

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, April 11, 1963

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees  
Notices of Motion  
Introduction of Bills

HON. G. HUTTON (Minister of Agriculture)(Rockwood-Iberville) introduced Bill No. 44, An Act to amend The Animal Husbandry Act.

HON. ROBERT SMELLIE (Minister of Municipal Affairs)(Birtle-Russell) introduced Bill No. 23, An Act to amend The Municipal Act.

MR. D. M. MCGREGOR (Virden) introduced Bill No. 97, An Act to amend The Virden and District Elderly Persons Housing Corporation Act.

MR. W. G. MARTIN (St. Matthews) introduced Bill No. 107, An Act to amend The Religious Societies Lands Act.

MR. L. A. BARKMAN (Carillon) introduced Bill No. 105, An Act respecting The Town of Steinbach.

MR. D. M. STANES (St. James) introduced Bill No. 12, An Act to amend The St. James Charter.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the Speaker's Gallery where there are seated some 35 Grade 9 to 12 students from the Wellwood School. They are under the guidance of their teachers, Mr. R. Stacey and Mrs. M. E. Renwick. This school is situated in the constituency of Cypress which I have the honour to represent. We are happy to welcome you to the Legislative Assembly this afternoon. We trust that you will find your visit enjoyable and instructive. As you watch the proceedings we hope that what you see in here will be helpful to you in your studies and inspirational to you as individuals. Come back and visit us again.

HON. GURNEY EVANS (Minister of Industry & Commerce and Provincial Secretary) (Fort Rouge): Madam Speaker, before you proceed, may I have permission to lay on the table of the House the Return to an Order of the House No. 10 on the motion of the Honourable Member for St. George.

HON. W. WEIR (Minister of Public Works)(Minnedosa): Before the Orders of the Day, might I take this opportunity to reply to a question by the Honourable Member for Brokenhead? The question was asked before the Orders of the Day on April 4th, the question being: Did the Department of Public Works call for tenders for road construction during the month of October or November or December last year or January or February of this year, for work to be done in the near proximity of Gypsumville or Cedar Lake, or in that general area? The answer to the question, Madam Speaker, is yes.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Before the Orders of the Day, I'd like to direct a question to the First Minister. A news report in yesterday's newspaper is that a telegram was sent by the Mayor of Winnipeg to the Minister of National Health and Welfare regarding support in Winnipeg's submission for the 1967 Pan-American games. Last week we discussed this in the House. I suggested to the First Minister that he send the Minister of Industry and Commerce and the Member for Assiniboia. He didn't reply in the affirmative at that time, although he indicated that the province would be prepared to send someone. I understand that the plea will be made on April 17th, 18th or 19th. Can the First Minister indicate whether he has made a decision on sending someone?

HON. DUFF ROBLIN (Premier and Provincial Treasurer)(Wolseley): Madam Speaker, I thank my honourable friend for raising the point because I am in a position to give the House some information. It is intended that the Honourable Minister of Labour will be delegated to reinforce the application of the Citizens Committee of Winnipeg who are the initiating body in this connection, and he will be accompanied at provincial expense by the chairman of the Recreation and Physical Fitness Committee -- if I have the correct description of the body --

(Mr. Roblin, cont'd.) . . . Mr. James Daly, as well as by a member of the staff of the government who is fluent in Spanish. Both Mr. Daly and our Spanish speaker were present at the discussions three or four years ago in Chicago, so they will be well informed on the points at issue, and the Minister of Labour will be able to bring those assurances of the Government of Manitoba which I believe will be sought at the meetings in Sao Paulo. So while I wasn't able to accept the exact suggestion made by my honourable friend the other day, as I told him we were intending to be represented -- I told him that at the time -- and the names of the representatives he now knows.

HON. STERLING R. LYON, Q. C. (Attorney-General and Minister of Public Utilities) (Fort Garry): Madam Speaker, before the Orders of the Day are proceeded with, I should like to lay on the table of the House the Supplementary Address No. 2 to an Address by the Honourable Member for St. George voted on March 15, 1963. And I should say by way of explanation of this supplementary address that it contains the following material so that my honourable friend from St. George will not be confused with the material that has previously been filed: A previously filed letter dated March 15 referred to drawings of a cement barge. Those drawings are included in this supplementary order. A previous letter filed dated December 12, 1960 referred to insurance policies. One copy of those policies is now being tabled. They were disattached, or became unattached from the original letter. A letter dated April 14th, 1960, attached to the tender from Drake-Pearson referred to an insurance quotation which had become separated in the Hydro files. That insurance quotation is now in the supplementary order. A letter from the Hydro-Electric Board to Drake-Pearson dated June 23rd, 1960, previously filed referred to a joint venture agreement. Copies of this joint venture agreement are in the material filed today. A letter from Drake Construction dated August 23rd, to the Hydro-Electric Board enclosed five insurance policies. A copy of this letter and one copy of the insurance policies are now being tabled; one of the policies, however, cannot be produced as it was cancelled and returned to the company and just doesn't exist in the files of Hydro any further. A letter -- there is also in this material a letter from Drake Construction to Hydro dated May 2nd, 1962 -- pardon me, this letter was previously filed referring to a bond rider No. 3. A copy of this bond rider has now been located and is included in the material. A letter from Drake dated June 27/60 referring to barge movement schedules is now being tabled along with -- I believe it is about four miscellaneous letters, dealing with such matters as the supply of power for cement unloading equipment and so on, which have been uncovered from other departmental files. Madam Speaker, I am now informed by the officials of Manitoba Hydro that to the best of their knowledge, belief and reasonable search, that this represents in full all of the material which is producible pursuant to the terms of the Address for Papers.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, could the Minister indicate when the transcript from Tuesday's meeting will be available to us?

MR. LYON: . . . confirmation from Mr. Clerk, Madam Speaker, as to whether it has come into his hands. I presume as soon as it does he will have it distributed.

MR. GUTTORMSON: Well, is it the intention of this government to proceed with Tuesday's hearing if that transcript isn't available by that time?

MADAM SPEAKER: Orders of the Day.

MR. OBIE BAIZLEY (Minister of Labour)(Osborne): Madam Speaker, before the Orders of the Day, I'd like to table a report from The Fair Wage Board as requested by the Honourable Member from Radisson.

MR. ROBLIN: If we're proceeding with the Orders of the Day, may I request that you first call Bill 67, An Act respecting grants to colleges affiliated with the University of Manitoba, and then we will proceed with the Order Paper and will be able to deal with the Agreement with Canada which is to be the next order in a suitable rotation.

MR. GUTTORMSON: . . . proceeds, would the First Minister give me an answer to my question please?

MR. ROBLIN: The committee is called for Tuesday and it will meet on Tuesday. I haven't had word as to when the transcript of the evidence will be ready, but I'll try and ascertain when that will be.

MR. MOLGAT: Madam Speaker, it is not the intention to proceed with the committee if the transcript of evidence is not available in sufficient time for the committee -- for members

(Mr. Molgat, cont'd.) . . . in the committee to go over it, is it?

MR. ROBLIN: I think it will be ready, Madam Speaker.

MR. MOLGAT: Madam Speaker, before the Orders of the Day. The First Minister has just asked for a change in the order of business. I wonder if I could make a comment on that matter. Yesterday, we received on our desks, Madam Speaker, a series of bills, and a number of them important bills. These bills are appearing today for second readings. I submit, Madam Speaker, that we should have more time to study these bills. After all, the House has been in session now for almost a month and a half; the government has had ample time to place these bills before us. I don't think that the House should be asked to sit, as we did yesterday, a full day, afternoon and evening, receive an important series of bills such as these -- and they are important bills in a number of cases -- and then be asked to proceed today with this legislation. I don't think this gives proper time to the Opposition for consideration of these. The government has had ample time to go over them; they have the staff to do it -- we haven't. I submit that these should not be discussed today, but left over until the early part of the week, so as to give proper time for consideration.

MR. ROBLIN: Madam Speaker, I would hope that we have not breached any of the rules in showing these bills for second reading today, and I'm certain that the Clerk of the House would make sure that we do not. Now I sympathize with the point raised by the Honourable Leader of the Opposition with respect to the fact that he is under the necessity, as all members are, of trying to acquaint themselves with the contents of these bills. I think, however, that a perusal of the bills themselves indicates that there are only one or two that are of a complicated nature at all, and can certainly be easily grasped by the ladies and gentlemen of the calibre of the members of the House, but I don't rest on that point because the government has no desire to rush these through in any unseemly way.

I think that if the rules have been complied with -- they're not? Well, we'll ask the Clerk to look into that -- but if the rules have been complied with, my suggestion would be that we simply have the statement of the Minister on second reading. There's no compulsion for anybody to deal with it today -- it can be adjourned and stood over until next week when we can resume the debate on it. So, subject to the point of order which I notice some honourable gentlemen want to talk about, I would say we could have second reading and the ministerial explanation and perhaps that might even assist -- it's possible -- it might even assist members in the consideration of the bills over the weekend.

MR. R. PAULLEY (Leader of the New Democratic Party)(Radisson): Madam Speaker, I would just draw your attention to Page 33 of our rule book, Chapter 10, Section 81, subsection 2. This may be a matter subject to interpretation different than mine but the clause, Madam Speaker, reads: "No bill shall be read a second time unless it has been printed and distributed to the members at least two days previously and has been subsequently marked 'printed' on the Orders of the Day, signifying that it has been printed and distributed." Now, if memory serves me correctly, these bills were laid on our desks some time yesterday evening, which would not give two days no matter how the interpretation of the phrase "two days" was interpreted here this afternoon. So I would respectfully suggest that two days is 48 hours, or if you're going to take it that two days means yesterday and today, we could not proceed at least until the same time this evening, as we received the bills yesterday evening.

MR. ROBLIN: Madam Speaker, on the point of order, I notice that some study is being given to this point and no doubt we will hear about it in due course. I would just like to say that in the seminar, the little sessions that Madam Speaker held with respect to the rules quite recently, this point came up, and my recollection was that it was stated at that time that from a technical point of view that if it was distributed one day and marked "printed" the next that that constituted legal compliance with the point. I think it is true, however, that our practice has been, regardless of the technicalities of the situation, to allow two full days for consideration of these bills, and as far as the government is concerned, while we await Madam Speaker's ruling, if it's deemed not advisable by her, or irregular to proceed with them now, it is a matter of no concern because we've got plenty of other business to do, but I come back to my point that if it is proper to proceed, I think it might be helpful to let the ministers make their statements and then members on the other side can chew over the bill and the statement for debate later on, but as far as I'm concerned I leave it with Madam Speaker to rule on this point.

MR. MOLGAT: Madam Speaker, on the point of order, I have looked at the rules myself in this regard, but I believe that the legal point is correct, that two days means yesterday and today. On that basis -- I did not make my appeal on the basis of the rules, but rather on the basis of having sufficient time for consideration. As far as I'm concerned I'm satisfied to have the ministers make their statements as long as we have the opportunity to adjourn and will not be pushed into consideration of them at too early a date.

MADAM SPEAKER: Agreed.

HON. S. E. McLEAN, Q. C. (Minister of Education)(Dauphin) presented Bill No. 67, An Act respecting grants to colleges affiliated with The University of Manitoba, for second reading.

Madam Speaker presented the motion.

MR. McLEAN: Madam Speaker, for some time we have had in Manitoba a system of capital construction grants to colleges affiliated with the University of Manitoba by the province. The Bill which is presently before the House marks a new venture with respect to the colleges which are affiliated to the university, in that it is designed to provide operating grants to the colleges which are affiliated with the university, and I'm pleased to have this opportunity of explaining the principles of the Bill which are relatively simple, I believe, in their context. There is a companion bill which will be the next bill which you, Madam Speaker, will be calling, as I understand it, and under which there is proposed the confirmation of an agreement between Canada and Manitoba respecting a fund of money known as "The School Lands Fund" and these two measures are companion measures.

The first principle, however, that I wish to make with respect to the measure about which we are now speaking, is that the grants are tied in to the School Lands Fund and that point must be clearly understood, because it is from the earnings of that fund that the grants which are proposed by this bill are to be made. The grants are not proposed from the Consolidated Revenue Fund or any other fund, but rather to be made from the revenue earned by the School Lands Fund. The second point is that the grants are payable to colleges which are affiliated to the University of Manitoba. This is a clearly understood and well defined term, because the University of Manitoba through the agency of its senate, determines the conditions of affiliation, and they are -- a college is either affiliated or not affiliated, as the case might be, with the University of Manitoba in accordance with the rules which the senate has established and in accordance with whether or not they have been accepted on that basis. At the present time, as members will know, there are colleges affiliated with the University of Manitoba, being Brandon College; St. Boniface College; St. Paul's College; St. John's College; and the United College. If in the future there were other colleges which met the requirements of the senate of the University of Manitoba and became affiliated with the University of Manitoba, then they would, by virtue of the way in which this bill has been prepared, they would be eligible to share in the operation grants that are proposed by this bill.

The next principle that I would draw to the attention of the members is that this provision is related in part to students enrolled in the respective colleges, and to those students who are enrolled on a full time basis in certain courses of study. The members will note that this is really confined to students enrolled in the general arts or general science courses, and that students in other courses of study are excluded, and as I have already indicated, even in the general arts and general science courses they must be full time students as defined by the bill which is before the members.

From and out of the earnings that will be derived from the School Lands Fund, it is proposed to pay grants to the affiliated colleges. There are three sort of separate categories. The first category applies only to one affiliated college in Manitoba, namely, Brandon College, and there is a provision in the bill for the payment of \$22,500 -- that is a flat grant from the fund -- to Brandon College. I might, perhaps, as simply as possible -- and I know the questions that someone is bound to ask -- say that this is related to the McKenzie Agreement. Under the terms of the McKenzie Agreement made some years ago, it was a condition of Brandon College, receiving monies from the McKenzie Foundation, or the McKenzie Fund, that they be guaranteed, or that they would receive each year -- put it that way -- not less than \$22,500 from and through the Province of Manitoba, and we are putting this provision in this bill to ensure that Brandon College, quite irrespective of what other provisions may be made for Brandon

(Mr. McLean, cont'd.) . . . College by the Legislature, that Brandon College will be guaranteed annually the sum of \$22,500 which payment will be derived from this fund as I have already indicated.

The next type or category of grants is a flat grant which will be payable to each affiliated college, depending upon enrollment groups, and members will note that a college having from one to two hundred students will receive a flat grant of \$5,000; if they have between 200 and 600 students it will be \$10,000; from 600 to 1,200 students, \$15,000; and over 1,200 students a flat grant of \$20,000.00. These flat grants will be paid to the respective affiliated colleges on the basis of their enrollment as defined by the provisions of the bill.

I might say, Madam Speaker, that we have considered whether or not the grant should be entirely on a per capita basis, but it did seem that that might work perhaps against some of the smaller colleges and that if we combined a flat grant basis with a per capita grant basis that that would yield the greatest benefit to the smaller colleges which wouldn't on a per capita basis have a sufficiently large enrollment to earn them a reasonable sum of money.

The third category, as I have now already indicated, is a per capita grant of \$60 per year to the affiliated colleges on the basis of the number of enrolled students according to the definitions which are established by the bill itself, and which I have already indicated as being full time students enrolled in the general arts and general science courses. We therefore have these three categories and that is the basis upon which the grants will be paid.

The provisions of the Act or Bill will come into operation, if it receives the approval of this Legislature, effective from the first of April of this year, and there are all of the necessary ancillary provisions in the bill to provide for the payment of the grants, the necessary information to compute the payment, and all the things that are necessary. I should point out that if in any year the full sum of money that is paid out -- or perhaps I should put it the other way -- if the full sum of money which is the earnings of the fund is not used up in payments to the affiliated colleges under the formula which I have indicated, the surplus will be paid back to the fund. It will remain as part of the fund, not paid to any other fund or sort, and will then be added to the capital of the fund and remain, so if there is any surplus over and above what is necessary to pay the grants, it will remain in the fund as capital. On the converse side, in any year in which there is not sufficient funds to pay the grants in full, then they shall be reduced proportionately, and there are provisions in the bill to provide for that. So that each affiliated college entitled to a grant would receive its proper proportion of the grants that it would normally be entitled to receive in accordance with the formula to which I have made reference.

There is one provision in the bill which I should mention, because it may attract the attention of a number of the members, and that is with reference to the guarantee of school debentures, and I would just like to explain it in this way by saying that some years ago a provision was made that school district debentures might be guaranteed in certain respects, and that the guarantee was a charge against the earnings of the School Lands Fund, and a number of school district debentures have been issued and sold to the public on the basis of that guarantee. In actual fact there has never been any actual claim on the fund under the terms of the guarantee, and I would anticipate that there wouldn't likely be any because grants now to school districts and school divisions are of such a size and we have the, what we call trustee agreements, that I would think that any debentures would always be looked after out of the normal grants that would be paid to school districts or school divisions. I do mention, however, that these guarantees that have already been made, we are no longer making them, and haven't made them for some time -- I think perhaps two or three years -- that there are certain guarantees which are a legal liability on the fund, and that if it ever became necessary for the fund to make good on such guarantees, it would have to do so, and to that extent might result in a reduction of monies available for the grants to the affiliated colleges. I think it's only fair to point that out, although as I say -- and I recognize the danger of being a prophet -- I would rather expect that the fund would never be called upon to pay out any money under and pursuant to that guarantee.

I think perhaps, Madam Speaker, that that outlines the principles which are involved in the bill. This is not going to provide any huge sums of money for the affiliated colleges. It will, however, in my opinion be of some assistance to them. I believe that we have arrived at

(Mr. McLean, cont'd.) . . . a formula which is fair to the affiliated colleges operating within the ambit of the amount of money that we have available, and that we have provided for the various contingencies that may arise because of the fact that the grants are very specifically related to a specific sum of money -- specific fund and the earnings from that fund, and that always has to be borne in mind. I believe also, Madam Speaker, that the formula designed and the method presented is one that so far as can be told at the moment is satisfactory to take care of the increasing enrolments which we will have at the affiliated colleges, and which will, of course, place a greater demand upon the fund under the terms of this legislation for the monies. I conclude only by a brief reference to the fact that the other bill which members will be asked to consider is tied in with this, and I'll have a word with respect to its specific provisions when that bill is called. I mention again, however, that the two measures are companion measures and should be considered together.

MR. L. DESJARDINS (St. Boniface): Madam Speaker, I would move, seconded by the Honourable Member for St. George, that the debate be adjourned.

MR. D. L. CAMPBELL (Lakeside): Madam Speaker, before the question is put, might I ask the Minister a couple of questions? The first question I think will probably be answered by the Minister when he deals with the other bill and -- maybe he mentioned it already and I may have missed it -- that is, the present earnings of the fund. If he didn't give that, would he give it when he comes to the next bill? The second one deals with the question should pro-rating of the grant become necessary -- I understood the Minister to say that they would be pro-rated according to the amount available and the relative shares of the different affiliated colleges -- I presume that would not apply in Brandon College's case on account of the McKenzie Agreement.

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

MR. McLEAN presented Bill No. 19, An Act to confirm a Certain Agreement between the Government of Canada and the Government of Manitoba, for second reading.

Madam Speaker presented the motion.

MR. McLEAN: Madam Speaker, as I have already indicated, this bill relates to the School Lands Fund, and up to the present time as I understand it, this fund has been in the hands of the Government of Canada with the monies being paid to the province -- the respective provinces, including the Province of Manitoba, and that money being paid into our Consolidated Revenue Fund. An agreement was made some time ago whereby the fund and the operation and the control and custody of the fund was to be turned over to the province, and that agreement was actually executed. During 1961 it was validated by an Act of the Parliament of Canada and the Bill which is presently before the House is a bill to validate the Act as far as the Province of Manitoba is concerned, and simply and as briefly as I can, it simply means that under this arrangement the Province of Manitoba would have the complete custody and control of the School Lands Fund.

I can now answer a question asked by the Honourable Member for Lakeside, and say to him that we estimate the earnings of the fund in this current fiscal year that we're in now -- that it's estimated at \$380,000.00. Now that is, I want to indicate, just an estimate; and I think I nodded my head in agreement with regard to the other matter. I should have made that clear, that the first category is not one that would be pro-rated.

MR. MOLGAT: Madam Speaker, I have no objection to this bill going through the second reading. We've had it for some time now. We'll have a number of questions obviously when we come to the committee stage. The Minister has indicated the amount of money now coming in from that fund. In view of the announcement made recently that the school lands would be sold on the same basis as the other Crown lands -- that is, as requested instead of waiting for auctions every eight or 10 years, I would assume that there will be more money flowing into the fund very soon, because this will be -- I think there are a number of lands now that people want to buy, and I would imagine that within the course of the next year there'll be a substantial increase in the flow into the fund, and then probably, or naturally, an increase in the earnings from the fund. I wonder if when we come along to the committee stage if the Minister could have for us detailed information as to the amount of land presently available for sale under the fund -- that is, the school lands, not the Crown lands; referring strictly to school lands -- and whether he has many requests, and what we can expect to happen in this in the

(Mr. Molgat, cont'd.) . . . course of the next year.

MR. M. G. SMERCHANSKI (Burrows): Madam Speaker, I wonder if the Honourable Minister of Education could tell us if any of that \$380,000 income, if any of it has been paid out in terms of grants to the university or the colleges prior to this year, and if it has, has it been shown as part of the over-all federal grant or has it been shown as part of the provincial grant to the university?

MR. McLEAN: Madam Speaker, if there are no other questions, I would answer the questions and close the debate on this particular bill. I would think in answer to the first question of the Honourable the Leader of the Opposition that he would have to get that information from the Minister of Mines and Natural Resources since it is they who deal entirely with the sale of school lands. While they're called school lands we don't have anything to do with it insofar as the Department of Education is concerned. I'm unable to say whether there are many requests for purchase of this land. I don't know how much land there would be for sale. We are, however, anticipating that to the extent that land — school lands — are sold, and under the policies that have been announced in the House, that it certainly will add to the fund. Now to what extent, of course, would be very difficult to say, because one doesn't know how many parcels will be sold and at what price and that various information. With respect to the second question, the entire amount of the fund up to the present time has always been taken into the Consolidated Revenue Fund of the province, and has never been in any way paid out to the university, or affiliated — or anyone. It's been simply an item of revenue in the Consolidated Revenue Fund.

Madam Speaker put the question and after a voice vote declared the motion carried.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Minister of Health. The Honourable the Member for Ethelbert Plains.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Madam Speaker, I adjourned this debate, because I wanted to take a good look at that proposed bill. To my way of thinking it deals with a subject matter that is very, very important to the people of the Province of Manitoba, not so much that I wanted to make any remarks in regard to the bill, as to ask the Minister a number of questions.

I note that yesterday when he was speaking on the bill, he said, "This means that all tissue removed in hospitals from patients are sent in for a pathological and proper examination." Now the responsibility of these examining officers or pathologists is of considerable significance and importance to the people of Manitoba. I can recall very well, Madam Speaker, when the pathologists were placed in our health units. It did have a very noticeable impact upon surgery. The trend of surgery changed considerably after that had been done. Now I'm not altogether in favour of the provision here that the responsibility for these committees be placed in the hands of the college. I feel that they should remain in the hands of the Minister, and he didn't indicate to us yesterday as to why he has changed his mind so quickly. It is only a year and a half ago that this idea of area committees was placed into the legislation and today he asks that we change it by taking it away from him as his responsibility and hand it over to the college. I don't think that we should decentralize this responsibility. It is too important; there are not too many pathologists to do this type of work, and if you are going to decentralize it, you're going to have the difficulty of getting the proper type of men that we require. I think even at the present time there are certain tissues that are — specimens are sent outside the province for examination; and I don't think we're quite ready for decentralization. I would much prefer to see the work done as it is at present, and if there is any lack of staff, if they're overworked, then add to this staff instead of decentralizing.

I would like to ask the Minister whether he established any area tissue committees during the last year; if so, where? And who are the members? And if he hasn't I would ask him why he did not establish any area committees during the past year and a half? And does he think that this is urgent, that needs immediate attention? And I would like to stress, Madam Speaker, on the fact that I think we'd be much further ahead for the sake of the health of our people, if we left this as it is and let the Minister be responsible in the same manner that the pathologists in our health units are responsible to him, and that we do not decentralize.

MR. DESJARDINS: Madam Speaker, I just want to ask the Honourable Minister a couple of questions and I hope that he can answer them before he closes the debate. I would like to

(Mr. Desjardins, cont'd.) . . . know if before presenting this bill, this was discussed with the Associated Hospitals and also the Health Council which is an advisory council to the Minister? I wonder if he can give us something of their recommendation, if this was done?

HON. G. JOHNSON (Minister of Health)(Gimli): Mr. Chairman, I'd like to try and answer these questions in closing this debate on this bill. I'm very pleased and heartened with the tremendous interest shown in this bill by members of the House, because this bill is a bill which both the Hospital Commission, the Department of Health and the medical profession are most happy is in force. I would start out by -- in trying to answer this -- by explaining that for many years the Cancer Research & Treatment Foundation have made available biopsy bottles to all the practising physicians of the province, and as a matter of choice a physician could send in all suspicious tissues where he suspected cancer and so on, and these were handled and sent to the Foundation, who had pathologists in the major teaching hospitals, to examine these tissues or by arrangement the Foundation actually arranged for the examination of the tissues. As you know the Research & Treatment Foundation is a voluntary organization which worked under the aegis of the Department. So by and large, every practising physician had access in cases of suspicion of cancer, to the resources of the pathologists as a matter of choice.

In your larger teaching hospitals and so on -- for example in the city, this was a matter of a hospital by-law and the by-law of the medical staff, as a method sort of, of placing themselves, and this has been developed to a very high degree in the larger hospitals throughout the province. It was felt by the medical profession a couple of years ago, in consultation with the Cancer Foundation and with the profession, that this more detailed study of tissues and the setting up of a tissue service for all tissues, would be a great thing in the public interest, and probably bring about even more confidence in all hospitals throughout the province -- if there was any lack of it, it wasn't evident, but this was felt to be a good public health measure and something which they had been thinking about for some time and should be brought about. So in consultation with the College of Physicians and Surgeons, who are the disciplinary body of the medical profession and so on, we held discussions, and the medical profession themselves were anxious that this be set up on a decentralized basis for examinations of these tissues on a district medical society basis, because in many cases local factors come into play which govern the amount of tissues coming out of an area and so on; that the physicians for example in the Brandon region, may be using the pathologist in a nearby centre and that they would arrange with them when the tissue that went out for examination in this area came back. The medical profession themselves and the college felt that rather than having any abnormal reports screened by a central committee of the college, that they would delegate this on a regional basis to their colleagues. This means in certain regions of the province the physicians meet on a regular basis, collect the data, the positive reports, and in their judgment, if these reports show any abnormal trend, these are reported to the central body.

The members of the College as you know, are duly elected representatives of the profession and are elected by ballot and I felt that as Minister, and again along the lines of a member from -- touched upon by the member from Lakeside -- that as the College of Physicians and Surgeons of the Province have and have had for many years the disciplinary function of the practice of medicine in the province, and if they wished to -- and as only they can -- judge one another's efficacy and work and so on, that this interpretative function be left with the main body of the College who are responsible to the Minister and to this Legislature. They in turn felt, and the Manitoba medical profession as a whole felt rather strongly that they would like to see this on an area basis, and areas have been set up across the province in the last year and a half and we, in the Department, get a report on the activities of this committee at the year's end.

During the course of the last year in the operation of these committees, the physicians themselves have found that this entails considerably more work than they had anticipated, in secretarial help and for using files and so on, and for that reason they also felt that this was a public health function, or a medical function, which they would like to, as part of their duties in the College of Physicians and Surgeons, operate themselves and be responsible to the Minister for the program. My feeling was that as all the tissue examinations are paid for through public funds that we should continue, as the Act says, with the profession, to prescribe the



(Mr. Johnson, cont'd.) . . . duties and functions of these committees, and that if they wanted to take over the function of carrying the program in an administrative sense and report once a year on this basis, that they would have to do this on their own resources. I felt that this was the price of a little local autonomy in this area, and they have agreed to this arrangement.

The previous speakers asked about whether this was cleared. Oh yes, this principle was cleared with the Associated Hospitals some time ago. This amendment this year was brought to their attention. Also, as the bill was really prepared before the Health Council has been into operation, it wasn't taken to that body, but the Manitoba Medical Profession was briefed on it, and the College of Physicians and Surgeons, and endorsed it.

The tissue committees operate in this way, that on a regular basis, the surgical pattern of practice of physicians is reviewed by members of the College, and any abnormal trends, if any, or questionable material, is reported to the main body of the College, who have the disciplinary function. The main body of the College is in liaison with the Department of Health and with the Hospital Commission and the Standards Division thereto, and any information is recorded with the main body, and we demand these reports on how each area committee is going and these are sent in to us. Also, with respect to any disciplinary action, this is recommended in the first instance by the area tissue committee, which then goes into the central committee of the College who have the right to carry out certain disciplinary action or . . . the privileges if such were to be the case.

Then, of course, the medical staff -- or any action that may be taken would be taken by the profession who would contact the hospital board concerned, report to the hospital board on any recommendations they have, and the boards usually turn for this expert opinion and so on, to the College proper. The physician himself has recourse, of course, to his own colleagues in the College, and he has recourse to the board of his hospital who are a self-autonomous voluntary group of citizens in each case, but the boards, as you know, usually have by-laws set up, and we are working with most hospitals in the province with these by-laws -- with a standard set of by-laws -- and have been for some time. These by-laws have been set up for several years, for example, in the larger hospitals, so that the physician who might feel wronged has recourse not only to his own colleagues, he has recourse to the board of the hospital and finally, I am sure, to the Minister. However, it usually is dealt with at college level.

With respect to the Lieutenant-Governor-in-Council sharing in the prescribing of the duties and functions of these committees, I think the point is well taken. I'm not too familiar with the reasons for such a move. I don't see any particular advantage because the method by which these committees work is one of a highly professional nature, and actually the Standards Division of our Hospital Plan have, plus the medical profession themselves, worked out these terms and conditions, and the Minister's function is to see that the committees do operate and do report. And also in that connection, this particular function, I thought, was a matter of the decision of the Legislative Counsel as to whether or no the function of the Tissue Committee might be put into the Medical Act as a regular function of the College of Physicians and Surgeons. However, as it was in the Hospital Act last year, and as there seemed to be no particular advantage in having it in the other Act, and in view of the fact that it is of such great importance, it was decided just to leave it in the Hospitals Act. However, I think in closing I would say that I think this program has been welcomed by the medical profession as a whole. It is certainly understood by them. It has been a matter of debate amongst themselves as to whether this should be a centralized examination of these things or regional, and I think the regional committees have been set up under the aegis of the central body of the College, reporting to the central body on any abnormal patterns or decisions they may reach at the local level. These in turn -- the physician concerned has recourse to his medical profession -- the Manitoba Medical Association -- to the College of Physicians and Surgeons, who, in turn, are often the ones who discuss the matter with any physician and who can advise any board who may be in any doubt. However, it's in its infancy, but I would point out that in the past this was really a voluntary function of the individual physician concerned prior to the formalization of these committees and the requests by the profession, and accepted by ourselves, that this be made a mandatory thing in our province.

Madam Speaker put the question and after a voice vote declared the motion carried.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable

(Madam Speaker, cont'd.) . . . the Minister of Municipal Affairs. The Honourable the Member for Carillon.

MR. BARKMAN : Madam Speaker, I adjourned this debate for the Honourable Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam Speaker, this matter first came before us last year on a resolution presented by the Honourable Member for St. Boniface, and, if my memory serves me correct, at that time it called for uniform daylight time in Manitoba for a period commencing the 1st of June and ending the 1st of September. I believe that his resolution was amended by the Honourable Member for Seven Oaks, who included the Labour Day week-end, and the position which we took at that time was that we accepted the resolution as amended by the Honourable Member for Seven Oaks. Then following that, the Honourable Member for St. James moved what I described as one of the weaseliest motions that ever came into this House, that the matter be referred to the Manitoba Urban Association and the Union of Manitoba Municipalities. Well now that has been done, and what have we got? We're right back where we started. There isn't one of these organizations has made any recommendations whatsoever, and I think in this particular instance it is incumbent upon the government to give to the people of Manitoba the leadership which is expected from a government.

After listening to the Honourable Minister of Municipal Affairs yesterday, I was completely unaware as to where he stood in this matter until he was asked a question by my Leader, my Leader's question being: "Are you in favour of this bill?" And to my surprise the Honourable Minister replied, "yes". But if you read his speech you will find that his speech almost asks a referendum be submitted to the people of Manitoba, because he refers to the fact that this bill should be given wide publicity in the hope that as many organizations, as many people as possible, will be present in Law Amendments when the bill comes up for discussion. And he finishes by saying, "and I'm quite prepared to amend the bill in Committee if this would appear to suit the desires of the majority of the people of this province." Now, I ask the Honourable Minister how he's going to ascertain what the desires of the majority of the people of this province are by a meeting in Law Amendments. I submit, Madam Speaker, that the responsibility lies upon us as legislators. It is up to us to interpret the wishes and the will of the people of this province, and if we are not prepared to assume that duty and obligation, well we have no right to be sitting in this House. If we make a mistake, the people of the Province of Manitoba can kick us out. That's their privilege. But I think it's up to us to assume and discharge the duties and responsibilities of our office with courage and determination, and not to be wishy-washy.

Now this legislation, in spite of everything that has been said to the contrary, is government legislation, and I refer you to the Throne Speech wherein it is said that "a measure to provide for uniform time will be proposed by my ministers." Now I take it from that, Madam, that it is government policy to propose a method to provide uniform time for the people of this province; and I take it that since this bill has been introduced by a Minister of the Crown, that that is part of the legislation which this government is referring to in the Throne Speech. You will recall at the beginning of this Session the Honourable Member for St. Boniface placed on the Order Paper a resolution similar to that which he had placed on the Order Paper last year, but as amended by the Honourable Member for Seven Oaks. And you will also recall, Madam, that the First Minister asked the Honourable Member to withdraw that resolution on the grounds that it anticipated government legislation. Now I can appreciate the fact that the government has the right to determine whether or no any legislation which it brings into this House shall be treated as legislation which goes to confidence, and I am quite prepared to admit that this legislation does not go to confidence, but at the same time I think, and I submit, that the government when it does introduce legislation of this nature, it is government legislation and the government should make a sincere effort to see that that legislation passes the House. We have not been given that assurance by the government and I think we're entitled to that assurance.

As far as we're concerned in this group, we have taken our position in connection with uniform time in Manitoba, as expressed in the resolution which was on the Order Paper at the beginning of this year presented by the Honourable Member for St. Boniface. I believe that our friends to the left have also taken their position in respect of uniform time. And all that I'm asking is that the government let the people of Manitoba know where they stand.

Madam Speaker put the question.

MR. DESJARDINS: Madam Speaker, I would like to move, seconded by the Honourable Member from St. George, that the debate be adjourned.

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

MADAM SPEAKER: Second reading of Bill No. 89. The Honourable the Minister of Industry and Commerce.

MR. EVANS: Madam Speaker, I request leave of the House to allow this item to stand.

MADAM SPEAKER: Agreed.

MR. EVANS presented Bill No. 4, An Act to amend The Civil Service Act, for second reading.

Madam Speaker presented the motion.

MR. EVANS: Madam Speaker, this bill puts into effect two simple changes in the Civil Service Act. As explained at the time of introducing at the Committee stage, it is now decided to call meetings of the Joint Council by agreement between the Employees Association and the government rather than have them on the rigid requirement that there be a meeting in every calendar month except when the House is sitting. This item has been agreed to by the Manitoba Government Employees Association. It's also intended to empower the government to pay compensation to certain employees who may have spectacles or watches or other similar valuable property damaged in the course of their duties by such things as violence on the part of inmates of some of the institutions. This is also at the request of the Government Employees Association.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable Member for Ethelbert Plains, that the debate be adjourned.

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

MR. HUTTON presented Bill No. 47, An Act to amend The Watershed Conservation Districts Act, for second reading.

Madam Speaker presented the motion.

MR. HUTTON: The original legislation provided for the consideration and administration of the water control works in watersheds. It provided for centralizing this administration in the hands of a Watershed District Board. We had this legislation considered by two watersheds, the Riding Mountain-Whitemud and one in southern Manitoba, Plum Creek, and in both cases it failed to get the necessary support. We still believe that this is the proper approach to the management of our rivers and streams in Manitoba. We had reason to believe that local government was a little apprehensive about the centralization of control in these relatively large areas, and so we are introducing amendments here which provides for a breaking down of the major watershed into sub-watersheds, and a provision for local committees made up of representatives appointed by the councils -- the area councils -- area municipalities -- and providing for the consideration by these local committees of matters of water control and conservation in the sub-watersheds. It provides certain responsibilities for them. The consideration of these matters at the local level. It allows them to make recommendations to the central board. It requires them, in fact, to make an annual report in December of the year previous, which report would set out the recommendations for action of construction or maintenance to be carried out the following year. The ultimate power, of course, is left with the central board. They still have the power to either approve or disapprove of the recommendations of the sub-district committees, but we feel that it will overcome the feeling that I think was somewhat natural, that certain sub-districts might be forgotten in the consideration of the major projects in the watersheds, and that they might have to wait for many years before they could carry out programs of a local nature but which were in fact as important to them as the big projects were downstream, and so with this delegation, if you like, of some of the authority and control from the central committee, or central board, to the sub-district committees, we are hoping that this legislation will be more attractive and the opportunity to administer, get a comprehensive grasp of our problem on a watershed level, will become more attractive to the areas concerned.

MR. CAMPBELL: Madam Speaker, I move, seconded by the Honourable the Member for Ethelbert Plains that the debate be adjourned.

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

MR. LYON presented Bill No. 55, An Act to amend The Jury Act, for second reading.

Madam Speaker presented the motion.

MR. LYON: Madam Speaker, we've already discussed this Bill at the Committee stage with respect to the financial provisions in it. I can now mention to the House that the provisions which precede those financial provisions are largely of an administrative nature, have been requested by those who are responsible for the selection of juries in order to expedite and facilitate the work that they have to do annually in connection with this process. The one change upon which some comment might be made relates to the number of jurors, or potential jurors, who shall be selected from a municipality in Greater Winnipeg. At the present time Winnipeg is responsible for producing 1,000; the other municipalities must produce 1/20 of their population. This has had the effect in recent years, with populations booming in the suburbs, of having some of the suburbs producing actually more potential jurors than the City of Winnipeg, and so now the restriction is placed at 500 for all of the municipalities.

The other provision, of course, deals with the -- one other provision deals with the northern Manitoba jury list, increasing it from 150 to 250, because of the numbers of cases that are -- number of jury trials -- that are being held in that district. Then, of course, we come to the matter about which we have already spoken -- the increase of the jurors' fees from \$9.00 to \$12.00 per day in those cases where the trial is of unusual length or where, in the opinion of the presiding judge, the juror has suffered undue hardship by reason of his attendance at the court. And as a further measure to improve the lot of those who are selected for jury duty, the provision is made for payment for out-of-pocket expenses for any person who is summonsed as a juror and who resides more than 30 miles from the place where the sitting of the court to which he is summonsed takes place. I believe, Madam Speaker, that those matters represent what might be called the principle of this amending bill.

MR. GUTTORMSON: Madam Speaker, I move, seconded by the Honourable Member from Ethelbert Plains, that the debate be adjourned.

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

MR. LYON presented Bill No. 56, An Act to amend The Devolution of Estates Act, for second reading.

Madam Speaker presented the motion.

MR. LYON: Madam Speaker, The Devolution of Estates Act, as honourable members will be aware, is the piece of legislation that deals with the disposition of estates in the case where an intestacy arises, that is where the deceased dies leaving no will. At the present time our Act provides that if an intestate leaves a widow and one child, one half of his estate goes to the widow, and if he leaves a widow and more than one child, one-third of his estate goes to the widow. The purpose of the amendment before the House, Madam Speaker, is to change this system to bring it into line -- to change this provision of the law and to bring into line with what has been laid down as the substance of law in other provinces of Canada. We have found through discussions of this matter in the Law Reform Committee -- and I pause to mention to members of the House, Madam Speaker, that this is the first bill that has passed through the hands of our new Law Reform Committee and it comes to this House bearing the approval and the sanction of that committee and the recommendation of that committee as a desirable piece of legislation -- and in the course of the deliberations before the committee it was pointed out that in Ontario amendments have been made to the similar legislation in that province, providing that the first \$20,000 should go to the widow plus a share of any of the surplus. In Saskatchewan the first \$10,000 goes to the widow plus a share of the surplus. In British Columbia the first \$5,000 goes to the widow, plus a share of any surplus. And so honourable members can see, Madam Speaker, we are proposing here that the first \$10,000 should go to the widow in order that she will not be required, as is the case at the present time, to have a large portion of whatever estate is left kept in trust for children when actually she should be able to use this money for the benefit of the children.

Under the present system, as honourable members will appreciate, it's necessary for wives or for the representatives of the estate to go to the courts to seek an Order, in order that the surviving spouse may encroach upon capital when the need arises for the continue maintenance and support of children, and so the whole purpose of this legislation is to in effect give a better deal to widows who are left in this unfortunate situation where there is no will, and where they will now be able to receive, if the estate totals only \$10,000 the full amount of that estate

(Mr. Lyon, cont'd.) . . . with no strings attached, and where the estate is for a larger amount then there will be a sharing of the surplus over and above that according to law. I recommend this Bill to the House, Madam Speaker, and mention again that it is the first piece of legislation that I bring forward carrying the sanction of the Law Reform Committee.

MR. HRYHORCZUK: Madam Speaker, I'd like to move, seconded by the Honourable Member for Gladstone, that the debate be adjourned.

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

MADAM SPEAKER: Bill No. 58, the Honourable the Attorney-General.

MR. LYON: Madam Speaker, I would ask leave of the House to have this Bill stand until Monday.

MADAM SPEAKER: Agreed.

MR. LYON presented Bill No. 71, An Act to amend The Wives' and Children's Maintenance Act, for second reading.

Madam Speaker presented the motion.

MR. LYON: Madam Speaker, I believe that the explanatory notes fairly well cover the purpose and intent of this Bill. The question arose by virtue of a decision in a reported case in Manitoba wherein one of the learned justices of the Court of Appeal expressed the opinion, obiter dicta, that the county court judge would have no jurisdiction to vary or discharge an order made by a magistrate, and the purpose of this bill is to clarify this question, to provide when the order is made by a magistrate it shall be discharged by a magistrate, and when it is made by a county court judge it shall be discharged by a county court judge.

MR. SHOEMAKER: Madam Speaker, I beg to move, seconded by the Honourable Member from Ethelbert Plains that the debate be adjourned.

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

MR. LYON presented Bill No. 74, An Act to amend The Judgments Act, for second reading.

Madam Speaker presented the motion.

MR. LYON: Madam Speaker, I believe again, the explanatory note covers the purpose of this bill. Some of the courts do not have an official seal and this is meant that this bill is brought forward at the recommendation of the Registrar-General of Manitoba, who points out that this amendment is required in order to validate these court orders that are made in courts where no such seal exists.

MR. HRYHORCZUK: Madam Speaker, I beg to move, seconded by the Honourable Member for Selkirk, that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, I wonder if we could take the second reading of Bill No. 75, a private bill, the last item on the order paper, because the Private Bills Committee is meeting on Monday and it would meet their convenience, I daresay, if the House were willing to grant second reading to this bill now. The member in whose name it stands is not here, but I think that if members care to look at the bill, they'll find it's an extremely simple one and can no doubt be explained by the Member for Souris-Lansdowne. If he gets into hot water, I'll do my best to muddy things a little further, and perhaps we might reach second reading -- agree to second reading -- of this bill.

MR. M. E. McKELLAR (Souris-Lansdowne) presented Bill No. 75, An Act respecting The Central Trust Company of Canada, for second reading.

Madam Speaker presented the motion.

MR. McKELLAR: Madam Speaker, I'll have to call on the First Minister to explain.

MR. ROBLIN: . . . delightful opportunity for me to make a speech, Madam Speaker. I'm compelled by the activity of my colleagues to remain a private spectator of affairs most of the time these days, but I think that, in those classical words, the bill is self-explanatory. It merely provides for the establishment in Manitoba of the Central Trust Company of Canada and makes arrangements for them to carry on the business of a trust company within the meaning of the Companies Act in this province. The company is already incorporated by a statute of the Legislature of New Brunswick, but cannot operate in this province without a special act of the Legislature.

If members have questions of detail with respect to this company, I respectfully suggest

(Mr. Roblin, cont'd.) . . . they attend the Private Bills Committee on Monday morning where all matters can, I trust, be satisfactorily dealt with.

MR. J. M. FROESE (Rhineland): Madam Speaker, I do not want to adjourn the debate. It just seems rather peculiar to me that we allow private bills and the incorporation of trust companies and finance companies in Manitoba quite freely, and I have no objection to this, but I object to the way we treat the matter of community credit unions, when they, a group of people get together and want to have a certain thing, they're denied that privilege, but we give them freely to finance companies.

Madam Speaker put the question and after a voice vote declared the motion carried.

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Public Utilities, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of Supply to consider of the Supply to be granted to Her Majesty.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply to consider of the Supply to be granted to Her Majesty with the Honourable Member for St. Matthews in the Chair.

. . . . . Continued on next page.

MR. CHAIRMAN: Department X, Item 1 passed.

MR. MOLGAT: Mr. Chairman, on the Minister's salary, a matter came up yesterday, and I charge that this is a very serious matter, that this government is charging interest rates to people who are using the services of the government that are completely out of order, far beyond anything that my honourable friend, the Leader of the NDP has ever brought up insofar as finance companies in this province, and I refer to the statement made here yesterday by the member from Brokenhead and the letter that he read, because in this letter it's indicated that the construction that was requested could be paid for in two ways, Mr. Chairman: (a) a lump sum figure of \$810.00 to be remitted with your first monthly bill, after the new service has been installed; or (b) as a monthly charge of \$82.20 to be included with your regular monthly bill for a period of 12 monthly consecutive months following the installation of the new service. Mr. Chairman, if anyone will calculate this, they will see that \$82.20 for 12 months gives a total of \$986.40 on an original capital construction of \$810.00 -- in other words a service or finance charge, as I see it, of \$176.40. Mr. Chairman, this is an exorbitant rate. On the basis of the original capital, even on a yearly basis, it means 21.77 percent interest, and if it's calculated over the decreasing balance -- which it should be, because it's being paid off at \$82.20 which means something of an average of \$440.00 being financed for the 10 months -- it ends up by being something in the order of 40 percent per year. Now if these are the charges that my honourable friends are imposing upon the public, I submit that anything that my friend the Leader of the NDP has said in the past regarding certain activities in the province of finance companies, my honourable friends are certainly far beyond any that I've heard so far.

MR. PAULLEY: Mr. Chairman, the Honourable Leader of the Liberal Party has made reference to me and my calculations insofar as interest rates are concerned. I may be wrong in this and he may be right, but I would suggest to my honourable friend that he may have fallen in the same trap that I did when I first saw the letter that was produced by the Honourable Member for Brokenhead. My first impression on reading that letter was similar to that of the gentleman who has just taken his seat. However, after I had studied the letter, I found, Mr. Chairman, that included in the monthly rate was the monthly rate of exchange services in addition to the construction costs. Now maybe the Honourable the Minister of Public Utilities now can decide who is the better, the Leader of the Liberal Party, who glances at a letter and comes to his conclusions, or the Leader of the New Democratic Party, who studies matters at least a second time and comes to the conclusion that he came to.

MR. LYON: Mr. Chairman, I understand that the mathematics of the Leader of the New Democratic Party are better than those of the Leader of the Opposition. The letter says that it can be paid in either of two ways: First, a lump sum figure of \$810.00 to be remitted with your first monthly bill, after the new service has been installed, or as a monthly charge of \$82.20 to be included with your regular monthly bill for a period of 12 monthly consecutive months, following the installation of the new service. Now, I can only go by the terms of the letter, and certainly I take it that that is the case and I'll be able to confirm that one hundred percent in just a moment, but that is my understanding as well, that the \$120.00 is deducted from the charge that my honourable friend the Leader of the Opposition mentioned would leave a balance of -- what was your total figure? A hundred and .....

MR. MOLGAT: \$176.40.

MR. LYON: \$176.40. That would leave approximately then \$50.00 to \$60.00 as an interest charge, and I would presume that that would work out at the prevailing rate of interest that is charged on many of these accounts where time is given to pay.

While I'm on my feet, Mr. Chairman, I might refer to some of the questions that were asked last evening and attempt to give a few more answers to the material that was sought at that time. My honourable friend, the member from St. Boniface, who unfortunately is not in his seat, requested some information about the two letter, five-numeral and seven-digit, all-numbering system. I would point out first of all that the two letter, five-numeral and seven-digit numbering system is a completely compatible system. In other words, if you have at the present time a Whitehall number on conversion to an all-numeral number, the "Whitehall" becomes 94. In other words you don't look at the letters, you just look at the numbers, but the "W" is 9 and the "H" is 4, so that in effect you're going through actually the same mechanical

(Mr. Lyon, cont'd)... process of dialing in the same slots as you were before. The changes are only being made where a change in numbering is necessary anyway for such things as moving from one part of the city to the other, or change of location of a business, etcetera. A change to numeral numbering can also be made on request by business subscribers who wish to co-ordinate their advertising and printing, or co-ordinate with the issue of any new directory. There is not any crash changeover plan until the bulk of the numbers have been changed on this gradual basis.

In the case of business subscribers, Mr. Chairman, they get on the average, a one-year notice of an expected change in their phone numbers, because it is appreciated by the system that they will require this notice in order to get their letterhead ready and so on and so forth. In addition to that they get a further notice some three months later, and where possible, a number is given to them -- a number is assigned to them and given to them well in advance in order that they may know exactly what their number is. As a matter of interest I might mention to the members of the Committee, Mr. Chairman, that the average turnover in Greater Winnipeg in a year is about 25,000. That is in moves out of the city, new hookups for people moving into houses that have been sold, and so on; and it is in these cases that the Manitoba Telephone System attempts to give a new all-digit number to the subscriber, and I mention again that this is not being done on a crash basis, but rather on a gradual basis as the circumstances warrant.

Some question was raised by, I believe two of the honourable members, Mr. Chairman, with respect to the Winnipeg "Who Called Me" directory, and this directory was discontinued in 1956 due to the continued decrease in the demand for such a directory over a number of years. There has been the odd isolated inquiry as to the printing of this type of directory again, but for the moment it does not appear that this would be an economical process because of the very small demand that has been evident for this book.

The Honourable the Leader of the New Democratic Party made some passing reference to the sale of the Hydro's low interest bonds and their re-investment in bonds bearing a higher rate in the present market, I think the short answer to this is that really, in effect, the market equates the matters of interest with the offered price for the security. In other words, the market abhors a vacuum and the market does equate this interest with the price of security. As long as the investments are held for reserves really, Hydro advise that there is no advantage in changing over because of the loss that would be sustained, etc., and the length of time that would be required to make up this loss in most cases would not be sufficient to make it up.

Some question was raised as to the degree of completion of rural electrification. I think it's safe to say that over 95 percent of the people in the province are served at the present time. There are, of course, extremely remote villages, some farms and some individuals that cannot be served. However, Hydro is continually reviewing ways and means to try and reduce the number of people who do not enjoy electric service, and of course, who want it.

Now as to the sufficiency of power supply until the Grand Rapids project is completed, I believe honourable members will be aware, Mr. Chairman, that a firm arrangement has been made with the Saskatchewan Power Corporation for the supply over the interconnection to supplement the provincially-generated supplies, and this will meet the needs until Grand Rapids comes into service in November of 1964.

Now there was also a question asked by the Honourable Member from Brokenhead with respect to the Winnipeg area multi-party service, and I may say to him that I appreciate him sending over the letter that he did, and I can give him this reply or this response with respect to the Winnipeg area and the improved service that is being offered there. Last summer, arrangements were made in conjunction with the Mayors and Reeves Association of Greater Winnipeg to upgrade all of the multi-party subscribers at some considerable cost to the Manitoba Telephone System in the Winnipeg Exchange area, and the plans that were laid at that time and that are well on the way to completion at the present time are as follows: four-party service will be provided to the more suburban portions of this area -- and I'm speaking now of the Winnipeg Exchange area -- and I'm sure the honourable member will realize, Mr. Chairman, that that area does not necessarily bear any relationship to the Metropolitan Winnipeg boundary. It is an area that is laid out and approved as the Winnipeg Exchange area and the boundaries of that area certainly are not coterminous with the boundaries of Metro



(Mr. Lyon, cont'd)... Winnipeg. So this four-party service will be provided to the more suburban portion of the Winnipeg area. This will affect and give improved service to over one-third of the present Winnipeg rural subscribers. I believe the number of subscribers in this category is in the neighbourhood of 1,700, so over one-third of them will receive immediate benefit from this project which is underway at the present time. Secondly, it was undertaken by the Commission or the System at that time to effect a reduction to line loading to the remainder of the multi-party area, and all of these improvements are being made at no additional monthly rental or construction charge to the users of telephones in these areas.

Now we come next to the point that my honourable friend mentioned with respect to the letter that he produced. In addition to what I have already mentioned -- that is the upgrading and improving of this service to four parties -- in addition to this, an optional individual service in these areas will be made available at rates and construction charges that increase with the distance measured from the base rate boundary, and that is the point to which, I think, my honourable friend had reference last evening. This arrangement had the concurrence and the support of the Mayors and Reeves Association, both with respect to the type of service and the timing of the program to do this rather large undertaking.

In the case of the individual subscriber who was mentioned by the Honourable Member from Brokenhead, this person had inquired some time ago with respect to Winnipeg individual service, and he was written and advised that under the new arrangement that was promulgated last summer, individual Winnipeg one-party service could be provided at the premium rates that were quoted to him in the letter if he were interested. This particular gentleman is located on Henderson Highway and is three and a quarter miles beyond the Winnipeg base rate boundary, and that explains why the heavy construction costs come in, because he is in fact out of the Winnipeg base rate boundary and, in effect, it requires special service to bring these capital services out to him. He is presently receiving multi-party service at the rate of \$3.60 a month and at the present time, on the particular line on which he is located, there are six parties, including the subscriber of whom the Honourable Member for Brokenhead spoke. But I do wish to put that inquiry into the context of the improvement that was effected last summer and which is in the course of being brought about at the present time, and to further explain that this particular subscriber is three miles and more beyond the Winnipeg Exchange area, hence this explains the extra capital costs that would be required to bring him Winnipeg individual rate service which he is not entitled by virtue of his geographic location.

MR. PAULLEY: I wonder, Mr. Chairman, if the Minister would allow an interruption at this particular point, because I think it might be well maybe to make a comment or two at this time on this particular case, unless the Minister would rather go ahead with his complete answer first.

Now my first reaction would be -- the Minister mentioned the Mayors and Reeves Association had agreed, I understood the Minister to say, with this type of an extension or this procedure in extension. I somewhat would question this as to the propriety of the Mayors and Reeves Association agreeing to this type of a charge being made to the -- maybe I haven't got it quite clear as to what the Minister meant by the Mayors and Reeves Association being in on this.

Another point: my reading of the letter -- and I might say, Mr. Chairman, that I have given the letter some study, as might have been indicated a few moments ago -- that this question isn't just dealing with one individual. Now I know that it's true that at the present time, as the Minister states, that the subscriber in question is paying, I believe it's \$3.60, and there are six parties on the line. But it's also my belief, in a conversation with the party who received the letter, that there are others in this immediate area who are interested in receiving single line service. Now it may have been, as the Minister stated, that originally this particular subscriber did ask for single party service, but I think it is a fact now that in this particular area -- it's a growing community; it's not very far out -- now I don't think that it's reasonable for a single subscriber to have to pay the bill of the \$812.00, or whatever the exact figure was in this case, because it is going to supply service that will be available, as I understand it, to others within the area too.

Which comes down too, to another point that I think should be a factor in telephone extensions on the periphery of the Greater Winnipeg Area. We're gradually expanding in the

(Mr. Paulley, cont'd)... Winnipeg area and soon the area in question will be an area which will be more densely populated than it is. After all, three miles is nothing now in the expansion that is taking place in the Greater Winnipeg area. I think that our Telephone System, as indeed I understand that the Manitoba Hydro did years ago when it was undertaking its program of rural electrification -- it, as I understand and remember, made its extensions based on the basis of more or less equality insofar as costs were concerned, more equity. The costs were more equitable, should I say, insofar as extensions in the Hydro, and I think that this same principle should be the principle insofar as extensions of the Manitoba Telephone System. Now if I am correct in my assumption that there are more individuals in this particular area who are desirous of having Winnipeg Exchange services, and as I said, it's my understanding there are at least four who are desirous of this, are they all going to have to pay \$812.00, or whatever the figure is -- I haven't before me the exact figures -- are they all going to have to pay this amount of money or is there arrangement between the Manitoba Telephone System management and the particular individual concerned that if, after he has made this expenditure, that he will receive a rebate when other lines or other parties are connected to the service.

Now I do know, Mr. Chairman, that during the time I was Mayor of Transcona, the Winnipeg Hydro at that time -- the City Hydro was the owners of the services in Transcona, and I do know that there were extensions made by the City Hydro at that time to accommodate some people that were a considerable distance away from the centralized services in the town. But this was done on an understanding -- and the individual who wanted the service had to pay a considerable portion of the construction costs which amounted to a figure something similar to this figure of 800-odd dollars -- but it was done on the understanding that as other parties got the service in the area, that refunds were made to the parties who paid the original shot. Eventually this was done away with because of the fact that the City Hydro knew at that time that the good Town of Transcona at that time was going to expand and these extra services were put in at the full cost to the City Hydro.

Now I would suggest, Mr. Chairman, that this suggested cost of construction to an individual is basically wrong and it is not in accordance with the principle that I think that our telephone system should operate on. As looking ahead -- the government continuously tells us that they are a forward-looking government -- I would suggest to the management of the Manitoba Telephone Company, as much as I admire them, that they should be a little forward-looking in cases like this and realize that their investment will soon be returned to them without calling upon individuals to make such a large expenditure in order to receive the service. So I say to the Minister that I don't think this is only dealing with an individual even though we have a letter which refers just to one individual, but there are others in there that will be desirous of being accommodated by the expanded exchange services.

MR. LYON: I hope I didn't leave the impression with the committee that the Mayors and Reeves Association had said that or had any reference to the particular letter or the particular problem that was raised by the Honourable Member for Brokenhead. All I intended to convey was the impression that the Mayors and Reeves Association supported this plan of up-grading within the Winnipeg area, and of course as I recall, their communication to me or to the system said "a pat on the back" -- or words to that effect-- "to you for going this far. We hope you'll continue to carry on and broaden out the boundaries of this area and give extended service to the whole Metropolitan Winnipeg area as and when it can be justified." Certainly that is the intention of the system, as years go by, to continually review the boundaries of this area to ensure that the type of service that can be provided is of the best, according to the economics of the situation.

But the problem is, of course, that you have scattered subscribers -- you have this ribbon-type of development going out of the city and it's extremely expensive to service these various prongs of the wheel that go out without inflicting a large over-all capital cost on all of the users of the system, hence the system attempts to maintain a reasonable charge on a per mile or quarter mile basis for these subscribers who at the present time are part of this ribbon development and where there has been no corresponding "beefing up" of settlement around them. So I can assure the Honourable the Leader of the New Democratic Party that this is a matter of continuing observation, review and concern by the system, and that they attempt to give the best service at the cheapest rate consistent with the economics of the situation at

(Mr. Lyon, cont'd)... all times.

Just as an example, as I mentioned in this Winnipeg area where there was a great deal of concern by the Mayors and Reeves Association for some of the outlying areas within the exchange boundaries, there are -- and I say this not in any deprecating sense-- but there are 1,700 subscribers affected and we must think of this in terms of total subscription list of 310,000 in the whole province, and over one-third of these 1,700 are being dealt with and having an upgrading of their service in one block as a result of this one move. So this is the consistent type of progress which the system attempts to make in order to continue to give the highest degree of service that they can. Again, as I say, consistent with the economics of running a proper system.

I say this in no critical way, but I do mention in passing that this is not always the situation that obtains in other provinces. If we were to take our sister province to the west as an example, there the Provincial Telephone System provides service to the Metropolitan areas, which are what you might call the cream of your telephone trade and the cream economically, because you get your high revenue off these sources, and the bulk of the rural service in that province is provided on a free enterprise basis and not always as efficiently and certainly not nearly as efficiently as the system is able to provide it here. I hasten to add that I say that not in any critical sense, but by comparison to the type of service that is offered as an example in our sister province, I think Manitobans generally can be relatively happy that we have the high grade of rural service that we have in Manitoba and the high grade of service that we have on our fringe areas. By no means is it perfect -- nothing's perfect -- and they're attempting to expand the system even further so that as these fringe areas become built up they will then enjoy the benefits and the responsibilities, rate-wise, that subscribers must pay in the Metropolitan area itself that is in the heartland of the Winnipeg exchange area. Now .....

MR. PAULLEY: I wonder, Mr. Chairman, if I could just pursue one or two points in this. I asked the Honourable the Minister, and maybe the answer will have to come from above and I'll have to await it, but I asked him whether or not in connection with this particular case the figure contained in the letter of some \$800.00 was directed to an individual. I asked the question as to whether or not, if others in this immediate area wanted the service, whether there would be a rebate to this individual on the connection by other parties, and maybe I can put that question another way as well. If others in the vicinity requested the same service, would they also have to pay 800-odd dollars in order to receive it?

In passing, Mr. Chairman, one of the bases of governmental operated systems, be they hydro or telephone, is not like that of the free enterprise system which the Honourable Minister referred to, to make profits, but I do note that in comparing the net income of the Manitoba Telephone System between the year ending March 31st, 1961 and the year ending March 31st, 1962, that in the latter year they had a net income of three-quarters of a million dollars, an increase of over a quarter of a million dollars from the preceding year. If their charges to subscribers are of the nature of that being attempted in connection with this particular subscriber, I can well understand the continuous increase in the amount of net income of the Manitoba Telephone System, and I would suggest the basic principle again of public ownership of service at cost. It does seem to me a net income of three-quarters of a million dollars certainly should have been sufficient to supply telephone service to the parties concerned in this instance without them having to pay for it.

MR. SHOEMAKER: Mr. Chairman, the Honourable Member for Carillon last night asked two or three questions and I don't recall that an answer was forthcoming for them. I think he did ask this question: Were tenders called for the supply of 1964 licence plates and, if so, what was the cost of same and who received the tender? I don't think that the answer to that was given.

Then the same Honourable Member for Carillon touched very briefly on the subject of the increased fees for automobile dealers. He was too modest, you will recall, to expand on that subject, but I would like to know what prompted the government to increase the fees for dealers. It is a fact I'm sure that last year and for several years preceding that, that every dealer in the Province of Manitoba was able to obtain a permit or a licence for \$20.50, which included one set of dealer plates. This year it was increased to \$50.50. That is, there was a \$30.00 increase, or well over 100 percent increase. Now I would like to know what prompted them to do this. I know that over the last four or five years the fees have increased substantially in

(Mr. Shoemaker, cont'd)... almost every department and I have heard some rumours that a request was made to the government by the automobile dealers themselves; but, Mr. Chairman, it isn't often that the government increase the fees just because the automobile dealers want them to do it or just because any other organization want them to do it.

I recall some years ago when I was out hail adjusting in Wawanesa, I suggested to the federal superintendent of insurance people that were down there auditing the books of the Wawanesa Mutual that one of the ways to solve this problem of everybody in the province writing insurance of all kinds would be to increase the fee to \$100.00 and thereby cut out a lot of these "fly-by-night" fellows, and I was told off by the fellows down there that they were not interested at all in my welfare; they were interested in the welfare of the people of the province.

Now on this same subject matter it has presented a little bit of a problem. True, it's not a great one, but to the dealers who do not sell automobiles but limit their sales to farm implements. I understand that a tractor becomes a motor vehicle when it's caught going ten miles an hour down the highway -- well eight or ten or twelve or whatever it is -- so I wrote the Department of Public Utilities in January and asked them what would happen to these implement dealers if they were delivering a tractor down the highway without a licence plate. I got a letter back just warning me to pass the information along that they'd better not be going down the highway delivering a tractor in excess of ten miles an hour, because if they did it would be subject to The Motor Vehicle Act and they would have to have dealers' plates or other plates on them. So there is a bit of a problem there.

Now I took it from the Honourable Minister last evening in replying to a question put by my honourable friend from Carillon, that in certain particular isolated cases that he would consider where there was a problem, that he would consider doing something about these isolated problems -- by anyone in the Chamber I guess -- and this has to do with Hydro, Mr. Chairman. A chap in the Gladstone constituency who is badly crippled and goes around with crutches -- with canes at some times and crutches or both -- finds it very difficult to read the meter -- his Hydro meter that's placed on the yard pole. There's just he and his wife there and he has propped up a stepladder so that he can get on his crutches up on this stepladder and read the meter, and everytime he gets up there he's afraid he's going to fall down and break his neck. Now I can understand, Mr. Chairman, that there is a purpose in having the meter a certain number of feet from the ground, in the event of cattle and so on running around the yard and busting them up, but in this particular case they're retired people living on the farm where there's no cattle, no children, no hazards of any kind, and it certainly would be a wonderful thing if that meter box could be lowered so that he could read at his eye level rather than climb up this ladder every time. I will gladly send his name and address over to the Minister if he is prepared to do something in this one isolated case. There may be others, but I know of this one in particular.

Now, Mr. Chairman, there is another matter and I guess it comes under the Motor Vehicle Branch, but I think that there should be an amendment to The Highway Traffic Act. I know there were lots of amendments last year and the year before, but there should be one more at least, and I refer to cases where a car or a vehicle is impounded and, for a number of reasons, the vehicle is not released from impoundment for a year or two or three. By then the car has depreciated in value to such an extent that the person is not really interested in getting it out of pound; he wants his license back. There is one particular case in Neepawa at least where the car was impounded in July, 1960 and was just released the other day. Now this car was worth in the neighbourhood of \$2,000 and it's now depreciated down to, well \$700 or \$800, so he has lost \$1,200 or \$1,300.00. Now what I recommend is this, why not make it possible for a person to sell the car and place the money in trust -- place it with the Minister if you like, place it with the Motor Vehicle Branch. Money doesn't depreciate -- well it does depreciate, Mr. -- (Interjection) -- that's right and it isn't, but at least it will be there. I received a reply from the Deputy Minister and he thinks that this recommendation deserves serious consideration. I don't know how many cases there are in the province similar to this, but I think that this could very easily be taken care of by an amendment to the Act.

Now I mentioned a little earlier about the requirements for licensing of a tractor, be it a farm tractor or any other kind of a tractor, and this does present a bit of a problem to the insurance industry. I know from my own experience now that, I dare say 50 percent of the

(Mr. Shoemaker, cont'd)... farmers in this province carry what they call a Farmers' Comprehensive Legal Liability Policy, and more of them are buying it all the time because the insurance industry is selling these package policies and it's included in it. Now a comprehensive legal liability policy covers a multitude of risks and includes all vehicles that are not required by law to have a license, and that's understandable, so that the comprehensive legal liability policy covers his tractor if it isn't licensed; his combine if it isn't licensed and his other farm machinery; but the minute he puts a license on it, then of course it isn't covered under a comprehensive farmers' liability policy, so it does present a bit of a problem. The same holds true, Mr. Chairman, on a municipal comprehensive legal liability policy. While it includes streets, roads, bridges and the like, it includes all vehicles that are not required by law to have a license. Now there are a certain number of municipal machinery, the big caterpillars and the like that do not require a license, and yet there are road maintainers and such that are required to have a license, and in the event of an accident you run into these problems where one has a license and one hasn't; one subject to The Motor Vehicle Act and one isn't. So I would recommend that some amendments be made to take care of these various problems that we have at the present time.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, I just want to clear up two final points as far as I'm concerned in this department. If the Minister gave us the projective program of the telephone service upgrading for that area there, East St. Paul and Narol, I didn't hear it. If he did though, I can look it up in Hansard; if he hasn't, I would appreciate hearing from him if he has it in front of him, just what the system intends to do by way of telephone service upgrading in the coming year in the area of East St. Paul, Narol, Birds Hill, all of which is on the boundary of Metro and the periphery just beyond. The second point is: the Minister will recall last night I put to him the case of a truck that has been impounded because of an accident, the driver of which was exonerated by a Coroner's Inquest. I didn't hear him answer to that and I would appreciate hearing from him in that regard as well.

MR. LYON: Perhaps, Mr. Chairman, I should attempt to answer those two questions right now before we lose sight of them again.

MR. MORRIS A. GRAY (Inkster): .....and get all the complaints and all the headaches at one time. Is this all right with you? Democracy is a very fine thing. Although 49 may be in favour and 51 against it and the 49 are not satisfied, I still want my democracy. I mention this in view of the fact that the Attorney-General has not replied to certain questions I asked him yesterday and he dealt with others. Unfortunately, I have an inferiority complex and no one can cure me about it, and then I feel very badly if I see that I'm being ignored and others are being accepted. So, at my age, I don't want any more heartaches than I have already.

My first complaint to the Attorney-General is that he has not yet replied to my questions put to him yesterday. He probably ignored it, because he says "Who in the h.. is he?" -- that's not parliamentary so I take it back right away -- or perhaps felt that the others deserve more consideration. So my first question is: Why have I been ignored of yesterday's questions which I felt is extremely important?

Now in connection with the matter under consideration now, I feel that I should not be interested in very small details. After all we have a Department of Public Utilities; the Minister gets paid for it; his staff gets paid for it; they are the ones to analyze it and of course inform the House; so I, as a layman, cannot criticize too much what they are doing, with the exception of suggesting in my opinion what is the best way of administering it.

Now my question yesterday was -- of course it was answered not to me, but someone else -- the underground cables, well this was answered that it is too costly. I still feel in the long run it would be a better way of doing it. They suggested that in case of an emergency it will be harder to find out the cause of the emergency, which I accept their opinion, because I feel that perhaps in this study they could do a better job. But when it comes to practical things such as to publish a book once a year or once in three years, "Who is Who", this has entirely been ignored, unless I'm mistaken -- been ignored. The expense of the whole thing is so little and the people are willing to pay for it, so why not ask an administration to serve the people, and the majority of the people, and those who contribute more than anyone else to the income of the Telephone System, to do it or at least say that they will consider it. Of

(Mr. Gray, cont'd)... course I imagine that for the last five or ten years they are still considering it, but at least say "yes" or "no" and perhaps the House may overrule the opinion of the Minister and say that something else is wanted. It may be a small thing in an administration of millions of dollars of the Manitoba Telephone System, but still the small little things may be just as important as the bigger outline of the system.

I still feel that this matter is not being ignored, because ignoring in the opinion of a member of the Legislature is a very bad thing. He's here to represent his opinion and the opinion of those who have sent him here. He's an important individual and the government cannot assume "Oh well you're all wet," -- I'm sorry for using this language but I couldn't think of anything nicer at the moment. I feel that, in general, I would like the Attorney-General personally, who has been so kind and so considerate in his estimates -- the Attorney-General estimates -- listened to everybody, took a sympathetic occasion -- and deal with the wish of the people and the opinion of the people in a more democratic and friendly way. I've no complaint against him until now but I felt that I should perhaps, as an elder, advise him that all the brains in the world are not concentrated on one individual.

MR. LYON: Mr. Chairman, I hasten to assure the Honourable Member for Inkster that while I may not always agree with him, I always listen to him and I always attempt to answer his questions. Possibly he may have been out of the House or his attention may have been diverted when I was attempting to give answer to what I noted as his four questions last evening, and they were: what progress for underground wires with respect to the two utilities -- and I believe I dealt with that matter last evening. He asked about the present situation re power -- was there enough until 1964 -- and of course at the opening of estimates this afternoon I dealt with that and told him that because of the interconnection with Saskatchewan that we would have sufficient power to see us through until the new service at Grand Rapids was open in the late fall of 1964. He also asked about the program of rural rehabilitation -- which I answered this afternoon -- mentioning to the Committee, Mr. Chairman, that 95 percent of the province was served and that the Hydro were continuing to review those isolated individual subscribers who did not have service and who wished it, in an attempt to bring this figure even higher. I also gave him the reply this afternoon I believe with respect to the book, "Who Called Me", and attempted to explain that Manitoba Telephone System had discontinued it in 1956; that there had been no widespread demand for its reprinting or its re-establishment and there was no disposition at the present time to have this book and made available to the public. So I do hasten to assure the honourable member that I did not ignore him, either consciously or unconsciously, and that so long as I am in this House I shan't try to do so.

With respect now to the Honourable Member from Brokenhead, the actual program -- I thought I had dealt with it but his attention as well may have been diverted when I did -- the actual program, the plan that Manitoba Telephone System undertook to begin last summer provided for the introduction of four-party service to all subscribers within the Winnipeg Exchange area -- within a designated spot from the Winnipeg Exchange area where the density of subscribers was the highest. These areas comprised over one-third of the existing 1,722 Greater Winnipeg multi-party subscribers. The service is being provided at no increase in existing multi-party rates and will come into being progressively with all areas upgraded and completed by September of 1963, and the System advised me that they are on schedule with respect to this project. The MTS, after this plan was announced, advised all of the affected subscribers of the change in the immediate future and with further confirmation offered when the proposed upgrading was about to take place. In addition to the upgrading of these more densely populated areas, the System made provision as well for optional services at premium rates, that is individual line service upon request in the four-party areas; individual line service within the area falling between the four-party area and the exchange boundary; and multi-party service at a distance of two miles beyond the existing exchange boundary, with the proviso that this service would not extend beyond the Metro Winnipeg-Greenbelt boundary. Now that was, in effect, the plan that was put underway last year after discussion with the Mayors and Reeves Association. We know that they concur in it although they don't tell us by any means that it's the "be-all" or the "end-all" they want us to continue as we are continuing, or as the System is continuing, to effect even further upgradings as and when the economics of the situation justify it.

(Mr. Lyon, cont'd)...

Now he mentioned the case of the trucker who was halted by the police and subsequently an accident occurred by a vehicle running into the rear-end of the truck. The driver of the truck was subsequently exonerated of all blame but his truck was impounded by virtue of no insurance. To the best of my knowledge, that would arise by virtue of Section 149 of The Highway Traffic Act which provides, in effect, that all vehicles are to be impounded when there is an accident which occurs upon a highway, unless of course the driver of the vehicle has a pink liability card indicating the presence of insurance. I would presume, in the absence of detailed knowledge of the particular case, that the action taken by the Motor Vehicle Branch was entirely pursuant to Section 149, and if my honourable friend will read the following section, section 150, he will see what happens.

There is an interesting exception to this general prohibition -- I shouldn't call it a prohibition -- to this general requirement that vehicles be impounded where no insurance is present, that is in sub-section (10), which says that the section does not authorize the impoundment of a motor vehicle involved in an accident if at the time of the accident the motor vehicle was parked in a place where parking was at that time permitted. Unquestionably it was felt by the authorities who were responsible for the impoundment, and I speak not from any personal knowledge of the situation but just on the basis of speculation, that this vehicle did not fall within that exemption and that therefore an accident had occurred on the highway between two vehicles, albeit one of them having been stopped by the police, and that that being the case, the section came into play and the one vehicle which had no insurance was impounded as a result of it.

The system operates this way, that if you don't have insurance and you get in an accident, even if the accident is no fault of yours, your car is impounded immediately and cannot be released until you can produce a release from the other driver indicating that there has been satisfaction of damages, or put up a bond sufficient to cover any damages that may have occurred as a result of that accident. One might say that that is a heavy and an onerous burden to place on a driver, and in some cases on a driver who has no legal responsibility for the accident, but one must admit concurrently that it is a very strong deterrent for persons who wish to take the risk of driving on a highway in Manitoba without the benefit of insurance coverage. Of course the Act motivates toward encouraging everybody to have insurance, because if you don't, this is an example of one of the penalties that flows from it.

Now I would be pleased to look into the case in more detail with the honourable member if he wishes, at perhaps some more convenient time. As I say, I speak now not from any personal knowledge but just on the basis of what I would hope to be reasonable speculation as to what actually occurred in this situation.

MR. SCHREYER: Mr. Chairman, I wonder if the Minister would just let me say a few words at this point. I certainly welcome his statement for its clarity, but I want to ask him right here and now to take a very personal interest in this particular case and to look into it and strike a blow for common sense. While I fully realize that by virtue of Sections 149 and 150 of the Act, there being no insurance coverage, that the vehicle is subject to impoundment, but he also cited Section (10) which states that this does not apply if the vehicle is legally parked. I want to point out that the man was flagged down by the RCMP. He was obeying the command of the law and that would seem to supersede any other consideration. For the life of me, I feel that here we are confronted with a case of the rigidity of statute and its conflict between that and common sense. Who here would want to deny that obeying the instructions of the law should not supersede any other regulation. I think under those circumstances -- I suggested last night and suggest again -- that upon looking into it for further detail and if the Attorney-General is satisfied that I gave the facts, the essence of the case, that he should instruct that this impoundment order be rescinded forthwith because it seems to me so much contrary to common sense. As I say, I will take it up with him in short order.

MR. MOLGAT: Mr. Chairman, I wish to go on to another point unless the Minister has anything further to say on this particular point.

MR. LYON: There was one other point that the honourable member raised last evening and that was with respect to wire-tapping. I would refer him to Section 36 of The Telephone Act which deals with that subject and which prohibits wire-tapping except for telephone

(Mr. Lyon, cont'd).... purposes, that is mechanical or technical purposes of the System. The section speaks for itself and I won't attempt to interpret the section for the honourable member.

MR. HILLHOUSE: Will the Honourable Minister advise me whether that section would apply against the Crown in the right of Canada?

MR. LYON: It's a good question.

MR. SHOEMAKER: I didn't get a reply to any of my questions I don't believe.

MR. LYON: The Member for Gladstone mentioned the question of high-speed tractors. It is 10 miles. Any tractor travelling at a speed in excess of 10 miles is designated as a high-speed tractor. And then further, by the definition of a motor vehicle under The Highway Traffic Act, it then automatically becomes a motor vehicle within that definition if it is travelling in excess of 10 miles an hour. That situation has obtained for some considerable length of time-- as long as I can remember having any familiarity with the Act -- and it's the old story I suppose of caveat emptor, let the buyer of the high-speed tractor beware, because the Act as it presently stands does make that requirement.

With respect to the impoundment: he mentioned that a vehicle had been impounded for -- I believe it was three years, or approximately three years. Again I'm in the position of not having the Act in front of me and a lawyer should never speak without having his sections in front of him from which to quote, but I do believe that there is provision for a garage keeper's lien and that the garage keeper himself, if the vehicle was placed with him for impoundment, has the power under The Garage Keepers Act to effect a sale of this vehicle to satisfy any payments that may be due to him for storage, etc. As to the actual disposition of the balance of the money I couldn't be precise, but I think there is a remedy within the reach of the garage keeper himself if he feels that there is going to be any depreciation in capital, and of course if he knows that his charges are not being met with respect to the impoundment.

MR. SHOEMAKER: Mr. Chairman, I was not concerned about the garage keeper himself. It was the individual who -- Well, any individual who could have a \$5,000 car impounded and if it remained impounded for three years it would have depreciated \$2,000 probably, and so he has lost in effect \$3,000. Now what I'm suggesting is that if he had been able to sell the car, knowing that there was a court case pending and might take three or four years for them to arrive at some decision, that he could have sold the car and thereby saved himself \$2,000 or \$3,000.00.

Then, I never got an answer, Mr. Chairman, to the one: what prompted the government to increase the fee from \$20.50 to \$50.50 for the dealers?

MR. LYON: Mr. Chairman, I didn't answer that because the honourable member answered the question when he put it. He said that he had even heard that there was some suggestion that the motor dealers themselves had suggested the increase in the fee, and to the best of my recollection and knowledge that is the case, and it was tied in as well with the new provision for the utilization of dealers' plates. I'm not standing before the committee and saying that this received 100 percent approval from all of the motor dealers in Manitoba, but certainly the representations made to the Department by their association were to the effect that with the changes on the motor dealers' plates they would like to see the registration fee raised and this was done. I haven't the actual detail of the difference in cost to them, but I believe that with the new fee they receive one set of plates free, whereas before the plates came to them at a separate charge, but if the honourable member requires further details I can get that for him. It's in the Highway Traffic Act and is available there, but it was, as I recall, at the request of the motor dealers of Manitoba, although I don't necessarily suggest that the Honourable Member for Carillon, being one of those estimable gentlemen, was pushing this, but certainly the association did tell us that this was their wish.

While I'm on my feet, the Honourable Member for Assiniboia asked last night for a further amplification if possible of the driver training in high schools, and I can give him a wee bit on that at the present time. The Department has had a number of requests on file from school boards intimating their interest in this program. In the first instance the school boards were contacted who had already intimated that they were interested to ascertain if they had a teacher who would be prepared to take a training course, and if so, arrangements then can be made with the Canadian Highway Safety Council to have the teacher attend the course which is held at Moose Jaw during the summer vacation. The Canadian Highway Safety Council



(Mr. Lyon, cont'd)... incidentally pays the transportation one way, and also the tuition and other expenses while attending the course. In the case of the Winkler experiment which was successful and which led the department to recommend the extension of this whole program, there a local dealer made a car available to the school district without cost. Apparently the manufacturers of the car in question made some arrangement with the dealer for reimbursement on the resale of the vehicle, so this was really a co-operative venture in all respects within the community and even outside of the community. The only expense so far as the school was concerned would be the actual operating cost, which in itself would not be large. Apparently some of the oil companies are reasonably generous in this regard and they provide oil and gas for these training programs. Insurance coverage by the school boards in question would of course be necessary. An investigation of requests now on hand would indicate and would result, we would hope, in other school districts coming forward for particulars and assistance, and as the idea spreads -- and I thank the honourable member in this committee for giving it the attention and the publicity which he has -- as this idea spreads, the intention will be, as I mentioned last night, to have an officer of the Department well-trained in the field of driver education sent out as more or less a missionary to these different school districts which evidenced an interest, to help them along in initiating their own program. The bulk of the cost so far as our Department is concerned -- and I believe I touched on this last evening -- will be in looking after the staff requirements from the departmental standpoint; the matter of handbook material and any other material dealing with theory that is required to be given to the students; and we would anticipate that this material would be supplied, providing the estimates permit it, free of charge, depending of course upon the number of students. There may have to be some nominal charge made to cover some of the actual costs depending on the volume of material that's required. I think that covers perhaps a bit more explicitly what the honourable member was asking last evening.

MR. SCHREYER: Mr. Chairman, I just want to hark back to the point I raised about the truck that was involved in that accident and subsequently impounded. Now I suggested just a few minutes ago that the Minister have the Order of the Registrar rescinded and I realize that this is pretty difficult -- almost impossible; but it occurs to me that the Minister of Utilities is also the Attorney-General, and I suggest that the Minister take it up with the Registrar and then ask the Attorney-General for an opinion as to whether or not the vehicle was legally parked under the terms of Section 10 of the Act. I really think that this -- although it seems to be an impasse -- should be dealt with, and I suggest, not facetiously, that this course of action be followed.

MR. GUTTORMSON: Mr. Chairman, for the past few sessions I have been urging the government to change the policy regarding the construction of telephone service in the rural areas. The Minister knows the present policies to charge \$15.00 for every 1/30 of a mile for road allowance construction over one mile per subscriber, and this is creating a hardship for a lot of people in the rural areas. I feel that the time has come when the government should change this policy beyond the one mile limit. There is a particular case in my constituency where you have a resident of, I believe, over 40 years in one area. Everybody around him has got telephone service and the latest phones were installed last fall, but this one particular person, the oldest resident in the area, was left out because he was, I believe, 3/4 of a mile over the limit. I think that the government should take a good look at this and consider changing the over-all policy so these people can be considered. It's these people that are beyond this limit that really require the service more than anyone else, because in case of emergency or illness or fire they require the telephone service, and I think it's time that this policy was changed. This policy has been in effect a great number of years now; there has been no change in it. I think that it's time it was changed. I wonder if the Minister would indicate whether the government is considering changing this policy or has changed it.

MR. FROESE: Mr. Chairman, not being in the House last night I missed the Minister's opening remarks, and if some of my questions should be repetitious I hope that he'll excuse me. First of all I would like to make a few comments regarding restoring hydro power in our local area back home which resulted as a cause of the storm that we had last week. I think the Manitoba Hydro and their workers did a tremendous job in our area in restoring the hydro facilities and power to the users back home. This has been appreciated by the people with whom

(Mr. Froese, cont'd)... I've spoken and with whom I've been in contact. Hydro today plays a very important part in the lives of people in our communities, and we're so dependent on Hydro that if the power is restored in short order it's of real value and is appreciated very much, and I would just like to place this on record that we are really appreciative of getting this matter dealt with so fast.

I have a few items that I would like to bring up at this time. First of all, I'm not too sure whether there was an additional report distributed other than the progress report from the Manitoba Telephone System. I would appreciate getting a more detailed financial statement on Manitoba Telephone System. On the last page of the progress report there are some remarks as to its financial condition, the earnings that the Telephone System made, and I notice here that they had a surplus of \$876,614.00. I would like to know from the Minister what happens to these earnings. Is it carried forward to the following year? Because in looking at the comparative statements of revenue and expenditures in the Public Accounts, I don't see any revenues coming in from the Telephone System as such, and on the Public Debt Statement and the estimates which we received, I notice that the Manitoba Telephone System last year paid \$3,985,609 toward the interest cost. This year we are budgeting for \$3,366,484.00. It's less than the previous year and I'm just wondering, has the telephone system got less debt that the interest cost is down? Maybe we could have some information on this matter.

Then I would also like to know whether the Manitoba Telephone System is a completely separate or independent entity. Does the system pay -- or is it connected with the Bell Telephone System or any other system that -- Do we pay a royalty or any fee to these other systems? I think these are matters that I would like to have some enlightenment on before I place my other questions.

MR. STEVE PATRICK (Assiniboia): Mr. Chairman, I believe the Honourable Minister missed a couple of my questions from last night, and one was the licensing of the driving schools, and the other one I think I asked him -- the suspensions and reinstatements of -- license suspensions and reinstatements.

On the program for highway safety, I was just interested that this will be -- assistance will be available to any school that's quite interested, and it's not going to be strictly on a pilot project basis.

MR. LYON: Mr. Chairman, I'm sorry, I did overlook the question of the Honourable Member from Assiniboia with respect to the License Suspension Appeal Board. I can give him the following report on its activities for the calendar year 1962. The License Suspension Appeal Board heard a total of 211 applications in 29 hearings; they recommended a remission of suspension in 190 cases. In a large number of these cases, of course, the remission was subject to certain restrictions. As an example, a truck driver who might have been found or convicted of driving while impaired -- driving his own vehicle while impaired and his license suspended for three or six months as a result of that conviction -- if he appeared before the Board -- and this is only a hypothetical case -- if he appeared before the Board, the Board might well attach the condition to the remission that he could drive his truck for purposes of earning his living, but that he could not drive any private motor vehicle that he owned for the period of suspension. In other words, they would give him a partial remission in order to permit him to carry on with his everyday work. There were four life suspensions considered, and in two cases restricted licenses were issued, and in the other cases the decision was pending at the date of the report that I have.

In the case of the Highway Traffic and Co-ordination Board, during 1962 there were 20 hearings; 15 in Winnipeg; 2 in Brandon; one each in Lac du Bonnet, Portage and Dauphin. Nine orders were made pertaining to the establishment of restricted, modified and other speed zones. In addition, the Board designated approximately 1,200 miles of highways as limited access highways, together with the setting up of controlled areas adjacent to limited access highways. Forty-eight new speed zones were established. Four applications for a 30-mile-per-hour zone and four for a 20-mile-per-hour zone were refused. Portions of six highways, including the Trans-Canada Highway from the Ontario boundary to the Saskatchewan boundary, excluding Winnipeg and Portage, were declared as limited access highways.

Now with respect to the licensing of driving schools, that is a matter that would fall within the amendments to The Highway Traffic Act, and I can tell the honourable member that

(Mr. Lyon, cont'd)... amendments to The Highway Traffic Act will be brought forward later this Session. As to whether or not there will be any specific provision at this time I couldn't tell him categorically, but that is certainly being looked at very carefully at the present time.

Now the Honourable Member for Rhineland raised the question as to whether or not there's been any additional information provided. Well, of course, there is the Annual Report of the Manitoba Telephone System which I believe he received early in the Session. It was tabled in the House and copies made available to all members of the House. If he has lost or misplaced that copy we will certainly get it into his hands. He asked about the question of no revenue from the Telephone System showing up in the Public Accounts of Manitoba. That of course is because of the "no diversion policy" which exists in The Manitoba Telephone System Act, that none of the revenue accruing from that system goes to the Government of Manitoba. It's a self-contained organization with their own revenues accruing to the system itself. If he will consult The Telephone System Act -- I was attempting to find the specific sections but I can't put my finger on them immediately -- but if he will look at The Telephone Act he will see the sections that apply.

He asked are we connected to other systems such as Bell in Eastern Ontario and so on, and of course Manitoba Telephone System is a member of the Trans Canada Telephone System for purposes of extra provincial toll services. In order that my honourable friend may from Winnipeg phone New York, this call must be handled through various systems, and Manitoba is a member along with all of the other telephone systems in Canada, of this Trans Canada system. There is arrangement made under this operating body for, not only payments but return of revenue in some cases for toll calls that are made. It is part of the, not only the Dominion System, it's part of the North American Continental Systems and ties in as well to Europe. My honourable friend has perhaps had occasion, Mr. Chairman, if he's been in Europe to phone Winnipeg, and if he does phone Winnipeg from Europe he'll find first that he can do it and that in order to do it he must go through about -- I don't know how many different systems to get here -- but the fact is that you can get here and you get here by virtue of these co-operative arrangements between the various telephone systems in Canada and the United States and in Europe.

I have no precise information at this time respecting the interest charges, but I can get that and have it available for the honourable member later.

MR. ARTHUR WRIGHT (Seven Oaks): Mr. Chairman, I have a very serious complaint of the telephone system and I thought I'd do it now, because the Minister will need to think this one over pretty carefully. I have a complaint about where the hole went in the telephone book. You've all heard about where did the hole go when you eat the doughnut. Well I thought that before the election that I probably could defeat the government on this issue but I couldn't get very far, even with my wife. She doesn't see it the way I do and this is very frustrating. I want to know who the genius was -- or work study analyst or whatever you call these fellows that think up these things. While I couldn't get anywhere in enlisting my wife's sympathy, I thought I was going to drill a hole in it to show her but they didn't even leave enough margin to do that. While I'm talking about the telephone book, the oculists tell me that the telephone book is their best friend, that the print is so fine that that's when you really know you need glasses when you can't see the print in the telephone book. But I would like the Minister to think that over during the dinner hour and let me know why they took the hole out of the telephone book.

MR. LYON: Mr. Chairman, I can only reply immediately -- without technical advice being given on this problem -- I can only speculate that when this government came into office it found it had to many holes to plug in government service that obviously this program went even as far as the telephone book, and that that was one extra hole that was filled up that perhaps shouldn't have been. But we'll look into that and see what happened to the hole in the telephone book.

MR. GUTTORMSON: Mr. Chairman, is the Minister going to reply to my question of awhile ago?

MR. LYON: I'm sorry, I didn't give an answer to my honourable friend. The whole question of rural upgrading is of course a matter that, as I mentioned last night, is before the system at all times. I can tell my honourable friend in a very general way that in the Greater

(Mr. Lyon, cont'd)... Winnipeg and provincial urban exchanges, which account for -- I think it is 89 percent of all of the telephones in Manitoba -- they receive approximately 65 percent of the capital budget of the system. The rural system, which accounts for only 11 percent of the total subscribers in Manitoba, receive 35 percent of the total capital that is expended. These are very generalized figures, the total capital that is devoted by the Telephone System. So one can see that in relation to the numbers of persons served, that the amount of capital that is designated for that purpose is very high indeed, and it is within this general context that the telephone system must arrive at the priorities with which they can operate in order to ensure that they are not giving a disproportion of service to one area as opposed to the other. Of course as my honourable friend well appreciates, they don't do this; they try to even out the standard and the level of service throughout the whole of the Province of Manitoba, and the fact that they devote such a high proportion of their capital to the rural areas is a very commendable fact indeed and one in which I'm sure every member of this committee -- one that they all support.

As to the particular question as to whether there is any intention in the near future for the system to be somewhat more generous in the charges, that is in the reduction of the charges that it presently makes for extensions of lines in rural areas, I can't give a definitive answer. I can only say that these matters are continually under review by the System and where it is possible within the economics of the whole set-up to do it, it will be done, but one must take into account again the density of subscribers, the density of service and the geography of the situation, the number of lines and the distances that must be traversed in order to give the type of service that he speaks of. Within those general terms, that is about the only reply I can give to my honourable friend at this time.

MR. SHOEMAKER: Mr. Chairman, there's still one question that I have not received an answer to, nor did the Honourable Member for Carillon, and that was: Were tenders called for the supply of 1964 license plates? If so, who was the successful bidder and how many tenders were received?

MR. LYON: I have no information in front of me on that question. I know tenders were called for and I believe that the matter is in the process of being completed and awarded at the present time. I can't give my honourable friend the precise information. I do know that they were called for, but I don't believe at this stage that the contract has been awarded.

MR. CHAIRMAN: I call it 5:30 and leave the Chair until 8:00 o'clock.