

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, March 8th, 1965

MADAM SPEAKER: The Honourable the Minister of Municipal Affairs.

MR. SMELLIE: Madam Speaker, as I was about to say when it became 5:30, the amendments that are proposed here for The Lord's Day Act are really not in conflict as suggested by the Honourable Member for Ethelbert Plains, because the first amendment which makes it possible to present a petition or to pass a bylaw dealing only with part of a municipality, really has nothing to do with the second amendment. The amendment to Section 8 says that where a municipality has passed a bylaw which refers to something in the past, it may -- that bylaw is legal even if it didn't have the petition preceding it. Then it goes on to say that if a municipality has passed a bylaw and they wish to amend it, then they may present the amendment to a vote of the ratepayers. So that really Section 8 would refer to any bylaw, whether it is one that deals with the whole of a municipality or just part of a municipality, as far as the Sub-section (2) is concerned. It's an amending bylaw, and it does not need to, in that section, refer to a part of a municipality, because it merely says that where a bylaw has been passed it may be amended.

In response to the Honourable Leader of the NDP, I must confess that I had not consulted with the Honourable the Attorney-General as to the principle which is introduced here, or the fact that some people might consider it advisable to do the same thing for The Liquor Control Act. It's possible that this matter should be considered.

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

MADAM SPEAKER: The second reading of Bill No. 38. The Honourable the Minister of Municipal Affairs.

MR. SMELLIE: Madam Speaker, I beg the indulgence of the House to have this matter stand.

MADAM SPEAKER: Agreed?

MR. McLEAN presented Bill No. 53, an Act to amend The Small Debts Recovery Act, for second reading.

MADAM SPEAKER presented the motion.

MR. McLEAN: Madam Speaker, it has been reported to me that, under the present fee schedule set out in The Small Debts Recovery Act, it has been difficult to have services completed, and all that this bill undertakes to do is to revise upward the fees that may be paid for services under this Act, these being figures at which it is anticipated that the work may be done.

MR. GRAY: Madam Speaker, would a registered letter do instead of charging him \$2.00?

MR. HILLHOUSE: Madam Speaker, I can appreciate the reason for this amendment, because from my own experience I have found it impossible to get a small debt summons served at the fees provided for in the original Act. As a consequence you had to absorb the difference that you paid the bailiff. But I don't rise for that purpose, Madam. I rise for another purpose and that is this.

We have increased the monetary jurisdiction of the county court to a sum which now places that court beyond the realm of what was originally known as a poor man's court. In fact, the fees allowed in that court now are almost as high as the fees allowed in the Court of Queen's Bench. In Manitoba we have not a district court as they have in Ontario, where there is a smaller amount of money jurisdiction, and I would like to suggest to the Honourable the Attorney-General that, in view of the increase in the monetary jurisdiction of the county court, that some thought should be given to increasing the monetary jurisdiction of the small debt court under the Small Debts Recovery Act. I think there is a need for that now, because the amount of monetary jurisdiction is so small that it is completely out of line, taken in the light of the value of today's currency. So I would ask the Honourable the Attorney-General to give that suggestion some thought, because I think the time has come for increasing that jurisdiction.

MR. McLEAN: do so, Madam Speaker, and in answer to the Honourable the Member for Inkster, he will note that there is provision for service by mail -- 75 cents.

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 Attorney-General. The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I rise not to object to the report of the committee insofar as the contents of that particular report are concerned. I think the committee had a very thorough discussion of The Election Act. We were supplied with Acts of other provinces and

(MR. MOLGAT cont'd) particularly the Province of Nova Scotia, and the Federal Act, and by and large the committee attempted to get some standardization of election procedures whereby, wherever possible, the Manitoba Act would be in conformity with the Federal Act in particular, so that when there were elections federally and provincially in proximity, there would be a minimum of confusion insofar as the voters and the people who work in the election machinery. So, by and large, I agree with the majority of the points that are contained in the report.

I feel however, Madam Speaker, that there are some points that should have been in the report and are not there, and the first one of these, the question of the voting age. We've proposed in the committee that the voting age be reduced to age 18. This was not accepted by the committee and therefore does not form part of the report. I remain convinced that this is a necessary and desirable step. The present age limit of 21 was established many years ago, and I think that since that time there have been some major changes in our society. There's been a great increase in the methods of reaching people -- radio, television; a great increase in news media of all types. So I think that we can say that today people of age 18 have had access to a great deal more information than some 30 or 40 or 60 or 80 years ago. In fact, I suppose it goes back beyond that because I think that the voting age of 21 was established, so far as Manitoba, when the province was formed in 1870. And to say that the conditions in 1870 insofar as education and information are the same as they are today is, of course, ridiculous. I think that people of age 18 today in the light of those circumstances should be allowed the right to vote. I think this is an important and desirable step in expanding the franchise, and I'm proud to say that the Liberal Party, in Manitoba in particular, has been a party that through the years has proposed the extension of the franchise. We were the first party in Canada to give women the right to vote. It was done here in Manitoba by the Liberal Party. I think I can say that we were the first province, under the leadership of my colleague the Member for Lakeside, to give Indians the right to vote, and I think this was a desirable step, giving equality to people; and we have been proposing the reduction of the voting age to age 18 because we are convinced that this is a proper and desirable step in the extension of the franchise. I regret that this committee has not seen fit to agree to this recommendation.

We recommended as well, Madam Speaker, to the committee that there be a change made in the enumeration insofar as the urban areas are concerned. I realize that this is a mechanical point, but I think it's important. At the last provincial election there were a number of areas in the City of Winnipeg that were completely left off the voters' list. This was discovered very late in the course of the election. In the course of the by-election in River Heights, there were definite cases of enumerators being engaged in politics, attempting to influence the people they were enumerating, when the function of an enumerator is purely to record the name for election purposes, not to be electioneering, and yet this was done in River Heights. These lead, I think, to the desirability of a change in the procedures.

The Federal Government in their Election Act has made provisions for a method which I think ensures a more accurate enumerating, and that part of it is extremely important; and I think it is desirable, Madam Speaker, that every single individual be given every opportunity possible to exercise their franchise, and that you must begin by an accurate voters' list. That is essential under our present system. We could look at other methods. We could look at the method used in England, for example, where there is a permanent voters' list, carried on from year to year. We don't use that technique. We make up a voters' list at election time. Well, if that is the method we are going to use, then it's important that the voters' list be accurate, because a lot of voters, if their name is not on the list, become annoyed and simply don't turn out to vote. That is bad. We need much greater participation, not just at election time but all the way through in political affairs; but certainly at election time we need an accurate voters' list. The federal government in their Act provide for two enumerators in the urban polling division. Not so in the rural, because there the circumstances are somewhat different; by and large the enumerators know the people they are dealing with and are enumerating. They know the persons. But it's not so in the urban areas. The Federal Election Act provides that the returning officer appoints one enumerator and that the defeated candidate, whatever party was second in that particular constituency at the last election, appoints the other enumerator; and this provides for an equal party participation, so that there are two people there, both interested in seeing to it that the enumeration is impartial and that it is complete. I think it's fair to say that at the federal level this has worked out quite well, and that by and large the federal lists have not had the errors that the provincial lists showed at

(MR. MOLGAT cont'd) the last provincial election. The machinery has worked well and I think it would serve well here in the Province of Manitoba. I regret that that part of it is not in the report.

There are a number of other points that we raised at the committee, Madam Speaker. I will not cover all of them, but there is another one that I would like to specifically refer to and that is the 48-hour blackout on certain media under The Broadcasting Act. When this was discussed in committee we instructed the committee secretary to write to Ottawa to find out the reason for this particular legislation and the letter that came back indicated that there didn't really seem to be any sound reason; that there seemed to me -- this was a matter that had been put into the Act and has been carried there since and that certain individuals not in an official capacity, but in a personal capacity, people like the head of the CBC, head of the Broadcast Governors, had looked at this matter and could not see why the rule should be continued.

Madam Speaker, I cannot see any reason why we should have that particular rule which is not part of our Election Act. It's part of the Federal Government Act -- The Broadcasting Act, and yet it imposes certain restrictions insofar as our elections are concerned and I submit that that is the decision that we should make here, not the Federal Government making it for us, and I think that we should be asking the Federal Government to amend The Broadcasting Act so that there be no such restriction insofar as any type of media and that all the news media be on the same footing. I'm seeking no particular advantage for one or the other. I think that they should all be on the same basis exactly and that whatever restriction we here in this House decide should be imposed on any of the news media, should be determined by this House on a basis where all are treated equally; that it should not be imposed upon us by the Federal Government. And I suggest that therefore we request the Federal Government to exempt the Province of Manitoba insofar as that particular portion of The Election Act, or I should say, of The Broadcasting Act. I really think that all of the provinces should be exempted but I don't think that we are in a position that we can request that. But if Manitoba were to take the initial steps, then I think it is likely that the Federal Government would consider it and probably do the same for the other provinces.

So Madam Speaker, while there are certain things in the report, the majority of which I agree with, there are other things that the report of this committee I think should have included and do not include. I regret that this is so and I suggest that the committee should sit again to reconsider these matters and I therefore beg to move, seconded by the Member for Lakeside, that the report of the committee be not now concurred in but be referred back to the Standing Committee of the House on Privileges and Elections to consider the following points: No. 1, the advisability of reducing the voting age to age 18; No. 2, the advisability of following the practice of The Federal Election Act providing for two enumerators to be used in urban voting divisions; No. 3, the advisability of requesting the Government of Canada to eliminate the 48-hour blackout on certain media at election time.

MADAM SPEAKER presented the motion.

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

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

MR. ROBLIN: Madam Speaker, presuming that the Honourable Leader of the Opposition does not wish to speak tonight on the Ways and Means motion, I will move -- I'm quite happy to let him speak but he's not ready, he nods his head. I move, seconded by the Honourable Minister of Industry and Commerce that Madam Speaker do now leave the Chair and the House resolve into a Committee to consider the Supply to be granted to Her Majesty.

MADAM SPEAKER presented the motion.

MR. E.R. SCHREYER (Brokenhead): Madam Speaker, a motion to go into Supply is one that gives opportunity for the raising of grievance in this Chamber and I wish to use this opportunity at this time. I want to bring to the attention of this government and to members of this House a matter which I feel is of some importance to the people of Manitoba, particularly to the people of some regions of Manitoba. I even thought at one time that perhaps it was a matter that was worthy of the term 'urgency' and then I thought that perhaps this was an exaggeration. I am referring specifically to the over zealousness with which this government has carried out the administration and organization of justice in the courts in this province. Now I would be one of the first, Madam Speaker, to admit that when this government, by regulation,

(MR. SCHREYER cont'd) back in 1960 appointed a judicial boundaries commission to look into the organization and administration of justice in this province that it was a much needed step. Certain reforms were necessary and among other things this commission, that carried out its work in 1961, handed in its report which called for the consolidation of judicial districts and for the consolidation, much needed consolidation, of county court districts. But Madam Speaker, I think there is -- it is possible to make too much of a good thing, and I feel that this government when it ignored the judicial boundaries commission and went far beyond it in consolidation that it did, this action of theirs, did give rise to what I consider to be a legitimate grievance on the part of many people in the countryside in this province.

Among other things the judicial boundaries commission recommended that the number of county courts be reduced from 63 to 22. It's my understanding that this government has actually consolidated or centralized from 63 to 14 and that in fact this government did abolish eight more county courts than the commission recommended. Now there can be many arguments and many reasons for this consolidation. The report of the commission lists many of these arguments, such as the fact that many county court districts were set up on the basis of early 20th century transportation methods and so on, and in the horse and buggy days it was hard to travel any substantial distances. All this is changed and all this is a powerful argument for abolishing many of these county courts district centres that have existed until this year of 1965. But in my part of the province in eastern Manitoba -- in fact all of eastern Manitoba, there is today Madam Speaker not one county court district centre left. I think this is going too far. In fact the judicial boundaries report recommends, and I quote, "that in the eastern judicial districts all divisions shall be abolished except the central division and the latter should include the following county court districts as recommended: (1) St. Boniface with centre at St. Boniface; (2) Beausejour with centre at Beausejour; (3) Jolie with centre at St. Pierre; (4) Morris with its centre at Morris. The fact is Madam Speaker that numbers 2, 3, and 4 have to my knowledge been abolished despite the recommendation of the commission. Now was there any real justification for abolishing the county court district centre at Beausejour for example? The only argument that could really justify this abolition would be that the county court district at Beausejour was too small, that an insufficient number of cases were being heard there, that an insufficient number of documents were being processed and registered there and so on, but I have before me a copy, and I will now emulate my friend from Gladstone; I will read from the Beausejour Beaver and I will read (Interjection) the Beaver, yes, as opposed to the Gladstone Age. The (Interjection) not any more, no, and I quote, "During the 60-year period during which the county court was centred at Beausejour, the court has handled 6, 200 legal suits -- civil suits -- and processed the registration of 6, 150 legal documents of various kinds. During the past year," and I think this important, "during the past year there were 170 cases handled in the court and the number has been steadily growing for many years." So, Madam Speaker, it was not a case of the county court centre at Beausejour having inadequate case-load, etc. The evidence seems to point to the centre there as having enough work to do to warrant its existence and continuation. And I think that where there is doubt as to whether a county court centre should be continued or not, that the benefit of the doubt should be given to its maintenance in a place in the countryside in rural Manitoba.

I think that we must if we are to be consistent. This government particularly, has been making a case time and time again for regional development in Manitoba. It has been getting after the federal government for its lack of concern about regional needs in Canada, the needs of Manitoba and of Western Canada generally. Well, if the provincial government of Manitoba is to get after the federal government for its alleged lack of concern about regional development I think that the people in rural Manitoba, in many of the towns and centres in rural Manitoba, can get after this government for its lack of concern about regional development. On the one hand this government talks about regional economic development under COMEF, etc. On the other hand it is over centralizing. It is pulling county courts out of centres where they have long existed and, even more, it has pulled county courts out of centres where the judicial boundaries commission has specifically recommended that they be maintained.

Where there is doubt, Madam Speaker, as to whether a county court centre should remain or not I say again, the benefit of the doubt should be given to the district; if for no other reason than that it is good for people to have close contact with the administration of justice. I think that this is an argument that cannot be over emphasized. Obviously of course, it can be taken to the ridiculous extreme whereby you maintain a court centre for only a few cases per year.

(MR. SCHREYER cont'd) That is grossly inefficient and does not serve the cause of justice, but where the court has been processing a substantial number of documents, where a substantial number of cases have been heard in the course of the year, why take it away?

I think it is a principle of British justice that people be given every opportunity to maintain a sense of contact with the courts, with the system of courts and the system of law. We're not doing anything to maintain that principle if we're centralizing everything in the City of Winnipeg. It makes for inconvenience on the one hand; also it makes for the people in rural Manitoba losing a sense of contact. I can remember on alternate Tuesdays, or certain days in the month in any case, where people used to walk to the town hall to sit in and listen to the proceedings. They will not have that chance any longer Madam Speaker, unless this government relents and restores to at least some of these centres the county court centres that they used to have before this year.

MR. FRED T. KLYM (Springfield): Madam Speaker, this particular item the Honourable Member for Brokenhead has mentioned has been brought in by myself to the attention of the Attorney-General some time ago, shortly after the announcement was made that a court had been taken away from there, from the eastern judicial district entirely. And I know very well, as many of us will, in a large district such as that east of Winnipeg, it does prove difficult because of the distance to travel to Winnipeg. It is time consuming and it is rather costly. In many instances, where many large loans have to be made and so forth, chattel mortgages have to be looked after, those things were being looked after in a matter of a few minutes and now it would take probably several days or weeks but as I said a while ago, I had brought that in to the attention of the Attorney-General and I understand that the department is looking after it and reviewing it very carefully and as they are doing that I would ask the Attorney-General's Department, and the Attorney-General who is at the head of it, to seriously consider the case such as it is east of Winnipeg, the eastern judicial district to be re-constituted in the area in as short a time as possible.

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

MADAM SPEAKER: Would the Honourable Member from Winnipeg Centre please take the Chair?

MR. MOLGAT: Mr. Chairman, I rise to object to certain steps taken by the Leader of the government since we last met. On Friday night of last week, Mr. Chairman, we spent a considerable amount of time, approximately an hour and a half, discussing the Pan-American Games and the whole structure and background of that story. We specifically asked of the government then what their plans were. We specifically asked what the budget was. The First Minister was not in a position to tell us anything about the budget. We could get no details from the government at that time as to exactly what the costs were going to be, and exactly what the situation was in this regard. We said at that time to the government that here we were asked to vote a quarter of a million dollars, plus unknown sums for the future, but from what we could find out something in the order of another half or three-quarters or more of a million dollars, and we could not get from the government a statement that they knew anything about the budget. We asked the government whether or not they had participated in the formation of that budget. The indications were that they had not. And yet, as far as we can now tell, within some forty-eight hours of that discussion, the Premier proceeded to write a letter to the City of Winnipeg, making a new offer on the Pan-American Games.

Now Mr. Chairman, I submit that in the light of the discussion that was held here on Friday night, that this is pure contempt of the House. On what grounds can the First Minister of this province conduct a debate here on Friday night with the members of this Assembly, asking them for a vote of \$250,000, unable to tell them any details about that budget, agreed to let the matter stand, agreed to have the members of the House meet with the Pan-American Games committee so that we could get the information, and then over the weekend decide to write a letter making an entirely new offer at the very time when this matter is being discussed in this House?

Mr. Chairman, this is a plain case of the Premier of this province telling the members of this House, we don't need you, we don't need your advice, no point having you here at all. Because at the very time when this is being discussed here and we're being asked to vote some monies, and we asked the government of their plans, this government is proceeding outside of this House to make other statements and other plans altogether and different statements to the ones that were made here on the Friday night.

(MR. MOLGAT cont'd)

Mr. Chairman, I'm not prepared to proceed and operate this way in this House. This is an absolutely senseless arrangement. I submit that the First Minister, in the light of his agreement to have the members of the House meet with the Pan-American Games committee, should not have proceeded to make any further steps without disclosing them to the House.

MR. ROBLIN: Mr. Chairman, I have no objection whatsoever to my honourable friend expressing his opinion, even if he does so in a somewhat emphatic manner, but I have the pleasure of informing him that he is not a member of the Executive Council and I have the pleasure of informing him that policy is still made, insofar as the government is concerned, by those who are elected to make that policy; that the function of the of the Legislature is not the executive function of government. That belongs to us and we continue to exercise the executive function of government whether the House is in session or not. Does anyone suppose for a moment that when this House isn't in session that all the business of government comes to an end, or that we come here with every decision that we decide should be considered or made while the House is in session and get clearance from my honourable friend? I don't think he would advance such a proposition, and yet that is exactly the point that he is trying to make here now.

I made it perfectly clear to the House on Friday night that negotiations were going on. Did I not, on a number of occasions, stop in the midst of my remarks as to what I was going to say, and say, well perhaps I'd better not say anything more at the present because negotiations are still going on. Do honourable members not recall that? Was there any effort to hide that fact from the members of the Legislature? Was there any effort there to persuade them that the proposal that has received publicity up to the present time was the final proposal of the government or that other measures were not being considered? Of course not, I was frank. I put the matter before the House and I made it perfectly clear that they could expect new developments. Did I not say that both the senior levels of government would have to reconsider their position? Did I not say please don't ask me anything more about this because negotiations are in progress? I did. I think any reasonable person would conclude that something was about to happen or that negotiations and discussions were still going forward and that the government might very well make a further statement in connection with the Pan-American Games, and of course that's exactly what we've done and we shall continue.

I want to warn my honourable friend that if this kind of thing upsets him that he's going to be upset on further occasions because we are going to continue to carry out the executive function of government. Now when this Chamber doesn't wish to approve of what we do, they know what to do about it, and that is the way our system works. But as long as we have the confidence of this Chamber we are entitled to carry out the executive function of government and that's exactly what we're doing.

Now I was asked this afternoon by the Honourable Member for Emerson what the new policy was, and I'm glad to read the letter and I'll be glad to table copies so that all may know.

"My dear Mayor: The problem of financing the Pan-American Games, I am sure, is continuing to cause us all some concern. The Government of Manitoba, and I believe the people of the province, feel strongly the obligation on the part of the three governments, Canada, Manitoba and the City of Winnipeg, to carry through to a successful conclusion the undertaking which the application for the games implied.

"Under the circumstances, and in the hope of resolving the impasse which seems to be developing, the province is prepared to make a new initiative in the following terms. If Canada will guarantee a contribution of a million and a half or one-half of the net cost of the games, whichever is the lesser, Manitoba will guarantee one million dollars or one-third, whichever is the lesser. Under this proposal the City of Winnipeg will be responsible for one-sixth or the residual balance of the net cost, whichever is the greater. It is understood that any contribution from other area municipalities will be offset against the City's share. If this formula is acceptable the net cost of the games can be guaranteed and planning can proceed without further delay.

"With the contributions proposed there should be no need for any participation on the part of the Metropolitan Corporation of Greater Winnipeg. Any such participation would, under the terms proposed, involve a duplication of local effort which would not appear to be justified. I hope that this new proposal by the province will enable an early decision on the financing to be made. Yours sincerely."

(MR. ROBLIN cont'd)

Now as far as the particular item in the estimates is concerned, we are still prepared to leave it stand and we will submit ourselves and this particular item to the judgment of the House after the meeting with Mr. Daly and Mr. Riley, which I think will be held at 10:30 a.m. on March 12th, is over and we come back to this particular item, but I say that in the meanwhile we will continue to carry on the executive government of the province.

MR. CAMPBELL: Mr. Chairman, what is the date of the letter? I don't think the First Minister gave the date.

MR. ROBLIN: The date that is marked on the letter is the 7th, but I must confess that that is a stenographic error. The date should be the 8th.

MR. PAULLEY: Mr. Chairman, I'm rather amused and intrigued by the position taken by the Leader of the Opposition in this regard. Again I state this with some fear that I may be considered as once again being accused, as I so often have been in the past, of supporting the government. However, in this particular occasion the opposite is true, that I'm rather intrigued at the position taken this evening by the Honourable Leader of the Official Opposition here in the Legislative Assembly of Manitoba.

On a number of occasions in the past, Mr. Chairman, I have suggested that we in the New Democratic Party are the official opposition in fact in the Province of Manitoba, and I think this is another illustration of where this is so true, because on Friday night we were considering the estimates of expenditure for the ensuing year in the Province of Manitoba, and as is usually my custom as leader of the third party in this House, when we come to a separate item of expenditure I bow to the Leader of the Official Opposition, giving him precedence over we in this particular group which is the third group, and I did it, Mr. Chairman, on Friday evening in respect of the proposed expenditure listed on the estimates of a quarter of a million dollars for the Pan-Am Games as the contribution of Manitoba to these games.

I refer you, Mr. Chairman, to the questions in relation to this as recorded in Hansard that were asked by the Leader of the Opposition, and let me refer to page 325 of Hansard of March 5th. Mr. Chairman, comes the Resolution No. 7, which I believe is the Resolution dealing with the Pan-Am Games. The Honourable the Leader of the Opposition states: "Mr. Chairman, in Resolution No. 7, the figure indicated here is \$250,000, yet the figure given out by the government is substantially in excess of that. Now what are the provisions here?"

The Provincial Treasurer replied, and then along comes the Leader of the Opposition once again -- "The fact that this figure does not come up to the total that the government has committed does not indicate the government's feeling that this is not going to go ahead in that case? Is that right?"

The point that I'm making, Mr. Chairman, I am convinced that if it hadn't have been for the members in my group here in opening up a full discussion of the Pan-Am Games and the contribution from this government and the arrangement between the Province of Manitoba, the federal authorities, the City of Winnipeg and Metro, the chances are that there would have been practically no discussion at all as to the situation respecting the Pan-Am Games and the financial contribution from the respective governments, because, Mr. Chairman, it was not until the Honourable Member for St. Boniface took part in the discussion that there was any other discussion from the ranks of the official opposition.

Mr. Chairman, I suggest that it was only because of we here in the New Democratic group pursuing the question that we did extract from the First Minister the inference or the commitment that he would look, together with the other senior government, that outfit at Ottawa, into contributions toward the Pan-Am Games. So I say that while my honourable friend the Leader of the official Opposition may with righteous indignation stand as he did, Mr. Chairman, at the offset of this evening's sitting and bewail the First Minister because of his new approach, I respectfully suggest for the consideration of the members of this House that if not members of the New Democratic Party, mainly my colleague from St. John's, raising the question of the Pan-Am Games, that it would have passed without too much comment.

Now I would like to know, following this -- oh, my honourable friend the Leader of the Opposition laughs. I didn't do him the discourtesy of laughing a few moments ago, Mr. Chairman, when he was talking about the Liberal Party and the votes of the 18 year-olds, but I warn him when I reply to that question he may not laugh, but I'm sure, Mr. Chairman, his face will be red, as to their record in this particular instance.

But anyway, Mr. Chairman, I would like to ask the First Minister, because the newspaper reports mention the fact of the possibility of a further increase from the provincial

(MR. ROBLIN cont'd) authority to the Pan-Am Games that he has, I think even in this, placed a sort of a restriction on it in that the other governments, namely the Government at Ottawa, likewise increases its contribution to the Pan-Am Games. As I read the newspaper reports, and I must confess, Mr. Chairman, that I haven't had time to thoroughly study them and I haven't had a pipeline into the Leader of this House, and certainly I haven't got a pipeline into the leader, if in fact there is a leader down in Ottawa, as my friends to my right might have as to what their position is, but I would like to ask the Provincial Treasurer whether or not the newspaper article is correct in that the First Minister in his letter to Mayor Stephen Juba has suggested that the provincial contribution may be increased providing Ottawa's contribution is increased; and I would like to ask the First Minister whether or no he has asked the Honourable Minister of Health at Ottawa whether or not they might be prepared to increase their contribution providing one is forthcoming from the Province of Manitoba.

MR. ROBLIN: The situation is that I have given the Mayor an alternative proposal, a new proposal to the one that we made a little while ago, and I understand he is going to Ottawa tonight or tomorrow with a view to discussing this with the federal authorities.

MR. PAULLEY: Mr. Chairman, if I may, Sir -- I understand that there was no suggestion from the Province of Manitoba to the Government of Canada of any saw-off or any negotiations that if we do this, will you do that. It's still in the hands of Mayor Juba, is that correct?

MR. ROBLIN: Yes, but our offer, as you'll see in the letter if you have it in front of you, is conditional on the Federal Government also increasing their contribution.

MR. DESJARDINS: Mr. Chairman, Friday night we did ask for some information and this information was denied by the Leader of this House. I think that this is the important thing. The policies are made by the government, we know that -- well sometimes anyway when it's not too difficult to make, when it's very popular -- but we asked certain questions, and if the First Minister wasn't ready to answer these questions this thing shouldn't have been discussed at all. Now I think that this -- I'm not amused like the leader of the coalition party -- (Interjection) -- Yes, but he won't be long, I can tell you that.

MR. PAULLEY: my honourable friend to try and displace me personally, Mr. Chairman.

MR. DESJARDINS: All right, that might not be a bad idea.

MR. PAULLEY: And that goes for the Honourable Member for St. George as well.

MR. DESJARDINS: Mr. Chairman, I think we gave him a chance and I think he spent half an hour to ask a question, at least he should shut up now. I think it'd be a good idea. He said that he asked for a chance to speak and we gave him that chance. He didn't say a darn thing, mind you.

Now I think that this is a sneaky way of doing things, the way the First Minister did it. I think it's a very sneaky way because he talks about a three-way negotiation, and if he thinks this is three-way negotiation -- because he feels that probably nothing will be done, but he wants to be the big hero. He's only asking for fifty percent more, and this is the First Minister that's talking about priorities in Ottawa, priorities when it doesn't affect Manitoba I guess.

Well I think that some of us should show a little more courage than this man, and I would say that I certainly would oppose this. I said on Friday my likes for it. I think that we should have this as long as we place the right importance on a thing like this. I think this is just a cheap way of getting publicity. He's only asking for fifty percent. He said in this House that he thought that he shouldn't say anything because negotiations were still going on. What kind of negotiation is that? He's going to wait till everybody's quiet, then he's going to write a letter, "we'll do this if." If this was any kind of a sincere negotiation I think he'd get in touch with Ottawa and maybe he'd be going with the mayor tomorrow morning or whenever he's going, not to write a letter "we're going to do this if you raise this by fifty percent".

I suggest that he knows that this is not going to be the case, that Ottawa's not going to give another fifty percent, and I certainly hope they don't. I'm not going to hide behind this business of sport. The Minister of Mines and Natural Resources a while ago thought it was a funny thing that I was brought up on the rink. I don't know how these other people were brought up -- certainly not with any courage. They haven't got the courage of their convictions.

We were told here on Friday this is a negotiation, and everybody was getting it off their chests what they thought about this, and oh, it was a good thing that three levels or

(MR. DESJARDINS cont'd)four levels of government would get together. What kind of getting together is this? How can anybody -- how can he sincerely say, seriously say that this is negotiation when he writes a letter and gives it to the newspaper on the 8th -- (Interjection) -- Well they got it this morning, and you said it was only written this morning. Somebody's reading your mail.

MR. ROBLIN: They didn't get it from me.

MR. DESJARDINS: Somebody's reading your mail. It wasn't the 7th, it was the 8th it was written. Today's the 8th, and this letter was written ...

MR. ROBLIN: I beg to inform my honourable friend that the press did not get the letter from me.

MR. DESJARDINS: Well, who got it? Did you get it from the press?

MR. ROBLIN: Don't be ridiculous.

MR. DESJARDINS: It must be -- you are the one that's ridiculous. I suggest that you knew exactly what you wanted to do on Friday when you refused to give us this information. I don't care -- (Interjection) -- what are you squawking about? Get off your knees if you want to talk, and we'll talk correctly. Don't hide behind that smoke-screen again. This is a smoke-screen, this is all it is, and it's not an honest negotiation at all then. I wonder what the First Minister would say if labour and management would negotiate like this.

MR. HUTTON: You'll note that the Liberal Party of Manitoba is in favour of 50 million for Quebec but not more than a million -- is it 57 million for Quebec -- but not more than a million for Manitoba.

MR. DESJARDINS: Mr. Chairman, this is another cheap trick, just because I asked -- Yes it is -- just because I happen to be French-speaking, and this is what he's trying to do. This is McCarthyism out there. Did I vote on this thing at Ottawa -- in Quebec? Did I vote anything about Quebec? You can smile all you want. When you go and speak in Quebec, boy do you tell 'em. Do you tell them when you speak in Quebec, and before this session is over I'm going to bring some of your speeches and I'm going to read them and see what you do. I've only got one face, not two faces like some of you people across there. This is a cheap thing. When he makes speeches -- you know with your hand on your heart that you give us once in a while -- you should give them to yourself.

Just because a French-Canadian spoke you would like to divide -- exactly like your friend out there, Diefenbaker -- divide and conquer. Did we have a vote -- did we have a vote about this thing in Quebec? -- (Interjection) -- That's it, just repeat when you don't know what you are saying. What has that got to do with Quebec, can you tell me? Did we vote in Quebec? Didn't we explain this the other day? Didn't I explain that two wrongs didn't make a right? I don't know and I don't care about Quebec. I wasn't asked to vote on this and I wasn't elected for this. I was elected to do something about Manitoba, to discuss these priorities, not only when it's in Quebec, all the priorities. How serious can you be when you are talking about the Federal Government bringing in priorities?

I still say that negotiations may be not in your department. It's not negotiation except that they can make \$110,000 on negotiation, that's when you start negotiating, I am talking about negotiation. If you want to negotiate, at least three people, or two people get together and talk things over, not that all of a sudden you give a letter, and that's exactly what you did because they have this letter this morning.

MR. CHERNIACK: Mr. Chairman, I rose at the very beginning at the same time as the Honourable the Leader of the Official Opposition. I really wanted to speak out my grievous hurt at something that the Honourable the Attorney-General said about me in my absence last Friday about 8:15, but having heard what has been said since the Honourable the Leader of the Opposition rose, I realize that the Attorney-General, though he misunderstood me, let me off very easily and the language that could have been used was so bad that I put aside my hurt feelings and feel happier that I didn't get involved in any unpleasant altercation.

I did have another matter though relating to the Pan-Am Games which I think is more important than vituperation, and that is an issue of the Expo Digest which I received on Saturday -- I suppose we are all on the mailing list or am I preferred in some way -- dated March 3, 1965. This is the official organ of the 1967 World Exhibition in Montreal, and on the back there is a statement which I think is disturbing, which I think needs clarification vis-a-vis the Pan-Am Games and how they apply to Manitoba.

The headline is "Broad Sports Program for Expo" -- and I am quoting from this. "Expo '67 will feature international competitions in almost every sport but tiddlywinks. Colonel

(MR. CHERNIACK cont'd) T.J.E. McClellan, the man responsible for Expo sports activities, made the disclosure at the annual Awards Dinner of the Montreal Sportsmen's Association. He said Expo plans include an international track and field meet as well as world competitions in soccer, lacrosse, swimming, sailing, and hydro-plane racing. In addition, efforts were made to attract the North American and Canadian canoe championships, the North American skeet championships, and the Canadian trap shooting championships. Meanwhile, it was announced that there was an excellent chance the world cycling championships, both amateur and professional, will be held here during the World Exhibition."

It seems to me, Mr. Chairman, that if Montreal in the same year is going out, and apparently has already made initial contacts to attract to it international sports competition, then what are we doing in terms of working towards the Pan-Am Games? This is, I think, an important competitive endeavour which is financed by the federal government and which I believe is in part financed by this province in terms of a contribution that it is planning to make in some endeavour at the World Exhibition. I think that not only is there a question of jockeying for dollars and for who will handle the deficit, but also a question of making sure that if we get the games here that they are going to be worth while, not only making sure that the deficit is minimal but that what we are left with is something with which we will be proud.

I urge strongly that this government take an active position not only in discussing the dollar contribution and not only participating in negotiations be they one-sided, two-sided, or triangular, but take a very active interest in the event features themselves and see to it that we don't have this kind of competition which could make the Pan-Am Games a secondary sports event in Canada in 1967.

. Continued on next page

MR. CHAIRMAN: Resolution No. 8, 1 (a)

MR. ROBLIN: . . . going on to the Treasury Branch. We are not going to dispose of the Pan Am games item at present and we were discussing the Financial Administration Branch of the Treasury on Friday.

MR. CAMPBELL: Mr. Chairman, I have one or two questions to ask under the heading of the Minister, and if the First Minister hasn't the answers now he'll undertake to get them for me. I was interested in knowing, because it has a bearing on another matter that I have been paying attention to just recently, what was the total amount received by the Treasury in 1964 from the race course at Assiniboia Downs. Does my honourable friend have the figure here? And would he give me at the same time what the total amount of betting was and what the amount that they collected? I presume that from the one and from the other we can see how much the race course was paid for commission, would that be correct? And then I noticed that in the estimates of revenue that the total for public amusement is just over \$900,000 and I'd like to know what part, either in the year that is passed, came from these various sources or is estimated to come in the year that we will be starting in very soon, and the same information with regard to receipts from movie shows and then what the balance is made up of.

MR. ROBLIN: My honourable friend wants to know the breakdown of the receipts under The Amusement Tax Act and the commissions that were paid?

MR. CAMPBELL: Yes, particularly the details, the commission with regard to the race track.

MR. ROBLIN: I'll get that information.

MR. GUTTORMSON: Mr. Chairman, another matter that I'd like to bring up that was discussed last week is the matter of the bonus returning to the people who pay their taxes. I'm referring to the matter of Steep Rock. We discussed this earlier. I know the people of this area are very concerned by the fact that they have been told they can't get the rebate unless the land is subdivided. Well I made some enquiries about this, and as I told the Minister last week, prior to two or three years ago all the ratepayers on the Steep Rock area received tax notices direct from the administrator and they paid the bills to the administrator -- they paid the taxes direct to the administrator -- and then the last two or three years the administrator has been giving a total tax bill to the Canada Cement and they in turn, I think on the basis of the '63 return, have been billing the individual residents in Steep Rock and the Canada Cement has been paying the taxes to the Unorganized territory.

Now it seems to me unfair that all these people should be deprived of the opportunity to get this rebate. The Minister has said, as I understand it, that unless it is subdivided in the proper manner they won't be able to get it. Is this correct? Is there no way that we can make some arrangements so that these people won't be deprived of that rebate? It seems unfair. They all own their own homes, and living in this area, and they are not going to get it. I think something should be done to enable them to make this possible for them.

MR. SMELLIE: Well, Mr. Chairman, as I explained to my honourable friend on Friday evening, the Act requires that a rebate be paid for each parcel which is shown on the assessment roll, and if my honourable friend can give me some way of describing these properties legally so that they can be put on the assessment roll I would be happy to arrange for the School Tax rebate for each of them. But unless there is some way in which the properties can be legally described it is impossible for the provincial municipal assessors to place them on the assessment roll, therefore they will not get a tax statement nor will they get a school tax rebate.

MR. GUTTORMSON: Mr. Chairman, prior to this, a few years ago they did get a tax statement although this has been changed in the last two or three years, but from time to time the government sees flaws in legislation and they bring in corrective legislation. Isn't it possible -- and I am sure this is a very unique situation in Steep Rock -- that we could perhaps bring in legislation to rectify the situation?

MR. SMELLIE: Will my honourable friend tell me how the taxes were divided as between the different properties in the past?

MR. GUTTORMSON: I don't know what it is exactly. They have it by lot as I understand it. I mean one person lives on lot 31, next one on lot 32 and something along this line. I do know they got separate tax bills. But it is also correct that they don't have the legal description in the form that the Minister says it should be, but I do know, I checked with the administrator this afternoon just to have this point clarified, and he did admit that he used to send them separate tax bills. Now they don't do this any more. He sends one tax bill to the Canada Cement

(MR. GUTTORMSON cont'd) . . . and they in turn bill the people living on their land. Surely we can do something to correct this situation. They have been paying taxes in previous years on separate tax notices and I can't see why we can't bring in some legislation that will correct this situation.

MR. CHERNIACK: Mr. Chairman, I have no doubt that there could be legislation brought in to correct the situation. It is not just the situation in Steep Rock, it's the situation of the inequitable tax which has been imposed in such a way as to benefit only people who own the property, not the people who live in them and actually pay the taxes. I think the Honourable Member from St. George is naive in suggesting that the government doesn't see the problem or that the government really wants to help out. In the question of Steep Rock as I understand it the land belongs to Canada Cement, and if Canada Cement is the registered owner of the land then Canada Cement is the body which is entitled to receive the rebate. That I believe is the correct interpretation of the government's intention as expressed last year, and I for one have no reason to think that the government has changed its attitude in this respect. Therefore, I don't feel that the government is particularly concerned about that problem, and having made that statement there are a number of additional statements I'd like to make along this line.

MR. SMELLIE: We have no object to that statement right now because the government is concerned. The government has been in contact with Canada Cement and have discussed the problem with them, and it is my understanding that Canada Cement intend to take action to have a plan of subdivision prepared and registered. Now they haven't told me this in so many words but this is my understanding from conversation with them. They wanted to know how the individual people there could be assisted and we told them that under the present legislation there was no way in which they could receive the rebate unless they were put in a position where they could be the assessed owners as shown on the assessment roll, and under the existing method of holding title, there wasn't any way. But if there were some arrangement whereby the property was subdivided and there was some documentary evidence to show that the individuals other than Canada Cement were the owners of individual properties or had the beneficial interest in them, then certainly those people could apply to have their names placed on the assessment roll. I believe that Canada Cement intends to take action on this matter so that their employees can enjoy the benefits of school tax rebate, and I object to my honourable friend from St. John's saying that the government has no interest in these people because they certainly have.

MR. GUTTORMSON: Mr. Chairman, . . . St. John's, I just want to point out to him that while all of the land is owned by Canada Cement, the homes themselves are owned by the residents. I don't know if he is aware of this or not.

MR. CHERNIACK: Of course I was aware of it, Mr. Chairman, I was aware that the homes are owned by the residents, but the fact is that under the Act, as I read it -- and now I'll quote Section 53 (d) of the Act, The Revenue Act, 1964. "Parcel means any amount of land entered as one entry on a tax roll of the municipality for the purposes of assessment and taxation." And subsection (f) reads: "Taxpayer means the person who is named as the owner of a parcel in the assessment roll of the municipality and who is liable for payment of municipal taxes assessed against that parcel". And Section 54 reads: "The Minister may pay to each taxpayer in respect of each parcel," etcetera, "and he has to produce a receipt."

Now the Act is designed to look after a land owner and this I say, with all deference to the Honourable the Minister of Municipal Affairs, this I say must have been the government's intention because there were a number of us who spoke on this last year and pointed out that this legislation was so fabricated as to put a rebate into the hands of the land owner.

Now the government constructed for itself a -- can I call it a Frankenstein -- in creating a structure which did not have any former experience or background to justify itself. The structure was designed to create a rebate but it was imposed on a system of assessment and taxation rolls which did not relate to putting money back into the hands of the ratepayer, and that's obvious that it was difficult to do, because the fact is that there are many ways in which people can have an interest in land and many ways in which they pay the taxes. The most obvious way is the way that the tenant pays the taxes and that is in his rent. The government clearly knew that and did not intend to put it back into the tenant's hands for the obvious difficulty in administering such a problem, and the government knows, I am sure, that it is still in difficulty with interpreting this and is having trouble about it. -- (Interjection) -- No, I'm not through but I'll wait.

MR. ROBLIN: On this question of rebate to renters, we have had notice of a resolution

(MR. ROBLIN cont'd) to be debated on this subject, and rather than to debate the matter twice perhaps we'd better confine ourselves to the substantive motion that'll be before the House.

MR. CHERNIACK: I didn't quite catch what the Honourable Minister said.

MR. ROBLIN: The Honourable Member for Seven Oaks has tabled a resolution respecting the question of tax rebates to renters and I think that rather than debate the matter twice, we might use a little self restraint and

MR. CHERNIACK: I have no trouble restraining myself, and I am quite prepared to wait for the debate on the question of the renters. However, I still have some questions I would like to ask in connection with the rebate to presumably the taxpayer. May I first ask the Honourable -- any Minister -- whether regulations have yet been made under Section 60. I couldn't ascertain whether that was the case or not.

MR. ROBLIN: I don't think any regulations have as yet been made in respect of it, except insofar as the form of rebate is concerned.

MR. CHERNIACK: Well then, I presume we must operate from our understanding of the Act and of The Municipal Act, and therefore I must ask for clarification as to whether we're talking about a tax roll or an assessment roll, and I understand that there is a difference. Under the definition of parcel in this Act there is reference to parcel meaning an amount of land entered as one entry on the tax roll, but when we speak of taxpayer, it speaks of the owner of a parcel in the assessment roll. Now it is my impression that the assessment roll is struck once a year and closed, and I mentioned this afternoon that it is my impression that the assessment roll for 1965 was closed during or towards the end of 1964, except in Winnipeg and St. Boniface. That is the assessment roll.

I am under the impression, however, that a tax roll is something somewhat different, and as a lawyer I know that it has never been a problem to write a letter to the Assessment Department and to the Tax Department saying my client owns the following parcel of land and my client has now entered into an agreement to sell the following portion of the parcel, describe the portion in legal terms, legal description, and then say would you please split the taxes and advise us of the portion payable by each parcel. That is done and we get two tax bills, and that is the tax roll, but as I understand it the assessment roll is still in the name of the owner.

I'll carry this problem a little further so that we can get clarification. When there is an assessment roll and Mr. "A" is shown as the owner of the land and the assessment roll is closed, let us say last October -- that's just a date that I picked out of the air -- and in next May a tax bill is issued, and in July there is a sale to Mr. "B", and in August Mr. "B" pays the taxes. As I understand it, the tax roll may have been changed to show the ownership by Mr. "B" but the assessment roll will show Mr. "A" as the owner until the assessment roll is again closed at the end of the next year.

Therefore, the rebate is payable to somebody I assume, and that would either be the man on the assessment roll or the man on the tax roll, or what bothers me, the men on the tax roll, because there may be more than one in the parcel being split. If I am confusing anybody who is listening to me, then it's only because I too am confused about how the government is going to handle this problem.

Let me pose another question. Somebody owns a parcel of vacant land and the assessment roll shows that to be the fact. The tax bill is sent out in May. By August or September somebody else has purchased the land and has erected an apartment block on that land. The assessment office, which is alert to these things because it sees building permits come in, proceeds to Section 1051 of The Municipal Act and there is entitled "To add a tax on the building value on to the tax roll". Note the tax roll, not the assessment roll, and having added it to the tax roll the municipality is therefore entitled to collect from the man on the tax roll and get the taxes. Now who is going to get the rebate as between the original owner of the land and the builder of the apartment building whose taxes were added on to the tax roll. Who gets the rebate and when does he get the rebate if the taxes were paid on the land first and then paid later on the building by the next owner? These are the questions which I think need clarification.

I think too, now that I'm posing these questions, we have the question of leaseholds, and when I re-read Hansard and the Honourable Minister's comments about it, he seemed to simplify the problem by saying "well a leasehold title can be registered on the land and then the person who has the major interest in the land becomes the person on the assessment roll". I'm not sure he's right but I must remind him that he did not answer the question as to just who decides who has the major right and who is entitled to be on the assessment roll once a leasehold interest has been shown. I don't understand just how that would work.

(MR. CHERNICK cont'd)

In the case of exempt leaseholds, that is exempt land as railway land and Crown land, as I understand it, the Crown or the railway is not liable for taxation, but when there is a leasehold registered then the lessee becomes liable for taxation. Does the Honourable Minister feel that that lessee is a taxpayer under the definition of the 1964 Revenue Act? Could he be described as the taxpayer under that definition?

Another question, Mr. Chairman. The Honourable Minister informed us that farm land is generally shown in quarter-sections. Do I then understand that a man who owns a half-section or a whole section all contiguous, that he has four different tax bills and gets four different rebates? Does that satisfy the Honourable Minister that equity is shown to the person who has urban property which may consist of four parcels which are on one tax roll? Is it the volume of the land, the area of the land that should determine that? Is it right that the government should, as the Minister said on page 348 of Hansard -- no I didn't find the exact definition, but he spoke -- oh yes, it is page 348. "In most of these cases, arrangements will be made so that they will" -- that is land that is held more than 160 acres -- "so that they will be, the parcels will be split at the next court of revision, so that they are not larger than 160 acres because all the land should be treated on the same basis." Does that mean that the Department of Municipal Affairs is arranging to do this for the taxpayers who have more than 160 acres per parcel so as to help them? And if so, what is being done about the owner of urban land that has adjoining parcels?

Finally, I would like to get clarification from the Honourable Minister about the question I asked last year in terms of the co-operative housing development which is a non-profit organization and where the members will have a definite equity in their respective portions of the housing development. I assume that the assessment roll will be in the name of the co-operative corporation of the co-operative housing development. I assume therefore there is only the one parcel. On the other hand, I know very well that after a shareholder pays his equity and acquires his shares he acquires with it the right to occupy a specific portion of the building which becomes his own and his monthly payment is not rent at all. It is a payment based on the principal and interest and on taxes and the other expenses and the payment will vary according to the expenses; and the taxes being an expense, the payment will vary according to expense. How does that person who is an owner through his shares in a co-operative non-profit development, how does that person get his rebate, or is it suggested that he is not entitled to get it?

I have asked a few questions. I hope I have not been too obtuse in presenting the problem and I hope that the Minister will have less trouble in answering than I have had in presenting the problem.

MR. SMELLIE: Mr. Chairman, in the first question which was the difference between the assessment roll and the tax roll, for all of those municipalities that are assessed by the provincial municipal assessor there is no problem because we now use a combined assessment and tax roll. The assessment roll is made up in the first place by the assessors and you will see in the tax roll, or the combined assessment and tax roll, it's on both sides of the ledger and it goes across continuously from the one to the other. There is only one name entered on the roll. -- (Interjection) -- It can be changed at any Court of Revision.

MR. CHERNIACK: More than once a year?

MR. SMELLIE: Sometimes, but usually once a year.

MR. CHERNIACK: Are they closed for 1965?

MR. SMELLIE: I believe that's right in most municipalities. When a change is made in the assessment roll or the tax roll, it's automatically made in the other. The assessment roll is made up here by the provincial municipal assessor and the combined roll is forwarded to the municipality. When the municipality have determined their rates for various purposes then the municipal clerk enters in on the opposite page, which is the tax roll side, the amounts charged for various purposes and the amounts outstanding for arrears of taxes, if any, or penalties, then you have your tax roll completed. But if you make change in the name on the tax roll, you also make a change in the name on the assessment roll.

Where you have vacant lands and a building is subsequently added, those taxes can be added as the honourable member said under Section 1051. This entails the sending out of a subsequent tax notice, or it may possibly be in some cases on the subsequent year's tax notice if the entry is not made in time. In this case, if a school tax rebate has already been paid on the property of the maximum, the question is academic. If the school tax rebate has not been to the maximum of \$50.00, then I believe that an adjustment can be made.

(MR. SMELLIE cont'd)

The question of the lessee situated on Crown land, I would like to leave this to get more information from my honourable friend because I would like to be accurate, and I will undertake to get him the answer to that question.

Then we come to the question of properties on the tax roll and the honourable member suggests that the farmer is in a preferred position because each quarter section is separately assessed. Generally speaking, in urban areas, unless property is all used for one purpose, this may not necessarily be the case. If property is all used for one purpose, for example an apartment block, then usually it will all be combined in one title, or you may even have two titles for the apartment block, but it's all assessed on one parcel because it has one use that can't be divided. If on the other hand an owner has one title that covers three lots on which there are three houses and he wishes to divide his properties, in most cases on the assessment roll they will show separately in any case. My honourable friend shakes his head. If this is not the case, then he can ask to have those properties divided because they are in fact separate uses of property.

MR. CHERNIACK: May I ask when he can . . .

MR. SMELLIE: At the Court of Revision.

MR. CHERNIACK: Next year?

MR. SMELLIE: Yes, or this year.

MR. CHERNIACK: For next year.

MR. SMELLIE: Yes. On the river lots that my honourable friend referred to where there is more than 160 acres combined in one entry on the combined assessment and tax roll, my understanding of it is that at one time this was not the case and that the assessors arbitrarily combined parcels if they were owned by one owner into larger amounts because they are easy of description, being river lots, which could be referred to as lots 28 and 29 or whatever the case might be. This does not apply in a great many municipalities but there are a few municipalities here, particularly close to Winnipeg, where this has happened; where there have been consolidation of holdings and where, if reference was easy such as that and the description was easy, they were combined. If they were all owned by one man and used as one farm then they were combined.

So the assessors have acknowledged that this is perhaps an unfairness because of an arbitrary action on their part placing these farmers in a less preferred position than a farmer whose property is described by quarter sections, so at the next Court of Revision the assessor has been asked, where these combinations were made, to separate them by river lots into parcels of not more than 160 acres so that all farmers will be treated on the same basis.

The last question was concerning co-op housing, and in this case I'm afraid my honourable friend is right, that where you have one owner, the co-operative company as the assessed owner, there will be one entry on the tax roll and one rebate.

MR. CHERNIACK: Does that then mean that some, I think 400 families are involved there in expectation that they will all be -- none of them will be entitled to any rebate.

MR. SMELLIE: I'm afraid I couldn't answer, Mr. Chairman, as to how many families are involved.

MR. CHERNIACK: But as many as there are on this co-operative deal they would not be entitled to it and there is no apparent way that they could be helped out.

MR. SMELLIE: Not that I'm aware of, Mr. Chairman.

MR. CHERNIACK: One other question and then I'll stop asking them for a while. Do I understand from what the Honourable Minister has just said that it is no longer considered necessary to register transfers or get new certificates of title but that one may apply to the Court of Revision to separate the assessment rolls where there are separate parcels which can be described separately and where the building will not overlap the land.

MR. SMELLIE: Where there are separate uses of land, the example that we used was three lots on which there were three separate houses, even if they are all owned by one man, he can ask at the Court of Revision to have this separated into three separate parcels on the tax roll because they are in fact separate properties and occupied by different families no doubt.

MR. CHERNIACK: So that you no longer require that they should register transfers of the land?

MR. SMELLIE: No, it's not necessary that a transfer be registered.

MR. CHERNIACK: Well then I was wondering why the Honourable Minister referred to

(MR. CHERNIACK cont'd) . . . the fact that he might have to transfer part of his property to his wife or someone else. I didn't quite understand that reference last Friday night.

MR. SMELLIE: Well, if you have a quarter section of land and the value of that land is sufficient and the rate of taxation sufficiently high that it would be to the advantage of the individual owner to split that property, then he's going to have to transfer because you can't break down a quarter section into something smaller than a quarter section without some reason for it on the tax roll. In other words, here is not a property that is easily capable of division on the tax roll. The title shows one quarter section and ordinarily this is the way it would be assessed. If it's to the individual's advantage to break it down into something smaller than a quarter section, then he would probably have to issue a transfer, and he can transfer it to himself if he wants to -- I don't care who he transfers it to -- but he would have to issue a transfer in that case so that there would be a separate description of the two pieces to be described on the assessment and tax roll.

MR. CHERNIACK: Well if the Honourable Minister then says he can transfer it to himself, then what he really means is that he can split his title. If he splits his title then he can get advantage of the double rebate. If he does not split his title, he only has the one rebate. Applying to the Court of Revision then will be I presume opposed or not acceptable unless there is a split of the title but a split of the title will immediately justify a double rebate. Assuming that is correct, and I think it is a correct interpretation of what was said then would that not be the same case for a man who owns ten parcels of 10, 25 or 50 foot lots in a row that are vacant now awaiting development. If he splits his title for each one of these lots, then he will get as many rebates as he can have titles.

MR. SMELLIE: That's right.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, we are on the Treasury estimates aren't we? I wondered for awhile there because the Minister of Municipal Affairs I thought was trying to justify his salary. I think it might be well if the First Minister at this point would get up and explain what he meant on page 36 of the Budget Speech. At the very bottom it says and I quote, "A change will also be made in the school tax rebate by eliminating the December 31st deadline for tax payment as a qualification for grant purposes." Now it suggests that several changes will also be made. I think that if the First Minister would get up at this point and tell the House what changes that he has in mind, we would save hours and hours of time here. Let's hear what the changes are going to be so we will have an amended Tax Rebate Act. I would be very interested in learning what changes are going to be made, if any.

MR. ROBLIN: The main change that is being made is the one that's stipulated in the Budget and that's not a legislative change. That is simply a matter of administration because it was not covered by the legislation but by administration, and we just want to give members the information that that will be changed. There will be some amendments coming in to this school tax rebate system and I can't rely on my memory at the moment to say exactly what they are. They are not major ones and they are not ones that have been dealt with in the discussion we have been having so far.

MR. SHOEMAKER: The Honourable Member for St. John's has raised a number of questions and I don't think that he's completely satisfied with the answers that have been given to him. I'm not satisfied with the answers that's been given to him. Perhaps I should direct some questions at the Honourable Member for St. John's and see whether I can get a better answer or one that I can better understand.

Now he posed a number of questions, and I don't know whether he suggested this one or not but it certainly concerns myself and many other people in the province. I think that nearly every municipality and town in the province gives a reduction -- a monthly reduction if you pay your taxes in advance. Certainly Neepawa, and I think all the surrounding municipalities have done this for years. They give you I think four percent off if you pay in January and then a half of one percent a month up until October 1, or something of this kind. As I said in the House the other day, I have paid my 1965 taxes now. Mr. Chairman, I wonder if the First Minister would like to tell the story to the House rather than to the Minister of Municipal Affairs and then we will all have the answer.

MR. ROBLIN: I don't really think that kind of a comment is necessary. I am entitled to talk to my colleagues. We are dealing with the point my honourable friend was talking about. Surely I am entitled to talk to my colleagues without . . .

MR. SHOEMAKER: I am quite prepared to sit down and listen to it if it's -- rather than

(MR. SHOEMAKER cont'd) . . . have it . .

MR. ROBLIN: You can sit down any time you like.

MR. SHOEMAKER: Okay. I'll continue with it. Now, prior to making the payment on my own taxes, which I suggested the other day were in the neighbourhood of \$1,400 on three parcels, I said several things. I would like to have the \$50.00 per parcel rebate now. I would like to have it now. Why should I part with \$1,400 unless I can get an application for the rebate. I understand that the intention of the government is to supply all the municipalities with forms, and upon payment of taxes you will be handed an application. You submit the application to the government and they mail you back your \$50.00 cheque. This was the understanding that I got. Now they said, "Oh no, we can't give you the application now because you haven't paid your taxes in full. You have only paid 95 percent of them." Well I said, "The fact that I've paid 95 percent of them is a fairly good indication that I'll come through with the other five percent. I think I'll be able to muster up that much money and come through with it." Now what's wrong with doing that?

Then in the event that I sell the land, and this I think was raised by the Member for St. John's, next month or between now and the time that the rebate is made -- and I don't know when it will be and I don't suppose my honourable friend does either -- then who gets the rebate? I paid 95 percent of the taxes. Who gets the rebate? These are some of the things that I think should be cleared up now, and if there are any other changes that are suggested in this statement of the First Minister's, I think that if they were made now it would save a number of questions that are being posed on this side of the House.

MR. SMELLIE: Well Mr. Chairman, when payment is made in advance as my honourable friend suggests, the payment in his case is probably being made before anyone knows what the rate of taxation is going to be for that property for the current year, and the tax rebate application has not been received because nobody can tell you at this time what the amount of taxes for school purposes is going to be. The municipality hasn't received the budgets from the school board yet and they don't know at this date what the school tax is going to be on any given piece of property. They may have a reasonable idea of what it might be comparing it to last year's figures, and if the assessment has stayed the same and if it is expected that the rate of taxation might be nearly the same, then you may have a fair idea.

But I think my honourable friend should take into account what would happen on those borderline cases where school tax is in the area close to \$100.00. Let's say it was \$99.00. Certainly you wouldn't be able to calculate with any reasonable degree of accuracy what the school tax rebate should be even if that man did pay his taxes in January, or 95 percent of them. So that until the tax statements are made up by the municipality and sent to the individual assessed owner, it would be impossible for us to calculate any rebates.

Now when the municipalities have made up their tax rolls for the year then they will send out their tax statements as soon as conveniently possible, and if any person wishes at that time to pay the balance due on his taxes, if any, for the current year he may apply then for his school tax rebate and he can expect to receive it within a very short time after making the application.

Then my honourable friend asked us what happens in the event of a sale. Who gets the rebate? Well this is a question that in all cases will have to be taken into account by the solicitor looking after the transaction, and this becomes one additional item that may be the subject for adjustment as between the vendor and the purchaser in the transaction. If my honourable friend has paid all of his taxes in January, or 95 percent of it, then he sells the property in -- for the sake of argument let's say the 30th of June is the effective date of the sale -- I presume that he would make arrangements with the purchaser of the property that the school tax rebate applicable would be divided between the two of them, and knowing which one was going to collect the rebate it would be the one who was the assessed owner at the time that the statement and demand for taxes is sent out, then surely the solicitor can make that adjustment and I am sure my honourable friend from Gladstone won't have any particular trouble in making an adjustment with his purchaser.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, from the discussions I have just heard, am I right in assuming that in the rural area the largest number of acres under one title is 160 acres? -- (Interjection) -- It can be more.

MR. SMELLIE: You may have a whole section or more than a section in one title, but on the assessment roll it is assessed by quarter sections no matter how many you've got in one title.

MR. VIELFAURE: There can be much more than one entry on the assessment roll under one title?

MR. SMELLIE: Yes. If a farmer owns a section of land then there will be four entries. If that section is all held in one title there will still be four entries on the assessment roll, one for each quarter.

MR. VIELFAURE: Well then how many acres can there be under one title? Is there a limit?

MR. SMELLIE: No.

MR. VIELFAURE: No limit? How many acres under one title? -- (Interjection) -- No limit.

MR. CAMPBELL: Mr. Chairman, while we are on that question if you don't mind, is that by legislation or is that just practice, the matter of the Court of Revision.

MR. SMELLIE: I believe, Mr. Chairman, it is just practice, I am not familiar with any section in the Act that requires this but the assessors have done this for some time past and it seems a convenient method of breaking down the assessment because you may find a great variation in quarters on the same section.

MR. HILLHOUSE: Mr. Chairman, I believe that one of the most elementary principles of any taxation is that it should be just and it should be equitable, and it should not discriminate against any people. Now listening to the discussions that have been taking place here tonight and on Friday night, I have reached the conclusion that this legislation is ill-conceived and I think it is going to result in discriminations of a very serious nature.

The Honourable Member for St. John's has raised the question of the discrimination against the owners of a co-operative non-profit holding. Now I think that's a very valid objection that he has raised, and it appears to me from listening to the discussion that has been going on here that there's all sorts of ways, there's all sorts of legal gimmicks that can be used to enhance to the various recipients the amount of rebate that they can get back from this particular tax.

Now a very simple example comes to mind in a highly assessed and taxed area. Take the case of an owner of a quarter section of land. Now he transfers one legal subdivision to son A, he transfers another legal subdivision to son B, and he transfers another legal subdivision to son C, retaining one to himself. Now by reason of that legal gimmick to which he has resorted, each one of those, assuming that the assessment and the school tax would entitle each one to the full \$50.00 there's going to be \$200.00 rebate paid in respect of that quarter section where-as if he retained that quarter section in his own name he would only get \$50.00.

Now to me, Mr. Chairman, that type of taxation is absolutely absurd and I think there is a much easier method of dealing with this subject. If we want to relieve the taxpayer, the home owner of school taxes, surely there is a more direct method of doing it. Why do we have to resort to these legal gimmicks because that is all that this legislation is going to do. It is going to make crooks out of honest people.

MR. SMELLIE: I don't think I can let that pass without some comment, because in the first place, as I pointed out to the House the other night, this will only apply in relatively few areas in the province where the assessment is extremely high for the property; or in a case where the school tax is extremely high, although the assessment may be lower. And in those cases, that taxpayer, the owner of that quarter section, is paying proportionately much more of the cost of schools than is somebody who owns a piece of property in an area where assessments are very low. My honourable friend has suggested that this was an attempt to relieve the home owner, but this is not strictly true, because this legislation relieves all real property taxpayers to some extent of their school tax burden. -- (Interjection) -- My honourable friend must surely recognize that he is entitled to rebate on property which is not his home, and similarly this will apply to businesses of one kind and another all over the place. So that it's not just for the owners of homes; this is every taxpayer. Up to the limits allowed, every taxpayer will receive some relief from taxation for schools.

MR. SHOEMAKER: I suppose my honourable friend is suggesting that by reason of the fact that I own some commercial property in Neepawa, and will receive \$50.00 rebate which would be \$4.25 a month, that I will reduce my rent by that amount so that the lessee will benefit. I don't intend to do it.

MR. SMELLIE: ... my honourable friend, I would never make such a suggestion.

MR. SHOEMAKER: I wonder if he could name one person in the province that intends to reduce the rent. Supposing you're getting a \$1,000 a month rent on some commercial property

(MR. SHOEMAKER cont'd) . . . and you got \$50.00 back. Would you reduce the rent to \$996.00? Not likely. Not very likely you will. And I'm suggesting that it won't happen. Now . . .

MR. SMELLIE: I never made that suggestion.

MR. SHOEMAKER: Well, I thought you said that it might be passed on so everybody would benefit. Mr. Chairman, I posed this question at the last special session; I made the statement in the House a week or two ago, that I have a friend who presently has 41 parcels of land. Can he conceivably get back \$2,250.00. I asked that question. Is it possible for him to do that, providing the school tax is \$100 a quarter? Can he get -- am I right in assuming this?

MR. SMELLIE: If each one of those properties is subject to a school tax of \$100 or more, then my honourable friend is quite correct. I might say he's fortunate to have a friend who owns so much property.

A MEMBER: Fortunate to have a friend.

MR. FROESE: Mr. Chairman, I for one certainly cannot explain in this respect because my constituency has a large number of small farms and cut-up quarters, so that the people in my constituency definitely will stand to gain in this way. So I will not make any complaint. Since we're on Treasury, I suppose we're in order to discuss the Public Debt and so on, borrowings of this government.

MR. ROBLIN: Mr. Chairman, I would suggest that we decide whether we want to discuss it on this item, or whether we want to wait until the debt page of the estimates is before us. I myself don't care which item it's discussed on, but if we discuss it now, it will not be in order to discuss it again.

MR. CHAIRMAN: . . . the honourable member will note that there's a whole page to the Public Debt, page 34, and I think it would be best if we discussed it . . .

MR. CAMPBELL: Isn't it a fact Mr. Chairman, that that one isn't voted at all?

MR. CHAIRMAN: Pardon?

MR. CAMPBELL: Isn't it a fact that that one isn't voted at all? That there's no resolution number for it, and that it isn't voted because it's statutory. I suggest that this is the right place to discuss the . . .

MR. ROBLIN: I have no objections provided we understand that we will do it all here, rather than do it twice, if that suits my honourable friend.

MR. CAMPBELL: I would think that that would be so far as any one person is concerned. I wouldn't consider that if one who does not discuss it here would be bound by that? --(Interjections) --

MR. FROESE: . . . feel that this was the proper time and the proper item to discuss it under. I can't see anywhere else where we can discuss it. I've known some years it has been passed up because of this, and I would like to raise some matters at this point. I see on the last page where we have the figures of servicing our public debt for this province, the figure of \$18,220,000 is listed, and then there are several figures quoted as less than that amount. We find here the Manitoba Telephone System as contributing \$3,530,000; the Manitoba Hydro, \$3,022,000; and Other Loans and Investments, \$5,755,000.00. Am I right in assuming that the first two items, the Manitoba Telephone System and the Manitoba Hydro, that this is interest on monies that have been borrowed -- capital? What about on the other ones, is that capital too, or . . .

MR. ROBLIN: Same thing.

MR. FROESE: And could he have some kind of a listing of what is included in Item 3?

MR. ROBLIN: I'll get that for my honourable friend.

MR. FROESE: Then, I noticed that Wood Gundy came out with a report recently and I think it's somewhere in the budget statement too, of monies borrowed during 1964, and we find that 25 million was borrowed for Manitoba Hydro from the United States. I would like to know why do we borrow from the United States? Certainly we know that the exchange has been changed and that it might prove to be at a disadvantage that we borrow from them.

Another question I feel is worth mentioning, and this has bothered me for some time since I quoted in the House the other day some questions asked the Honourable Minister of Finance in Ottawa as to the Bank of Canada purchasing securities from the government. And we find that the interest accruing to those securities held by the Bank of Canada are then deposited with the Consolidated Fund in Ottawa, so that in other words the financing of that debt through the Bank of Canada does not cost us anything. Why don't we as a provincial government approach the Bank of Canada to purchase our securities or our bonds and thus make a saving to the people of this country. Certainly, when the Bank of Canada purchased roughly Three

(MR. FROESE cont'd) . . . Billion of the Dominion Government securities, there is still a long way to go, because our public debt of this country is much greater and that more of this debt could be transferred through the Bank of Canada. I think this would be to advantage, because this would free capital for investments and for other purposes to develop our country. The same holds true for the securities or bonds that we are floating and that are brought up by private investors and private funds. Why can't we go to the Bank of Canada and sell our securities there? Certainly when you look at the legislation of the Bank of Canada, there is room for this, there is provision made, and I don't see any reason why we don't approach them. I think that surely we could effect savings. Perhaps I could have some of these questions answered now before I continue.

MR. ROBLIN: Mr. Chairman, we borrow money in the United States as we've explained many times in the House, because we save over one percent interest by doing so. We borrow there simply because it's cheaper to borrow the money there than it is to borrow it in Canada. Now I would like to tell the House however that we do not borrow in United States if we think it is against national policy. We take the precaution of enquiring, usually on an unofficial basis, with the federal financial authorities, to make sure that we are not operating in contradiction to their policy, and we always take that precaution because we feel that even though it does cost us less money, it would be doubtful whether we should do it if it was against national policy. So we always take the precaution of enquiring. We hedge our borrowings in United States in two ways, either by investing our Sinking Funds in U.S. . . . securities, or by investing them in Canadian funds with sufficient interest rate that outweighs the advantage of buying American funds instead. Either system is a system of hedging against changes in the exchange rates and we follow either one, depending on the state of the market at any particular time.

Regarding borrowing money through the Bank of Canada, I don't really follow my honourable friend's argument about borrowing it for nothing, because I don't think that can be done. We have in the past asked the Bank of Canada to act as our fiscal agent and handle our borrowings but they have declined to do so, so I'm afraid that's the way we stand in that respect.

Mr. Chairman, I'm in a rather embarrassing position here, because unfortunately I have to leave the committee at the present time. I had rather hoped that when I made an undertaking to be out of the House shortly after 10 that my Estimates might be through. I see that was a little optimistic. But I would ask the committee if I might be excused and let my item stand. I think the Provincial Secretary is ready to carry on for the rest of the evening and there'll be questions that you might like to ask him. So that if I may I'd leave the House now and ask my items to stand and we can come back to them next day, and the Provincial Secretary can carry on.

MR. CHAIRMAN: Resolution No. 16, (a).

MR. STEINKOPF: Mr. Chairman, may I say at the outset that the kindness that all the members have shown in welcoming me back to the House is greatly appreciated. When one enters public life after 50 for the first time as I did, it's a little hard to adjust one's make-up to the rough tough life of a politician. It takes a little getting used to and in a way I'm glad I got my baptism in my first year as a Cabinet Minister. Maybe I'll do a better job for the rest of my term as a result of it. Nevertheless, I will ever be grateful for the kind remarks made on both sides of the House these last few days.

Now to the present task of the Estimates of the Provincial Secretary's Department. Very few departments jump all over the lot as does the Provincial Secretary's Department. It is primarily a service department, everything from administering The Companies Act to the Civil Service itself, and in between Purchasing, Civil Defence, Consumer Credit, Queen's Printer, just to name a few. All have been most active this past year trying hard to improve the service to the public and at the same time fighting hard to keep costs down.

I wish to pay special tribute to my Deputy Minister who has done an outstanding job in helping me in every branch and who has been most helpful in adopting new methods that will expedite our work and at the same time cut costs. If there is a busier man and more conscientious man anywhere I'd like to meet him. The number of employees in our department has risen by eleven during the year, seven of them in administration caused mainly by the extra work brought about by The Companies Act. Added revenue, however, has kept the cost to the taxpayer down.

I also wish to mention a young lady who retired with 42 years service, Miss Risteen who was in the Queen's Printer department and who had served that department very faithfully over the last 42 years.

(MR. STEINKOPF cont'd)

To all employees in the Provincial Secretary's Department may I extend my warm personal thanks for a job well done. I would like to express our appreciation too to the civil service for their devotion to duty throughout the past year and to bespeak a continuation of these efforts in the year that lies ahead.

Our thanks also expressed to the Civil Service Commission under the able chairmanship of Mr. D. A. B. Murray. The activities of the Civil Service Commission during 1964 have already been reported to the House but I feel that I would be remiss as the Minister who speaks for the Civil Service in the Legislature if I failed to express our thanks to the members of the Commission for the important function that they perform. During the past year there has been very close association between the Government and the Manitoba Government Employees Association. The Civil Service Act states that the joint council is to endeavour to promote and maintain between the association and the government such a feeling of goodwill and cordiality as will encourage a free and frank discussion of all problems with a view to reaching mutually acceptable decisions thereon. I am happy to state that this spirit of goodwill and cordiality has prevailed throughout the year. It will be of interest to the members of the Legislature to know that there are in the civil service 232 employees who have 25 years service or more working for the government.

I think Mr. Chairman, I'm prepared now to answer questions if I can.

. . . continued on next page

MR. HILLHOUSE: Mr. Chairman, I would like to take this opportunity of expressing to the civil servants of Manitoba my thanks and appreciation for all the courtesies and all the assistance and help that they have given me during the number of years that I have practised law in this province. That assistance which was given to me, or at least that assistance which is given to me now is of the same courteous kindly nature as that which has always been given me and I think Manitoba can be justly proud of the fact that it has one of the most excellent civil services in Canada.

On Saturday I had occasion to visit with an old constituent of mine, Willie MacDonald of Selkirk, who just celebrated his 100th birthday. I think Billie MacDonald is the oldest, ex-civil servant in this province, having retired from the staff of the Selkirk Mental Hospital some 35 years ago. He is still enjoying excellent health and I know that he would want me to express to the members of the legislature and to the public of Manitoba his thanks and appreciation for all the messages that he received on the day that he did celebrate his 100th anniversary.

While I'm on the subject of the older civil servants of this province, I would feel amiss if I did not raise the question of the inadequacy of the pension that some of these older civil servants are receiving. I have raised this question on several other occasions and I appreciate the fact that it is due to no fault of any government that the amount of the pension which they are receiving today is totally inadequate, but simply due to economic circumstances over which they had no control and over which this government or any other government had any control. But on their behalf I would urge that the government set aside for them annually an additional sum of money which would bring the pension which they are receiving today more in line with the pension which they would have received had they left the services of this province at a later date. I would urge the Minister to take the matter under consideration and I hope that what I have said tonight will result in some measure of benefit being received by these older people who are today receiving a very inadequate pension from this government.

MR. PAULLEY: Mr. Chairman, I wonder if I may at the offset of the consideration of the estimates of the Department of Provincial Secretary express my gratitude and those of my party for the work that the Civil Service Commission is doing. It is normal that we do this on the particular item but seeing as the platitudes, well deserved, are being considered at this time may I on behalf of the New Democratic Party extend to the Civil Service of Manitoba our appreciation too, of the work that they are doing on behalf of all the citizens of Manitoba.

I think, Mr. Chairman, I can say this, possibly more than any other member of this Assembly or possibly more in connection with any party in the Province of Manitoba, than ours, because too often we of the New Democratic Party make proposals in this Assembly, as indeed we do in other assemblies, calling for more governmental -- I almost was going to say interference with the conduct of affairs -- but more governmental direction in the affairs of our nation and our province. Which of course means more members within the civil service.

I think, Mr. Chairman, it can be truthfully said that one of the reasons for the ever increasing number of civil servants is because governments across Canada, be they Liberal, Conservative, CCF, although we haven't one at the present time, but we will soon regain that, and Social Credit, have adopted the philosophies of the CCF and the New Democratic Party, whereby government itself enters into the field of human endeavour and as a result increases the number of civil servants that are under the direct jurisdiction of governments. Just to illustrate, Mr. Chairman, what I am getting at, may I say the National Hospitalization scheme which we have now universally across the length and breadth of Canada, we of the former CCF, now the New Democratic Party advocated this for years before it was accepted. The net result has been an increase in the number of civil servants. So we accept the credit, we accept the blame if the two can be correlated because of the increase of the civil servants in order to give to the people of our province, the people of our dominion, services which they richly deserve. And having said this, Mr. Chairman, I want to say that I as Leader of the New Democratic Party here in the Province of Manitoba truly on behalf of my group, appreciate the co-operation that is being given by all of the civil service in these new, may I call them governmental intrusions, into fields that not so long ago were beyond the power insofar as governments were concerned.

May I pay a tribute to our own Civil Service Commission here in the Province of Manitoba under Mr. Murray. I have had a few occasions to deal with them with grievances in connection with civil servants that have been drawn to my attention. I have found them most courteous as indeed all of the civil service here is in the Province of Manitoba. Having said this, Mr.

(MR. PAULLEY cont'd.) Chairman, may I take this opportunity, however, of saying -- and this is without direct representation from the civil service of the Province of Manitoba -- may I say that I regret very much that even though that there may be provisions in the estimates under our consideration at the present time for increases in the salaries of our civil servants, it is not sufficient. The parity has not been achieved insofar as our civil servants salary-wise is concerned in the Province of Manitoba. May I regret very much that at the last session, the special session of the legislature, Mr. Chairman, while we instructed the Liquor Control Commission to increase the price of their commodity to the purchaser, that they did not accompany this with a reasonable and fair increase to the civil servants who happen to work for the Liquor Control Commission here in the Province of Manitoba. I recognize that some increase has been granted, Mr. Chairman, but I suggest that the increase granted to those who work for the Liquor Control Commission are far out of line with the additional profit that will be accruing to the Treasury of the Province.

May I say to the Honourable the Provincial Treasurer when we are dealing with the Civil Service Commission and the civil servants, and I'll say it now rather than under the particular item, that I hope when we do get to the particular item dealing with our Civil Service Commission and the employees of the civil service here in the Province of Manitoba, that the Minister will stand up and tell us that the barrier to complete independence of representation of our civil service has been removed because it is well known at the present time, Mr. Chairman, full bargaining negotiations, and full bargaining rights are not, and I repeat, are not accorded to the civil service here in the Province of Manitoba. And may I suggest to my honourable friend the Provincial Secretary that he attempt to talk to the Honourable the Minister of Public Utilities, who also deals with the question of civil servants of the Province of Manitoba in our Utilities, that he might get together, that is, the Provincial Secretary and the Minister of Public Utilities, the two gentlemen might get together in order to make sure that full political freedom is granted to the employees in our public utilities so that those employees who are not in positions which require secrecy and trust may be allowed the full freedoms and privileges in a democracy of taking their part in political considerations.

Now, Mr. Chairman, there are other aspects of the Department of the Provincial Secretary that I will be dealing with on individual items as we go through the items of the Minister. May I say to him again, to the Honourable Maitland Steinkopf the individual, I as an individual in this House appreciate the fact that he is with us once again. I hope, Mr. Chairman, that if our association lasts long enough that I may indoctrinate him into those things that I think are for the advancement of our community and the enhancement of the reputation of our civil service and to allow them to have full freedom and full part in this what we call a democracy in the Province of Manitoba.

MR. CHAIRMAN: 1 (a) passed, 1 (b) passed. . . .

MR. CAMPBELL: Mr. Chairman, I can't let this occasion pass without asking my honourable friend who just spoke if he was really seriously suggesting that civil servants be allowed to take part in political activities.

MR. PAULLEY: Yes, Mr. Chairman. As a matter of fact I think, or I trust that I pointed this out very carefully, that those civil servants who are not connected with policy of government should no longer in a democracy, or in the Province of Manitoba, be restricted from active participation as citizens in our community. This has prevailed for far too long. That individuals simply because of the fact that they work for us, the people of this province, and indeed other jurisdictions as well, are prevented from making a contribution -- (Interjection) -- no, not to one party, Mr. Chairman, to making a contribution for the benefit of all. My honourable friend the Minister of Industry and Commerce says to one party without saying what party he meant. I would say this, Mr. Chairman, that if he meant to the New Democratic Party, then I would say to my honourable friend maybe he's right, maybe he's right, but I've heard my honourable friend say that of all the groups of employees that we have anywhere in Canada those who belong to the civil service are by and large the most intelligent that we have in their respective jurisdictions and if my honourable friend means that these intelligent people would support the principles of the New Democratic Party, maybe he's right, but apart from that, Mr. Chairman -- (Interjection) -- of course it's only maybe, of course it's only maybe, Mr. Chairman, but the fact still remains that one of the travesties of this so-called democracy of ours is that we have categorized our citizens and I say in this categorization of our citizens, and in particular our civil servants by not allowing them full freedom if they are not in the capacity of directing policy, we are not giving them full opportunity to being first-class citizens.

(MR. PAULLEY cont'd.) Yes, Mr. Chairman, under our Election Act we give them the right to cast their vote. We do not debar them from their vote unless they be judges, or some may be chief electoral officer, we don't allow them to vote. We allow our civil service to vote. We allow the Premier, the Ministers of the Treasury branches to vote, even me, and may I say that I am one of the more intelligent voters that there is in this Assembly

A MEMBER: We will have to do away with that system then.

MR. PAULLEY: But apart from that, Mr. Chairman. . . .

A MEMBER: Do you vote for yourself?

MR. PAULLEY: Yes, I vote for myself, so that when the total comes out, Mr. Chairman, I'm sure that it's not a goose egg. But apart from that, Mr. Chairman, were I in my rightful position as the Premier of this province -- (Interjection) -- I would have absolutely no hesitation in granting to the civil servants of this province the opportunity of casting their vote; the opportunity of running for political office with the sole exception as I say, Mr. Chairman, for those civil service who are responsible in assisting in developing and enunciating policies of government. So I say to my honourable friend the Member for Lakeside -- he may still, well it's not a question, Mr. Chairman, he may be, he still is back in the years of Gladstone and Disraeli -- I at least am trying to be progressive and to consider Twentieth Century advancement in the field of political participation and again I say our civil service should not be debarred from an opportunity of partaking in affairs that they are concerned with. They are no less citizens than we in this Assembly are.

MR. GRAY: Mr. Chairman, for obvious reasons I have never said a word about our Provincial Secretary as an individual and I really never welcomed him to this House but while we are discussing now the Department of the Provincial Secretary, we cannot entirely separate the individual from his position and his work. I have known this gentleman since he was a young boy. I sat with his late father on many commissions, hospital boards, and he was always financially -- he did not need, neither does his son, the money that a minister gets here or he was getting, but he was a very great public servant and he tried his best -- he talked to me many times -- to bring up his son to the same position. Since I've known -- since he grew up he has given the country a lot of service and now he is occupying a position in this Cabinet, and I am certain that he could make a living easier perhaps being out of it but he wants to serve them and for the first time since he came into the House I want to pay a compliment to the government of selecting him as a colleague of theirs, and a compliment to himself for the marvelous work and time he is giving up to his position in serving the Province of Manitoba.

MR. CHAIRMAN: 1 (a) passed.

MR. LEONARD A. BARKMAN (Carillon): I know quite a bit has been said but I can't help but add to some of the comments that have been made in regards to our civil servants and possibly on a little different basis coming from a rural constituency. I just have to think back to the many times that with the little experience I have had in municipal life, the number of times myself or other groups have come in and I thought it noteworthy that, and also worthy to mention here tonight the many times when problems were discussed and I am sure that some of our rural problems were different, possibly some of the questions at times that we've asked these servants were even odd, the answers were always to this extent that they tried to understand our problems and while this possibly has never been mentioned publicly, I for one have gone through this that I wasn't quite sure to put myself in a position to question, ask these different questions to help solve these different problems, and it has amazed me often, many times the long suffering and the long bearing of the attitude of these civil servants and I couldn't help but get up and certainly join with the others in congratulating the terrific job they are doing and especially the 232 that the Honourable Provincial Secretary mentioned that have had over 25 years of service, it is certainly noteworthy.

MR. CHAIRMAN: 1 (a) passed; 1 (b)

MR. CAMPBELL: Mr. Chairman, before we pass that item I must comment on the suggestion of my honourable friend the Leader of the New Democratic Party. I know that this is supposed to be a discussion between the Department Head and the members of the other side rather than the ones on this side, but as the Minister does not seem to be going to answer with regard to the question that my honourable friend has raised, I would just like to say in the most emphatic terms that I am certainly not convinced by his argument.

He seems to think that he completely deflates me by comparing me to Disraeli and Gladstone. Well I would much rather be compared with either one of them than with some of the latter day politicians when I find them expounding such theories as he has tonight whereby

(MR. CAMPBELL cont'd.) he would suggest that certain unnamed and unclassified people in the civil service should be allowed or even encouraged to take part in partisan political activities. If there was anything that were calculated to get them into difficulties and to prejudice the high standing that they justly enjoy now it would be something of that kind, but my honourable friend of course has a system for it. He says because the civil service is so capable, they are such an intelligent group of people, give them the opportunity to take part in ordinary political activities, but he would still cut it off some place that he wouldn't have those who were connected with policy to do it. Well but the ones who are connected with policy are likely the senior people and are I suppose the most intelligent, assumed to be the most intelligent of them, and the ones that could make the still greater contribution. Where is my honourable friend going to cut it off?

Mr. Chairman, this suggestion is just so far-fetched that I don't wonder that the Minister doesn't comment on it. I am sure he doesn't intend to and I guess I shouldn't either, but just in case anybody thought I was the least bit convinced by the statement that my honourable friend made, I must set their minds at rest and say that he didn't change my opinion at all, and that opinion has been through the years that there are two great principles with regard to the civil servant. One is that the patronage system through the years has been, in principle at least, been more and more discarded. I must say that as far as this present government is concerned, I think they do not uphold the tradition that had been developing for a good many years in the Province of Manitoba as well as it was upheld sometimes before, but at least they haven't gone to the distance of doing anything like my honourable friend suggested. The other principle is that just as the civil service is to be based on merit and not on patronage, that in the same way as the that they themselves will refrain from taking active part in political campaigns and partisan politics, and I think it would be a sad day for the civil service of Manitoba if my honourable friend's views ever came to prevail with the government of the day.

The definitely remote possibility which he envisages of him ever taking over the affairs of the state is one that I don't think needs alarm us at all, and one of the best guarantees that he will never be in that position is because every once in a while he breaks out with a suggestion just as unreasonable as this.

MR. PAULLEY: Mr. Chairman, one of the things that I have learned since I entered this House in 1953 is to always listen with a great deal of interest to my friend who is now the Member for Lakeside, and I think, Mr. Chairman, many members in this House will agree with me that after listening to what the honourable member has just said we now know fully why he is the Honourable Member for Lakeside instead of the Premier of the Province of Manitoba. I apologize to those former greats of democracy, Gladstone and Disraeli, if perchance the reference that I made by comparison to the member who has just taken his seat be recorded for posterity in history.

My honourable friend though, however, criticizes me because of the fact that I suggest that civil service personnel should not take part in political affairs. He cajoles me for this suggestion. While it is perfectly true, Mr. Chairman, that we are dealing with the estimates of the Conservative Government of the Province of Manitoba, I do want to ask my honourable friend the Member from Lakeside how does he justify the fact that a chap by the name of Tom Kent, who is the Executive Secretary as I understand it to the Right Honourable the Prime Minister of Canada, a chap by the name of Lester B. Pearson, took part in a political campaign in the constituency, I believe it's called Burnaby-Coquitlam, against the Leader of the New Democratic Party, a fellow by the name of Tommy Douglas, and said public servant who I believe, subject to correction by my honourable friend, was and is a member of the civil service of the Dominion of Canada, was severely trounced and defeated by an individual who in the federal arena holds the same opinion as does the Leader of the New Democratic Party here in the Province of Manitoba.

MR. CHAIRMAN: (b) -- passed. Resolution No. 16 -- passed. Resolution No. 17, 2 (a) -- passed; 2 (b) --

MR. FROESE: Mr. Chairman, could the Minister explain some of the increases here in these resolutions from 110 to 129, under administration? Is this new staff or what would account for the increase in costs here?

MR. STEINKOPF: Would the -- Are you back on 1?

MR. CHAIRMAN: Item 1 is passed. Resolution No. 2 (a).

MR. FROESE: Oh, I was referring to

MR. CAMPBELL: Mr. Chairman, I think it would be advisable if you pointed out to the members of the committee that it's the figures on the right hand that are the numbers of the resolutions.

MR. STEINKOPF: I'd be prepared to answer the question if you would like to go back to it.

MR. FROESE: I was referring to Resolution No. 16. The current item is \$129,000 whereas the year previous it was \$110,000. What would account for the difference? Is it salaries only or is it employing more staff?

MR. STEINKOPF: There are 11 more staff, seven of them in administration mostly to do with the new Companies Act that we proclaimed in November; one clerk in the civil service; one addition to purchasing department, a new purchasing agent; one clerk in the Emergency Measures Organization; and one in the Queen's Printer is the total staff requirement. Of that, the seven are included under administration and the rest of the salaries would be just the normal increments that there are during the year.

MR. GUTTORMSON: Mr. Chairman, under which item shall we discuss the photography work that is done for the government?

MR. STEINKOPF: That would be in Industry and Commerce.

MR. CHAIRMAN: 2 (a) -- passed; 2 (b) -- passed; (2) -- passed; (3) -- passed. Resolution No. 17 --

MR. GRAY: Mr. Chairman, I am sorry, I apologize. Under No. 3, I'd like to ask a question. Why the reduction under salaries? The Gazette gets heavier and heavier now and we still have a reduction under salaries.

MR. STEINKOPF: This is in No. 3 (a), under No. 18? Are we through with 17, Mr. Chairman?

MR. CHAIRMAN: Resolution No. 17 -- passed. Now Resolution No. 18, 3 (a) --

MR. STEINKOPF: Well the reduction in 3 (a) is simply that the decrease has come about by the retirement of that long-term employee that I mentioned before and someone replacing at a lower rate.

MR. CHAIRMAN: 3 (b) -- passed. Resolution No. 18 -- passed. Resolution No. 19, 4 (a) -- passed; (b) --

MR. FROESE: Mr. Chairman, I noticed on this report from Mr. Murray, the Chairman of the Civil Service Commission, that they'd had made some surveys in connection with the architects and also with the credit union supervisors, and under credit union supervisors they feel that a new position of Supervisor of Co-Operatives was indicated. Can we expect that this position will be filled?

I also know that the Chief Supervisor is leaving the department and will be retiring and that a replacement has been appointed. I don't know whether you recall, but in past years I have repeatedly asked for a chartered accountant to be appointed as chief supervisor in the Auditing Department of the government branch under the Department of Agriculture that supervises credit unions. Is there any consideration being given that a chartered accountant might be appointed to fill this position?

MR. STEINKOPF: Mr. Chairman, the way I understand this to work is that the Civil Service make these surveys at the request of the department and then it's up to the department to implement the recommendation of the Civil Service Commission, and I think you would find that answer to that in the estimates of the Department of Agriculture who are responsible for the co-operatives.

MR. CHAIRMAN: 4 (b) -- passed.

MR. CAMPBELL: Mr. Chairman, I wish to ask a couple of questions with regard to the Civil Service. First and foremost I would like to ask the Minister, Mr. Chairman, for clarification of the figures that appear in the report that has been laid on our tables, the report of the Civil Service Commission itself, and on the second last page of that report.

MR. STEINKOPF: Is that the one that shows the number of employees?

MR. CAMPBELL: Yes, that's the one. The second last page where we have the schedule "B" -- oh, it's page 12. Total number of civil service employees at year end and, as I figure this, there's an increase in the total of the various departments of 341. That won't alarm my honourable friend the Leader of the New Democratic Party, but I continue to pay some attention to the regular and continuing growth in the number of civil servants, but that's not the only question that comes to my mind.

The last column on that page, whereas the heading is "total number of civil service

(MR. CAMPBELL cont'd.) employees at year end" we have a figure of 6,376 total at December, 1964, but the last column on the page is "Civil Servants in established jobs December, 1964." Now what is the difference between those two columns? The difference in numbers is in the neighbourhood of 700, but what is the difference? I would take the total number of civil service employees at year end to be the total number of people who are in positions, but yet the very next column to the right says "Civil Servants in Established jobs December, 1964." What is the distinction between the two?

MR. STEINKOPF: The difference is a variety of reasons. I presume that all of the part-time employees, those on casual work, many of them in the various service branches are not covering off established positions; there would be I think over a hundred employees who would be carried supernumerary away on one kind of educational leave or another; and there might be a few that were awaiting the establishment of a position for them. I can get these figures for you in a few minutes if you'd like?

MR. CAMPBELL: I'd appreciate it if the Minister would, Mr. Chairman, at his convenience, because I would wonder if those different reasons would cover 720 people, or alternatively, if they are in the positions, actually employees in the positions, then should they not be put in what's called established jobs.

Then the other question that I was going to ask which arises under (c) of the same vote is about the assistance for educational leave. We have on page 185 of the Public Accounts, one, two, three, four people shown there under the heading "Assistance for Educational Leave" -- Bousfield, Danyluk, Elias and Jacobson. We have the total salary for the period and then over at the right hand another figure. Does that figure at the right hand mean that that is the payment that is made during the time that they're on educational leave?

MR. STEINKOPF: I haven't that figure in front of me but I'll check that, but I have a figure here that may be interesting. The number of applicants that we have for 1965-66 is 105, for a total estimated cost of \$147,311, and this would work out to about \$1,400 per person.

MR. HRYHORCZUK: On that point then, would the Minister say that this figure of \$115,000 is too low for what he intends to spend this year?

MR. STEINKOPF: The \$115,000 is the figure we intend to spend but we have on hand the number of applicants which totals \$147,000. I gave you that figure because of the number of applicants, the 105, and we will cut that down to \$115,000 to stay within our budget.

MR. HRYHORCZUK: Could the Minister tell us how many applicants there were that received that assistance last year and how much was spent? Mr. Chairman, could he give us the type of education they were to receive?

MR. STEINKOPF: I'm going to have to dig that figure up and get it back to you. But to just give you an idea of what departments they come from, the ones we have now and the type of education each one gets, there were two from the Comptroller-General's department who are adding accounting, a special accounting course in government finance; one from the Provincial Library office; one from the Treasury Branch; two from the Provincial Secretary; 12 from Agriculture and Conservation; 15 from the Attorney-General's department; and 14 from the Department of Health, and in the Department of Health apparently there is a recovery from the Federal Government for quite a bit of this; 13 from Mines and Natural Resources; and 45 from the Department of Welfare. The total cost, and this is the estimates for next year, not last year -- all of these figures -- the total cost there is \$70,585 less an estimated federal recovery of \$25,000. So that seems to be a joint federal-provincial program on that, and what I'll do is I'll get it for you and have it for tomorrow if you like, the breakdown and the type of courses they get, and give you a little more detail on that.

MR. FROESE: Mr. Chairman, how come the portion that's going to be recovered from the Federal Government doesn't shown on the estimates?

MR. STEINKOPF: show the net figure -- you mean the \$115,000?

MR. FROESE: Yes.

MR. STEINKOPF: That's a net figure.

MR. HILLHOUSE: . . . the Minister when he's looking up or is going to get us those figures in connection with assistance for educational leave, whether he could inform us at the same time whether any of these items cover Manitoba's little Colombo plan?

MR. HRYHORCZUK: Mr. Chairman, before we leave this point, the Minister stated that applications from the service would cost the government approximately \$147,000, and then later stated that he didn't intend to spend the \$147,000, that they'd keep themselves within the budget

(MR. HRYHORCZUK cont'd.) of \$115,000. Could he tell us how he'd set the priorities for these applicants? He'll have to eliminate some of them. Just how is he going to go about that?

MR. STEINKOPF: Well we'd just turn them back to the departments and tell them that we'll permit just up to so much in each one and make the department make the choice on probably their own basis. This actually isn't the function of our department, it's up to them. Our total amount is \$115,000 and then we let each department come and set up their request. We initially got 105 requests which would have cost us \$147,311 and we've just got to knock \$32,311 off it. It's going to be our job to do it.

MR. CAMPBELL: Mr. Chairman, I'm sure that there are quite a few more questions on the Civil Service Commission because it's one of the items that gets a lot of discussion, and I understand that the Minister would want to check up for the answers to some of these questions. Wouldn't it be a good idea if we paused right here and asked the committee to rise?

MR. STEINKOPF: If there are any other questions, it would make it a little easier for me to have the evening to get them for tomorrow.

MR. CHAIRMAN: Will the Committee rise? Madam Speaker, the Committee has adopted certain resolutions and asks leave to sit again.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I move, seconded by the Honourable Member for Wellington, that the report of the committee be received.

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

MR. EVANS: Madam Speaker, I move, seconded by the Honourable the Provincial Secretary, that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Tuesday afternoon.