisms or pats on the back to offer to them. They are a going concern now and they're going ahead, forging ahead as they see best, with, I might suggest, with a minimum of interference from the Provincial Government. They've got a tough road ahead of them. They've got a tough road ahead of them because this is a tremendous undertaking for Winnipeg. I wish to say, and say it quite clearly, that I thank the honourable member for voting for the Metro Bill last year because I think in four or five year's time he's going to sit back and, on reflection, he's going to be glad that he did because he's going to see the obvious fruits and benefits that will flow from Metro. Certainly there's going to be some friction between Metro and the area municipalities as this thing gets under way, and remember that they've only had councillors since the end of October of 1960. I think if we're willing to be a little patient with Metro, willing to give them a bit of time to show what they can do to assume the new and the vast responsibilities that they do have, that I think in due course they will justify their existence and justify it a hundred times over in terms of money and in terms of development that they can give to this Metro area. We have a new group of councillors on Metro and I think that that group of men represent a good cross-section of citizens of this metro area. I think they have an excellent council all around; a very good chairman; a very good executive staff. They're going to make mistakes probably, sure, and we're not going to agree with them all the time, any of us in this House, but we must remember that they are on their own. They are out trying to run a big corporation, a big project, and I think all of us in fairness have to give them a bit of time to get established and to see just what they can produce out of the powers that have been given to them.

He says he would like to see a review of the financing of the school system. Well I can inform the honourable member, Mr. Chairman, that the Municipal Enquiry Commission, which has been established by the Union of Municipalities and the Urban Association, is looking into this as one aspect of its overall study. If the honourable member had been present at the meeting of the Union of Municipalities in the Auditorium this past fall, he would have heard an interim report given by the chairman of that commission, Dr. Murray Fisher, the former Deputy Minister of Municipal Affairs. He would have heard from Dr. Fisher the very fundamental probing of the vitals of municipal life in Manitoba that that commission has undertaken. He would have heard Dr. Fisher say that we are considering whether or not municipalities should have any financial responsibility for the financing of education. That is how fundamental their approach and their review of this matter is going to be. We are looking forward quite hopefully to this report when it is produced, because here is an effort on behalf of the municipalities themselves before the province has to move in and tell them and enforce on them certain conditions. Here are the municipalities of Manitoba taking unto themselves this initiative and saying to the province: We want to form this commission. We want to give you our ideas, our own ideas before you come along, before it's too late in the day, and you come along and tell us what we have to do and things that we perhaps should have done five or ten years before. They are taking this initiative themselves and I think they should be commended for it; and we look forward with a great deal of interest to any recommendations that they may make to us. Now if there are any points that I have missed I'll be glad to undertake to attempt to get further information on them. I'm thinking particularly of the Rural Municipality of Lac du Bonnet and other points mentioned by the Member from Carillon.

MR. PREFONTAINE: Mr. Chairman, the Minister and myself had a little argument

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(Mr. Prefontaine, cont'd.)....as to whether the Equalization and Appeal Board that used to exist was bound to table a report by statute and the Minister said that they had to present a report. I said "no", and he pretended to send me the proof. Well I haven't seen the proof. I have the Equalization Report.

MR. LYON: It's nothing of the sort, Mr. Chairman. I offered and I have sent to the honourable member the Equalization which he asked for.

MR. PREFONTAINE: Oh yes, I'm glad that I've got that, but you did not send me the proof that the previous board, the Assessment Equalization and Appeal Board, was statutory bound to present a report each year. But we were giving it, supplying it....

MR. LYON: I'll gladly look that up for the honourable member. I'm advised that it was. I haven't got the Act in front of me though.

MR. PREFONTAINE: Well I thank you for supplying this but I think all the members should have received a report from the Provincial Municipal Assessor, the man who has replaced the board that we had previously, and I think this information should be given to the members every year at the start of the session so that the members could familiarize themselves with the problems before the time comes for the estimates of the Department of Municipal Affairs. I would like to suggest to the Minister that maybe there should be a report from the department itself which would include the equalized assessment and possibly the school debt also, which we don't have and can't find anywhere, and also the Report of the Provincial Municipal Assessor so that we would have some information, a report from the Department of Municipal Affairs. I think that should be done. When I was the Minister it wasn't. We had only one report to present. Now we have the Municipal Board Report to be presented this year. We've had that in time and I thank the Minister for that. It has been useful, but we should have a report from the department that would be more comprehensive so that we would know what's going on in that department. With respect to the financial situation, I would like to tell the Minister that I'm not a prophet of doom but I'm a realistic man. I have these figures before me. The Minister hasn't denied these figures and I say that the statement of 1959 does not show that the municipalities have made progress. They have taxed the people \$4 million more in 1959 but the result of their operation is not good, and I say that the government has a responsibility.

I wonder if I should go into the Metro situation, Mr. Chairman? I'm sure that the Minister cannot tell me that I voted for Metro last year. I feel that Metro is paying back the government some of the -- well maybe I started on the wrong foot there -- but I think that the government is not going to be so happy and is not so happy now with Metro that the government was about a year ago. I still remember when the First Minister said: "We'll stand or fall on Metro. The time will come when the people of this province, of our own constituencies, will vote on Metro. It's up to us to stand or fall on Metro." There were many many very brave gentlemen at that time. The Honourable Member for St. Vital was very very brave. He seems to have changed his mind. In his speech the other day he proves that he's not so happy now, and I'm quite sure that he would not like to face an election now on the Metro issue. I'm quite sure the Honourable Member for St. James is not so very happy now if he had to be elected on Metro alone. What did he say the other day? "All the fault is of the 11 men." He would like to see these 11 men brought before committee to be questioned. The Honourable Member for Assiniboia didn't seem so happy and I wonder if he would like to have an election on the Metro issue in his constituency now.

MR. JOHNSON (Assiniboia): I don't think -- will you permit me to say something? I don't think you're too well acquainted my honourable friend, because even in St. James Metro hasn't raised their tax rate two mills even. You should read a little and you'll find out.

MR. PREFONTAINE: I have a quotation here that I wrote on this envelope. Mr. Johnson, Assiniboia, Page 185, Hansard. 'I am disappointed in Metro officers."

MR. JOHNSON (Assiniboia): I am, I am too.

MR. PREFONTAINE: So you're very happy with Metro, yes, and you would be ready to face the electors of your constituency on the Metro issue.

MR. JOHNSON (Assiniboia): The fact that was pointed out is exactly not what you're quoting, Sir.

MR. PREFONTAINE: Well, Mr. Chairman, I think the Government of Manitoba made a

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(Mr. Prefontaine, cont'd.)....terrific mistake last year when it gave such wide powers to 11 men for four years, not responsible to anyone, powers to force the municipalities to collect taxes and hand it over to them. There was no, Mr. Chairman, there was no precedent for this. The government thought they were smarter than what was done in Ontario, smarter than the report of the Royal Commission which had recommended eight cities so that there would be close contact between the Metro council and these eight cities, by the fact that these eight mayors would be members of Metro. No, that was not good enough, they had a better plan. We have the better plan now, but is it a better plan? I think it's a much worse plan, and never in the history of this province have 11 men been given so wide powers. I say that the government has a terrific responsibility now to see that.....

MR. ALEXANDER: Will the honourable member permit a question? Do you think that Greater Winnipeg should be divided into eight cities?

MR. PREFONTAINE: I didn't get your question. Will you repeat it please?

MR. ALEXANDER: Are you stating now that you think that Greater Winnipeg should be divided into eight cities.

MR. PREFONTAINE: I agree with the report of the Royal Commission. I think it's much better than the plan adopted by the government. Certainly I did say that last year too, but the government thought it had a better plan. Well I say that the government has the responsibility to see to it that these men don't go too far too fast, as was stated by the Member for St. Vital, the Member for St. James, the Member for Assiniboia. The responsibility is on the government that they don't go too far too fast and so that we don't have what's developing now, a fight between the 18 or 19 municipalities and Metro. That's not good for Manitoba. I'll repeat now that I didn't see my way clear last year to impose this system of government, this new level of government on the people of Greater Winnipeg. I was not responsible to them and they cannot punish me for it because I represent a rural constituency. I think a mistake was made last year, and because a mistake was made, there is an onus on the government now to see that this thing goes on better than it seems to be going on.

MR. ORLIKOW: Mr. Chairman, I certainly feel no obligation to defend the government ---(Interjection)-- I beg your pardon?

MR. CHAIRMAN: Will you speak from your own seat please?

MR. ORLIKOW: Mr. Chairman, I was under the impression that it didn't matter when we were in committee.

MR. CHAIRMAN: No, you must speak from your own seat.

MR. EVANS: I would like to say, Mr. Chairman, that your ruling would be correct that the rules of debate are the same in committee as they are in the House, with the exception that we may speak more often than once.

MR. ORLIKOW: Mr. Chairman, I don't think I can be classed as a defender of the government, at the same time it seems to me that the honourable member has raised a very important question, the question of the large increases in municipal taxes and I, for one, would like to hear from the Honourable Member from St. James and the Honourable Member from Assiniboia, the mystery of the increased taxes in St. James. I remember when I was accusing the Honourable Minister of Education of the blame for the increase in taxes -- the blame was the increased cost of education -- I think it was the Honourable Member from St. James sent a note down that the tax rate in St. James had come down. Well, lo and behold, we read in the newspapers last week that the tax rate in St. James is going up and going up very substantially, and they are a very good company. We in Winnipeg are facing the same situation and I think St. Vital is facing the same situation. This is a serious matter and a matter which the people of the urban area, and they're not just in Greater Winnipeg, I'm sure the same thing is true in Dauphin, in Brandon and in Flin Flon. This is a part of the process which we are going through in which the towns and cities are getting bigger very quickly and which the services have to be increased and in which the local taxpayers, you and I agree with them, that too much of the tax base is based on real estate. But to suggest that this is happening because of Metro is, to my mind, a complete misunderstanding of what The Metro Act set out to do or what the Metro Council can do.

Now I'm not here to defend the Metro Council. I have no responsibility for the decisions which they have made. They will have to face their electors as we face our. But I want to

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(Mr. Orlikow, cont'd.)....suggest to the honourable member that they have done nothing -members on the other side said they're going too far and too fast. I want to suggest to the honourable member who should know, because he was the Minister of Municipal Affairs for some years, that they're not a new breed of citizens. They have no more authority to do things than any other municipal council, and the Lord knows if there is one group of people who is restricted in the things which they can do, it's a municipal council. They have to come running to the Legislature of the Province of Manitoba, whether it's the Conservative Government or the Liberal Government or even a CCF Government in Saskatchewan, they've got to come and ask for permission to do everything but blow their nose. This is a fact. If it isn't in the charter or if it isn't in The Municipal Act they can't do it; and the Metro Council is in exactly the same boat. Surely the things which they are doing are the things which they are permitted to do under the charter which established the Metro Council, no more and no less. To suggest that they are going too slow or too fast simply is to ignore the charter under which they are operating. Now what new services have they undertaken which were not formerly done by the individual municipal councils. In fact, they've undertaken no new service. I think the honourable member was right, one of the few times I've heard him when he's been right, when he said that Metro in St. James hasn't really increased the taxes for St. James, and I think this is true. The taxes in St. James and the taxes in the other areas are up because the costs of services are up, because, as we pointed out on many occasions and it was true under the former government, the cost of education is going up at a rate which must mean sharp increases in taxes, and the costs of the other services. This is another question which I think this government is going to have to face up to in the next few years. I think, and I've said this for a few years, that the cost of local services is too high. Not that I believe that the local municipalities are providing too much services, but simply that the sources, from which they can pay for the services which they are required by their charters to service, are too small. They are based entirely or almost entirely on real estate and this simply does not take into account the ability to pay of the local taxpayer. This is something which every provincial government in Canada, every state government in the United States is grappling with at the present time. We are in no different position than any other and I think this government will have to take this matter under consideration and come up with something in the near future.

Mr. Chairman, I have no real complaint to make about Metro. It doesn't mean, as I said earlier, that I agree with everything which they're doing. I think that the grouping into larger units of municipal government is inevitable, and certainly it was long overdue in the Greater Winnipeg area. I think it was becoming increasingly evident that we needed to move and I think we have moved in the right direction in general. It doesn't mean that I, like every other member, may not have individual differences. I do think however, Mr. Chairman, that I must disagree with the Minister in his optimism, as I gathered it, with regard to the work which is being done by that committee under Dr. Fisher. It doesn't mean that I am questioning the ability of the committee members at all. I think they have a good deal of experience but I wonder, Mr. Chairman, what real value there can be out of their work since they have been appointed by the two organizations, by the Urban Association and the Union of Manitoba Municipalities. This government has no responsibility for their appointment and, therefore, it seems to me it's completely divorced from the research which they're doing; from the sources which they will be discussing the questions with; and will, therefore, it seems to me, have no obligation to accept, even in part, the recommendations which they may make. It would seem to me, Mr. Chairman, that while the problems of reorganizing the municipal districts outside of the urban area are not as urgent as they were in the Greater Winnipeg area, they are becoming increasingly important. The two western provinces have, as I understand it, been going a tremendous amount of work in this field. I'm not suggesting that they have the answer but it would seem to me, Mr. Chairman, and I pass this along to the Minister merely as a suggestion and probably he will do with it about the same as he's done with other suggestions I've made, but it would seem to me that there would be a good deal of merit in some kind of research in this problem in which the Provincial Government came in, not as the -- I'm looking for the correct word -- not as the director, not as the comptroller, not as the boss, but a research project into reorganizing the municipal structure in which the Provincial Government came in as a partner in the discussions right from the beginning; so that when the recommendations were made the Provincial Government would be acquainted not only with the final recommendations but with the research which has been done, with the background, with the people who have been interviewed, with the comparisons with March 24, 1961. Page 1287

(Mr. Orlikow, cont'd.)...other provinces which maybe made; so that I think it would be much more likely that we would get favourable action and affirmative action than in this way which it seems to me is likely to mean some pretty long delays.

MR. PREFONTAINE: Mr. Chairman, I think there is one remark that I should make. I do not want anybody to believe that I am critical of the Deputy Minister of Municipal Affairs. He's a man that worked with me for a number of years. He's a very capable man. He has reassessed the whole province; he has established a new system of tax and assessment roles to help the municipalities of this province. He was appointed Deputy Minister of Municipal Affairs a few months before the previous government left office and ne has done a wonderful job. I think, Mr. Minister, that maybe ae has too much to do, too much to do; he seems to be alone in that corner of the building. I haven't bothered him, I haven't been to see him -- I was afraid, possibly, to embarrass him if I had asked him certain questions -- I had found out that possibly an MLA like myself was not too welcome at times. I tried to get some information from the Department of Education; I was told to go to the Minister and then I received a note from the Minister that I had to have an Order of the House to get the information I wanted. It was public knowledge, a public question -- it was a simple thing that I was asking and I could not get it unless I put in an Order for Return. So I did not want to bother the Deputy Minister of Municipal Affairs, but I say he is a wonderful man but he's alone now in that corner. There used to be a full-time Minister, a full-time Deputy Minister and full-time Assistant Deputy Minister, I say that with the assessment program, that he certainly must have something to do with yet, this new type of assessment and tax role, that it's too much, that you should give him an assistant now and that he should have also a Minister. I would like again to say that nothing that I have said I wouldn't like anybody to believe that I am critical of this man and all the men in the department, including Mr. Hogan and Mr. Reimer in the Assessment Branch.

MR. LYON: I don't know whether my honourable friend is preaching for a call or not, but I can

MR. PREFONTAINE: You know I'm not.

MR. LYON:but I can assure him that his chances of resuming the former office that he once held are not too good, but I think he'd be a dandy as an Assistant Deputy Minister up there and if he is looking for something on a full-time basis now, I'll.....

MR. PREFONTAINE: You have a sense of humour; I have too, but you're going a little far there now. You're not serious!

MR. LYON: I tell my honourable friend seriously that I agree with what he says. We have an exceptionally fine Deputy Minister and I'm happy that he applauses the choice that we made on, I think, the 31st of December, when we appointed Mr. Chappell the Deputy Minister. We have a vacancy as an Assistant Deputy Minister and we hope to fill it just as soon as we can because Mr. Chappell does need help up there. He's an outstanding man, an outstanding civil servant but he can't do everything, and certainly I concur when we can get the proper man for that job, Mr. Chappell shall have him just as soon as possible.

I should like to say just one word or two with respect to the repeated charges by my honourable friend from Carillon with respect to Metro. It seems to me, he is attempting again to rehash some of the debates that we went through last year, and this is a pardonable sin, I suppose, to rethresh some of this old straw, but need it be said at this stage in the development of Metro in Winnipeg that the Metro concept was not something new that was thrust on to the people of Greater Winnipeg last year. My honourable friend was the Minister, I believe in 1953 when the Provincial Municipal Committee was set up and recommended that a central authority should be established in the Greater Winnipeg area to handle these inter-municipal services. My honourable friend was the Minister in 1955 when the Greater Winnipeg Investigating Commission was set up to look into this whole question of Metro government for Greater Winnipeg. He wasn't the Minister in 1959, and perhaps the people of Greater Winnipeg can be thankful for this, when the report was received, because judging from what he said last year and tonight, I imagine that that report like so many other reports the former government received, would still be lying on a shelf somewhere with a lot of dust on it. But in any case, this matter was all threshed over quite well last year. Now we know what my honourable friend's typical attitudes are towards such progressive projects as the school division plan and other things like that. We know that he thinks that he perhaps has a different view on these matters from the present government, but we must feel that the people of Manitoba -- and certainly we've had every indication that this is the case -- they like the new school division plan, even though my friend still has his reservations about it. I daresay that in due course, in March 24th, 1961. Page 1288

(Mr. Lyon, cont'd.)....due course, the people of Greater Winnipeg will realize, as I imagine a great number of them do right now, that Metro government was a proper development in 1960, for the Greater Winnipeg area. I agree with my honourable friend from St. John's that we're getting into a Metro government at the proper time and we couldn't afford to waste too much more time because it's one thing to say, what is it costing, but the intangible thing that my honourable friend can never put his finger on in the school plan or on this plan, is what would it have continued to cost these individual municipalities working as separate and divided units and trying to bring these co-ordinated services to the Greater Winnipeg area. The cost would have been tremendous, and all that we have now is a co-ordinated body which can do this. I think that most reasonable people and most people with any vision towards the future will realize that this is a proper project to have been undertaken as it was in 1960, and that given the proper amount of time this form of government will certainly justify itself, perhaps even to my honourable friend. I think perhaps even to my honourable friend, that he will see the wisdom of it in due course. The concepts are right; I think they're headed out in the right course. We're not going to say we agree with everything that they do, but they're running their own show and I think it's only proper. I didn't think my honourable friend would be the one who would suggest that this government or any other government should interfere with a municipality or with Metro; he is a great man to believe in local autonomy, I know this, with respect to local school boards, with respect to local municipalities, they should run their own affairs. I merely ask him to apply that same principle, and it's a good principle by and large, when he considers Metro. He will realize that there are men there, all of the councillors, men of esteem in this Greater Winnipeg area who are doing a good job according to their own lights to further and advance the concepts of the Metro legislation that we put through here last year. I was very interested to hear him say that he agreed with the report of the Greater Winnipeg Investigating Commission because this is the first time that I recall hearing him utter those words. I don't know if he said it last year or not.

MR. PREFONTAINE:liaison between the municipalities which would have wanted their mayor on the board plus six elected men.

MR. LYON: I understood my honourable friend to answer a question by saying that he would have approved of the concept of eight cities, which is rather an interesting thing. Of course, my honourable friends opposite are not burdened with too many Greater Winnipeg members, only my friend from St. Boniface, so perhaps they're not so up-to-date on what's going on in the Greater Winnipeg area as perhaps we are on this side. But in any case I think, without attempting again to rehash and rethresh all of this old straw, which I suggest with great deference is behind us now, the rest of us are trying to move ahead as much as we can, I think that the Metro concept is certainly justified. I think in time it will prove itself, and certainly we have no regrets, no recriminations whatsoever about proceeding with the Metro legislation as we did. We know that in due course the people of Greater Winnipeg are going to be very thankful that they have this form of unified government for the over-all area.

MR. HILLHOUSE: Mr. Chairman, as an individual who has had a great deal to do with the Department of Municipal Affairs, I wouldn't like this occasion to pass without publicly expressing my thanks and appreciation for the courtesies that have been shown by the department in my dealings with them. I would also like publicly to tell the Minister that most municipal people in Manitoba appreciate the excellence of his choice of a successor to Mr. W. J. Johnson, in the person of Mr. Chappell. We have known Mr. Chappell for a number of years in the Assessment Department and he is filling the role of Deputy Minister with distinction. I have found him very, very helpful and very courteous in any problems that I have brought to him.

There is one question I would like to ask the Minister and that is in connection with the exact terms of enquiry of the Municipal Enquiry Commission. Whether that commission is going to study what the relative responsibilities of the province and the municipalities are and stop at that, or whether they're going into the whole field of municipal government with a view to recommending to the municipalities a new Municipal Act for rural municipalities, a Town and Village Act for towns and villages and a City Act for cities. The Honourable Member for St. John's touched on the question of cities and cities having to have charters and to come to this Legislature from time to time to get their powers extended. Several times I have raised the question and suggested that I think the time is right in Manitoba to have our Municipal Act

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(Mr. Hillhouse, cont'd.)..... divided up into these three sections so that every city in Manitoba will have the same powers and if any changes are made in these powers they'll extend to all cities.

There's one matter that I'd like to deal with and that is to congratulate the Minister on the fact that under the Municipal Act he appears to be a judge. I refer specifically to Section 520 which gives the Minister power to: "Where dispute arises between municipalities or between an individual and a municipality or municipalities as to damages alleged to have been done to the property of the individual or municipality in consequence of a violation of any provision of Section 519, the individual or any of the municipalities may refer the matter to the Minister, who may summon all parties concerned, including the party or municipality or municipalities complained against, and their witnesses, and hear evidence upon oath. Any any determination of the Minister under this section shall be binding on all concerned and his award shall be enforceable in any court having jurisdiction." So to the Minister I wish to extend my congratulations. At the same time I'd like to point out, Mr. Chairman, that I think this section is ultra vires of the Province of Manitoba. I don't think we have any power constitutionally to appoint a judge, and actually that's what we're doing under this section.

There is another matter that I would like to raise and that is this that there are a number of municipalities in Manitoba that have installed parking meters and they have been getting away with it. Now the City of Winnipeg has a specific provision in its Charter for parking meters; St. James has a specific provision, Portage la Prairie and Brandon. There may be other places but there still are municipalities in Manitoba that have installed parking meters, and in my opinion, they have no legal power to do so, and they have been exacting a fee or licence from individuals which they had no right to exact. The only power given a municipality as far as I can see is under The Highway Traffic Act which gives them a power to pass a by-law regulating parking, stopping and standing of vehicles; but it doesn't go quite as far as to give them the specific power to install a parking meter. Now I'm sure the Honourable Minister, being a lawyer, will be very anxious to see that the law is observed by the municipalities and I would ask him to check up on that and advise those municipalities that have been exacting those fees illegally, to stop the practice forthwith.

MR. EVANS: Mr. Chairman, we have made good progress tonight and this seems to me a convenient stopping point. I propose to suggest now that the committee rise and that we then call the adjourned debate on the second reading of Bill No. 39, which the Minister is very anxious to put forward, and which we put off from this afternoon because the Leader of the Opposition felt he would be better prepared to speak tonight. So with that word, then, Mr. Chairman, I move that the committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions and directed me to report the same and ask leave to sit again.

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Cypress that the report of the Committee be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Mr. Speaker, I would ask you now to call the adjourned debate on the second reading of Bill No. 39.

MR. SPEAKER: Second Reading of Bill No. 39. The Honourable the Leader of the Opposition.

MR. CAMPBELL: Mr. Speaker, I think I should express my appreciation to the government for arranging to give me such a choice time in order to make this speech because I can imagine that everybody is simply hanging on my words at this time of night. They must be very anxious to hear what I have to say. I am sorry to have to burden them at approximately quarter to twelve. I suppose that it is almost exactly quarter to twelve, I notice that when we started the night it was about a minute and a half to eight so I'm assuming that the clock is a minute and a half slow, because likely Mr. Chairman didn't walk in before the right time. So this speech is one that if I'm not very careful, might run into the second day. I've been accused of making a lot of long speeches, but only once or twice in my time have I failed to finish in the day that I started. I shall attempt to get done in time. If I don't I'm afraid that no matter what the urgency that we'll just have to leave it over until later.

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(Mr. Campbell, cont'd.)....Now Mr. Speaker, the reason that I am so bold as to delay the House at all at this stage is because I think the Bill before us is an extremely important one, and the attention of the honourable members should be called to certain features that I believe deserve and even require emphasis. These are two extremely important utilities that we are dealing with here. The Honourable Member for Inkster likes to quote scripture once in awhile, and if I were going to quote scripture I could deal with the work of the Apostle Paul who said that he was a citizen of no mean city. These are no mean utilities that we're talking about. They're big business. They've got a record of performance; they've got a history behind them; both of them have extremely capable management, and I intend to put on the record some of the things about the size of it. Now it was the Honourable Member for St. Vital who said just this afternoon that there's a tendency these times to be too concerned about size; there's a danger of size in itself being made a sort of an end in itself and that it's not always a desirable tendency. That's a very free translation of the sense of what he was saying, if I caught it. And I agree with that. I don't think that size just in itself is necessarily a great advantage. When I'm pointing out the size of these two utilities, I am speaking of them as at March 31st, a year ago, and all the honourable members of the House are aware that there's a considerable increase in the size of both of them since that time. Now in total assets, the Manitoba Power Commission is more than \$129 million. That's a year ago. Perhaps the Honourable the Minister put the present size on record the other day; unfortunately I had to be out some of the time when he was speaking and I haven't yet had the opportunity of reviewing his speech in Hansard, but it will be, I have no doubt, several millions more than that now. But a year ago \$129 million in total assets for the Manitoba Power Commission.

MR. CARROLL:with \$8 million in construction, yes.

MR. CAMPBELL: With \$8 million of construction this year, we can say it's a \$137 million or thereabouts now; a big institution. The total assets of the Hydro-Electric Board a year ago were approximately \$181 million and that, too, will have been added to in the meantime. So this is big business. The Manitoba Power Commission had total revenue a year ago, and it will be higher now, of twenty one and a half million dollars plus. The Hydro-Electric Board had just under \$14 million as I read the reports, and these are always in very round figures, they're just taken from the report, I'm never an expert in reading financial statements. The Manitoba Power Commission had an operating profit of approximately \$7 million. The Hydro-Electric Board more than eight and a half million dollars. The Manitoba Power Commission had almost \$1 million of a net profit -- and that was after paying approximately two and three quarter million dollars in interest and three and a third million dollars in round figures, in depreciation and sinking fund. The Manitoba Hydro-Electric Board paid more than \$4 million for interest and just under four and a half million dollars for interest depreciation and reserves. The Manitoba Power Commission has approximately 850 regular employees, and in their construction season they run to many more than that. The Manitoba Hydro-Electric Board has something in the neighbourhood of 700 employees, and I suppose they vary at times during the year as well.

Now to come to the text that the Honourable the Member for St. Vital and I believe in. Bigness is not a great advantage in itself. Combining these two, both of them big utilities, is I think not necessarily an advantage. It is my opinion that each of them is big enough now to operate efficiently. That doesn't mean that I'm opposing the legislation. I'm not. I'm quite prepared to see it go to Law Amendments Committee. I'll look forward to the discussion there. But I am pointing out, that it seems to me that each of these utilities, especially with the background of experience that they have behind them, the very capable management that both of them have, that each of them could, and can, and I think, has operated efficiently, and I doubt if there will be any greatly increased efficiency through combining them. One deals mainly in generation, with a few exceptions where it has direct loads to customers, and those on the basis of what just happened to be appropriate to work in with their general situation. The other one deals mainly in distribution, but similarly they have just happened in the course of their business to acquire some generating facilities. So that each of them while generally in its own field has a few exceptions where they deal in the other field, but something that I think has not in any way impaired their over-all efficiency. It seems to me that with two big organizations like this that maybe some friendly rivalry and courteous competition is even advantageous

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(Mr. Campbell, cont'd.)....between them. I think that a certain amount of competition keeps people on their toes. I'm a believer in competition -- I think that, even in politics, I think it keeps people on their toes -- and I'm wondering if there really is a necessity of combining these two organizations. I'm not saying, that in my opinion it's wrong; I'm just asking the question and I think we should have a better statement of the situation than we've had up-to-date. Certainly I know this, because it was my privilege to work very closely with both off them. I was Minister in charge of the Power Commission during the time that it put the big rural electrification campaign on, I worked very closely with him. The senior people of the Power Commission are personal friends as well as business associates; they are an excellent group of people. I had something to do with sort of fathering the Hydro-Electric Board. There again their senior people are close personal friends as well as business associates. They're excellent people. There's a splendid esprif de corps in both organizations. I think that both of them stand unusually high for public bodies as far as public relations are concerned. I say quite frankly that the best public relations that I have ever known in a public body have been those of the Manitoba Power Commission. I think some others in recent years have tried to emulate their example and have come close to their record but I don't think it's ever been exceeded. I would suggest to the government of the Province of Manitoba that if instead of turning out reams of correspondence and information bulletins and all that in an effort to popularize themselves with the people of Manitoba, if they would just follow the example of the Manitoba Power Commission and do a good job of their business, they wouldn't have to worry so much about public relations. These people have done a good job, and the others have been good too, and in recent years I think the Telephone System has been excellent also. I must say that years ago even when we were the government -- and this is quite a confession, quite a confession -- but even when we were the government the public relations of the Telephone Commission at one time were not good, but under new management they've improved greatly -- and I don't mean the management of the present government. It started considerably before they came in, but I think that even they have not been able to harm it very much. I'm in good humour tonight.

Well now with this situation in mind I question once again if there is really anything to be gained by combining two such efficient organizations. It seems to me that there is at least an argument could be made for keeping them, big as they are, separate so that there can be that friendly rivalry and competition that I spoke of. However, the bill is before us and certainly I'm not going to oppose it going to committee. I'm going to watch this experiment very closely because I have an interest in it, and certainly I see nothing here that would be likely to damage the situation. All I question is are we sure that it is necessary?

Well now we have the bill before us, and I want to deal with it very very briefly. Now if the honourable members will look at page 2 of the bill you will see that there are several definitions given: one is of power, and power means electrical power howsoever generated and includes energy. Now I'd like to get the definition of energy. Power means electrical power howsoever generated and includes energy. Well what does energy include? The point that I want to know is, does it include natural gas -- because later on in this bill there's a very wide monopoly, a very wide and all embracing monopoly given to this corporation -- and if power includes, and it does include energy, if energy includes natural gas, then this corporation if it chose to could throttle the extension of natural gas. Now let me be the very first to say that I don't think for one minute that they would do that, I don't think for a moment that they would do that because they're not that kind of people Quite frankly I don't think that the government would want them to do it, but I think we should be very, very clear as to what we mean in that regard.

On page 5 there's the clause that my honourable friend the Leader of the CCF Party objected to so strenuously; Section 8 of the bill, which allows an MLA to be a member of the board. I do not have the same strong objections to that as my honourable friend had; we had it in the Hydro-Electric Board but we didn't include a member of the Executive Council as the present Act does. I don't know that I even object too greatly to that. My honourable friend the Leader of the CCF Party thinks it violates a principle. I don't know that it does, and certainly I have no fears such as he expressed that either an MLA or a Cabinet Minister for that matter, would dominate the kind of a board that this corporation should have -- and when you're picking the board be sure you do get a good one because they should be a very excellent board. I've

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(Mr. Campbell, cont'd.)....only got about a minute to go, and I shall mention the other things very quickly.

On page 7, section (d) of 15, no -- subsection 3, there's reference to damage being compensated when they enter on property. I think they should compensate even for occupation let alone damage. I'd like to ask the Minister what is the significance of the date that's put in on page 13 because there it mentions the 18th of June, 1940. I'd like the Minister to tell us just what that date is. Once again in Section 23 on page 13 we have this question of power, and the definition there is all important I think because there's a monopoly provision that no one else can come in at all. Then I was going to ask about the Sinking Fund. It it as substantial, is the Sinking Fund as substantial as it was under the Manitoba Power Commission Act; because I think we want to be sure that this Sinking Fund is maintained as a substantial fund. We also want to be sure that we keep our depreciation and other reserves up strongly too because we could run into hazards more than we have in the past. And then a word about, and I'm through with this, about the question of the non-diversion policy. I think it's written in on page 28 but I'd want to be sure of that; no diversion. That's a principle we laid down some years ago; it should be maintained there. Mr. Speaker, I believe it's 12:00 o'clock midnight and I'll have to conclude.

MR. GRAY: Mr. Speaker, I'll only be one minute. Our group cannot oppose any bill dealing with public-ownership particularly to go to committee, but with reservations....

MR. G. MOLGAT (Ste. Rose): Mr. Speaker, on a point of order I believe it is now Saturday and I believe the House has no leave to sit on Saturday.

MR. GRAY: I just have one minute, if not I will have to adjourn the debate. I don't feel like adjourning the debate because I think this is a very important bill and I believe it should go to second reading. We agreed to go, but we will definitely question....

MR. MOLGAT: Mr. Speaker, I certainly don't want to prevent the honourable gentleman from speaking at all. He can adjourn the debate, but it is a point of order, Mr. Speaker. We are now out of order. We have no leave to sit.

MR. GRAY: Well I'd like to adjourn the debate if we have a promise that it will carry.

MR. LYON: Speaking on a point of order, Mr. Chairman, my honourable friend is out of order, or his mind is, I suggest that the Speaker is quite in order and the Honourable Member from Inkster and that the point he raises has no substance whatsoever.

MR. CARROLL: Mr. Speaker on another point of order I believe the Member for Inkster has already spoken during this debate and is therefore out of order on those grounds if on no other.

MR. GRAY: I'll obey your orders, Mr. Speaker. If I am out of order I'll move the adjournment of the House and take a chance.

MR. SPEAKER: If the honourable member has spoken on the bill he may not speak twice. MR. GRAY: Pardon.

MIR. GRAI: Faluoli.

MR. SPEAKER: If you have spoken on the bill you may not speak twice.

MR. CARROLL: I beg your pardon, Mr. Speaker, the member did speak on this debate. I have notes with respect to his previous contribution. I don't recall the day but I'm quite sure Hansard will bear me out.

MR. GRAY: I don't want to speak on the Sabbath morning any more than you want to listen to me, but I just want to make this reservation; in order or out of order,

MR. SPEAKER: Order. You may not speak. Are you ready for the question?

MR. MOLGAT: Mr. Speaker, I, in spite of the comments of my honourable friend the Attorney-General I believe it's the practice of this House that we do not sit on Saturdays ever, except by leave. This has been an established practice all along. I don't understand how he can judge otherwise.

MR. LYON: Mr. Speaker, I can give you a concrete example. I was looking up the Hansard of last year, I think it was with respect to Municipal Affairs estimates, when we sat until 1:30 in the morning. On a Saturday morning. My honourable friend the Leader of the Opposition called it Sunday. He said he didn't think we should be sitting on Sunday but it was a Saturday.

MR. CAMPBELL: Yes, but my honourable friend will also find out if he checks the record, Mr. Speaker, and I'm speaking on a point of order, that there had been a motion passed by the House before that allowing us to sit on Saturday, and that makes quite a difference --

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(Mr. Campbell, cont'd.)....(Interjection) - Yes there had. And we're out of order now, Mr. Speaker.

MR. EVANS: Mr. Speaker I'm very much surprised indeed at the tactics of my honourable friends across there, because I consulted my honourable friend the Leader of the Opposition as to his wishes in connection with dealing with this matter which is requested rather urgently by the Minister because my understanding is the bill must be passed, if I am right, fairly quickly, to suit the necessity of getting his arrangements in hand. I suggested my honourable friend might wish to speak before 5:30; he asked that it be postponed. I asked the Whip to consult him and he did, and my understanding is that I offered him the choice, would he care to speak early in the evening or later in the evening. He said it made no difference to him. I took this in good faith. I assumed that they would not offer any obstructive tactics of this kind and they they would allow the debate to continue. Now in my opinion no such practice has been established, speaking to the point of order, Mr. Speaker, as would prevent us from meeting on a Saturday and I naturally await your ruling on this point.

MR. CAMPBELL: Mr. Speaker, there just is this point of order that in the absence of a rule of the House or a motion of the House to the contrary we just can't sit on Saturday, and every time that we have sat on Saturday, for many, many years there has been a motion passed by this House making it possible for us to sit on Saturday. That's not been passed.

MR. FROESE: Mr. Speaker, I move, seconded by the Honourable Member for Seven Oaks that the debate be adjourned.

MR. CARROLL: Mr. Speaker, on another point of order I must confess that I do recall the member for Rhineland having taken some part in this debate on a previous occasion. Now perhaps he was just asking questions, I don't know. Perhaps Hansard will.....

MR. SPEAKER: The motion to adjourn the debate is in order, I believe.

MR. FROESE: Mr. Speaker, I move seconded by the Member for Seven Oaks that the debate be adjourned.

MR. CARROLL: Mr. Speaker, before the debate is adjourned I would really like to consult Hansard to see whether this was a speech on the debate or whether it was just a question. My memory fails me with respect to the Member for Rhineland.

MR. MOLGAT: I would suggest that in view of this difficulty that the matter simply be allowed to stand.

MR. SPEAKER: Well we should dispose of the motion for adjournment of the debate if it's in order.

MR. CAMPBELL: Mr. Speaker, speaking on the point of order I would just like to reply to what the Honourable the Leader of the House has said. It's true that I gave the undertaking that I was prepared to speak this evening -- it wasn't convenient this afternoon because I was not ready at that time -- I gave the undertaking I was prepared to speak this evening, and when the Honourable the Minister asked me I said right at the start or later it didn't matter to me. But quite frankly I don't think that it's any courtesy to any member to leave him until a quarter to 12 at night in order to speak on a subject of this kind.

MR. EVANS: I must make a comment on that. It is perfectly obvious that we were in Committee of Supply and we had to either come out of Committee of Supply by agreement of the House that we would return to supply later on or wait until Committee of Supply was over. I terminated the debate shortly after 11 - 11:15 - 11:30 I think it was, and that was obviously the only time that this could come up. Now this is, I consider that my honourable friend had given me an undertaking that he would allow this matter to proceed unobstructed tonight later on after the Committee of Supply rose, and I must say that I think that this is not in keeping with

what I was led to expect would be my honourable friend's attitude and I think this is wrong on his part.

MR. CAMPBELL: Mr. Chairman, I wanted to say only that the honourable gentleman is completely wrong in suggesting that we came out of Committee of Supply shortly after 11:00 o'clock; it was 20 minutes to 12 when we came out. I didn't get on my feet until about 18 minutes to 12.

MR. GRAY: Mr. Speaker I move, seconded by the Honourable Member from St. John's that the debate be adjourned.

MR. SPEAKER: We have an adjournment made.

MR. GRAY: I am in order, I haven't spoken.

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MR. SPEAKER: We have a motion to adjourn the debate. We $\ensuremath{\mathtt{should}}$ deal with that first.

MR. FROESE: Mr. Speaker, my motion was questioned and if you feel that you're not sure then I'll be willing to withdraw that motion.

MR. SPEAKER: I'm sorry I couldn't hear what you said.

MR. FROESE:question has been drawn as to whether my motion is in order. If you do not feel sure on it, well I am willing to withdraw that.

MR. SPEAKER: A motion for adjournment is always in order. Could you give me your seconder and I'll put the motion and we'll see what happens to it. No, not Mr. Gray, the Member for Rhineland.

MR. FROESE: My seconder was the Member for Seven Oaks.

Mr. Speaker presented the motion and following a voice vote declared the motion defeated.

MR. CARROLL: Mr. Speaker, in order to refresh the Honourable Member for Inkster's memory, may I refer him to page 1126 of Hansard in which he did take part, I believe, in this debate.

MR. GRAY: No I did not.

MR. CARROLL: Well, speak then; go ahead, I'm sorry.....

MR. SPEAKER: Go ahead if you want to speak.

MR. GRAY: I could have been through ten minutes ago.

MR. CAMPBELL: Mr. Speaker, are you ruling that we're in order in carrying on now?

MR. SPEAKER: Well, we've just turned down.... No, that was the motion for.....

MR. CAMPBELL: Are you ruling, Mr. Speaker, that it is in order for us to sit on Saturday?

MR. SPEAKER: Well, it's in order to sit until there's a motion to adjourn.

MR. CAMPBELL: Including Saturday?

MR. SPEAKER: I beg your pardon?

MR. CAMPBELL: Mr. Speaker, are you ruling that it is in order for us to sit on Saturday?

MR. SPEAKER: It's in order to sit until a motion to adjourn is carried.

MR. CAMPBELL: Including Saturday?

MR. SPEAKER: Yes.

MR. MOLGAT: Mr. Speaker on the point of order that I raised on sitting on Saturday I think that the situation is simply that having reached midnight on Friday night without prior---I'm speaking on a point of order, Sir.

MR. EVANS: It is not in order to debate the Speaker's ruling after he has given his ruling. It is in order to continue the debate.

MR. MOLGAT: I didn't hear him give a ruling that we could sit on Saturday Sir.

MR. EVANS: He has just finished giving the ruling that....

MR. MOLGAT: No! No, what he stated was that it's in order to sit as long as the House wasn't adjourned. I submit that at midnight on Friday night is the same thing as at 5:30 in the afternoon, the Speaker leave the Chair automatically. It's not a question of adjourning, it's automatic, until such time as you have requested the House leave to sit on Saturday, which you have not done.

MR.SPEAKER: I might say that I have never seen a ruling where the Speaker left the Chair at 12 o'clock.

A MEMBER: At 5:30.

MR. SPEAKER: At 5:30 sure, on certain days, but not 12 o'clock.

MR. MOLGAT: Mr. Speaker, until leave has been granted by the House to sit on Saturday, Saturday is not a sitting day; therefore, automatically at midnight on Friday night, the session ends.

MR. EVANS: If my honourable friend has any course open to him now it is to challenge the ruling of the Speaker. If he wishes to do that, I think that's the only course open to him. The Speaker's ruling is not debatable.

MR. CAMPBELL: The Speaker has not given a ruling on that point.

MR. EVANS: It was my impression he has.

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MR. CAMPBELL: No! No, he hasn't

MR. SPEAKER: Would the Honourable Member for Ste. Rose quote the ruling that he bases his argument on.

MR. MOLGAT: Mr. Speaker, I'm going by our own little red book which states the sitting days, and the sitting days are Monday, Wednesday -- on Page 10.

MR. McLEAN: That's no rule.

MR. MOLGAT: Look, I'm speaking right now. When you want to make your point, you get up and speak then.

MR. McLEAN: Thank you very much.

MR. MOLGAT: Your very welcome. The point is that the rule states the sitting days of the House, the government days being Monday, Wednesday, Thursday and after 5:30 P.M. on Friday; private members days being Tuesdays and before 5:30 P.M. on Friday. I submit there is no sitting day on Saturday, and on that basis if there's no sitting day on Saturday we cannot sit until leave has been given.

MR. LYON: On a point of order, Mr. Chairman, I merely asked my honourable friend to show us the direct legation in the rules where we can't sit on Saturday. I'm asking him the question and I'll answer it. It isn't in the rules and he knows very well it isn't. I would also refer him to subsection 4 of Rule 3, which was the rule we passed last year, if the time of sitting in the Committee of Supply exceeds 65 sitting hours, sub-rule 3 does not apply to the sittings of either the House or any committee, and sub-rule 3 says, subject to sub-rule 4, at the hour of 11 o'clock, except on Wednesday, Mr. Speaker shall adjourn the House without question put, or if the House at that hour is in committee, the Chairman of the Committee shall leave the Chair and report to Mr. Speaker. Where's the rule that says that we adjourn on Friday nights at 12 o'clock? It isn't here.

MR. MOLGAT: Mr. Speaker, I would refer you then to sub-rule 2 of Rule 2, page 4 which says: when the House rises on Friday it shall stand adjourned unless otherwise ordered until the following Monday. -- (Interjection) -- But, it's Friday; we have to rise.

MR. SPEAKER: I would submit that it isn't Friday, that it's now Saturday. And how can rule -- sub-section 2 or Rule 2 apply on Saturday when it's made to apply on Friday.

MR. CARROLL: Mr. Chairman, if no one else wishes to speak on this debate, perhaps I should close the debate at this.....

MR. SCHREYER: Mr. Chairman, on the point of order, speaking to the point of order, I submit that since there is no provision in the Rule Book for the House rising on Saturday, obviously it must rise on Friday; therefore I content that for the last 15 minutes we have had no authority for sitting.

MR. MARTIN: If the House adjourns on Friday, it stays until Monday. Yet if it doesn't adjourn on Friday and goes into Saturday, then it's from Saturday to Monday.

MR. SPEAKER: Yes, that's true.

MR. GRAY: Mr. Speaker, on a point of privilege

MR. SPEAKER: Order! Order!

MR. GRAY: In order that we go home soon, I'll withdraw my right to speak and I'll have to use the same privilege in committee. What I do want to say is the government benchers are very, very wrong -- an unfriendly act on your part when I promised you to speak for one minute in connection with a certain item.

MR. SPEAKER: Order! Order!

MR. GRAY: Okay, I'm withdrawing That's all you do; spend a half an hour to call me to order instead of allowing me to speak.

MR. SPEAKER: Does the Honourable Minister wish to close the debate?

MR. CAMPBELL: Mr. Speaker, I don't want to continue to ask this same question, if you will just give an answer. If you will rule that it is in order for us to sit on Saturday without leave having been granted, then that will put the matter in proper perspective. I might say that I think it's only right we have to obey the rules of the House here, and it's Mr. Speaker's job to see that they're enforced, so I ask you to rule, Sir.

MR. SPEAKER: My ruling would be that the House is in session until it's adjourned, particularly when it's on Saturday.

MR. CAMPBELL: Then you rule, Mr. Speaker, that it's in order to proceed with the

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(Mr. Campbell, cont'd.).....debate? That's the ruling? Mr. Speaker I appeal from the ruling.

MR. SPEAKER: Ring the bell.

A MEMBER: Call in the members.

MR. SPEAKER: The question before the House, is the motion "shall the Speaker's ruling be sustained." Those in favour, please rise.

A standing vote was taken, the results being as follows:

YEAS: Messrs. Alexande<u>n</u> Baizley, Carroll, Christianson, Corbett, Evans, Groves, Hutton, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lyon, McKellar, McLean, Martin, Scarth, Seaborn, Shewman, Stanes, Thompson, Weir and Mrs.Forbes and Mrs.Morrison.

NAYS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Hawryluk, Hillhouse,

Molgat, Orlikow, Prefontaine, Roberts, Schreyer, Wright.

MR. CLERK: Yeas, 24. Nays 13.

MR. SPEAKER: I declare the motion carried.

....continued on next page.

MR. DESJARDINS: Mr. Chairman, I move, seconded by the Member from La Verendrye, that the debate be adjourned.

Mr. Speaker put the motion and after a voice vote declared the motion lost.

MR. CAMPBELL: The yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members. Call in the members.

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Hawryluk, Hillhouse, Molgat, Prefontaine, Roberts and Schreyer.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Evans, Groves, Hutton, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lyon, McKellar, McLean, Martin, Orlikow, Scarth, Seaborn, Shewman, Stanes, Thompson, Weir and Wright, and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas 11, Nays 26.

MR. SPEAKER: I declare the motion lost. Second reading of Bill No. 39. Are you ready for the question?

MR. MOLGAT: Mr. Speaker, I really had not intended to get in on this particular debate at this stage. However, I simply must get up and register opposition to the way in which the government is handling this question at this stage. My honourable friends say that they're in a hurry to get this through the House. Well, if that is so, why did the other day the Honourable Member for St. Vital adjourn this very same debate? He had an adjournment the other day; it was accepted by the House; there was no question by anyone, and yet today, suddenly it becomes a matter of great importance at a quarter to twelve at night that this particular bill be passed. Now I ask the government exactly what are they trying to do?

MR. LYON: Mr. Speaker, on a point of order, is my honourable friend speaking on second reading of the bill or is he speaking on the point of order?

MR. MOLGAT: I'm speaking to the principles of this bill.

MR. LYON: Let him speak to a point of order, Mr. Speaker, if in fact that's what he's trying to do. We don't want to hear any of his mushmash

MR. DESJARDINS: Go home if you don't want to hear it.

MR. LYON: I'm speaking on a point of order, Mr. Speaker. I don't need any help from my fat friend from St. Boniface. Mr. Speaker

MR. SPEAKER: Order.

MR. LYON: He still is my friend. Mr. Speaker, I merely suggest that if my honourable friend wishes to comment upon the conduct of the debate he may well do that on a point of order, quite happily here, but if he wants to speak on the principle of the bill let him confine himself to it.

MR. SPEAKER: The Honourable Member for Ste. Rose was in order.

MR. MOLGAT: Thank you, Mr. Speaker. It seems to me that what I'm saying is very much pertaining to the principle of this bill, because if we are going to have proper discussion on this bill, quite obviously time should be given for that discussion, and what I'm suggesting is that I cannot understand the tactics of my honourable friends in wanting to push this through the way they are right now. What exactly is going on? If my honourable friends were prepared to accept an adjournment the other day, why is it that tonight they're not prepared to accept an adjournment. What goes on? Either they have a great lack of control within their own organization over there, and on decisions as to what adjournments are going to go on by their backbenchers, or they have suddenly had a change of heart tonight. Similarly -- (Interjection) --I beg your pardon? Well, there are many occasions that it doesn't work quite so well, I'd like to remind my honourable friend. Similarly, if my honourable friends wanted this discussed tonight and passed tonight, why is it when at 10:15, when we finished the estimates of my honourable friend the Minister of Health and Public Welfare, why didn't we then go into this bill? Ten fifteen was a perfect break. We had made progress in the work of the committee. It would have been quite in order to proceed then to the discussion of this bill. But no, my honourable friends decided they wanted to go into the Department of Municipal Affairs -- at 10:15 at night -- and we reach -- (Interjection) --

MR. SPEAKER: I would suggest the honourable member speak to the principle of the bill on second reading.

MR. MOLGAT: Well, Mr. Speaker, it seems to me that it's very difficult to get at the

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(Mr. Molgat, cont'd.) principles of this bill, because my honourable friends don't want it discussed; they want it shoved through the House at the rate of speed that they are going to set, and I simply object to it. This is a most important bill. It deals with two of our very large utilities. It's quite a large bill; it's a lengthy bill to read and to consider. To do a proper job of considering it, it has to be compared in the light of the existing bills covering these utilities. It must be compared with those so that we can see exactly what these changes that they are proposing will reach, what will this mean to the Province of Manitoba as a whole, and I submit, that to push it through in the way they are doing now, it is simply railroading this whole affair, for what purpose I do not know, but I object to it most strenuously. I have not had an opportunity to completely consider this bill; I'm not in a position to discuss it any further at this time, but I want to register my absolute and complete objections to their methods.

A MEMBER: Hear! Hear!

MR. GRAY: I'll be

MR. SPEAKER: Order, Order.

MR. GRAY: What's the order for?

MR. SPEAKER: You have spoken to the bill.

MR. GRAY: I have not. You did not allow me to speak, Mr. Speaker, with all due respect.

MR. SPEAKER: Order.

MR. CARROLL: On Page 1126, beginning at the bottom of the page and carrying through to the middle of the next page, Mr. Speaker, just for the benefit of the members of the House.

MR. GRAY: My recollection is that I asked the question on this by introducing the bill and not on the second reading. However, if you'd rather take, Mr. Speaker, my word or the Minister's word

MR. CARROLL: Go ahead and speak.

MR. GRAY: I still will not speak any more than one minute in spite of the fact that you rule me out of order. Our group, Mr. Speaker,

MR. EVANS: I think we must, if my honourable friend will permit me for a moment, I think we really must preserve the rules of the House, and I ask the Clerk now to show me the record as to whether or not the honourable gentleman has spoken in this debate.

MR. CAMPBELL: Mr. Speaker, if I may address the point or order for a moment, isn't it taken as the usual procedure in this House that the Honourable Member for Inkster always prefaces his questions with a more or less exhaustive speech, and I'm sure that it can be established that it is just one of these usual questions.

MR. SPEAKER: It's recorded in the official records of the Chamber that the Honourable Mr. Gray spoke on Wednesday, March 22nd.

MR. SCHREYER: Mr. Speaker, under normal circumstances tonight we would have been willing to let the bill go to committee, and of course before doing that we would have probably indicated some reservations on our part, but that we would be in favour of it going into committee. However, in view of the fact that the Leader of the Opposition's statement was a fairly lengthy one, and considerable substance to it, and in view of the fact that we went beyond the 12 o'clock hour, we felt that it wasn't asking too much that adjournment be allowed. However, you have made your ruling and we must abide by it. On the question of the rule itself we on this side felt there was no doubt, and the vote was unanimous. I merely want to explain the position. We, however, abide by your ruling, as it was sustained. Now, in speaking I feel I must now speak to the principle of the bill, and I propose to do so.

As I understand it, the intent and purpose of the bill is to provide for the continuance of the supply of power adequate to the needs of the province, etcetera, etcetera, and to promote economy and efficiency in the administration of the agency that will be in control of the generation distribution supply, etcetera. Now, as the Honourable the Leader of the Opposition said, both utilities, if I might call the Hydro-Electric Board a utility, were being run efficiently -maximum efficiency -- and the credit rating or rather the reputation of both in the money market was about as high as one could see or expect. I have been told that for many years, now, there has been some thought of the eventual merging of the Power Commission and the Hydro-Electric Board. Now that it's before us in the mode of a bill I don't think it should come as a surprise to many members in this Chamber. I think that it could be assumed, without too much

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(Mr. Schreyer, cont'd.) thinking about the matter, that the effect this bill will have will be to merge the two agencies, and I think that as a result the position of the merged agency will have a standing on the money market which will have the effect of giving cheaper money to it, and I would agree that it will provide for greater efficiency, if that's possible, because I don't think that up to now there has been any question as to the efficiency. Now I don't know how long the honourable members wish to stay in this Chamber past the hour of 12, but it seems to me that one of the things which we would have stressed in committee without stressing here on the floor of this Chamber, was the provision within the Act -- it seems rather vague but it's there -- that has to do with the sitting of members of this Assembly on the Board of the newly formed agency, as I call it, or corporation. I notice that in Section 8, on page 5 of the bill

MR. LYON: Mr. Speaker, on a point of order, I don't think we have leave to refer to sections of the bill at second reading.

MR. CAMPBELL: Mr. Speaker, on the point of order, inasmuch as there are several principles in the bill, it's quite in order to refer to different sections, because they carry different principles under those circumstances.

MR. SCHREYER: Yes, Mr. Speaker, it seems to me that there is a rather important principle embodied in Section 8, the principle as such, and I'm referring to it. We question the wisdom of allowing members of this Assembly to sit on the Board. We can deal with that further in committee. Now insofar as our group was concerned we were willing to leave it at that and discuss it in committee, but now we're debating it here I thought that I would put the points of reservation before you, and I might say, in closing or concluding that we feel that this bill will have a positive good insofar as these two important corporations are concerned. I think it will have an advantageous effect insofar as the money market is concerned, and insofar as that's concerned we are quite in approval.

MR. SPEAKER: Are you ready for the question?

MR. HILLHOUSE: Mr. Speaker, I wish to move, seconded by the Honourable Member for La Verendrye, that the debate be adjourned.

MR. LYON: Mr. Speaker, on a point of order, I believe that after an adjournment has been refused the House must then pass one other piece of business.

MR. HILLHOUSE: On a further point of order, Mr. Speaker, we've had some new business in between.

MR. LYON: We haven't passed anything.

MR. SPEAKER: It's my opinion that the Honourable Member for Selkirk is right in this case.

Mr. Speaker put the question and after a voice vote declared the motion lost.

MR. HILLHOUSE: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members. It has been moved by the Honourable Member for Selkirk, seconded by the Honourable Member for La Verendrye, that second reading of Bill No. 39 be adjourned.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Hawryluk, Hillhouse, Molgat, Prefontaine, Roberts and Schreyer.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Evans, Groves, Hutton, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lyon, McKellar, McLean, Martin, Orlikow, Scarth, Seaborn, Shewman, Stanes, Thompson, Weir and Wright, and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas 11; Nays 26.

MR. SPEAKER: I declare the motion lost.

MR. CARROLL: Mr. Speaker, if no one else wishes to speak

MR. ORLIKOW: Mr. Speaker, it seems to me that this bill is not nearly as complicated as the Honourable Member for Ste. Rose seemed to indicate. If it's complicated it became complicated at about 12:30 this Saturday a.m. The Leader of the CCF spoke on this bill some days ago. He expressed, as I remember it, general approval of the principles of the bill. We in this group could hardly disagree, although I can't say after this last week that I'm really a friend of the present administrators of either the Power Commission or the Hydro-Electric Board, but we certainly cannot say that we are in any real disagreement with the uniting of the

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(Mr. Orlikow, cont'd.).... two organizations. The Leader of the CCF expressed some very grave doubts about the propriety of having a member of this Legislature sit on the board. I doubt that the Honourable Minister will be able to convince us, with all his powers of persuasion, that we are wrong, and that being the case we will undoubtedly take objection in the committee. The Leader of the Opposition expressed himself in some detail as to his reservations. I think we took note of them. I think we will be prepared to discuss them in detail in committee, and, if we're not satisfied in committee, when this comes back for third reading. I think the issues are clear. I think the members can vote tonight and the members can vote in committee and they can vote when we come to third reading. To me it seems that there are no longer any issues which need to be discussed in any detail, and to me it seems that while I think -- I don't want to discuss the rules again. I voted as I saw fit then, but having that being decided, it seems to me that we can clean up this issue and go home very shortly.

MR. HILLHOUSE: This is a very important bill. It's dealing with two very important utilities, and with all due respect to the Honourable Member for St. John's, the point is this: Why the rush? They had their "black Friday" in Ottawa; we've had our "black Saturday" here.

MR. FROESE: Mr. Speaker, I have several reservations on this bill but at this late hour I don't care to speak on it tonight.

MR. CARROLL: Mr. Speaker, if no one else wishes now to speak on this bill I would like to just say a few words in closing the debate. I would like to thank my honour able friend, the Member for St. John's, for coming to my rescue, rather unexpectedly I might say, but I do appreciate it nonetheless, and I do think that really there has been no undue rush with respect to this particular bill. It was announced in the Speech from the Throne; it was introduced in this House some weeks ago; the printed bill arrived on Monday; it has been in your hands since Monday. Now we've heard from both leaders on the opposite side of the House. We've heard from the Leader of the Opposition; we've heard from the Leader of the CCF Party. Let's examine what they've said. Has there been any disagreement in principle on this bill, or has the disagreement been largely in detail? Now there has been some disagreement in principle, but largely in the detail of it which could, I submit, be taken up at the committee stage. Now, with respect to the urgency, I must apologize to the House that I didn't make the case for urgency on second reading, because there is a matter of urgency here. The timing for this amalgamation, it is timed for March 31st, to commence on April 1st. Now we hope that the bill can be put through the House by that time. There's no assurance, and of course there are provisions in the bill for retroactive aspects of it. However, we do hope that we'll be able to give it due and proper consideration in principle as well as in detail, when we get it into Law Amendments committee.

Now there were some questions raised, and the first one I have here has the name of the Member for Inkster on it, and that's why I was so sure that he had spoken on the bill. Perhaps maybe this will shorten the questions and the statements that precede the questions, because really the account in here -- there are several statements of fact and opinion on his behalf, and if they were intended to be questions then perhaps this will be a lesson in confining his questions to questions. Now the Member for Inkster, as I recall, congratulated the government for amalgamating the utilities, for bringing them into public ownership, or something of that kind, and the only comment I'd like to make here is that this government really has no preconceived objections to public ownership with respect to utilities operations such as this. I'd just like to remind him that it was a Conservative government that brought the Manitoba Telephone System into public ownership, and the Federal Conservative government that nationalized the CNR. I think those were about the -- (Interjection) --

MR. MOLGAT: Mr. Speaker, can the Honourable Member explain to me how that pertains to the principle of this bill?

MR. CARROLL: I'm just answering the questions which were raised by my honourable friend on the principle of the bill -- yes. Now one further question, is the Cabinet responsible for the action of the board? I must confess that the government is responsible for the board. But the board has within itself certain authority, particularly with respect to those things which pertain to the normal supply of power. There are provisions in the bill that the board is limited with respect to things which affect the public in general, or affect the credit of the province. In other words, they must get authority from the Lieutenant-Governor-in-Council to borrow money,

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(Mr. Carroll, cont'd.).... because this, of course, could affect the credit position of the province; it must get authority for expropriation and things of that kind. They must get authority before they enter an inter-connection agreement with the Province of Ontario, or the utility in Saskatchewan, and so on. But there is an over-riding responsibility for the actions of the board which must be accepted by the government, and so, with respect to that question we are responsible for the operation of the board.

Now the Leader of the CCF Party was interested in knowing what happened to the bargaining agents that operate in the Hydro-Electric Board, I think it's a union called NUPSE, National Union of Public Service Employees -- (Interjection) -- Thank you -- and in the Power Commission the IBEW, the International Board of Electrical Workers. And I think that really the union that will represent the employees is a matter of the employees' choice, and a question that must be placed before the Labour Board for the decision that must be made. Now it is conceivable that those employees who were engaged in distribution, in line construction, and so on, might be a different union from the union which may be engaged in the generation of power, or it might be different from the union which may represent the clerical workers. So there is provision for more than one union. There is no reason why there should only be one union, and I think this is a question, of course, which must be taken before the Labour Board, and is a matter for the employees themselves.

Now the question of an MLA or a Cabinet Minister as a member of the board. Now the provisions of the former Act said that an MLA could be a member of the board. But there was some doubt as to whether a Cabinet Minister could become a member of the Hydro-Electric Board. Now I think, as a precedent to this, we've looked just across the border to the west, we've looked at our friends in Saskatchewan, and we find that there is a Minister of the Crown in Saskatchewan as Chairman of the Saskatchewan Power Corporation. I understand that there were three ministers of the Crown at one time, at least, on the B. C. Power Commission, and I think in Alberta the Minister of the Crown is a Vice-Chairman of the Ontario Hydro-Electric Board. I think the same thing -- well in New Brunswick I think a Minister of the Crown there is the Chairman of their Electric Utility. I think there may be some good reason for this. After all, these utilities are large, they're important, they're spending an awful lot of the money of the people of the province, and there may be some reason for financial control, or some reasons of that kind, for a member of the government to be represented on the board.

Now, with respect to expropriation, I think that these are powers which must be available to a public utility, because it is conceivable that the electrical service of the province could be jeopardized, at least a certain section of the province, if it weren't possible to exercise powers of expropriation. These are the same provisions that were in the former Act and have merely been transferred to this one. Now the Leader of the Opposition asked a couple of questions on the day that the bill was introduced. Incidentally, I would like at this time to apologize to the Member for Rhineland because he did not speak in this debate. He merely did answer questions, and I had taken that to be participation in the debate, and I've since had a look at Hansard and I apologize to you for it, Sir.

Now the Leader of the Opposition asked about the employees. Would there be any decrease in employees, and I think the answer to that is "no". All the employees of the Power Commission become automatically employees of the Manitoby Hydro-Electric Board. We certainly don't anticipate any cutting down in staff. In fact, because of the growth in these electrical utilities, we do expect that perhaps the growth will be minimized, the increase in staff will be minimized, as the result of the amalgamation, cutting out some of the services which are in duplication at the present time. The question was also raised about the date upon which we can recapture the plant from the Winnipeg River from City Hydro, and the agreement was signed, I believe, to run for 50 years from January 1st, 1932, with the provision that the government could recapture after 30 years of the agreement, which would make it January 1st, 1962. We wrote to the City Hydro a year or two ago at the time when they were considering the power sale agreement, and we extended that to January 1st, 1964. So with 12 months' notice we could recapture those Winnipeg River plants on January 1st, 1964. They have our assurance that we'll certainly not be doing anything before that time.

MR. CAMPBELL: I don't want to interrupt the honourable gentleman, but isn't it just

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(Mr. Campbell, cont'd.) one of the plants that it is subject to recapture.

MR. CARROLL: Yes, I'm sorry. You're right. There's just the one plant. That was Slave Falls, I believe. Point du Bois is not subject to recapture.

Now, the Leader of the Opposition raised some -- he mentioned that they were large utilities, and my figures add up to about \$343 million. There would be some depreciation off that, so they are large, they are important, they do bring in a lot of revenue each year. And each are operating efficiently, we agree. We're certainly very well pleased with the staffs that are managing the efficiency of them. There's some question of a kind of competition that was healthy between the Power Commission and the Hydro-Electric Board. I would say that this kind of competition is like trying to say that really a retailer is in competition with his wholesaler, or the wholesaler is in competition with the manufacturer, because I think they are performing, by and large, quite separate and distinct functions, so that there isn't this degree of competition which might, of course, be suggested for any other kind of an operation where they were selling the same product directly to the same customers.

Now I think there is one other point that we should bear in mind, the rural electrification program which was under way at the time when the Honourable Leader of the Opposition was Minister in charge. I think that we must confess that large parts of the rural part of Manitoba have been covered. There are very few areas left for serving -- very few new areas to be covered. Now of course we do have to reinforce, rebuild lines, and things of that kind. But the large expansion program has taken place and we don't anticipate it to continue at the same rate that it has, possibly, over the last 14 years. I must confess that there is wonderful esprit de corps in the Power Commission, wonderful public relations. I think that we might say that -- I have found evidence of the same kind of dedication to service in the Hydro-Electric Board. These people are working, certainly not only for the wages, but for the satisfaction they get in doing a good job. I think the same thing can be said for that other utility as well, and we certainly hope that this would be one of those things that will be carried through into the new amalgamated utility.

Now energy, does this include natural gas, is a question which I'm afraid I can't answer and would be quite prepared to discuss this in committee -- at the committee stage.

Section 8, Page 13, there was a question asked with respect to the date, 1940 here, I believe it is. This paragraph was taken directly from the old Act, no new powers of any kind. It's the same thing. My understanding is that the sinking fund provisions are the same and there still is a "no diversion" clause so that the province will not be able to take any revenues from the utilities other than water power rentals and things of that kind, which are the normal things.

Well in closing I'd just like to say that certainly we're impressed with the efficiency of the organizations and the only reason that we're thinking about this amalgamation at this time is that we think that by putting them together we'll get the kind of experienced people, particularly in certain management levels, that will reinforce and make a much stronger and a much better organization. We're going to cut out an awful lot of duplication, particularly in engineering -- not cut it out, but the growth in these various departments will be less if we can more efficiently utilize the staff that's available. We'll be able to cut out duplication in stores, duplication in many of these other services that I mentioned in introducing this a few days ago. We think that it will make a better utility.

MR. CAMPBELL: Mr. Speaker, before the honourable member concludes, I didn't get his answer to the question about the date that -- the date April 16th or June 16th or May 16th, 1940.

MR. CARROLL: Well, I think we'll find that this is an exact paragraph taken out of the former Act. It is the date upon which, I guess, the Manitoba Power Commission was set up, was it? Well, this of course, this is taken from the new Act, and no new public utility can come in, generate and sell power without permission of the Lieutenant-Governor-in-Council. I think this provision has been there for some time. I think you, a few years ago, gave permission to a private agency at Cranberry Portage. There have been a few of them around. I think the provision has been there for a long time; there's certainly no change.

MR. SPEAKER: Are you ready for the question?

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

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MR. GRAY: Mr. Speaker, before the House adjourns, may I direct a question to the Leader of the House. In order for us to do a little bit of homework, can the Minister tell us now what will be the estimates following the one that we have been discussing today?

MR. EVANS: Mr. Speaker, the next estimates will be those of the Minister of Mines and Natural Resources. Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the House do now adjourn.

Mr. Speaker presented the motion and following a voice vote declared the motion carried and the House adjourned until 2:30 Monday afternoon.

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