

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, April 11, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting petitions.

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Madam Speaker, in the absence of the Minister of Agriculture, I present the First Report of the Standing Committee on Agriculture and Conservation.

MR. CLERK: Your Standing Committee on Agriculture and Conservation beg leave to present the following as their First Report. Your Committee met for organization and appointed Honourable Mr. Hutton as Chairman.

Your Committee recommends that, for the remainder of this Session, the Quorum of this Committee shall consist of Seven (7) members.

Your Committee has considered Bills: No. 24 - An Act to amend The Crop Insurance Test Areas Act; No. 25 - An Act to amend The Livestock and Livestock Products Act; No. 33 - An Act to amend The Water Power Act; No. 46 - An Act to amend The Veterinary Services Act; No. 50 - An Act to amend The Plant Pests and Diseases Act; No. 56 - An Act to amend The Noxious Weeds Act; No. 91 - An Act to amend The Department of Agriculture and Conservation Act; and has agreed to report the same without amendments. All of which is respectfully submitted.

MR. CARROLL: Madam Speaker, I move, seconded by the Honourable Minister of Mines and Natural Resources, that the report of the Committee be received.

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

MADAM SPEAKER: Notices of Motion

Introduction of Bills

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities) (River Heights) introduced Bill No. 122, an Act to amend The Public Utilities Act.

MR. M. E. McKELLAR (Souris-Lansdowne) introduced Bill No. 118, an Act respecting The City of Portage la Prairie.

MR. HARRY P. SHEWMAN (Morris) introduced Bill No. 106, an Act to incorporate The Manitoba Institute of Registered Social Workers.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, I would like to ask if this bill has been preceded by a petition.

MR. SHEWMAN: I think it has. I think I was absent the other day when the Honourable Member from Brandon presented the petition.

MR. R. O. LISSAMAN (Brandon) introduced Bill No. 86, an Act to incorporate Brandon Community Chest.

MADAM SPEAKER: Committee of the Whole House. The Honourable the Minister of Welfare.

MR. CARROLL: Madam Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Natural Resources, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following proposed resolutions standing in my name and in the name of the Honourable the First Minister.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CARROLL: His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed resolutions, recommends them to the House.

MR. CHAIRMAN: The first resolution before the Committee: Resolved that it is expedient to bring in a measure to amend The Social Allowances Act by providing, among other matters, (a) for a provision of maintenance, relief, and support of indigent persons, and for the fixing of the amount of social allowance by the director in accordance with regulations; (b) for including certain assistance payments by municipalities within the indigent relief provided by those municipalities; and (c) for further contributions by the government to the social assistance programs of municipalities. The Honourable the Minister of Welfare.

MR. CARROLL: Mr. Chairman, the Standing Committee on Regulations and Orders in its report about a year ago suggested that certain of the regulations that have been passed by the Department were not in strict accordance with the Act. There was no specific authority in the Act for some of the regulations that were passed, and this merely brings the Act into conformity with practice in the department.

The second part of the Act deals with amendments which are required by the new Canada Assistance Plan, which requires that we eliminate residence qualifications in paying relief and assistance payments to people within the Province of Manitoba. It will require the municipalities to establish by by-law a scale of grants based on need for recipients under their jurisdiction, and requires them to establish an appeal procedure within the municipality for those who feel that they have not been fairly dealt with by the issuing authority.

There will be additional benefits available to municipalities as a result of the changes, as a result of the Canada Assistance Plan. There will be some sharing of administrative costs for the strengthening of welfare services beyond the base year of 1964. If a municipality is employing more people on a full-time basis in the administration of welfare over or past the year 1964, then this additional sharing -- there will be sharing available for the increased expenditures beyond that date on a 50-50 basis. It will also enable us to assist the City of Winnipeg and other municipalities who want to engage in work activity programs that are approved by the Minister of Welfare.

MR. CHAIRMAN: Resolution passed?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, one is always interested in this House when the government, or the Minister of Welfare, brings forward a resolution dealing with the question of welfare to those who may be less fortunate than ourselves. I like, Mr. Chairman, the very glib way which the government and the Minister introduces such resolutions. Normally, what they do is to say to us, this is merely a matter of routine in order to give effect to something that has happened at some other committee stage. However, Mr. Chairman, the resolution deals with the question that it is expedient to bring in a measure to amend The Social Allowances Act by providing certain factors in relation to welfare and social allowances.

It might be, Mr. Chairman, that you as Chairman of this Committee might have some ideas as to whether or not I, as a member of this Assembly, has the right to discuss the proposition before us; that is, a measure for the provision of maintenance, relief and support of indigent persons, and fixing of the amount of Social Allowance by the Director in accordance with the regulations. And I want to say to you, Mr. Chairman, before we start, that if you are going to question my rights as a member of this Committee to deal with the question of allowances to those less fortunate than ourselves in the Province of Manitoba, I ask you to do it now, because it is my intention, if within order, to deal with the question of provision for the maintenance, relief and support of indigent persons in the Province of Manitoba; and I welcome, Mr. Chairman, your comments as to my rights, as a member of this Committee, as a member of the Opposition, before I proceed with my comments, and knowing that on that side of the House there sits a majority, on this side of the House there sits a minority; and before, Mr. Chairman, I get into the sum and substance of the proposition of the Honourable Minister for Welfare, I ask of you guidance in this most important subject, namely, the treatment of the indigents, the unfortunates of the Province of Manitoba, by the administration.

MR. CHAIRMAN: Well, the Honourable Leader of the New Democratic Party, I would like to point out the rule governing this resolution stage as set out in Beauchesne's Parliamentary Rules and Forms, Fourth Edition, at Page 216, paragraph Number 3: "The object of the resolution recommended by the Crown is to give the House first opportunity to discuss the advisability of making a certain expenditure. The details of the projected measure are not then disclosed and the debate is confined to the resolution, which should not be lengthy, although care must be taken that the terms used are sufficiently wide to cover the whole of the bill which will be subsequently introduced."

You will have ample opportunity upon second reading to discuss the bill and you'll have the bill in front of you when you'll know exactly what's in the bill and when it will be discussed, and I think we should try and keep to the rules and have as short a debate as possible as to whether or not it is advisable to bring in this particular resolution. Let us keep to other matters until we have the bill before us, otherwise we are duplicating a lot of the discussion and we are just going to go over now many of the things that will be gone over in second reading. You'll have ample opportunity then to go over the bill in detail.

MR. PAULLEY: Mr. Chairman, may I admire your wisdom and compliment you on it. May I also admire Beauchesne and the manner in which Beauchesne laid the groundwork and the ground rules for considerations of resolutions of this nature, because as I understand Beauchesne, he said we should not get into the details of the bill that may be proposed before us. Mr. Chairman, as a member in opposition, I most assuredly am not in the position to consider the details of the bill which might be forthcoming, as a result of the resolution of the Honourable Member from The Pas who happens for the time being to be the Minister of Welfare. However, Mr. Chairman, I think Beauchesne also says to me and to those of us other than the Minister who happen to be members of this House, that on the introduction of a resolution of this nature we have the right to consider the principles involved in the resolution as introduced by the government, which may I say, Mr. Chairman, basically is simply this: the expenditure of government or public money for the provision of the maintenance, relief and support of indigent persons in our community, in our province. Then I can thank you, Mr. Chairman; I have your support

MR. CHAIRMAN: go ahead to discuss the advisability of making the expenditure.

MR. PAULLEY: That's right - the advisability of making the expenditure for the provision of the maintenance, relief and support of indigent persons and for fixing the amounts of social allowances by the Director in accordance with the regulations, the said regulations which are in the sole jurisdiction and direction of the government, because after all, Mr. Chairman, I am sure that you will agree with me that insofar as regulations pertaining to any act are concerned it is the government and not the Legislature which decides what those regulations are. In the field of social welfare, social assistance, it is the government spearheaded by the Minister of Welfare who decides whether or not a person on Social Allowances shall be allowed the magnificent sum of \$25.00 a month for food allowances. It is the government, through the Minister of Welfare or through the Lieutenant-Governor-in-Council, who decides whether or not a person on Social Allowances shall be allowed \$25.00 per month for the purpose of housing. It is the government through the person of the Minister of Welfare, aided and abetted or otherwise by the Lieutenant-Governor-in-Council, as to whether or not a person shall be allowed exemption for hospital premium payments or not. It is the government through the regulations who decides whether or not a person who may be indigent is entitled to a Medicare card or not, and that, Mr. Chairman, is the basis of the resolution that we're dealing with here at the present moment. And I want to say to the government as I said here a couple of weeks or so ago, that you are diligent, you are neglectful, you are inhuman in your treatment of the indigents in the Province of Manitoba. I want to ask the Honourable the Minister of Welfare whether or not the case I drew to his attention before I happened to take ill, whereby a person with \$67.50 income per month was deprived of a Medicare card, I ask of the Minister whether this situation has been remedied. My information, as to now is that this has not been remedied. I want to know, Mr. Chairman -- I see you're on the point of interfering with me and I admire your progress in your chairmanship.

MR. CHAIRMAN: I would like you to keep to the resolution, whether or not it is expedient to bring in a measure to amend The Social Allowances Act by providing among other matters (a) (b) and (c); they're listed

MR. PAULLEY: Mr. Chairman, I'm a hundred percent -- you and I, you know, we're right on the beam in this.

MR. CHAIRMAN: No, we're

MR. PAULLEY: We're right on the beam in this, Mr. Chairman.

MR. CHAIRMAN: You're going off into a lot of details and we should be discussing whether or not it is advisable to proceed with these resolutions.

MR. PAULLEY: Mr. Chairman, sometimes I wish, Mr. Chairman, you were a member of my party, because if you were you would agree with me that it is advisable to bring in a measure

MR. CHAIRMAN: So get along with it then.

MR. PAULLEY: If you'll get along with me, Mr. Chairman, I certainly will get along with you. I invite you -- I invite you, Mr. Chairman; not only do I invite you, Mr. Chairman, I ask you to join with me in the provision in accordance with the resolution to bring in a measure for the provision of the maintenance, relief and support of indigent persons, and I say to you, Mr. Chairman, when I give you my invitation, I say to you we're not at the present time providing measures sufficiently for the maintenance, relief and support of indigent persons.

(MR. PAULLEY cont'd.) .

So I say to you, Mr. Chairman, and I am not being facetious when I say this, on the payment of a \$3.00 bill I invite you to a full membership in my party, because this is what we're concerned with and this is what we condemn the government for, because in our opinion they're not concerned with it.

Now, having said that, Mr. Chairman, if you wish so further to rule that I cannot proceed with the resolution, I'm prepared to abide by your decision.

MR. CHAIRMAN: You can discuss the advisability of bringing in a measure to provide these three things, and I gather you're agreeable so then

MR. PAULLEY: Mr. Chairman, both you and I are agreeable. We're both agreeable. Then I take it, Mr. Chairman, that you and I are both agreeable that there is not at the present time in the Province of Manitoba a measure to provide for the maintenance and relief of indigent persons in Manitoba. And this, Mr. Chairman, is simply my contention; that there isn't a provision in Manitoba at the present time for the maintenance, the relief of indigents here in the Province of Manitoba.

I would say, Mr. Chairman, to you, through you to the Minister of Welfare, and through him to the government: you have failed miserably, with a capital M, in the provision for our unfortunates in the Province of Manitoba. I say, Mr. Chairman, to the Minister of Welfare, when a person who is in the sole receipt of \$75.00 a month is not entitled to full medical care in the Province of Manitoba, that the Government of Manitoba is inhuman. The Minister of Health the other day indicated to us that he was prepared to join with federal authority in enacting a Medicare scheme in Manitoba, and he hoped at that time that there would be sufficient covered in Manitoba to come within the regulations as laid down by Ottawa, which are 90 percent in the first instance of the people of Manitoba. The Minister of Health, speaking the other day, admitted only 75 percent of the people were covered for Medicare cards. The Minister of Welfare admitted that if a person has \$67.50 a month as income he is wealthy enough to take care of himself. And, Mr. Chairman,

MR. CHAIRMAN: Try to keep to the resolution, please: whether or not it is advisable to bring in the measure.

MR. PAULLEY: Mr. Chairman, it is advisable. It most assuredly is advisable to bring in a measure, and I want to make sure that the Honourable Minister of Welfare who has introduced this resolution, is not going to bother we members of this Assembly with such petty resolutions as he has in the past which are not going to provide for the maintenance and relief of our indigents. That's what I'm saying, Mr. Chairman. I don't know; I don't know whether my honourable friend the Minister of Welfare has got his legislation all concocted or not. All I'm saying now, Mr. Chairman, to my friend, I agree with him that it's desirable of bringing in a measure. But what I want to say, Mr. Chairman, to my honourable friend, make reasonably sure, (I nearly got unparliamentary) make reasonably sure that the resolution that he brings into this House will take care of the maintenance and relief of the people that he apparently is concerned with. I say to my honourable friend the Minister of Welfare, I say to my friend the First Minister of this House, don't bring in legislation like you proposed back in 1958, when you were a minority government, for the well-being of those who are indigents, which you have not proclaimed as yet. I say to the Minister of Welfare, if you're really going to bring in legislation to help the people that you are talking about, bring it in. Mr. Chairman, there's no sense of me arguing when the legislation is here.

MR. CHAIRMAN: Resolution passed?

MR. PAULLEY: No, it's not passed until I'm finished. Unless you, Mr. Chairman, on behalf of the government, want me to desist in my condemnation of past performances of the Government of Manitoba.

MR. CHAIRMAN: We would like you to keep to the resolution.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Chairman, I don't like to get into this discussion except to say that my honourable friend really should not say that the Chairman is speaking on behalf of the government. Now my honourable friend, I am sure, didn't really mean that. He accused my honourable friend the Chairman of ruling on behalf of the government. Now my honourable friend really didn't mean that, I know. He just said it -- a slip of the tongue. I'm sure we respect the integrity of the Chairman and the government does not tell the Chairman what to do. Incidentally, I happen to think the Chairman is right in his ruling but I did want to protest this slip of the tongue, I am sure, that says the Chairman is speaking on behalf of the government.

MR. PAULLEY: Mr. Chairman, I know my honourable friend has been in the same predicament as I am. He was confined to his bed for a week or two, and I know my honourable friend regretted it as I regretted being in under certain similar circumstances. And if perchance, Mr. Chairman, I have mentioned any factor or made any remark which may be derogatory of your position as chairman, I apologize to you, Mr. Chairman, as an individual. I certainly do not apologize for any statement that I have made in respect of the government. I realize that the government in many areas have brought about many publicly favourable pieces of legislation. My honourable friend the Minister of Education says, "Hear, hear!" He had an opportunity at one time as Minister of Wealth and Welfare -- Welfare. Yes, that's true. That's true, Mr. Chairman, I slipped then as I slipped in reference to you, but it was a slip of the tongue and not of the heart. The Minister of Education at present, had an opportunity a number of years ago as Minister of Health and of Welfare to bring in to legislation the promises of the Conservative administration back in 1958. He failed, and I'd say failed miserably. -- (Interjection) -- Not in this House. The Minister of Welfare who succeeded him, now has a resolution before us on the apparent eve of another election, to rehash the old guff of Duff. And that is the purpose of this resolution that we have before us.

I want to know from the Honourable the Minister of Welfare, is he going to, in the proposition that we have before us, going to ask this Assembly now for the provision of those parts of the unproclaimed Social Welfare Allowances Act that were first introduced by my friend the Minister of Education back in 1958. Remember them, Mr. Chairman? You were here. You remember them. Anybody who was deserted of their husband for a year would be entitled to social welfare benefits. Any of those who were widowed in between the ages of 60 and 65, or 65 and 70, unemployed, would receive the benefits of the Social Welfare Act. Any of those who could not be provided with a Medicare card at the municipal level would obtain the same. I ask now the Minister of Welfare if this is what he is going to introduce. My honourable friend the Minister of Welfare a moment ago, on the introduction of this resolution, said that they were going to establish a scale based on need at the municipal level. Do you remember, Mr. Chairman, when this government was a minority government they said that they would take off of the backs of the municipalities provision, at the municipal level, the provision of aid to indigents? Do you remember, Mr. Chairman, this government has at least through three elections said that there should be uniformity of provisions of welfare throughout the whole of the province, irrespective of municipal boundaries? Is this the purpose of the legislation that we have before us?

The Minister has said to us on the introduction of this resolution that one of the purposes in the resolution is the provision for work activity programs at the municipal level across the Province of Manitoba. Do I take by this that my honourable friend the Minister of Welfare is in agreement with a system of work for relief programs for our indigents here in the Province of Manitoba? Or has he some program which he offers to this House.

Now, Mr. Chairman, please forgive me if I've taken a little long in dealing with this resolution, but I think it's an important resolution, and if perchance the Minister of Welfare answered many of these questions during the consideration of his Estimates, I want your forgiveness and that of the House for raising them now, because I was not here at that time. I would have raised them, but as I read Hansard my interpretation is that the answers were not forthcoming. This has given me an opportunity of raising these questions, and I say, Mr. Chairman, that while I recognize that it's only through resolutions of this type that the government is permitted to make provincial finances available, I say to my honourable friend the Minister of Welfare that if the provisions that you visualize under this resolution are not going to provide more than have been in the past, then you're not doing the job that you said, your leader said, and the former Minister of Health and Welfare said that you would do for the people of the Province of Manitoba.

So I want more, Mr. Chairman, on the introduction of this resolution, than the brief announcement of the Honourable the Minister of Welfare. This is too important a field for us, Mr. Chairman, in Committee, to merely be rubber stamps for the government, and while this might be all right for those that are sitting on that side of the House, as far as I am concerned I am not satisfied and I'll be no rubber stamp for the type of social welfare allowances that the Government of Manitoba is providing at the present time for those in Manitoba who are less fortunate than ourselves.

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Chairman, perhaps we feel so keenly about this because we have anticipated and have hoped that the government would do something in regard

(Mr. WRIGHT cont'd.) . . . to the standard of living of many of our citizens. I view this resolution -- and Mr. Chairman, I wish the resolution could have been presented to this House before the discussion of the Welfare Estimates, because when we point out to the Minister of Welfare many of our constituents who are living on very marginal means, we are told that perhaps we should look into this. It seems to me it would have been far more suitable if we had the resolution before the discussion of the Estimates.

It seems to me, Mr. Chairman, that this resolution is barely covering the mention in the Speech from the Throne where it said that "You will be asked to provide funds to permit the extension of The Social Allowances Act in the coming year. This measure will relieve the taxpayers of the City of Winnipeg and other municipalities of considerable welfare costs." And that is all to the good, Mr. Chairman; we go along with the principle expounded there. But once again we have to rise and point out the fact that this is doing nothing to enhance the standard of living for many of our older citizens. This is simply making it easier and to facilitate the cost-sharing between the municipalities and the province. And when we rise in the House and point out the predicament of many of our citizens, some of them quite elderly -- like I did this year in the discussion of the Estimates where I pointed out that an elderly lady of 83, after paying her rent, has a total of \$23.25 left to get through the month. And we found that the regulations -- I said in my remarks I have great faith in the administration of the Department of Welfare. They are most courteous, but time and time again they are up against the regulations, and they throw up their hands and say, "We are bound by the regulations." We bring documented cases to the Minister and he is full of sympathy, and on occasions like this when we have a resolution presented to this House, perhaps we are being too hopeful, but the standard of living of our constituents is at stake here and we would not be doing the job we're supposed to if we didn't rise at this time and say something about it.

I questioned the maximum single rate for rent. It's \$35.00 a month, and as I said before, this elderly lady was asked to move into a lower class district at 83 years of age and the Minister thought that perhaps he could take another look at it. This is what we want to know. When are they going to take another look at it? And while we are going along in principle with the suggestions as put out in the resolution, we say once again that it's only when you get down to bedrock and start talking about bringing up the standard of living of many of our people that we're going to get anywhere in this line. One only has to look at the newspapers today to see the increase in the cost of living, and I would suggest that when the Minister said that we should take a look at it they should certainly have done that, and I deplore the fact that the resolution is coming into this House - of such importance - at this latter stage of the sitting of this House, and I would far rather have had this before the discussion on the Welfare Estimates.

MR. CHAIRMAN: Resolution passed?

MR. CARROLL: Mr. Chairman, maybe I should comment very briefly on some of the remarks that have been made and answer some of the questions that have been raised. To begin with, I regret too that this resolution hasn't been before the House at a much earlier stage. I would like to point out, however, that the Conference on which these amendments have been based largely was not called until January of this year by the Government of Canada, and I would like to point out that the legislation which we'll be sharing, some of the costs that will be passed along to the municipalities here, has not yet been introduced to the Federal House at Ottawa, and of course some of the matters that have been touched on in here deal with the Canada Assistance Plan. Of course, we can't proceed too quickly with our legislation until we know what some of the implications of that legislation will be; what some of the requirements of that legislation are, and I must confess that we really didn't know what some of these were until after our House was sitting here, so that it is delayed in coming before the House because we have really not had as much time as we would have liked to have put this legislation in order and to place it before you here.

The adequacy of the scale of grants is not at issue here although I do recognize that the members who have raised the point are very conscientious in holding that our scale of grants is not as high as they feel it should be, and I've always indicated that we don't consider our standards to be lavish; in fact our standards are designed to be a minimum standard rather than a high standard of living for these people. We maintain, of course, that the standard is adequate as a minimum, and we are at the present time looking at these standards and looking at our scale of grants, and we would hope that possibly before the year is out that we will have some improvement. There has been some provision established in our estimates this year for an improvement in our scale of grants and we hope that before too long this will become a reality.

(MR. CARROLL cont'd.)

With respect to the question of work activity programs. This measure is not designed to be a work-for-relief program. I think the kind of things that are contemplated in this work activity program is to be able to provide work experience for people who have been dependent for a long period of time and whose ability to work has been impaired as a result. The example which was given by the City of Winnipeg was six long-term cases, several of which had health problems or quasi health problems, drinking problems and things like that, where they're trying to provide for these people some kind of work experience so they can again enter the competitive labour market to be able to become independent, and this is the kind of thing that we visualize under this work activity program. It's maybe somewhat similar to the work activity programs for the physically disabled. I think we're dealing here with socially disabled people, and we try to provide work experiences here that will help them to get back into employment again and possibly become self-sufficient.

Because the Leader of the NDP was not here during the estimates, I would like to advise him now that the estimates for this year do contemplate proclaiming the balance of the Social Allowances Act with the exception of the sections dealing with the Indians, and I believe that if he would read our opening remarks related to the proclaiming of the balance of the Act, he would have a reasonable explanation of what the government's policy is on this matter.

I believe those were most of the comments which were raised with the exception of the suggestion by the Leader of the NDP that the Minister of Welfare considered that \$67.50 wasn't enough to qualify, or was enough to prevent a person from qualifying for social allowances. I think in some cases \$75.00 a month is sufficient to cover a person's needs. In many many other cases it isn't, and we have thousands of people who are receiving Medicare and supplementary assistance who are in this particular category, and this I think is evidence that in many cases \$75.00 isn't enough. In some cases we do consider it to be such, and I certainly wouldn't want to enter into a debate on this subject at this time.

MR. PAULLEY: Mr. Chairman, I thank the Minister for his explanation. I do wish he would get together with me to decide whether or not \$67.50 is sufficient for a person in the year 1966 to provide for all facets of living such as housing, food, clothing, medicare, optical care, dental care, and I think I could put the Minister straight and possibly add to his education or being him up a little on his lack.

One thing I would like to ask of my honourable friend. My honourable friend mentioned the delay, in certain aspects of the provisions of The Social Allowances Act and the provision of a greater amount in respect thereof, the delay is because of Canada. I wonder if my honourable friend would say to me then, that insofar as the Province of Manitoba that the indigent of Manitoba are suffering solely because of the delay of Canada to increase their provisions, or whether it's because of the delay of the Government of Manitoba in receiving additional benefits from Ottawa, because as far as I am personally concerned, as a loyal Manitoban I don't think the people of Manitoba should suffer want and should have to put up with misery and suffering awaiting any action of the government at the federal level like they are at the present time.

My honourable friend, Mr. Chairman, did agree that the provisions under the Social Allowances Act of Manitoba are not lavish. I want to say to my honourable friend I don't think that they should be lavish. However, I want to say to my honourable friend that I think they should be adequate and that they should be in keeping with the enhancement of the dignity of man. And I trust and Hope that the day will come when we have a government here in the Province of Manitoba who'll look after our people not on the question of lavishness or otherwise, but in keeping with the dignity of man, and I say to my honourable friend the Minister of Welfare that the social allowances of Manitoba at the present time do not enhance the dignity of the people within the boundaries of our province who are unfortunate enough to have to pick up the crumbs under the table of the government of the Province of Manitoba. I, as a good Christian, over the past week heard that phrase that I was not worthy to pick up the crumbs under the table. I say to the Government of Manitoba, Mr. Chairman, that it's time in the Province of Manitoba that we stopped giving of the crumbs under the table and giving to those who are less fortunate than ourselves the fruits of our fields and our forests in Manitoba. And I say, Mr. Chairman, that the First Minister, the Minister of Welfare, and the Government of Manitoba, have within their means the opportunity of doing this They are not doing it, and that is why I'm making this appeal today to the government in this resolution. I appeal, Mr. Chairman, to the Minister of Welfare that if all of the sections of the Act have not as yet

(MR. PAULLEY cont'd.) been finally written, if all of the provisions in the regulations have not as yet been set out, please hear my plea. Not for me. Not for political considerations, although this might be levied at me as Leader of the New Democrats. I ask you not to accept it in that way but to accept my plea on behalf of myriads of people who are in contact with me for in Manitoba as a result of the inadequacies of the social allowance program in Manitoba.

MR. CHAIRMAN: Resolution passed? Second resolution before the Committee: Resolved that it is expedient to bring in a measure to authorize the making of agreements with the Government of Canada respecting the inclusion of provincial employees under the Canada Pension Plan and to validate certain Orders-in-Council authorizing such agreements. The Honourable the First Minister.

MR. ROBLIN: Mr. Chairman, the matter we're dealing with here is a relatively simple one, and that is that the federal Statute covering the Canada Pension Plan provides that the provinces must make an agreement with the Federal Government to invoke the Canada Pension Plan within their province, or to run their own plan, whichever they want to do. We have decided, as the Committee knows, to join the national plan, and we need the authority of the House to validate the Order-in-Council that was passed to make the agreement with the Federal Government with respect to accepting this proposition.

Secondly, the province has to decide whether or not its employees will be included in the Canada Pension Plan. That's a right that we have under the federal Statute. We have decided to include them, as the House knows, in the Canada Pension Plan, and this bill is the one which puts the stamp of legislative approval on those proposals.

MR. CHAIRMAN: Passed

MR. PAULLEY: Mr. Chairman, I believe it was last year that we came to an agreement with the employees that we set up a sort of a collective bargaining agreement, or the basis of one, between the Manitoba Employees Association and the Government of the Province of Manitoba. I want to ask the Honourable the First Minister what consultations, if any, have taken place between the Manitoba Government Employees Association and the government in respect of how the Canada Pensions Plan will operate; whether this will be a stacked plan or integrated plan; whether the employees have agreed to it one way or the other.

MR. ROBLIN: Mr. Chairman, I can tell my honourable friend that this matter was jointly reviewed by the employees not only of the government but of the utilities and other bodies as well, and this is a combined operation. The Plan is integrated, not stacked, and this as a result of our discussions with those concerned, and it meets their approval.

MR. CHAIRMAN: Resolution passed. The next resolution before the Committee: Resolved that it is expedient to bring in a measure to amend The Agricultural Societies Act by providing for the payment of a grant from and out of the Consolidated Fund to agricultural societies holding a harness racing meet in conjunction with which pari-mutuel betting is carried on.

MR. ROBLIN: Mr. Chairman, there has been considerable discussion with those agricultural societies that run harness racing meets on this topic, and they put it to the government that in view of the problems they have in their own financing operations that it would be equitable if there were some concession given to them in connection with pari-mutuel tax that the province levies on harness racing run by these agricultural societies, and it was concluded that we should recommend to the Legislature that the first \$1,000 of the pari-mutuel tax that arises from these harness racing meets should be refunded to the Agricultural Society, provided it is used for the purpose of the Agricultural Society. It was considered advisable to limit this concession rather carefully. It applies only to harness racing; it applies only to harness racing run by agricultural societies; and it applies only to meets of five days and less. It's expected that the value of this concession is relatively small, about \$12,000. I recommend it to the Committee.

MR. CHAIRMAN: Resolution passed?

MR. CAMPBELL: Mr. Chairman, I'm not certain that I understand the explanation of the Honourable the First Minister. Is it the case that \$1,000, the first \$1,000 will not be taxed, so to speak?

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, I was going to ask the same question. With reference to the \$1,000, does it mean that the first \$1,000 wages, there'll be no taxes - is that what the Minister said?

MR. PAULLEY: Well, if it's on this \$1,000, Mr. Chairman, I wish to ask a question. If it's just a question of mechanism that the first \$1,000 of taxation on the pari-mutuel system would inure to the Association that's conducting the Fair, why doesn't the government, in order to save a lot more red tape, just simply make a grant of \$1,000 to the Agricultural Fair through which the horse racing is taking place, and there it ends it, rather than

MR. ROBLIN: Of course, that's exactly what is proposed, and I think that

MR. PAULLEY: a lot of red tape.

MR. ROBLIN: No, it's exactly what is proposed. If you read the resolution, payment of a grant from and out of the Consolidated Fund; so we collect the tax in the usual way and we simply pay these people a grant of \$1,000 if they qualify.

MR. CAMPBELL: That is, of course, if they come up to the \$1,000.00. They don't all get a \$1,000 grant.

MR. ROBLIN: \$1,000 or less, depending on the take.

MR. S. PETERS (Elmwood): Does this also mean that they will be allowed to have harness races at Assiniboia Downs now besides the thoroughbred racing?

MR. ROBLIN: That's another topic altogether and has nothing to do with the content of this bill or the resolution.

MR. GUTTORMSON: Mr. Chairman, what is the tax the government collects on harness racing? Is it the same as on the flat racing. Is it 10 percent?

MR. ROBLIN: Yes.

MR. CAMPBELL: I suppose, Mr. Chairman, that the question that the Honourable the Member for Elmwood asks could become a question under certain circumstances, namely, if out here at Assiniboia Downs they established an Agricultural Society and if they held an Agricultural Fair and if they had harness racing, then it would qualify?

MR. ROBLIN: Yes.

MR. GUTTORMSON: Mr. Chairman, if the tax from the meet doesn't reach \$1,000 -- for the sake of argument it reaches \$900.00. Would the grant then be \$900.00? Is this what...

MR. ROBLIN: Yes, I think that's the answer I gave to my honourable friend the Member for Lakeside.

MR. CHAIRMAN: Resolution passed. Committee rise. Call in the Speaker. Madam Speaker, the Committee has adopted certain resolutions and requests leave to sit again.

IN SESSION

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

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

MR. CARROLL introduced Bill No. 121, an Act to amend The Social Allowances Act.

MR. ROBLIN introduced a Bill, an Act respecting agreements made with respect to the Canada Pension Plan; and a Bill, an Act to amend The Agricultural Societies Act.

MR. PETERS: Madam Speaker, before the Orders of the Day, I notice the Minister of Agriculture is not in his chair. I wonder if the First Minister has any favourable reports to report to this House on the flood condition. I've heard some unofficial reports that are very favourable and I wonder if the First Minister could enlighten us.

MR. ROBLIN: Madam Speaker, an announcement has been made in this respect, and I'll be very glad to repeat it for my honourable friend. For the last couple of days the Manitoba Flood Forecasters have been in very close consultation with the American Flood Forecasting authorities, the U.S. Corps of Engineers and the United States Weather Bureau, and they have jointly been able to revise their estimates of what is likely to take place with respect to flooding. The main change in the situation is that the rain of one inch, which was predicted by the United States Weather Bureau about two or three days ago for about now in the valley, has not materialized. There has been practically no rain of any kind. This weather system was sitting out over the State of Montana and it was thought a couple of days ago that it was headed in this direction and that was the forecast that was made at that time. I'm glad to say that this has not happened and that the threat has moved off into another direction and has left the valley untouched. As a result of that, the weather forecasters and the flood forecasters have been able to review all their figures because this is a critical stage in flooding, and if we escape rain for the next few days as now seems to be certain, they are able to give us a lower figure. The result has been that the crest at Emerson is now expected to be about 789 to 790; 790 was the

(MR. ROBLIN cont'd.) 1950 level, as members will recall. So we're going to expect the crest in Emerson tonight or tomorrow, which is earlier than we had expected, and it will be in the neighborhood of 789-790. I think they're calling it 789½, which is pretty darn close figuring if you ask me.

This has been worked down for the rest of the valley and as a result we are able to lower the crest in Winnipeg by two feet. It's now estimated within the range of 26½ feet to 27½ feet. The former range was 27½ feet to 29½ feet. We couldn't have had better weather if we had had the power of arranging it ourselves. There has been no significant precipitation since March 4th. That's a long time, and it is that particular factor, the lack of precipitation in the valley, and the fact that the crest is now reaching Emerson that has given us this favourable situation on which we are now able to report. So, as a result, we have ceased operations to build the dikes up any higher, the main or the primary dikes within the province, and we are advising people who are isolated that protection in the neighborhood of 28 feet, perhaps another six inches would be good, but protection in the neighborhood of 28 feet based on the Winnipeg measurement should be satisfactory.

I point out to the House that there's no room for complacency, however. Last night we had a very serious situation at Emerson where a portion of the dike gave way and by great good fortune it was spotted immediately. There was a supply of dirt right handy and bulldozers were able to plug together with work by the sandbaggers and the others. It was touch and go for a little time and circumstances were very difficult for working, but I'm happy to say that that dike has been maintained and the Emerson situation has now been stabilized.

We are still in difficulties in Morris and in St. Jean. The Minister of Agriculture and Conservation is in Morris now - that's why he's not here - to look over that situation and see exactly by discussion with the people on the spot what we can do to stabilize their position. In St. Jean we have been struggling with seepage through the dikes, which has been very serious. Another 75 men went down there on Sunday to work with them in this situation and we have -- on Sunday there were a couple of hundred soldiers, to say nothing of the volunteers, working on the St. Jean dikes. That has been stabilized too to some extent, and with the new forecast and a sort of slackening of the danger from wind action on those dikes, to say nothing of seeping, we feel that we can hold that situation.

Elm Park continues to be a worry. The portion of the land within the diking structures protected by the dike is only 18 feet. The river is now 24 and it'll probably go to - I don't know, 26 or 27. Then it is obvious from this that it's not wise to let anyone stay within that diking structure because the banks in that area are unstable. If members have been able to see some of the diking situations there they'll realize what I mean by that, and it would simply be not sound in our view to permit people to remain there under those circumstances. So while the dike in Elm Park is doing very well - we haven't got any immediate concern about it - it was considered advisable to proceed with the requests to the people there to leave their homes and that is what we have done. On the whole, however, the situation is looking much better today than it did 48 hours ago. We've been able to reduce the crest. There's no room for any slackening of our precautions, particularly to our dike patrol, but God willing, we'll be able to keep the people dry.

MR. CAMPBELL: I'd like to ask the Honourable the First Minister, what is the approximate date that they're expecting the crest in the Winnipeg area now?

MR. ROBLIN: Saturday is the date that's been given to us this morning.

MR. PAULLEY: Madam Speaker, I'd like to ask the Honourable the Minister, is it correct that the level of the Red went down approximately two feet north of Lockport, which may affect the whole situation to the south of that point?

MR. ROBLIN: I have no information on that. Even if it were true, I do not think it would have a very marked effect on the levels from Winnipeg upstream.

MR. GUTTORMSON: Madam Speaker, I'd like to direct a question to the First Minister. Was it his intention to proceed with the Orders of the Day as they are on the paper today?

MR. ROBLIN: The intention of the government is, first of all, to bring in a message from His Honour on Capital Supply which will be referred to the Committee of Supply. Then we propose to move to Committee of Supply right away. I'd like to suggest to the House that we do this every day from now on, subject to local modifications if we have some matter that should be dealt with, but we would like to move into the Committee of Supply each day as soon as possible so that we may complete the work of that Committee hopefully by the end of the week.

MR. PAULLEY: Madam Speaker, before the Orders of the Day, I'd like to direct a question to the Honourable the First Minister. I believe it was on Thursday, Sir, I asked you whether or not we would be supplied with amendments on two various pieces of legislation which were considered in Third Reading. If I recall correctly, the answer was "Yes." I am particularly interested, Madam Speaker, in the amendments to Bill No. 5 dealing with highway safety. I wonder whether the First Minister could indicate when I might be able to receive those?

MR. ROBLIN: Yes, Mr. Chairman, as I undertook to do at the time, I mentioned the matter to the Clerk of the House, and he will produce these amendments. I haven't heard from him as to whether they are ready now, but I spoke to the Assistant Clerk and he said that they would be distributed as soon as they could get them ready.

HON. Walter Weir (Minister of Public Works) (Minnedosa): Madam Speaker, before the Orders of the Day, may I lay on the Table Returns to Orders of the House No. 21, standing in the name of the Honourable Member from Gladstone; No. 34, under the name of the Honourable Member for Portage la Prairie; No. 58, in the name of the Honourable Member for St. George.

MR. SAUL CHERNIACK, Q. C. (St. John's) Madam Speaker, before the Orders of the Day, may I draw to the attention of the Honourable the Attorney-General a matter of which he may be aware since it emanates from his own city. A newspaper report of last Thursday refers to bail conditions being deplorable in Dauphin, and quotes a lawyer as stating that he had been informed by a member of the R. C. M. P. that he (I assume it's the member of the R. C. M. P.) saw no need to work overtime in order to assist in facilitating bail for this lawyer's client. The final paragraph reads, "The Magistrate remarked that Dauphin was one of the few places in Manitoba requiring cash bail for impaired drivers." If the Minister is aware of this situation, I wonder if he could inform us in that respect?

HON. STEWART E. McLEAN (Attorney-General) (Dauphin): Madam Speaker, there has been no problem with respect to bail in Dauphin until about three days ago when the Justice of the Peace, who is there permanently and has been for quite a number of years and has been most accommodating 24 hours a day, took seriously ill. To compound the difficulty, the second stand-by Justice of the Peace, who is also the Sheriff, was in Winnipeg at our request for certain matters because of some changes that we are making with respect to the local provincial jail. The solicitor in question, perhaps being somewhat upset on the occasion, made some statements for which he has tendered me his apology and has advised me that this is the first occasion he'd had any difficulty in that regard. The matter of the cash bail, I can't speak to that because I am trying at the moment to reach the Crown Attorney, but I do know that it has been for a long time, dating back to when I myself practised law, for them to post what is known as cash bail. I sort of grew up to expect that that was the proper procedure and I am not aware that it's wrong, and I am unable to explain the comment of the magistrate, who of course at the moment is a magistrate from Winnipeg.

MADAM SPEAKER: Orders of the Day.

ORDERS OF THE DAY

MR. ROBLIN: Madam Speaker, I have a message from His Honour, the Lieutenant-Governor.

MADAM SPEAKER: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba, estimates of sums required for the service of the province for capital expenditures, and recommends these estimates to the Legislative Assembly.

MR. ROBLIN: Madam Speaker, I move, seconded by the Honourable Minister of Industry and Commerce, that the message of His Honour, the Lieutenant-Governor, and the estimates accompanying the same, be now referred to the Committee of Supply.

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

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

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. ROBLIN: Mr. Chairman, we would normally be proceeding with the Estimates of the Department of Mines and Natural Resources. The Minister wants to have a chance to discuss the San Antonio situation with members of the Committee. However, I expect to be in Ottawa tomorrow and maybe the next day, it's hard to be sure, and I wonder if the Committee would prefer to proceed with Mines or whether they'd like to take my Estimates which have been outstanding for some time due to my illness, and deal with them now and get them disposed of, in case I should not be available to the Committee in the next little while. If there is no objection, I would propose that we go on to the Estimates of the Legislation, Executive Council and Treasury, in that case. But I'm at the disposal of the Committee and if that's not considered advisable we will proceed with Mines. Whatever the Committee thinks.

MR. PAULLEY: Well, Mr. Chairman, as far as I'm concerned, I think we are most interested in the question of San Antonio, but I notice that the Honourable the Leader of the Official Opposition is not here this afternoon; it could be due to the circumstances of the flood. I know he was interested in that as indeed all the members of the Committee. We would want, of course, the pleasure of the presence of the Honourable the Provincial Treasurer during consideration of his estimates, and so, as far as I'm personally concerned, I think possibly we might facilitate the Leader of the Official Opposition by foregoing the discussion on San Antonio, if this is agreeable to his group. I'm not answering certainly for them, but I certainly would like the Honourable the First Minister to be here when we are considering his Estimates. So whichever way the House desires, and I leave it between the two old-timers - temporary, of course, old-timers - to decide what will be. I'll be satisfied either way.

MR. GUTTORMSON: I'm sorry, I was trying to reach the Leader of the Opposition when I was out. Could you tell me what the question is again please?

MR. ROBLIN: The proposal is that instead of going ahead with Mines as we would normally do, that we take the Estimates I'm responsible for, Legislation, Executive Council and Treasury, owing to the fact that I may be absent from the service of the House for the next day or two at Ottawa. It would be convenient for me to do it now, but I am in the hands of the Committee.

MR. GUTTORMSON: Well, we would have no objection except the Leader of the Opposition, I think, would like to be here at the time and I'm expecting him momentarily. This is the problem. Is it possible -- would the First Minister have any objections if we proceeded into Mines and Natural Resources on the Department portion of it, and we could switch when he gets here? Would he have any objections to that?

MR. ROBLIN: We could do either one thing or the other and, as I say, I am at the Committee's disposal. I may be optimistic, I don't think there is much of a contentious nature in what I have to say. There may be some in Mines and Resources.

MR. CAMPBELL: Mr. Chairman, I am sure that as far as the Leader of the Opposition is concerned that he would like to be here for the discussion of both Estimates, both those of the Honourable the First Minister and the Minister of Mines and Natural Resources, but as far as a choice is concerned, I think that inasmuch as there isn't too much choice anyway, that we should attempt to meet the convenience of the Honourable the First Minister and I would think there would be no objection to proceeding at this time on those.

MR. ROBLIN: Committee for their consideration. -- (Interjection) -- No, I did that once already. It didn't receive too much approval. Mr. Chairman, therefore can we proceed with Legislation followed by Executive Council and then the Treasury?

MR. CHAIRMAN: (Resolution No. 1 was read section by section and passed) Resolution No. 2: (a) -- passed; (b) -- passed;

MR. CAMPBELL: Mr. Chairman, there's one question that I like to ask each year and I'm never too sure on what number it should be raised. This is the operation of recording equipment. I do like to have the figures put on record as to the number of Hansards that are given in a complimentary way, and then as to the number of Hansards that are purchased, or they're paid for, with a list of where the different ones go. Not a list of the paid subscriptions, of course, but the general list of the complimentary copies and the bulk number of the subscriptions.

MR. ROBLIN: I suppose I should have anticipated that question because it is a regular. I have not the information at my fingertips, but I will get it for my honourable friend.

MR. CHAIRMAN: Resolution No. 2: (a) --

MR. CAMPBELL: Mr. Chairman, on the Comptroller-General's Office: is it under this one that the central data-processing equipment appears?

MR. ROBLIN: Mr. Chairman, that comes under Treasury.

MR. CHAIRMAN: (Resolutions No. 2 and No. 3 were read and passed) Resolution No. 4 --

MR. ROBLIN: Mr. Chairman, I have prepared a statement of the grants, which I would ask the page boys to distribute with some copies for the Press Gallery as well, so that members will have that information in front of them.

MR. M. N. HYRHORCZUK, Q. C. (Ethelbert Plains): Mr. Chairman, with your permission, I'd like to go back to No. 3 just for a moment. You went through it in a hurry. That's under the Executive Council -- that's where we are now?

MR. CHAIRMAN: Yes.

MR. HRYHORCZUK: I notice in one of the resolutions presented by the First Minister this afternoon, I believe it was his resolution or notice appearing in the Votes and Proceedings, that we are to have a Department of Recreation and Tourism. Is any provision made here for an additional Minister?

MR. ROBLIN: Mr. Chairman, that matter is covered in the bill. My friend will see it in the bill.

MR. CHAIRMAN: Resolution No. 3 -- passed.

MR. ROBLIN: I wonder, Mr. Chairman, if there are any questions on the Grants and Miscellaneous. I can read them to the Committee if it would be thought desirable. Perhaps I'd better do that. I'll give last year's amount and this year's amount so it can be compared. I'll give first the name of the organization, what they got last year, what's proposed for this year. Brandon Allied Arts Council, \$4,000 - \$4,000. Cercle Molière de St. Boniface, \$1,000 - \$1,000. Manitoba Arts Council, \$7,500. - \$7,500. Manitoba Museum of Man and Nature, \$1,000 - \$25,000. I pause here to say that the large increase here is because this museum is now beginning to function and it requires a staff in order to make the preparatory provision for the exhibits and for all the other measures that will be needed when the museum is opened in 18 months' time or so.

Musical festival organizations, province-wide, \$2,500 last year, \$3,000 this year. Manitoba Theatre Centre \$25,000 last year, \$40,000 this year. Men's Musical Club, Musical Festival, \$2,000 last year, \$2,000 this year. Royal Winnipeg Ballet, \$25,000 last year, \$40,000 this year. Winnipeg Art Gallery Association, \$20,000 last year, \$25,000 this year. Winnipeg Symphony Orchestra \$25,000 last year, \$35,000 this year. Rainbow Stage Productions \$5,000. In the coming year, if there is to be a grant from the province, it'll be subject to satisfactory arrangements which are now being discussed between the Rainbow Stage and Metro and the Province, but we're leaving that blank because we're not just sure what that will come to, if anything.

Frontier College \$500.00 in both years. This is not to be confused with the Frontier College School Division. This is a sort of an educational effort made in work camps throughout the province by a voluntary organization. Historic Sites Advisory Board \$1,000. This year that's going up to \$10,000. We feel that we have not been -- that we'd like to do more in recognizing historic sites than we've done in the past. Canadian Highway Safety Council, \$1,200 this year, \$1,200 last year. Royal Canadian Humane Association \$100.00 last year, \$100.00 this year. The Boy Scouts Association \$2,500 last year, \$2,500 this year. The Girl Guides of Canada \$2,000 last year, \$2,000 this year. Manitoba League of the Blind \$100.00 last year, \$100.00 this year. This is mainly to qualify them for certain federal tax exemptions. Last Post Fund \$250.00 last year, \$250.00 this year. Commonwealth Parliamentary Association \$3,000 last year, \$3,000 this year. Canadian Area Conference of the Commonwealth Parliamentary Association, \$600.00 on both years.

MR. CAMPBELL: Mr. Chairman, the time of the estimates that we usually have a report from the representative of the province at the Commonwealth Parliamentary Association meeting and at the Canadian Area Conference of the Commonwealth Parliamentary Association. I don't recall who represented the province at these different

MR. ROBLIN: I can tell you that my honourable friend the Minister of Welfare was in New Zealand at the Conference of the Commonwealth Association, and if he is so disposed I daresay the Committee might like to hear his views. On the Area one, representatives of all parties were there and I imagine they've reported separately to their caucuses.

MR. CARROLL: Mr. Chairman, if I were going to give a full report it would likely take the balance of the time remaining in estimates. I would like to say it was certainly a very wonderful experience to be associated with the other members of the Commonwealth Parliamentary Associations who attended that conference. We had the very great pleasure in Manitoba of having two representatives there, myself representing the elected members, and Mr. Charland Prud'homme, who acted as Secretary to the Canadian provincial delegation, and he certainly made a very excellent contribution in that capacity.

Those of you who may have attended these conferences will know the wonderful thrill it is to be associated with people of various racial backgrounds and various colours. I think the feeling was particularly high at this conference because of the Rhodesian situation that was very fast developing at that time, and we had all of the coloured nations looking toward Britain to take a much firmer stand than she was disposed to at that particular stage. I think that generally speaking we came out of it as well as we could with the loud rebuke of the take-over by Ian Smith, and I think we left with a fairly good feeling among most of the delegates who attended the conference. It's rather a peculiar feeling to return to Canada and to find out after getting back here that several of the delegates that you had shared hotel accommodation with came from Nigeria or Uganda, which have since had insurrections and one sort of wonders what's happened to these people.

On my return trip I spent some time with the delegation from Ghana in Hong Kong and got to be fairly close friends with them, and find now that they are suffering maybe the same phase as some of the other African countries. I think all in all you come away with a very strong feeling that the Commonwealth has a very important role to play in world affairs, and I think that anyone who has an opportunity to attend on behalf of his province should take advantage of this opportunity, because you do get to meet a great many people and I think you can do a great deal by way of public relations and lend a great deal of support to many nations who are struggling to get established and who share with us many of the traditions of the British Empire, the judiciary and so on.

All in all, I am very grateful for the opportunity to have attended on this occasion and will look forward maybe to an opportunity of telling you more about it some time in the future.

MR. W. G. MARTIN (St. Matthews): Mr. Chairman, I'm not one that thinks the government should spend more money than they have to, but I was listening with interest to the grants to the cultural organizations, the increase in the grants to the Manitoba Theatre Centre to \$40,000, and the Royal Winnipeg Ballet to \$40,000, and the Winnipeg Symphony Orchestra to \$35,000. I was just wondering why there was just a little difference so far as the Symphony Orchestra is concerned. They're all making marvelous contributions to the cultural life of the province. We've got the Confederation Year coming up and I thought to myself it would have been a very fine thing if we'd treated them on the same basis - these three great organizations. It was just an idea that I had.

MR. CHAIRMAN: Resolution No. 4 -- passed. Resolution No. 5 (a) -- passed; (b) -- passed.

MR. GUTTORMSON: Mr. Chairman, the Minister told us about the hike in grant from \$1,000 to \$25,000 for the Manitoba Museum Man and Nature. Is that the one out in St. Andrews?

MR. ROBLIN: That's the new museum that's being built in connection with the Arts Centre.

MR. CHAIRMAN: Resolution No. 5. (c) -- passed. (d) -- passed. Resolution No. 5 -- passed. Resolution No. 6 --

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, has the Minister in charge any statements to make regarding the Pan American Games; How is it proceeding and what liaison is there between the Government of Manitoba itself and the Society? How is the arrangement insofar as the interest in South American countries in particular as to attendance?

MR. ROBLIN: Mr. Chairman, I cannot undertake to give a review on behalf of the Pan American Games Association. That's something that my honourable friend will have to apply to them for. Our responsibility is limited to being members of the Finance Committee through which the expenditures of the Games are processed, and to give our approval to whatever plans they put forward, and that is the limit of our responsibility in this connection. I'm not able to give a report on behalf of the Society.

MR. CHERNIACK: Mr. Chairman, on that point, I see that this item is not one which is transferred to Capital so I assume that if it's not spent this coming year - I mean it's not paid out - it will not be authorized for the following year. What happened with last year's \$250,000, and the conditions imposed by this government on the committee; have they been complied with yet in regard to the half million dollars or is that yet to come?

MR. ROBLIN: The Committee has spent the money that was appropriated last year and we expect them to spend the full sum that's appropriated this year. We probably will have to appropriate another quarter of a million or thereabouts for the following year.

MR. CHAIRMAN: Resolution No. 6 -- passed. Now we go over to the Department of the Treasury on Page 30. Resolution No. 105.

MR. GUTTORMSON: Mr. Chairman, I think this is the point that we should raise the matter of the tax rebate and how the money is being refunded. I'm getting no end of complaints about the delay in people getting their tax rebates. Some people are getting it in a reasonably short time while others are waiting as much as seven months, and I fail to understand why the big difference in the payment. For example, I filed my tax rebate - posted it in the mail, asked for no favours and I got it in 15 days. Then I in turn get complaints from other people who are waiting as much as seven months. Now something is drastically wrong when people have to wait many many months before they get their rebate and others - I don't know how many, a comparative few are getting it in a short period of time. Surely there must be some explanation for this, for these long delays that people are experiencing regarding the tax rebate.

MR. ROBLIN: Mr. Chairman, I think that there must be some explanation for anyone who had to wait the length of time my honourable friend mentions. I say quite frankly that at the beginning of this plan that we were not moving the cheques through as fast as I would have preferred. I think, however, we have taken the steps necessary to rectify that situation. What does happen though is that a claim will come in that requires further investigation, and I have in front of me here a number of instances of claims that were sent in in April -- last year sometime in March of 1965 and the particular information that was given was not sufficient, so it was referred back to the municipality who took months to answer, and as soon as we got the answer, we issued the cheque. But some of these things have to be cleared.

If my honourable friend would give me the instances he has in mind where these very long delays took place, I'll undertake to have it investigated and give him a reason. It usually turns out to be that there's something peculiar about the application that needs to be cleared.

MR. GUTTORMSON: It strengthens the argument then that rebates should be paid at the municipal level where the municipal secretary-treasurer knows the circumstances rather than have to send a letter in to the Treasury Department and letters criss-crossing for perhaps months. If a man had a \$50 rebate coming from the municipality, it could be deducted from his taxes at the time of payment and then the municipal secretary-treasurer could send the bill in for a number of rebates all at one time and save a great deal of money and a great deal of time.

MR. ROBLIN: I'm not sure that it will save so much money because there has been an awful lot of loose talk around about how much it costs to handle this tax rebate system. We have some 400,000 to 450,000 applications and it costs us on a net basis, that is the extra cost that we believe the province is put to, something in the neighbourhood of 10 cents an application to process these things. Now I'm informed that the secretary-treasurers of the municipalities have offered to do this job for us at 50 cents an application, so I think that our costs are moderate, and are cheaper than what we would have to do if it was done with the other system. The total costs for labour here - for the extra labour involved not counting auditing that has to be done anyway - is some \$33,500 gross, and the municipalities would certainly be put to some expense if they had to do it so that is certainly not the net cost. We estimate the net cost to be something in the neighborhood of \$20,000 to the province and we estimate the net cost with respect to supplies to be considerably less than that, something in the neighborhood of fifteen or \$16,000.

So the total net cost to the taxpayers of Manitoba for doing it in the way that we have done it now is something in the neighborhood of \$40,000. Now when you compare that with the offer of the secretary-treasurers at \$200,000, you can see that all this talk that we've heard about how dreadful this is from the point of view of the Provincial Treasury is not well founded. So it seems to me that I would not accept my honourable friend's argument; that we are doing it in a reasonably economic way right now and we're probably doing it as economically as it can be done.

MR. GUTTORMSON: What about all the postage that goes back and forth between the municipalities and the Treasury Department?

MR. ROBLIN: It's all included.

MR. GUTTORMSON: Some people are getting -- every time a rebate goes out to an individual -- if he's got five rebates coming, he gets five different cheques.

MR. ROBLIN: Well that's 10 cents an application, and we are told by the municipality secretary-treasurers they want 50 cents an application.

MR. HRYHORCZUK: Mr. Chairman, I may not have heard the First Minister correctly but I think he mentioned \$20,000 somewhere there as the minimum amount it cost them, and was the total number of applicants 400,000?

MR. ROBLIN: 400 to 450,000 applications.

MR. HRYHORCZUK: Well, mailing out a single cheque to each applicant will give you \$20,000 in postage alone.

MR. ROBLIN: These are the costs that the province are put to.

MR. HRYHORCZUK: And did the Honourable First Minister mention that the auditing was not included in these figures?

MR. ROBLIN: The auditing comes to some \$8,900, but this would have to be done no matter who does it. It would probably cost us more if we had to audit every municipality.

MR. CHAIRMAN: (a) passed --

MR. MOLGAT: Mr. Chairman, on the matter of the Treasury Department. Some time ago when we were presented with the Supplementary Estimates or, -- yes it was the Supplementary Estimates, pardon me -- for the past year, the government gave us a list then of the departments where there had been over-expenditures, and where they required some additional funds. At that time I asked the Minister for the under-expenditures. As I recall the statement that he gave me then, and I haven't checked Hansard for it, it was that the under-expenditures are not calculated and that I would have to wait until Public Accounts to get those. Well, on looking over the whole situation, Public Accounts, and thinking over the reply that was given to me, I cannot see how come the under-expenditures are not immediately available, because quite obviously if the government is keeping track of its expenditures, as it must do, and if it is able to determine which ones are overspent then it must keep track of all the departments; otherwise it would have no means in advance of knowing which ones were going to be overspent. So it must keep track of the expenditures of every department. So at the same time as you get a figure for over-expenditure, you must automatically, I would think, get a figure of under-expenditure. I would appreciate hearing from the Minister if this is not so, and then why is it that we cannot get the under-expenditures at the same time as we get the over-expenditures.

MR. ROBLIN: I wish that our estimate of over-expenditures was as accurate as my honourable friend would indicate in his approach to this matter. All that we're able to give in the Supplementary Estimates, I emphasize, is the estimate of what we think it will be, and they are no more than estimates. With respect to the actual position of each department we do not know that in sufficient detail until some considerable time. It's only 11 days after the end of the fiscal year. There are a large amount of -- what's the expression -- of payments that we have to --- dear me, I should have this on the tip of my tongue -- of payments that have to be made after the end of the fiscal year, and for which special authority has to be sought through the regular Treasury Act procedure. But we simply do not have the details of that in a form that we can give them to my honourable friend, and won't have them for several months.

MR. MOLGAT: Mr. Chairman, I can't see how that then relates to the statement that we get for over-expenditure. If the over-expenditure statement was in very vague terms as the First Minister indicates, then I would say well, it's a guess. But the over-expenditure statement, the Supplementary Supply Estimates that we get isn't in very broad, general terms. It comes down to the closest \$100.00 because you get figures -- and I'm quoting now from 1964-65, I haven't got my sheets for this year before me -- but you get figures like \$1,600, \$6,200, \$4,600, \$2,700, \$1,200, and on and on. There's one get's right down to the dollar figure, \$271,687.00. Now if that's guesswork, then it's pretty fancy guesswork that the department is doing because they're getting it right down to the dollar figure. Now surely, if they can arrive at a figure like that, it must be by an accumulation of expenditures otherwise they would have no means of knowing that that is the figure. And if they're doing it, then quite obviously the same answer must come out for the under-expenditure. If you get an answer like this, that you overspent \$231,687 in the department, that can only be done -- I can't see how else it can be done except by keeping a running tab of what has been spent -- then obviously the other departments

(MR. MOLGAT, cont'd) . . . that are under-spent will have the same sort of a figure only on the other side of the ledger. Is this not so?

MR. ROBLIN: I'd like to give my honourable friend that satisfaction, but I'm afraid I can't. The Supplementary Estimates in spite of the close figuring that my honourable friend speaks to are nothing but estimates.

MR. CHERNIACK: Mr. Chairman, if I heard the Honourable Minister correctly, he stated that the school tax rebate cost the government 10 cents per cheque, and that that included postage which seems to me an unbelievably low estimate. If the stamp alone is 4 or 5 cents, and the costs of administration almost anywhere that I've heard of for processing would be 30, 40, 50 cents - I'm speaking now of industry - then I just can't believe that to process a cheque other than the postage would be 5 or 6 cents including the cost of the cheque, and the cost of handling it, so that I really don't see that it's a valid comparison to say "Oh well somebody else wants 50 cents, therefore, we're cheap." The fact is it's still a cost. So I am just throwing out the suggestion that if I heard the Minister correctly, he has probably been misled by this 10 cents item.

MR. ROBLIN: Are you through with that item? I'd like to just comment on it because my staff, I must . . . say that my staff were agreeably surprised with the figures and they re-worked them a couple of times to make sure they were right. Now remember, I'm quoting the net cost, that is over and above what it would cost if -- the cost that the municipalities would certainly have to be confronted with over and above our costs. So that might take a couple, three, four cents off the total. If the gross cost is not more than 15 cents at the most, the net cost is about 10. But I say for the edification of members of the Liberal Party, that the same system that we're operating in the Province of Manitoba is the one that is proposed in the Province of Saskatchewan. And I think it's quite reasonable that they should have done so.

MR. CHERNIACK: Well now that both the Conservative Party and the Liberal Party agree on this, although in different provinces, I'm happy to say that we do not and we are consistent in saying so. Now I don't know the difference, "net and gross", I'm not quite sure just what the Minister means because there is certainly no charge to the municipality by the province and if you want to figure the cost of the municipality, then don't forget the cost of the individual taxpayer who has to busily receive the third copy and send it out to the Minister. The total cost for all three parties involved would be substantially more than the provincial government's cost. I still challenge the figure of 10 cents and if they've re-worked it and re-worked it then I am amazed. May I, while I'm dealing with the Minister's salary, inquire the structure of this budget and why it is that the Unconditional Grants, that's item 8, comes under Treasury and not under Municipal Affairs where it seems to me it ought to be? Is there an explanation for that?

MR. ROBLIN: I'm afraid, tradition. It's always been there. It was not started by us I must admit. It's always been there and there's been thought to be no reasonable reason why it should be changed.

MR. CHERNIACK: Mr. Chairman, tradition is a good basis, and therefore, I would like to refer the Honourable Minister to the Public Accounts for the year ending March 31st, 1965, and indicate that the first tradition established under item 8 in Treasury was Rebate of Local School Taxes in Accordance with the Revenue Act 1964 Supplementary Estimates - \$2,250,000.00; so that if tradition is what establishes this method I would suggest that the Honourable Minister should have stuck to what he had the first year round and kept this where it belongs, and that is under Treasury, Rebate of Local School Taxes, because that's where it was put. And I see it was put there for good reason. And if the unconditional grants belongs here, certainly the school tax rebate belongs alongside of it.

MR. CHAIRMAN: (a) passed . . .

MR. HRYHORCZUK: Mr. Chairman, just one moment, please. Somewheres I believe we will find the revenues and any amounts that we pay back to the Assiniboia Downs in connection with pari mutuel betting at the racetrack. Would the Honourable First Minister tell me where we find the amount received in the way of revenue - and I believe there is some pay-back out of that revenue to the track.

MR. ROBLIN: There is none at the present time, Mr. Chairman. The Assiniboia Downs pay their tax and that's all there is to it.

MR. HRYHORCZUK: Would the Honourable Minister tell me where I can find the revenues from the Assiniboia Downs?

MR. ROBLIN: Yes, they can be discussed when the revenue estimates are before the House.

MR. PAULLEY: Mr. Chairman, dealing with the question of Treasury, I believe that this would be the place to ask the Minister a question that I did the other day in connection with the floating of provincial bonds. I would like to know from the Minister, first of all is it his intention, does he feel that the climate is right for another loan in the province --(Interjection)-- savings bonds, yes -- whether he thinks the climate is right for another issue of Manitoba Savings Bonds. If so, has he any idea of how much he would be suggesting as the maximum for the bonds, that is the maximum amount before closing of the opportunity to buy. I would like to know from my honourable friend, what is the position at the present time in respect of former issues. How many have been reclaimed and how many are held by the Treasury?

I appreciate, Mr. Chairman, that this might be rather difficult for the Treasurer offhand, it might be proper for it to be an Order for Return, I'm not sure; but if he has it, I'd appreciate it. If he hasn't got it off-hand, well then I'd be perfectly satisfied awaiting him forwarding it to the Committee.

MR. ROBLIN: The question of a new issue of Manitoba Savings Bond is under consideration but no decision has been made at the present time. The market is a tricky one at the moment. We are just watching the situation to see what we will do. No decision has been made on it. With respect to the redemptions on savings bonds which my honourable friend wishes to inquire about, they are covered in the Public Accounts. They're all listed there.

MR. PAULLEY: I am sure my honourable friend will acknowledge the - that is the Public Accounts and the redemption, and . . .

MR. ROBLIN: I'd appreciate an Order for Return, if my honourable friend would like the information and perhaps he could base it on the style in which it is presented in the Public Accounts, because that's the way we would like to offer it.

MR. PAULLEY: Yes, we're getting a little along in the Session. One thing though, Mr. Chairman, further, I would like to ask my honourable friend in his position as Provincial Treasurer, in view of the fact that the province now receives money or is entitled to receive money under the Canada Pensions Plan, would the government be requiring by way of savings, or would the government anticipate -- maybe this is a question of anticipation, and the Minister might not care to comment on, but as you know, Mr. Chairman, we have now another source of revenue which we didn't have priorly, that is the Canada Pensions Plan where the province can get monies other than savings, and I am wondering whether the Minister--let me put my question this way; in the opinion of the Provincial Treasurer will this offset desirability or the issue of Provincial Savings Bonds due to the fact that money can be obtained through the collective savings of the people of Manitoba through the Canada Pensions Plan?

MR. ROBLIN: Madam Speaker I think I see the point. The matter is under -- that's one of the factors being taken into account in the previous answer that I gave.

MR. PAULLEY: You're not sure yet whether you will be or not? This is one of the reasons why you're not sure?

MR. ROBLIN: That's right. The main reason is market. . . .

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): Mr. Chairman, I asked the First Minister two questions in connection with Assiniboia Downs. The first one was, where do we find the revenue we receive from the race track, and the answer was we'll consider that when we come down to the detailed estimated revenues. The second question was whether there were any payments back to the Assiniboia Downs, and he said "no", that there were none. Well, I'd refer him to the Public Accounts, Province of Manitoba, for the year ended 31st of March 1965 and on Page 231, cash payments to corporations, etcetra, there's an item there, Assiniboia Downs Limited, Winnipeg, \$182,602.00. Well, has there been a change in policy or what does this figure represent?

MR. ROBLIN: I thought my honourable friend was talking about the current situation. That whole matter has been resolved and the Assiniboia Downs who were in a position of keeping a part of the total monies that would be available to the province in order to meet a temporary financing situation, that's now been altered and they have completed their payments to us. I think that's what that cheque refers to.

MR. HRYHORCZUK: Well, this payment by the province to the Assiniboia Downs, was that an advance because they were in financial difficulties as the First Premier suggests?

MR. ROBLIN: Yes. That was a - I'm not just clear why it shows as a payment by the province to the Downs, but it represents an amount that they owed us on the tax payable to us which they did not pay on the due date. They have now paid them all.

MR. HRYHORCZUK: I still don't - this isn't from the Downs to the province. This is the other way around. This is a payment by the province to the Assiniboia Downs. Well if they hadn't paid what they owed the province, why should the province be paying them further sums?

MR. ROBLIN: I don't understand that either, because it's not my understanding the way the transaction took place.

MR. HRYHORCZUK: Well, would the Honourable First Minister say that there will be no such item in the last year's Public Accounts, that is the 1965-66 just completed on March 31st of this year?

MR. ROBLIN: All I can say is that the Downs did not pay the full amount of the tax that was owing to the province on a temporary basis and that is what that sum must refer to. I can think of no other reason for it. Why it appears in that form, I can't answer, but they have now paid the full amount that's owing to the province.

MR. HRYHORCZUK: This is not an answer to my question because this is not monies paid by the Assiniboia Downs to the Province of Manitoba. It's exactly the reverse. This is where a cash payment has been made by the province to the corporation known as Assiniboia Downs Limited at Winnipeg, and the item is \$182,602.00. It's not a small amount; certainly there must be some explanation for this. (Interjection) Page 231.

MR. ROBLIN: It's not what I said it is. I just can't explain it, because that's the only transaction I know of.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Well Mr. Chairman, the other day in Public Accounts I inquired from the Comptroller-General as to this figure and I understood it to be payment of commission.

MR. ROBLIN: Oh yes, that's probably what it is - payment of commission. This is part of their long-term arrangement, they get a 10 percent -- what is it 15 percent? -- something payment of commission.

MR. MOLGAT: That was going to be my question. What is the arrangement with them? What is the rate of commission we pay them and on what basis is this based on?

MR. ROBLIN: Well, I'll try and find it here. It's the same arrangement we've had for a number of years.

MR. PAULLEY: Golly Mr. Chairman, does the Minister mean that in respect of horse racing at Assiniboia Downs that the Province of Manitoba gives them a commission of \$182,602.00? This is even more lucrative than exploiting our natural resources. I wonder if the Minister couldn't explain this.

MR. ROBLIN: Well my honourable friend will remember that sometime ago a contract was made with the Assiniboia Downs and as in every race course in Canada there is a percentage of the tax that's paid to the racetrack operator and it's loosely termed a commission for collecting the tax. This started out some years ago at 35 percent, the commission was 35 percent that was paid back to Assiniboia Downs, so for every \$3.00 they collected they got one back, and as the years went by that percentage was reduced and it now stands, if my memory is correct, at 15 percent is the amount of the commission. This is something that was ventilated in the House about 19 - oh, a long time ago - and it's been the arrangement ever since the Assiniboia Downs was established.

MR. PAULLEY: Well this accounts then why people say to me anybody that goes out there really is a sucker.

MR. HRYHORCZUK: Well, Mr. Chairman, if this is 15 percent of the take, then the take would be seven times \$182,000 which would make it in quick figures just about a million and a quarter, and I think the First Minister should re-assess that statement because he'll find he has no item in the revenue part of his detailed estimates of revenue to come anywhere near that figure.

MR. ROBLIN: Well, this is a long standing arrangement. I am relying on my memory to give the committee the details. I would be happy to file with the committee the actual arrangement that was made so that all the information will be in hand.

MR. HRYHORCZUK: I think, Mr. Chairman, that would be a much better arrangement.

MR. ROBLIN: I'll file that - I'll file that with the

MR. S. PETERS (Elmwood): means, Mr. Chairman, that anybody that goes out to the race track and plays a \$2.00 bet loses about 75 cents right off the bat.

MR. ROBLIN: I never bet. I don't know.

MR. CAMPBELL: Mr. Chairman, just in case my honourable friend the Leader of the New Democratic Party and his colleague the Honourable Member for Elmwood get any ideas that they want to go out there placing some bets, I think we should remind them that the Federal Government takes a cut out of these as well, so the percentage of chance is still smaller than they're figuring.

MR. PAULLEY: Mr. Chairman, I'm awfully surprised to hear the Honourable the Member for Lakeside defending Assiniboia Downs and the people who are out there. I haven't been out there, I confess Mr. Chairman, even though for 13 years in his regime as well as the present one I have been favored with complimentary tickets. I believe in paying taxes but not penalties as the result of being a citizen of Manitoba.

MR. CAMPBELL: Is my honourable friend suggesting that I sent him those complimentary tickets?

MR. PAULLEY: No, Mr. Chairman, I doubt very much whether the ancestry of my honourable friend would allow him to send complimentary tickets of any nature.

MR. CAMPBELL: I doubt very much, Mr. Chairman, if the judgment of the gentleman would allow him to send them to my honourable friend.

MR. PAULLEY: I don't know particularly which gentleman it was. I believe that there has been a succession of them, Mr. Chairman. I again repeat, I'm sure the ancestry of my honourable friend would not permit him, notwithstanding anybody else sending complimentary tickets for anything to anything.

MR. CHAIRMAN: (b) passed --

MR. MOLGAT: No, Mr. Chairman, while we're still on the General provisions I think it's probably the better place to ask my question. I want to come back to the question of the payment to Assiniboia Downs. Where do I find in the revenue section the income that we have from pari mutuel. I don't seem...

MR. ROBLIN: I don't have the revenue section with me; as members of the committee know that will be presented separately to the House in the Ways and Means Committee and we can go into it then.

MR. MOLGAT: I'm looking at Public Accounts for last year, Mr. Chairman, and I don't find it listed in the statement of revenue and expenditure -- Referring to Page No. 30.

MR. ROBLIN: Well, if my honourable friend will check the Amusement Tax Revenue, it comes under that.

MR. MOLGAT: Public Amusements, estimated \$850,000.00 Would that be...?

MR. ROBLIN: That's about it.

MR. MOLGAT: Are there still other amusement taxes in effect?

MR. ROBLIN: That main item is the race tracks proceeds. There is an amusement tax still on theatre admissions.

MR. MOLGAT: Mr. Chairman, I want to ask some questions while we're on the question of Treasury, regarding the tax on propane gas, I have received some complaints from farmers in the province who have purchased propane driven tractors. I've attempted to find out how many of these there might be in the province but I must confess it's not an easy thing to get. I've checked with a number of the implement companies. They have sold some but I have been unable to get complete details right down as to the number that there are, but they do indicate to me that this is becoming a more common form of fuel because of the economy in operation in particular. The long term use of the tractor apparently is much more economical when burning propane rather than the other fuels and much lower cost of repair and so on.

I'm told though that the taxation on the propane gas puts the farmers who are using a propane fired tractor in an unfavorable position as compared to those who are using gasoline or diesel. The gasoline or diesel operators buy their fuel completely tax exempt for use in the tractor whereas I'm told that in the case of propane gas they still have to pay a tax. The figures have indicated to me that they are paying approximately 14 1/2 cents a gallon for the fuel and then a straight one cent tax, which means something in the order of some 7 percent, and that there's no means that they've been able to find out to get a rebate of this tax figure. Now could the Minister indicate to me exactly what is the situation. Is there provision for rebate? What are the procedures to obtain it, and has he received requests for this from farmers?

MR. ROBLIN: Mr. Chairman, this matter was raised on the Orders of the Day by some member recently and I've asked for an investigation of the detail. This is a very tricky little matter of tax incidence and I haven't got the information yet but it will be forthcoming before long.

MR. GUTTORMSON: Mr. Chairman, I listened with interest to the Minister's estimates about the cost of the tax rebate. The Minister of Municipal Affairs and the First Minister don't quite agree on this subject because during his estimates he indicated to the House that it was in the neighbourhood of \$100,000, the cost of administrating the tax rebate. This is what he told us the other day and now we get a revised figure from the First Minister.

MR. ROBLIN: I think the latest figure is more accurate than the first.

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I simply can't accept - we usually accept the Minister's statement, but I simply can't accept the statement it doesn't cost more than \$20,000, or cost \$20,000 to rebate this tax that the people have paid. It just seems ridiculous to me. If you take about 400,000 at 5 cents, it's \$20,000 alone in stamps.

MR. ROBLIN:

MR. TANCHAK: No, but the total cost of that . . . it'll leave the impression with the people that that's all it cost, and it's simply impossible. As the Minister of Municipal Affairs has stated, it's something around one percent of the total, which is one percent of roughly \$10 million, so at least \$100,000 it cost them. Then here we come with this. We know that we've had this practice of tax rebate and I'm not arguing the principal as it is now. . .

MR. ROBLIN: Oh yes. . . I can argue that.

MR. TANCHAK: We've had it now for a year. . . (Interjection) If you want to speak, you have the privilege to get up after me. . . (Interjection)-- You will. You usually say nothing anyway. It has been a practice. . .

MR. S. PE TERS (Elmwood): And you say less.

MR. TANCHAK: It has been a practice here for a year now to rebate this tax and we all know that it isn't the most economical way of rebating taxes or relieving the property tax burden, and I think it is our duty here in this House to streamline the procedure, to see that this tax burden is relieved in the most economical and expeditious way possible. The taxpayer expects us here in the House to be economical with his money; once he gives it to the government he has no control over the expenditure of his tax dollar. That's why we should be very careful here. The government could waste part of it, some of it, none of it or even all of it and I know that the taxpayer expects the government to waste none of it. And whether it's \$20,000 that's used up in this tax rebate system or more - and I believe it is much more than \$20,000 - I'll not take that word - still it's a waste of money because there is a different way of doing it. We've accepted it, we're living with it, it's a government policy and there's definitely a different way of rebating this without wasting the public's money as is being done at the present time. I think the simplest way would be to refund or to deduct it at the municipal offices as we have been asking in the past. I think it's downright improper for the government just for the sake of perpetuating its party to go ahead with that system. I think it's time that this waste was eliminated. The public expects that.

MR. ROBLIN: Mr. Chairman, I repudiate the honourable gentleman's proposals or his ideas in this connection. This is the argument that he usually gives, and he's usually wrong - and he's wrong on this occasion. The cost is not excessive; it's about 10¢ per application on some 400,000 to 450,000 applications. The municipal secretary-treasurers want 50¢ per application for doing the job. It's the same situation here that's being operated in the Province of Saskatchewan and I repudiate the ideas that he put forward.

I can now give an answer to the Leader of the Opposition about propane, descended to me from on high. Not taxable on tractors since February 28 last. It was 1¢ prior to that date but it's not taxable at the present.

MR. MOLGAT: I'm very pleased to get the information, Mr. Chairman, because the correspondence I have on this goes back over sometime. Could the Minister indicate how it is purchased then? Do they purchase it in the normal, same way as someone using it for household purposes? And how do they differentiate when it is purchased for a tractor or for household or for commercial?

MR. ROBLIN: If my memory is correct on this, it's done by a statement by the purchaser at the time of purchase.

MR. TANCHAK: Mr. Chairman, I'll still ask the First Minister to make a statement here and tell me whether he does not consider that it would be cheaper to process this and rebate the money to the taxpayer at the municipal level, and if it is cheaper, isn't this a waste of money?

MR. ROBLIN: . . . glad to answer the question. In my opinion it is not cheaper. We're doing it in the most economical way now.

MR. PAULLEY: Mr. Chairman, I wonder if the Honourable First Minister would answer a subsequent question dealing with the same subject? Would it not be far cheaper to lower the levies at the municipal level by a like amount so that rebates would not have to be applied for to the provincial treasury in any case?

MR. ROBLIN: I'd be glad to do it if anyone would give me a guarantee that the taxpayer would see the colour of that money.

MR. PAULLEY: I assure my honourable friend that if he votes for my party and him and I change seats in this legislature such would be done.

MR. HRYHORCZUK: One moment, Mr. Chairman. There's only one other question and I'll have to make this general because I'm not sure just what type of operations it applies to, but there is a diesel tax I believe of 17¢ in connection with certain operations but there is a refund of 15¢ to these operators on application. In other words the tax is only 2¢ but in order to obtain the 2¢ they have to pay the 17¢ first and then apply. Are there any such taxes still in operation for this coming year?

MR. ROBLIN: There hasn't been any change in the taxation system that I'm aware of except the propane one I've mentioned.

MR. HRYHORCZUK: Does the Honourable First Minister think it is the best way to allow this tax is by the operator paying the 17¢ and then applying for a rebate of 15? Would it not be better if he paid the 2¢ that eventually the province gets right from the start and prevent any correspondence, other bookwork?

MR. ROBLIN: I think the present system is working reasonably satisfactory.

MR. SAUL CHERNIACK, Q. C. (St. John's): Mr. Chairman, I'm sorry I can't let the remark that was made apparently in jest but I think seriously that the Honourable Minister would recognize the suggestion made by my leader if he could be guaranteed that the taxpayer would see the colour of his money. I don't know whether he wants that statement to be taken for its full value, and if he does I want to discuss it, but if he doesn't I'd just as soon not deal with it.

Well, then since he doesn't rise I must assume that he is accepting my suggestion that that statement should not be proceeded with and taken at its face value. I just don't want to attack the Minister for something that I don't think he meant, but if he meant it, I want to attack him and I'm asking him whether he means it or not.

MR. CHAIRMAN: (a) passed --

MR. CHERNIACK: . . . Mr. Chairman, he's not bound to make a statement I know, but I do therefore feel that there was a slur implied on the various councils and councillors in municipalities to the effect that if this money were relieved by way of some other form that they would take advantage of the money and spend it in some way so that the taxpayer wouldn't get it back. If that is the . . .

MR. ROBLIN: Just to save my honourable friend some trouble. I did not make the remark as a slur on anybody because I'm as well aware as the next man the pressures and the responsibilities of local government, but experience has indicated that where these grants are given in the way suggested that's usually what happens. Now that's all -- it's just a fact and I cast no slur on anybody at all.

MR. CHERNIACK: Mr. Chairman, experience has also indicated that in spite of this method now used by the government and gleefully accepted by this government is being used now in Saskatchewan. In spite of that the mill rate has gone up and where monies were needed by municipalities they had to tax for it and the fact is that they did. So that where ever monies were needed they were taxes.

And if the experience spoken about is the experience where teachers' salaries were rased then I do not hear any protestations on the part of this government to the use of funds of any kind for and on behalf of the increase in teachers' salaries. I am not aware of any other experience of which the Honourable Minister's aware. He no doubt has more experience in this field but certainly I don't believe he has any experience of dealing on municipal councils and school boards and I would indicate to him that my limited experience, which is I think more extensive than his justifies in me a complete confidence in the councils, not the individual people necessarily but certainly in the councils, and I don't think they're spending money and the experience that he suggests I think is inadequate to justify him.

While on my feet I will again say that he has repeated the 10¢ item. I just can't accept that as being possible. I'm wondering if it includes the salaries of the people involved. I'm wondering if it includes the use of the equipment and I would suggest that the Minister consult his colleague on his immediate right who has been in a business similar to mass mailings -

(MR. CHERNIACK cont'd)... well in that business - and who could no doubt give him some information as to costs. I just can't accept the thought that 10¢ per item is a correct one.

MR. ROBLIN: I think I should point out in connection with the school tax rebate that we quite expect that municipalities or school boards for that matter will be changing their mill rate and raising mill rates to meet their costs. That's fine. That's a perfectly proper thing to do if they feel the expenditure is justified. But this system imposes upon them the responsibility as the federal government has imposed on us under the tax collection agreement of raising their own money regardless of the rebate and that is what is being done. I would be the last one to criticize the school board if it felt that it had to raise its mill rate in order to meet its legitimate costs. I think that's quite the proper thing to do. So in this whole matter, I don't think that the government wishes to be critical of any school board or any municipality who have their own responsibilities to discharge.

MR. CHERNIACK: That's fine, Mr. Chairman. I think that's a helpful statement. Of course the fact is that they don't raise all the money they need because they get substantial grants from this government any way as is revealed in the education department, so that if the principle is correct then all the taxes should be raised in that way and I think we recognize that that is an improper burden on the real property taxpayer.

MR. PAULLEY: Mr. Chairman, do I take it from the last statement of the Honourable Provincial Treasurer that it's perfectly justifiable for him as Provincial Treasurer to lay before us a budget which calls for no increase in provincial taxation and yet at the same time he states it is quite all right and recognizable that this has to be done at the municipal level as the result of the policies of this government?

MR. ROBLIN: It's not as a result of the policies of this government. It's the result of the municipalities and school boards discharging the obligations that they have, and if we had to raise taxes to meet our bills we would do so.

MR. PAULLEY: Then what my honourable friend says in that statement, Mr. Chairman, notwithstanding the fact that he has put the first priority on education, he's prepared to allow or to make the local level municipalities or the school boards responsible because of increased taxation for the provision of his priority, in education.

MR. ROBLIN: I don't think that is so at all, because if my honourable friend listened to the budget carefully, and I know he did, we've increased the provincial share of the local education load from 31 percent to 60 percent in the last eight years. That hardly reflects a shirking of our responsibility.

MR. PAULLEY: But, Mr. Chairman, will not my honourable friend agree with me that notwithstanding the figures that he uses as to the increase percentage-wise of the provincial contribution to education, notwithstanding this at the local level it's becoming more evident every day they have to increase local taxation for the purposes of your priority -or the priority on education at the local level, whereas my honourable friend sits complacently back if I may attribute that - and I do that not really bitterly - without any increase at all at the provincial level. Now this is the question. My honourable friend agrees that there has been no increase in provincial taxation. My colleague from St. John's and others have raised the point that notwithstanding that the increases are going on at the local level and my friend says well, so what, in effect.

MR. ROBLIN: Well, of course my honourable ... I don't know why we get into this particular argument at this particular time but my honourable friend's argument might have some force if the province had not shared its revenues with the school boards in a general way - and indeed we have - as I indicated - an increase from 31 percent to 60 percent. And it should also be borne in mind the total school bill in the Province of Manitoba - the total public school bill in the Province of Manitoba in 1958 was supported 31 percent by the provincial taxpayers. Now it's supported 60 percent by the provincial taxpayers. And further, my honourable friend should remember that with respect to many school boards, some of the bigger ones, a good deal of the taxation they levy is not on account of provincial policy although I believe the school boards as a whole approve of the emphasis we've given to education. It's because they wish to add other services which are not part of the foundation grant for their people and they have the right to do so. And I'm happy to say that the electors concerned seem to approve of that. But to intimate that the full increase in local school costs is due to what the province has done is simply not correct, because in many places particularly where it's been rising in recent years, and the City of Winnipeg is a prime example, one of the reasons for the increase is certainly because the City of Winnipeg has undertaken new services that are not comprehended in the provincial plan.

MR. PAULLEY: Mr. Chairman, this is getting most interesting. We're hearing many confessions from our honourable friend the Premier of Manitoba in respect of education.

Do you mean, Sir, in your last remark that the school boards in the Province of Manitoba, and in particular as you stated, the school board of the City of Winnipeg, are invoking facilities for education that are not provincially accepted or provincially agreed upon that they can enter into? Are you saying, in effect, by your last statement that the reason that the school taxes in the City of Winnipeg -- and it's not only the City of Winnipeg, my honourable friend knows this just as well as I do -- (Interjection) -- Transcona too -- West Kildonan... But is my honourable friend seriously suggesting that the reason that the school taxes in the City of Winnipeg are going up is because the school board and the City of Winnipeg are doing things -- are offering services in the field of education that are not approved by the Province of Manitoba? Surely my honourable friend isn't saying that or suggesting. Or are you?

This is a question I ask of you because a proper interpretation in my mind of your last statement is that because the costs of education in Winnipeg are going up is because they're doing something that we the Province of Manitoba do not agree with or have we not provided the legislation by which they can do it? I'd like to hear your explanation on that point.

MR. ROBLIN: Well, Mr. Chairman, my honourable friend knows perfectly well that I never said that. He knows perfectly well that I never said that -- perfectly well. I'll tell you what I said.

Part of the increased school costs in the City of Winnipeg School system is due to the fact that the City of Winnipeg School Board undertake policies or programs that are not part of the provincial program, and therefore, are not supported by provincial grants. They do that on volition, their own freewill and accord. They have to secure the consent of the province, this is within the Statutes, governing the Winnipeg School Board, and they do. And every year we get legislation from the Winnipeg School Board -- and we've got it again this year -- in which they will ask for the right to do certain things that other schools cannot do, and which they are prepared to do and prepared to pay for.

Now I don't wish it to be understood that I'm criticizing that. I'm not. They have the right to do that. And it's also quite true that in introducing new measures of this kind, they have quite often been pioneering in matters which later on become subject to general legislation and which receive general support from the provincial taxpayer. They are improving the quality of education. And far be it for me to complain about that. I'm not complaining about it. I'm not criticizing. I think it's probably quite a good thing. I know it's a good thing. So I don't want any other words put in my mouth.

MR. PAULLEY: This is getting more interesting as we go along. My honourable friend at the outset when he was talking about the percentage comparisons in education between 1958 and the present time -- and I agree with him. The provincial contribution in 1958 was intolerable. Hewon't agree with me that I say it's still intolerable in 1966. So at least we can possibly agree on half of it. But I want to know from my honourable friend when he's making his comparison, as I understand it between the 31 percent and the 60 percent, is it now, of the costs of education, whether he's picking or choosing, and choosing I should say, what he would consider facilities within the ambit of education for which we should make the comparison on a percentage basis.

He says to us, he says to us that the City of Winnipeg, and I think we would agree that other municipalities and school boards as well, provide facilities under provincial legislation which are allowable which cost money. Is my honourable friend then saying, suggesting, when he comes to his comparison of the percentages, I'm just going to take the little old red school house basis for making my comparison between the 31 percent before and the 60 percent now? Or is my honourable friend suggesting to the members of this Committee that the government is actually providing 60 percent of the cost of education across Manitoba, per se without qualification? How is he making his comparison between 31 percent in 1958 and 60 percent now? I've heard my honourable friend in this House, I've heard my honourable friend over radio and T. V., talk to us and condemn the little red school house policies of the former Premier of Manitoba. I agree with him in that.

But, if my honourable friend is comparing the percentage contributions to education based only on that premise, Mr. Chairman, then he's not giving us a true picture at all. He admits to us that that former philosophy was wrong, and now this afternoon he has admitted to us or stated to us, that if the City of Winnipeg, and I add, and/or any other school board, wishes to provide other facilities other than those that he based his original percentage on,

(MR. PAULLEY cont'd)... if they wish to provide these additional services which are permissive under provincial legislation, then that's their fault, not mine. We're still only going to provide for the three R's, plus one-fourth, reading, writing, rithmetic, and the little red school house.

MR. ROBLIN: Well, I'm afraid I won't be able to rise to my honourable friend's bait to defend the little red school house, because that's not on my program at all. But in direct answer to his question as I understand the figures they're the all in-costs of education. That's what he wants to know.

MR. PAULLEY: All in what . . . ?

MR. CHERNIACK: I've been listening to this and trying to think of these figures. I am beginning to think that the Honourable Minister when he speaks of 60 percent or 30 percent, must be speaking about 60 percent of the basic school cost which the province recognizes, because I had occasion to refer to the percentages that were being paid, and according to the Deutsch report, I quoted there that Manitoba last year paid 33 percent of its budget on education as compared with 50 percent being paid of its budget being paid by Ontario. In the contribution I made or tried to make on the Budget Speech I quoted figures that Winnipeg received 19.82 percent of its costs. Now that compares with 60 percent I presume, by firstly throwing in this school tax rebate - and I always feel apologetic when I use that term - and also the difference between what is being paid elsewhere as being paid in Winnipeg. Does this then mean that certain school districts are getting substantially more than 60 percent to offset the contribution given to Winnipeg?

MR. ROBLIN: Mr. Chairman, on two points my honourable friend raises, first of all do all school districts get the same grant on a percentage basis? The answer is no. It's never been that way. The amount of the grant is related to the assessment of the school district and the richer the assessment the lower the grant. If you have a very low assessed area we may be paying 80 percent, 85 percent of the total school tax; and if you have a high assessed area we pay very much less than that; and Winnipeg is a high assessed area.

But this figure of 19 percent for Winnipeg is quite wrong. The figure is over 30 percent for Winnipeg, because whether you agree with the school tax rebate or not, you cannot dispute the fact that it represents a relief to the local taxpayer, and if you take the incidence of the school tax on the local taxpayer in Winnipeg, it's 70 percent for the local taxpayer and 30 percent for the province. Now you can disagree with the local school tax rebate; you say it should have been handled in some other way, but you cannot ignore it.

MR. CHERNIACK: Mr. Chairman, even then, and I can't ignore it because it's there and it's certainly not given to the school boards for the uses that they have of -- for their use to spend on education. So that it's true that the school board of Winnipeg receives 19.82 percent of its budget from this province. I think that figure is true - I mean the statement is also true. 19.82 percent. And the Minister now indicates that when they're paying 60 percent throughout the province, and that of course also is not all paid to the school boards, because some 11 million of that is being paid to taxpayers not to school boards. Then there is still a tremendous discrepancy apparently in the quality of education given as between the City of Winnipeg, and I presume its suburbs, and the rest of Manitoba. Now the fact that this province feels that it's not part of the provincial program seems to me that it again sets a very low level for education in Manitoba if Winnipeg's difference is so great because it does give a program which the Minister says is a good thing, and a forerunner, a pioneer for education.

MR. HRYHORCZUK: Mr. Chairman, when the First Minister calculates the provincial contribution towards the cost of education does he include the 10 million that is being paid by the province as a refund to the taxpayers of the province?

MR. ROBLIN: The comparison that is being made and the statement that was made both in the Budget Speech and by me today, is the incidence of school taxes on the local school taxpayer, and in that calculation the school tax rebate is included, as is clearly stated in the budget statement.

MR. CHAIRMAN: (a) passed, (b) passed, (c) --

MR. MOLGAT: Mr. Chairman, on this, is this the item - I want to ask some questions regarding the Federal Tax Commission, whether or not everything is completed insofar as we are concerned. Have we any further representations to make? Are there further studies going on in Manitoba? Is the Manitoba Government doing anything further on the question of tax structures?

MR. ROBLIN: Is my honourable friend talking about the Carter Royal Commission or the Tax Structure Committee of provinces in the Federal Government.

MR. MOLGAT: Well, actually both, the Carter Commission first, and then secondly the one where we're dealing with provinces.

MR. ROBLIN: The Carter Commission was in Manitoba, two, three years ago? A long time ago. It has completed its hearings and studies and we certainly have had nothing further to say to them, and I indeed have been expecting the publication of the report for the last 12 months. I hope we'll get it soon. So that's the answer to that one.

With respect to the Tax Structure Committee, that is still proceeding with its work and I expect at the next Dominion-Provincial Conference that some effort will be made to come to grips to provide the policy that the Tax Structure Committee will be recommending to the governments concerned. That is still under active consideration by the officials, and I expect that their recommendations to the politicians will be forthcoming in time for the next Federal-Provincial Conference.

MR. CHERNIACK: Well two or three years ago, Mr. Chairman, I had cause to inquire from the Honourable Minister on the manner in which the insurance premiums were purchased, and I elicited then the response that they were not then on tender but it was a question of bargaining with the central organization of automobile insurance companies, and that after the bargaining was completed, the business, and I call it that, was then distributed amongst various agents throughout the province.

I asked about the manner in which these agents were selected. I did not get an answer which made it clear to me, except that a word came to mind which I didn't use then but I don't mind saying now sounded like to me, sounded like "patronage." I am wondering whether the Honourable Minister has changed the method in which this insurance is purchased, or whether it's still being handed out to various agents throughout the province, and if so, is there a clear description now of the manner in which these agents are selected and what their qualifications are?

MR. ROBLIN: I think my honourable friend must be talking about automobile insurance because that is the one in which there are a large number of agents involved. Now I do hope that I am correct in this, and if I am not, no doubt I'll receive a note about it, but my recollection is that the main contract is negotiated on a bid basis for our insurance on cars. I'm trying to find the information here. Maybe I can locate it. That is then broken down and placed by the insurance carrier with, I don't know, 20 or 30 different agencies on recommendation and these are approved by us.

MR. CHAIRMAN: (c) passed, (d) passed (e) passed, Resolution No. 105, passed. Resolutions No. 106, 107, 108 were read and passed. Resolution 109 (a) --

MR. PAULLEY: Mr. Chairman, there isn't a resolution for it, but there is an item in the Department of Treasury for item No. 5 or Computer Centre. While there isn't a resolution, Mr. Chairman, I hope that I can ask some questions in connection with this matter because it's offset by recoveries from departments and agencies and therefore does not require a resolution.

I note, Mr. Chairman, the appropriation is a little better than doubled insofar as Computer Centre is concerned. My colleague from Logan has a resolution before the House dealing with the question of automation and cybernation, and as I mentioned, the estimates indicate that there have been a doubling of the over-all expenditure insofar as computers are concerned; a considerable increase insofar as salaries are concerned, from \$73,000 up to \$127.5 thousand and from \$158,000 up to \$252,000 over-all.

I would like to know from my honourable friend the Provincial Treasurer how widespread now is the use of computers in government operation; and also whether or not my honourable friend might indicate to the committee what results have taken place as the result of increased expenditure for computers and salaries as I presume for the operation of computers, what is the over-all result insofar as employment is concerned? Has there been any material change as the result of the additional expenditure for computers and so on; and also to what extent are we in the computer age insofar as the province is concerned?

MR. ROBLIN: Mr. Chairman, we're making more and more use of the facilities of computerized information in all aspects of the government work. We are putting our payrolls, our education mark statements, our municipal rolls and tax notices all go to Computer. These were all done by hand previously and this represents a tremendous shift of pure basic slogging drudgery from man to the machine, and it couldn't be better.

(MR. ROBLIN cont'd)...

The other thing that we're doing is, we're programming through our computers the engineering programs on highway construction, calculations respecting earth work, temperature research, bridge design, air pollution studies and all kinds of matters of that sort. The information that we use in our flood forecasting committee goes through the computer and we get it that much quicker and faster because it does. Sometimes through our computer I believe, and certainly through the computer down in Kansas City where that information is basically collated; but there is a very great increase in the use of the computer.

It really doesn't mean that there's been the equivalent displacement of staff because I don't think there has; there's been some saving in staff but nothing significant. What has happened is two things. First of all we haven't hired people to do the expanding computer operations manually. We haven't hired people to do it, because we're putting it through the machine; therefore it's saved us from hiring new people. And secondly, and perhaps this is just as important, we're able to get all kinds of new information for the various technical branches of government that formerly weren't available at all or were only available after many weeks and sometimes months of calculation; they're turned out in a few short hours on the computer. So as Treasurer I would like to think that every time we improve our computing operation we knock down the number of people we have to employ and thus save the public a good deal of money. I'm certain that some of that goes on, but with the expanding operations of government it must frankly be recognized that the best you can hope to do is to hold the line somewhat and that it has saved us from having to hire people that we otherwise would have had to hire if we robbed this kind of operation of information available quickly in the scientific end and if we were to handle the increases of the other administrative procedures. So I must confess that I'm for computer; I don't think that it is going to be as terrible a menace to employment in the fields concerned as some think. In fact I think that basically the whole cybernetics situation is not a menace of that kind. It's no more a menace than the early cotton mills were in England that the Luddites destroyed, no more menace in its time and in its current application than the invention of machinery was when the industrial age began and I think we're going to be able to adjust to it as we go along.

It's all very well to say that on a philosophic basis and an over-all basis but I have to immediately qualify it by saying that whether or not it's true in the case of this particular computer centre, but that when you do get machines displacing human beings you have a tremendous human and social problem of adjustment to get these people into something else that's useful to do. I don't think the total volume of work is being cut to the disadvantage of our citizens, but I do agree there's quite a change in the kind of work and it means human adjustments which are of no small problem to the individual people concerned.

MR. PAULLEY: Mr. Chairman, I want to assure my honourable friend the First Minister that I for one have no intention of going along with a sledge hammer and breaking up computer machines such as was done during the early stages of the industrial revolution. I also want though, Mr. Chairman, to tell my honourable friend that I will be continuing my efforts to have the work load on the individual reduced in order that they might have the benefits of cybernation and automation.

I want to ask my honourable friend two questions. First of all, rather facetious, has he asked the computer to diagnose the results of the next provincial election in Manitoba? This of course is fair game across the line. Secondly, I believe my honourable friend mentioned the fact of sending down or feeding into some computer down in Kansas City, if I heard him correctly, some figures in respect of the flood. This I would presume would only be in connection, or because of the association with United States authorities and our own. I take it that that would be a reasonable statement why we're going down to Kansas City. I would like to hear from my honourable friend if I'm not correct in that.

And then another thought that I have in my mind insofar as the computer is concerned, Mr. Chairman, is because of the fact that we are going to have in the Department of Education as I understand it, a new commercial course; and if we are going to have a new commercial course in education then I would suggest that this is an area where it will be necessary to give training in the use of computers to students in the Province of Manitoba. I wonder if the Honourable the First Minister first of all could set me correct insofar as my thoughts of sending work down to Kansas City to go through the computer, whether this is in general so far as the province is concerned only applicable to the present flood situation; or if it is more than that is the government giving consideration to the training of individuals within the Province of Manitoba to the proper use of computers... As far as I'm concerned, and I'm sure the First Minister will agree,

(MR. PAULLEY cont'd)... the fact that the computer is here, it's up to us to use it to the advantage of all concerned.

MR. ROBLIN: I thank my honourable friend for raising the question about Kansas City because obviously I have not made myself clear on that. What I meant was that the American data on their portion of the river was computerized to get the information to feet to us here; not that our data was sent down to Kansas City. We have a telex line direct from here to Kansas City; the American information goes through the American computer there, it's put on the Telex, comes up to us and we work it out here. It was merely thrown in as an example of what computers do in giving you reliable information in jig time.

Regarding the question of instruction, yes; in the Institute of Applied Arts which we are proposing to build there will be provision made for data processing and for computer education.

With respect to the results of the next provincial election, my honourable friend has the original model of the computer under his "black thatch" and he'll have to do his own computing on that one.

MR. CAMPBELL: Mr. Chairman, with regard to that last question that was going to be referred to the computer, I can say that if my honourable friend ever does put it on I am sure he will keep the information very quiet; but if he did release it it would not be at all optimistic so far as either he or my honourable friend the Leader of the New Democratic Party were concerned.

The Honourable the First Minister knows I have paid some attention ever since the Computer Centre was established here to just what the experience would be and certainly the experience in this regard seems to bear out the fact that people don't need to be afraid at all of the threat of the computer because we've continued to have more people all the time right in the Treasury and in the Computer Centre itself. The Computer Centre itself on salaries alone has three times as much awarded to it under the present estimates as it had last year, and every other salary item on this page also shows an increase. And as we go to the Comptroller-General's Department, which is the one perhaps most closely related to the Computer Centre along with Treasury, we find that there there's an increase also; so I think that my honourable friends who worry about automation and cybernation, if they took the example of the Computer Centre here could set their minds at rest, and perhaps our honourable friend the Member for Logan could console himself with the experience that has happened in the Province of Manitoba.

Now as far as Computer Centres in general are concerned, I saw an interesting write-up in one of the financial papers lately where it seems that a lot of the big organizations are conducting experiments with the computers and having very conflicting results with them, and the answer seemed to be that only the real large operations could find them economical. Certainly this is a large operation in the Province in Manitoba. I would like to ask the Honourable the First Minister, has there had to be an extension of the machinery itself in connection with this Computer Centre as the work load has grown, and are there costs in the item of supplies, expenses, equipment and renewals which arise from such things as repairs and that type of thing? Is it costly in that regard?

MR. ROBLIN: Mr. Chairman, just the increase in high school examination papers alone that had to be marked in the past few years is a prime example of the increasing work load on this computer. They all have to go through the computer to be tabulated and sent out and if we didn't have this machine we'd have to have all kinds of human beings to do this thing. It's much better done and much less drudgery if it's done this way, and I expect the computer office will continue to expand.

As far as repairs are concerned, the equipment is rented and it's up to the lessor to supply all running repairs and take care of the thing.

MR. CAMPBELL: Mr. Chairman, I'd like to ask the Honourable the First Minister, what proportion or percentage of the examination papers are dealt with? Not all, I would think, are they?

MR. ROBLIN: I can't answer the detail on that, Mr. Chairman. My colleague says they're all dealt with - all the departmental examinations are dealt with.

MR. CAMPBELL: And following the first year's experience has the result been quite satisfactory?

MR. ROBLIN: The first year we had teething troubles but since then it's worked out very smoothly.

MR. CHAIRMAN: . . . (b) passed. Resolutions No. 109 and 110 passed. Resolution No. 111 --

MR. MOLGAT: Mr. Chairman, the amount here has remained exactly the same as in past years. Is there any change in the government's position regarding the Unconditional Grant? There was some indication some years ago or a couple of years ago, that they might not be continuing this grant. Could we have the assurance of the First Minister that it will in fact be continuing?

MR. ROBLIN: No change in policy is contemplated, Mr. Chairman.

MR. CHAIRMAN: Resolution No. 111 passed.

MR. ROBLIN: Committee rise.

MR. CHAIRMAN: It's now 5:30.

MR. ROBLIN: Oh, I'm sorry, I made a mistake.

MR. CHAIRMAN: I leave the Chair until 8:00 o'clock.

MR. ROBLIN: Before you leave the Chair, Mr. Chairman, may I express my thanks to the Committee for obliging me on passing these estimates at this time. I appreciate the co-operation.

MR. CHAIRMAN: I leave the Chair until 8:00 o'clock.