

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, April 14, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

Committee of the Whole House. The Honourable the First Minister.

HON. DUFF ROBLIN (Premier and Provincial Treasurer) (Wolsely): 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 of the Whole to consider the proposed resolutions standing on the Order Paper.

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. ROBLIN: 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 respecting the establishment of a Department of Tourism and Recreation, and authorizing the payment of the costs incurred in connection therewith, including remuneration of staff therefor.

MR. ROBLIN: Mr. Chairman, the purpose of this proposed expenditure I think is obvious from the wording of the resolution, namely that the government are recommending the establishment of a new department which will specialize in matters in connection with tourism, recreation and parks and associated activities. I expect to make a statement of the policy implications with respect to this matter at the time of second reading, but if there are any questions that members would like to ask now of a general nature, I'd be glad to do what I can to answer them.

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Chairman, I don't think that my observations would come under the heading of questions. I don't think they would be anything new to the House. I simply reiterate what I've said before, that I fail to see the need of another department. I survey the wondrous group on the other side and it seems to me there are not only enough departments but enough Ministers and I -- (Interjection) -- Yes, of the kind. I'm not aware just what objections there are to tourism and recreation being under the present Minister and I don't know of anything that a department can do that a grant can't do with the exception of having a Minister that requires a department, and I simply protest, as I have on other occasions, when provision is being made for another department because I think it's not only not expedient, I think it's completely unnecessary.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, there's one department that the government hasn't as yet established - maybe I should suggest to the First Minister that he should do - and that is to set up a Department of Camouflage. This might be rather a unique suggestion

MR. T.P. HILLHOUSE, Q. C. (Selkirk): Public Works.

MR. PAULLEY: No, it's not under Public Works at all, my honourable friend -- because I agree with the Honourable Member for Lakeside. I'm sure the House is well aware of the fact that quite frequently the Honourable Member for Lakeside and myself do not agree in many areas, but on this I most heartily agree with him, because, Mr. Chairman, when one takes a look at the estimates that we're in the process of considering under the Department of Industry and Commerce, Vote No. 51, we have a vote of some \$591,000 for tourist development; in the Department of Welfare, we have under Vote No. 115 an appropriation of some \$145,000 odd for the question of Amateur Sport and Physical Fitness. At one time we did have, if memory serves me right, a separate department on tourism, and the present government saw fit to change that and put it into another department. Now it seems they're going back to it. And while the First Minister says that he would welcome questions and however he will be making a full statement on the introduction of the bill, I appreciate this very much, though we don't

(MR. PAULLEY cont'd.) have the same freedom of debate, as you're well aware, Mr. Chairman, on a bill as we have when we're in Committee of the Whole House.

But I want to ask a simple question of the First Minister; I presume that it can be answered quite readily: what the Department of Tourism and Recreation is going to do beyond what is now being done by the Tourist Development Branch of the Industry and Commerce and the Physical Fitness Branches of the Department of Welfare. This is my question to my honourable friend. In every Throne Speech, in every budget that the present administration has brought down for the consideration of the members of this Assembly they have told us in very glowing terms all that the present administration has done in the field of tourism; how they've been able to attract more people into Manitoba than ever before; how percentage-wise we're ahead of the work; so I'd like to hear from the Minister at this time, if I could, what is the proposed set-up going to accomplish which hasn't been accomplished with the department that we have, or in the alternative, Mr. Chairman, are we to consider that what we have been receiving from the reports of the Department of Industry and Commerce particularly, is nothing but a bunch of guff and that the government itself is realizing that and is now going to set up another department?

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, one of the things that has disturbed me ever since I was elected to the House was the fact that when we reached the estimates of my honourable friend the Minister of Industry and Commerce, we have a new set of figures, as my honourable friend who has just taken his seat has suggested, pointing out the increased number of visitors that come to the province annually, and I believe that I read the other day that a new high was reached for 1965, and I think it was reported that a million and a half people spent something like 45 millions of dollars, or in that neighbourhood. Well, once again, if my arithmetic is correct, this works out to \$30, \$32 or \$33 per visitor.

Now if you go back to 1948, a table in this old annual report that was tabled on March 31, 1961 shows that in that year they spent \$35; it shows in 1949 that 600,000 spent \$20 million, which is still over \$30 - \$35; in 1950 they spent a little over \$35; in 1951 they spent just a little more than \$35; in 1952 they spent around \$33; and you can go right down the table for 16 years hand-running and you find where the visitors never spend an average of more than \$35.00 during their entire stay in the Province of Manitoba.

Now, a dollar won't buy as much stuff as it did in 1948 and I must assume then that the people are spending a lot less days -- the tourist is spending a lot less days in Manitoba now than he did in 1948. He's just spending about enough money, \$35.00, to take him through the province unless he's got a tent or something along with him, and so I, Mr. Chairman, would be delighted to know, as I know you will be, as to how are you going to get them to stay here longer and spend more money. They're not doing it and they haven't been doing it for 16 or 17 years. They're right at a dead pace of around \$33.00 - \$34.00 according to the figures that have been tabled every year by the department.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I would like to get a little more information than what we've got so far on this resolution. Firstly, what are the functions going to be of this department especially in connection with recreation, and why is it brought in at this time? Is it mainly for the purpose to look after the Centennial celebrations next year? Is this the main reason for bringing it in? It seems to me that we're getting more departments all the time and unless the government maintains its majority they'll find that they'll have more Chiefs than Indians. Are there any functions that are presently under the Department of Education going to be brought under this Department of Recreation? And I also note the following resolution which calls for the establishment of a Youth and Manpower Agency. What about this agency? Will it also be coming under this department?

MR. MARK G. SMERCHANSKI (Burrows): Mr. Chairman, I feel the same way as the speaker who's just made a few remarks. I think that it's high time that a province like Manitoba with a one million population take a good hard look as to the cost of administration that we're imposing on the taxpayers of this province, and I think that we are simply making the burden of taxation at the upper level to the point of where it is beginning to be unbearable.

Now the establishment of a new department, no matter what connotation you place onto it, is an added cost and expense to the Province of Manitoba and to the taxpayers of Manitoba. Now if this is a proposed election bait for the oncoming election, then the government may have some reason for justification for creating this department. I do feel that the matter of tourists and recreation has been handled by existing departments. Surely these departments can't be that overloaded with work that they cannot continue to function efficiently and in a proper manner

(MR. SMERCHANSKI cont'd.) the way they have up to this time. If it means creating a director in that direction with more powers, I think it would still be far more economical to do this rather than create a new department.

Mr. Chairman, it seems to me, and I may be wrong on this, but since I've come into this House in the last four years there are many new projects being proposed such as this new department, but there appears to be a failure in being able to complete a good percentage of these projects to their final conclusion, and I've said this once or twice in this Session and I say it again. We have much fanfare, publicity, news items, television reports, but, Mr. Chairman, somebody somewhere along the line has to take this and mold it or shape it into something practical so that the taxpayers of this province would be able to profit by all these plans. I feel that this government in this connection, Mr. Chairman, has possibly allowed its tongue to become active before its judgment has had time to function. You can take the matter of even job training, Mr. Chairman. Today you have job training in the Department of Education; you have job training in the Department of Welfare; you have job training in the Department of Industry and Commerce; and I think there's one other department that has job training. There would be every reason, Mr. Chairman, then to establish a new Department of Job Training, but the cost does not justify it, so it is for the same reason I don't see the wisdom and I don't see the need to establish a new department in connection with the tourist industry.

MR. ROBLIN: Mr. Chairman, I would be pleased to have the opportunity to offer a few observations on the comments that have been made by honourable gentlemen opposite, and it's a bit depressing to me that there is no more forward-looking approach to the possibilities for growth and development and the welfare of our people than has been evidenced by the remarks that we've heard in the last little while. Now I'm not the least bit surprised at the Honourable Member for Lakeside. He specializes in looking backwards and we expect to hear from him that anything new is wrong and probably extravagant and unnecessary and probably useless. But I am a little bit surprised to find my honourable friend the Leader of the NDP identify himself so thoroughly with the Honourable Member for Lakeside as he has in this particular question. And I also wonder what prompts the remarks of the Honourable Member for Burrows when he talks about taxes and things like that, value for money, efficiency in government. He knows perfectly well that the record of the Province of Manitoba is a good one, that it can stand comparison with any province of a like character, so let's sweep all these rather insignificant - perhaps not insignificant but objections which are not really on the target, and look at the merits of the particular project itself.

What we are trying to do here is to look ahead. I would agree with those who have said on the other side, and perhaps they didn't intend to say it but they left me with the impression, that the people who are handling these functions at the present time are doing a fairly good job. I'd go farther than that. I think they are doing a good job. However, we have to look ahead, and we have to see whether by a different arrangement or combination of functions we can get a better job done and particularly that we can make the most of the opportunities that will come to us.

Now as far as the tourist trade is concerned, this is one of the major possibilities for growth in the Province of Manitoba. We have a unique situation. We have excellent recreational possibilities. The tourist industry itself has been growing from 12 to 15 percent per annum, which I think is a pretty high rate of growth. The camping part of tourism, for example, has grown 1300 percent in the last ten years. There is a positive explosion going on on this continent with respect to recreation and tourism and all aspects of leisure-time activities, and we know it. Everybody in this House knows it. It's nothing new. Our job is to organize our activities so that we can make the most of this thing from the point of view of its economic potential as an industry in our province and from the point of view of the amenities that it can bring to the people of Manitoba. And our recommendation is that we can make more progress and better progress in this line if we reorganize the way in which it is being tackled. And the proposal that you will find in the Bill -- and I really think, Mr. Chairman, that one of these days we'll have to look at this question of this particular committee because we certainly don't seem to operate the way it's sketched out for us in Beauséjour, as far as that goes, so I'm really now dealing with questions of policy and other matters that could better, I think, be dealt with in the bill itself.

But we intend to take the tourist department, in which we have seen a very remarkable growth in the last few years, and combine it with other aspects of recreation, mainly the Parks

(MR. ROBLIN cont'd.) Branch that is now in the Department of Mines and Natural Resources. The expansion of the provincial parks in Manitoba in the last five years has been phenomenal. Phenomenal. After years of relative stagnation we have been going ahead on this in a very large way. We have four major parks under construction now, and a great many more smaller parks and no less than 80 wayside stopping places have been put up, and we're getting the most gratifying increase in use by our people of these recreational facilities. So we have tourism; we have parks; and we also feel that we want to do something to enhance the fitness and sport and recreational aspects of our community. You go into any rural community in Manitoba and you will find that local recreation, local sports, local fitness and matters of that sort are amenities that those people would like to have more of than they have now. And the same thing goes for the urban area.

I can understand the Honourable Member for Lakeside not agreeing with me because he abolished fitness and amateur sport about 1954, if my memory is correct - over the dead bodies of a lot of people. But we feel that if we put together all these various aspects of recreation, as we intend to do in the creation of this department, we will be able to do a better job, we will be able to realize the opportunities more fully, and we'll be able to provide better facilities to our people. Not on the basis of the past but on the basis of the future. On the basis of what we see developing as the potential in this field of human activity; because we are certain as can be that there is going to be nothing but expansion and growth in this particular part of governmental activity. We see it all over the continent and we see it all over the world. And our intention and our proposal is that by the creation of this new department we can do a better job here in the future and realize the potential and provide better amenities.

I agree with those who say that you don't want to start new departments just for fun. That's a perfectly sound observation, and I want to assure the committee that this has been done after due deliberation. I don't even claim any originality for it because in almost every other provincial jurisdiction in Canada you will find the same form of organization in dealing with the aspects of parks and recreation. So although I know that I'm not going to get the hearty support of gentlemen opposite, I'm still bold enough to recommend this measure to the committee.

MR. PAULLEY: Mr. Chairman, I admire the approach of the First Minister but I don't think that it has very much substance to it at all. May I first of all say, my honourable friend says he wants to look ahead, and by that he infers, at least to me, that we on this side are not looking ahead. I say to my honourable friend, if you were so forward-looking, if you were so firm in your convictions that another new department should be set up, why then did you not make provision for it prior to giving to us the statements of expenditure for the year ending 1967? In your remarks you mentioned the fact of the growing number of parks and recreation areas that we have, the growing incidence of tourism in our province, the growing recognition of recreation and physical fitness, and yet you, Sir, saw fit to delay until what appears to be the last week or two of the Session of 1966 to lay before the members of this committee and this House the proposition which you are now doing.

I say to you that if you and your government are so forward-looking, that if you are so enamoured of your capabilities and your qualities in these fields, why then did you not give us an opportunity ahead of time to consider under one heading those items which we are now considering - or that we should make provision for? Because it was your government, it was your government that changed the set-up in respect of tourism here in the Province of Manitoba. It was your government that assisted materially in establishing the Department of Travel and Convention Association commonly called the Golden Boys, because it was you and your government that came to the conclusion that government itself was not doing the job that you thought should be done in this very important field.

It seems to me from your remarks that you are now going to consolidate these areas into a department. Am I, as a member of this committee, to infer from your latest remarks that you haven't been keeping abreast, that we haven't been keeping abreast with the rest of Canada in this field, as indeed we have pointed out that you are not in other fields? Are you in effect saying that your experiment that you made, back I believe in 1959 or 1960, in setting up an outside organization and making considerable contributions to it, is not doing the job for Manitoba, that you're now going to bring them back into the fold of strictly governmental operation? I want to say, Mr. Chairman, to my honourable friend, don't be too surprised when sometimes I may lend some support to the contentions of the Honourable Member for Lakeside, because I don't think that honourable gentleman who has been a member of this House since

(MR. PAULLEY cont'd.) 1922 is always wrong. There are times when some of us are right whether or not my honourable friend the First Minister is prepared to accept that fact, that sometimes we are right.

But I do say, Mr. Chairman, to my honourable friend, that if he is right, if he is admitting failure, which apparently he is doing by his remarks here a few moments ago, that the government has failed to retain its proper position insofar as the fields of tourism and recreation are concerned, why then, Sir, did you not at the offset of this Session bring forward your proposal for setting up this department? Why did you not give us an opportunity of considering under one departmental group of estimates what you have in mind? Oh, no. The modus operandi of my friends opposite is simply not this way. They do not want, apparently, to give their confidences to the House with ample opportunity to consider and to study the full ramifications of resolutions such as we have before us today.

I make no apology for joining with the Honourable Member for Lakeside in the contention that it does appear that we're going to have a department set up separately, to do the functions that others have been doing priorly.

MR. CAMPBELL: Mr. Chairman, there was, I think, a very evident note of petulance in the position of the Honourable the First Minister when he read one of these characteristic little lectures to the committee, suggesting that we were getting away off the beam in the discussion here. He really thought, Mr. Chairman, he really thought that we'd have to give some consideration to the conduct of this matter. Well now, if he's going to give some consideration he should give a little consideration to how he approaches these things himself. My honourable friend might take note of the fact that when I spoke on this resolution I dealt - and rather briefly - with my objections to it, and what did he do? When he spoke, he had to drag in by the back of the neck a whole lot of extraneous matters that he thought would be embarrassing to me. I presume that when he coupled my name with the Honourable the Leader of the NDP party that he thought that it would be embarrassing to both of us. But when he charges me with always looking backward, then he simply invites a reply, Mr. Chairman. I do look backwards sometimes, and this is what bothers my honourable friend, that I look backward to the promises that he made when he was endeavouring to be given the opportunity of leading a government in this province, and we do look backward once in awhile to the time that my honourable friend was the Leader of the Opposition and telling what he was going to do. And at one time he had some regard for the position of the taxpayers of this province, and that's a day long since past, Mr. Chairman. Now the number of departments, the number of Ministers, the height of the expenditures, the debt of the province, the interest that we pay; all of these things that my honourable friend paid some attention to in the those days have just vanished into the limbo of forgetfulness. And I do look back once in awhile to remind him of these things.

One of the things he looked back at was the fact that he said that we abolished the fitness and amateur sport here. You bet we did, Mr. Chairman, for the very good reason it was one of those shared programs with the Federal Government, and I had told the Federal Government at the time that I didn't like these shared programs where they set something up and then invite or dare the provinces to not get into them, and I said that if they went out of it, we would get out of it too, and when they quit the job, we quit. It was not we who abolished it; it was the Federal Government of that day, because they pulled out of the arrangement that had been made.

But what's my honourable friend -- what did he do about fitness, amateur sport? The first Minister of this department to bring in estimates under that particular branch, as I recall it, tried to convince this House that he was going to spend \$300,000 in that year, and we tried to tie him down as to how he was going to spend it, and he could give us no details whatever, but at least he wanted that \$300,000. And how much did they spend? Just a mere pittance of that amount. Nothing like it at all. These same big proposals that are always being made from that side of the House; they're going to do this; they're going to do that; they're going to do something else. Always going to do something. "We've got a great plan now. True, it hasn't been going very well up to now, but we've got a big plan now," and here we've got another department. So any time that my honourable friend wants to look backward on these cases, I am happy indeed to debate the question with him.

In passing, I spoke about the debt and I spoke about the interest payment. I suppose my friend has not had time to check it up, but would it interest him if I put on the record this fact, that that net interest payment that my honourable friend was so proud about when he was first reporting on his success in heading the government of this province, that net interest payment

(MR. CAMPBELL cont'd.) that he was so proud of now, compared to the present net interest payment, that it's just 88,000-odd percent of what it was then? The net interest payment now is just 88,000-odd percent of the time that my honourable friend was so proud of the net interest payment.

Well now, this is something to look back to, to the days when my honourable friend was so pleased about that, and if he wants me to do some looking back then I'm glad to accept the invitation, and any time that he wants to deal with some of these programs that we had, or abolished as he maintains, well he can tell us about it.

He concluded his remarks - I presume this was aimed at me: "We aren't setting this up just for fun." That's what I'm afraid of. That's what I'm afraid of, that they're not setting it up just for fun. It will be another big department with a Minister. Oh he'll say, "We're not going to have a Minister just now." That's what my honourable friend the Minister of Municipal Affairs said, "We're not going to appoint a Minister just now." They say the same thing about this. But eventually this is what my honourable friend will be intending to do. Now I don't expect him to be there to do this, if the reports are right that my honourable friend is going to have this election. I think the public is starting to catch onto these promises of my honourable friend, and I'll be delighted to debate these questions with my honourable friend in the public arena. Just delighted! And I think that the public is beginning to be a little bit interested in the expenditures that are going on in this province; in the number of Ministers that we already have, and the ones that are proposed in the present Session of the Legislature.

So, Mr. Chairman, I started out by saying that I just did not think it was expedient to bring in such a measure; I end on that note. I don't think it's expedient, and I am not in favour of the resolution.

MR. ROBLIN: Mr. Chairman, my honourable friend almost tempts me into the style of debate that we would normally expect on the Budget, except I know that you wouldn't allow it. I do know, however, that on this business of catching on, they caught on to my honourable friend eight years ago. I don't really think they've changed their mind about him or about his attitude to public affairs. I don't criticize his right to have that attitude; I don't say he's always wrong. But I think basically the approach that he brings to problems of growth and development are wrong, and that he is simply not willing to recommend or to face up to the kind of expenditures that have to be made in this day and age.

There's been a lot of talk about the amount of money spent. Well I admit it's an awful lot more than my honourable friend spent. I admit that we spend about as much on education as he spent on his whole government, except for the last year or two of his term of office. I admit that we pay interest on the debt. It's no more now percentage-wise than when we came in but our people have got something for it. It wasn't spent just on -- except for capital assets, like any good business would do, and you can go through the whole range of the various kinds of charges that he makes to illustrate the profound difference of approach between my honourable friend and myself as to the nature of government in relation to the society in which we live, the responsibilities of government, and the attitude that should be taken in the expenditure of public funds, and we just have to agree to differ. That's all there is to it. He's got his point of view and I've got mine.

I must say that it's no doubt about it that some time within the next 12 months or so the people are going to be asked to rule on the issue as to which approach is the right one, and whether they think this administration is doing a good job or whether they think somebody else can do a better one. We will have a fine time presenting these issues to the public, each from our own point of view, and we needn't expect that either he will convince me or I will convince him in this committee as to the rights and wrongs of the matter.

I merely observe in reply to my honourable friend the Leader of the NDP, that the Budget gave notice of this particular intention of ours some few weeks ago, so it really isn't a last ditch performance as I rather gather he thought it was. It certainly was in the realm of discussion at the time that the Budget was presented.

I don't know that any new points have been brought out by the second round, so I suppose I should restrain myself and keep my remarks brief.

MR. CAMPBELL: Mr. Chairman, I would be delighted to do the same thing but for the fact that my honourable friend is so interested in expressing my philosophy. Now I would prefer to express my philosophy myself rather than having him do it, and I would like to say this, that I would join in any philosophy, any one, that would get the province the results that my honourable friend is always promising are going to accrue, but which we never catch up to.

(MR. CAMPBELL cont'd.) Now the facts have been put on the record here more than once this year, that Manitoba is not keeping up to the other provinces of Canada. Now I want value for the money spent. If we were getting the value I wouldn't object. I do profess that I do not think it's the job of government to do all the business of the province. I still remain a free enterpriser. I don't think it's the job of the government to do all of these things, but I'm not adverse to spending money, nor were we adverse to spending it in the days when I had the honour to lead the government, and in the days when my honourable friend was urging that we should cut down our expenditures, when my honourable friend was urging that we take a million dollars off the road program, when my honourable friend was viewing with alarm the height of the debt of the Province of Manitoba when it was \$175 million or thereabouts. And I do not object to productive expenditures, but I object to these ever-growing expenditures when the performance is not even in keeping with the expenditures.

MR. SMERCHANSKI: Mr. Chairman, it's quite all right for the government to make the remark that there must be a new department established in order to overcome the depressing growth and the level of development in this province. However, much as the First Minister may say, we on this side feel that because we disagree with him, with his ideals, is no reason why we haven't got some commonsense approach to the matter of public expenditures. Does the government of the day suggest for one moment that for the last eight years the tourist industry has been a lost cause because there has been no department? This seems to be the general context of the description of why we should have a new Department of Tourism.

The tourist industry is all-important to Manitoba. The tourist industry can be developed in the same manner as your Department of Mines in the Department of Mines and Natural Resources. We all know that we have had an explosive growth in the mining industry. Does this justify the establishment of a Department of Mines, Mr. Chairman? You could carry this to the extreme, but common business sense dictates to a province with a population of one million people, and the lower earners in this province are being over-taxed and this is unfair to that group of people who are the taxpayers of this province. It's all right to say that we feel that this is the forward look - this is the progressive look, I agree. But, Mr. Chairman, in order to have a successful operation - and I think the First Minister would be the first to deny this - is that periodically you have to have an examination of your program. You have to have a period of co-ordination, re-grouping and re-planning of what you're attempting to accomplish, and simply to go charging blindly ahead is not necessarily progress in the true sense of the word.

It is true we have expansion in all parts of Canada, but Mr. Chairman, this has not been the story in the Province of Manitoba, and I again recommend to you that with a population of some one million we have to go and take a good hard look at what makes commonsense to the approach of government as the taxpayers of Manitoba would want us to do in the Province of Manitoba.

Mr. Chairman, if you can't afford a car you're satisfied to ride a bicycle, and then some of us, if you can't afford a second car, you're quite content to do with the first car, with the one car, and the government can base their arguments - because they're well-versed in the principle of debate and you can have a smooth, a velvet tongue; you can have as smooth a presentation as the flowing of oil, or call it what you will - but that does not justify additional expenditures on behalf of the taxpayers of Manitoba on a commonsense policy based on good common business sense. Because I think, Mr. Chairman, there is no other industrial operation in the Province of Manitoba that is bigger than the Province of Manitoba, and the government and expenditure of the Province of Manitoba is the biggest business in Manitoba, and I think we owe it to the residents of Manitoba and to the taxpayers to try and run a more efficient type of economy, because on this is based development of rural industry and is based -- every minute, every hour of the lives of the people of Manitoba are affected by what goes on in this Chamber, and I think that we have the ability, I think we have the know-how, of how to run a more efficient type of government in the Province of Manitoba.

Mr. Chairman, my reaction to this is that the government of the day is not unlike to the man that ponders to buy something in a department store; he has a \$100.00 taste but with a \$20.00 pocket-book, and when it is the money that belongs to the taxpayers I think it's high time that we in this Chamber took a second look at it because there are many many people in this province who are paying taxes that can be saved by an efficient operation and yet not jeopardize the government or jeopardize the service that is being offered to the people of Manitoba, and in my mind, Mr. Chairman, I feel that there is no need to establish a separate

(MR. SMERCHANSKI cont'd.) department to do that which has been done efficiently, in a businesslike manner, in the past few years, and that we can continue to expand the industry of tourism in a proper manner; and it's all right again for the government, Mr. Chairman, to say that what took place many years what is taking place now.

I think we all recognize progress. As I recall it, we used to plow with oxen, then we graduated to plowing with horses, and then we're plowing with tractors. This is a fact of life, and as our government expenditures increase it is because we are progressing and to say anything different doesn't add up to any kind of a commonsense theory. I recommend to you, Mr. Chairman, that the present method of carrying on with the tourist industry is satisfactory, because if it isn't, then the government must take the responsibility that its program in the last few years has been a lost cause, which I don't think is the case, and for that reason, because we disagree with the ideals of the present government, it might be well for the present government to take a second look at it. As I say, there are equally as many justified reasons for establishing other departments because of the explosive growth in certain industries - such as mining for instance, as the Mines Department. But that is no reason why we should establish a Department of Mines, because this is costly and you can only expand in a proper relationship to the amount of tax dollars coming into the coffers of the Province of Manitoba.

I would also like to mention to the government that let them not be so cocksure that when we go back to the people of the Province of Manitoba that they're going to favour the program that's being instituted. Let them make the decision and we will have to abide by it.

MR. FROESE: Mr. Chairman, the resolution also calls for the authorization of payment for the costs of this department that will be incurred. No doubt members would like to know just how much is going to be spent. Certainly we don't want to give a blank cheque on this occasion when we pass this motion. I would like to hear from the Minister, just how much are we going to spend for this particular purpose in this year? No doubt next year it will be included in the estimates, but I would like to know how much is going to be spent in the present year under this item?

MR. MOLGAT: were going to ask some questions of the First Minister. There's been a fairly complete debate. I trust that we'll have more to say in debate on second reading.

I'm concerned about the results that we might expect from government expenditure. I have a good deal of sympathy with the idea that if you have to spend money in order to get things done, and the things that are to be done are important enough, you should proceed to do them, but the important thing is to make sure that we get the results out of them, and merely setting up departments does not necessarily achieve results.

Now by my reckoning, there are at the moment 16 departments in the estimates. I presume that this means that with the exception of Legislation, which I presume does not involve a Minister in itself, that it really means the possibility of 15 Ministers. I take it as well that -- some time ago we had a resolution presented to us by the Minister of Municipal Affairs setting up a Northern Affairs Department and I think, if I remember correctly, he indicated that that meant also a ministerial position, so that makes it 16 Ministers. I take it from the statement now of the First Minister that this is another department which makes it 17 potential Ministers. Could he indicate to me if these are the correct figures of the appropriations covering the possibilities of Ministers, and whether I am right that there are two new departments this year with the provision of a Minister and whether there are others which I may have missed?

MR. ROBLIN: Mr. Chairman, my honourable friend will note the Commission of Northern Affairs is a function that's within the Department of Urban Development and Municipal Affairs. I haven't got the list in front of me of the various departments that have been authorized. In some cases one Minister may carry more than one portfolio, but he has separate staffs of special advisers to advise him of the different departmental functions.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): It is correct, then, that there is provision at the moment, along with the one that is coming in today, for 17 Ministers. Are there more provisions than that, and are there more coming?

MR. ROBLIN: The government has no further plans this Session in this respect.

MR. FROESE: Mr. Chairman, I still would like to hear from the Minister whether he could give us some indication as to how much is going to be spent on this department.

MR. ROBLIN: Mr. Chairman, the bill to be presented will indicate that during this fiscal year there may be appropriation transfers in order to provide the funds required for the

(MR. ROBLIN cont'd.) administration of this department, but the bill does not come into effect until proclamation and I don't expect it will be proclaimed immediately. There is a good deal of organizational work to be done first.

MR. CHAIRMAN: Resolution passed. Next resolution before the committee: Resolved that it is expedient to bring in a measure to amend The Development Authority Act, 1963, by providing, among other matters, (a) for the establishment of a Growth Account in the Consolidated Fund and for the making of payments therefrom for certain purposes; (b) for the establishment of a Youth and Manpower Agency and a Nelson Agency and for the payment of costs incurred in respect thereto; (c) for the employment of staff for The Manitoba Development Authority and the above-mentioned agencies and the payment of remuneration thereto; and (d) authorizing the Minister under the Act to enter into certain agreements on behalf of the government. The Honourable the First Minister.

MR. ROBLIN: Mr. Chairman, I expect this measure will meet with more approval than the first one, because in this instance we are not asking for the creation of another department but we are assigning certain functions that were not previously exercised, to the Manitoba Development Authority. Now the Development Authority is established under the Statute, and is in effect a Committee of Cabinet charged with the oversight of economic development in the province, and I stated in the Budget Speech that was read some time ago that we intended to ask for, or to make provision for, the various functions that were listed here, although I did not at that time say that it would be brigaded under the Development Authority Act as is now proposed. There will not be a new department established in this case.

The members will recall the Budget Speech and they will remember that we are recommending that we take advantage of the Nelson River Development to promote the industrial growth of the province. One of the advantages of the Nelson River Development is that water rentals accrue to the Province of Manitoba to represent a new source of income to us, and it is proposed to ask the Legislature from time to time to appropriate an amount not more than the water rentals that are provided through the development of the Saskatchewan-Nelson River system, etc., as a growth fund.

Perhaps I can give some kind of analogy as to how this compares with previous endeavours in this field. Members will recall that some time ago when rural electrification was a live issue and was being actively pursued by our predecessors, they allotted certain funds related, I believe, to the water rentals for the promotion of rural electrification in the province, and I think all of us thought, and probably still do think that that was a good thing to do because it promoted the rural electrification of Manitoba. We're taking the same idea and applying it to industrial development.

Now I think I must frankly say to the Committee that this does represent new ground insofar as the application of this idea is concerned, and it is going to take considerable trial and error and study and experience to get the best combination and the best way of undertaking this promotion. But we visualize that we will be giving consideration to the use of these funds for mineral development in the Province in Manitoba. We'll be giving consideration in case we require to consider on a temporary basis freight subventions or special inducements to promote the further processing of raw materials within the Province of Manitoba. We're very anxious that the raw materials produced in the province, of whatever kind, are processed to the highest possible degree within Manitoba, and it may be that this fund may provide some assistance in carrying out that policy. It may be, perhaps, that the training of skilled people will be a factor to which some attention must be given and some funds made available, or for other measures of improving productivity and industrial development generally. So this Growth Fund will be devoted to an effort to accelerate the growth of the province either through natural resources or through industry, and to provide the means for the implementation of that policy.

I am sure that members will know that all over this continent various jurisdictions are experimenting with different kinds of industrial and natural resource development, incentives and inducements and policies of one kind or another. We naturally keep a close eye on the results that other people obtain and the methods they are using, and we try to learn from the experience of others as well as to do some original thinking for ourselves. We must frankly say that we will be feeling our way to a large extent, in the beginning, with the application of this idea and to see how we can make it work to a satisfactory effect.

At the time the Budget was read, reference was also made to the Youth and Manpower

(Mr. ROBLIN cont'd.) Agency. My honourable friend the Member from Burrows is quite right when he points out that there are planning manpower training policies of a wide variety in nature scattered through different departments. This has arisen for a number of reasons, mostly historical. One would think that the training of people was exclusively a preserve of the Department of Education, and indeed at one time it was, but when we get joint federal-provincial policies for in-plant training programs, when we have developments in the field of welfare for sheltered workshops and all that kind of thing for people who do not come within the regular ambit of education as we're accustomed to think of it, when we even think of the Attorney-General and his problems of rehabilitation of young offenders, and people like that, one can understand that it is not surprising that there has been this dispersal, or this growth, of various kinds of manpower training activities scattered throughout the government quite logically and quite naturally in a number of departments.

Now it might be said, "Why don't you put them into one department as we've done with tourism?" Well that was considered, but the more you get into the detail of it, the more clear it becomes that some types of manpower training are best undertaken in the line departments that are handling them now. To put them all into one department would get a great unmanageable affair which no one Minister could properly administer, and there are indeed conflicting goals, because what is standard in Education is certainly not standard in some of the other manpower training areas with which we are concerned.

But in our experience over the last year, we've come to the conclusion that while it would be wrong to interfere with the administration of these departments in any direct way - they're all doing the job and in my opinion doing a good one - and while it would be impractical and lopsided to try and lump all these manpower activities, manpower training activities that affect human beings, in one department, there is a good deal to be said for arranging a regular, recognized and established system to co-ordinate their activities as best we may, so one of the first responsibilities of the Youth and Manpower Agency will be to co-ordinate the various manpower training policies that we follow with the aim of getting the greatest possible use and value out of the activities we have now in hand.

There is also, I think, a continuing need to analyze manpower training policies and see whether they're adequate for the occasion. We have seen in the last few years, two or three years, if I can use the same old expression, a positive explosion in the interest that government is taking in manpower training, not just this government, but the federal government as well, and we have countless new policies, scores of new activities going on in the whole of this field, that are handled by various departments in the government because of our concern to upgrade the human resources of the province, of the nation, to enhance their abilities, to try and keep up with the mad technological and scientific scramble that all industries are engaged in, to supply the skilled workers that industry needs, and to make sure that as many people as possible do get the training that will fit them for a decent job and enable them to make the greatest contribution to society.

In the Federal Government, this matter was tackled differently because they don't have the regular educational function, I suppose. They found it -- at least they're going to recommend to the Parliament of Canada that they establish a separate department on manpower. I think that might be suitable for them because of the fact that they don't have this tremendous educational activity that we have, but sometimes I wonder, because I know that that department may have some trouble cutting across the interests of other departments. In our judgment it seems that for our situation we are better off to have this agency operate as a part of the economic committee of cabinet we call the Manitoba Development Authority, to undertake this task of co-ordination and to undertake the task also of analyzing what we're doing, analyzing the results we're getting, not from a departmental basis but from a detached and a more objective basis, and to recommend, where they deem it is not desirable, new approaches or changes that the line department will carry out. The line department will still have the full responsibility for discharging the responsibilities that they have now, and they will operate in the way that I have described.

We also want to study the question as to how we can involve our people more in this process of manpower upgrading. How can we challenge the imagination, not only of youth but of people who already were established in jobs, in order to make sure that their skills and abilities are kept in line with developments in the modern world?

So we're proposing this Youth and Manpower Agency to operate under the Development Authority. We're also proposing that the Nelson Agency be operated in the same way. As I

(MR. ROBLIN cont'd.) stated in the Throne Speech, we intend to make sure that the social and economic advantages of the Nelson River Development are maximized in as far as the Province of Manitoba is concerned. This agency will have the job of trying to put a "Made in Manitoba" label on as many products as possible. It will have to make it clear to Manitoba manufacturers the kind of things that go into investments of this kind, and to encourage them to undertake the experiment if they don't already do so, to seize the opportunity of making as much as we can in the Province of Manitoba.

There'll be a very considerable job as well, in relating the human skill requirements in this project to the output of our training schools, and this agency can be useful in this respect as well. I also expect that it will endeavour to assist Manitoba Hydro in developing markets for the electricity that will be developed. They will not in any way interfere with the Manitoba Hydro which will still discharge the responsibilities that are placed upon it by their statutes.

The one clause that members might wonder about is the last one about entering into agreements. At the present time the Ministers have the power to enter into agreements separately, and consequently we find that we run the risk sometimes of an agreement being entered into by one department where another one is affected, and unless we're very very careful we may not be certain that all aspects of the development have been considered, affecting as they do more than one department. So in addition to the authority that Ministers have now, we propose that the Development Authority have the same power to sign one for all rather than each one signing separately a half a dozen or so, as in the case in some instances, and accept also the responsibility of making sure that all the various angles in this matter are thoroughly considered from every departmental point of view. This is something of course that goes on anyway, but it seems to us that it would be useful to formalize this operation through the Manitoba Development Authority as we seek to do in this Act.

MR. MOLGAT: Mr. Chairman, I listened with a good deal of interest to some of the comments of the First Minister in this regard, and I will save the bulk of my comments for the time when we see the specific legislation that is proposed. Certainly, in the field of youth and manpower, these are crucial fields here in Manitoba and throughout Canada. The Federal Government has taken the first step in this regard and I trust that the Manitoba Agency will be working hand in hand with the Federal Agency and not setting up a competing agency, or one that won't be in complete co-operation; in this matter of setting up agencies, if one is in fact required, specifically for this purpose, that we must at all times attempt to do this in the most economical and practical manner as possible, and wherever the Federal Government are setting up programs, ours should -- except for the protection of our own position, we should make full use of their program and tie ours in to it to protect our own specific Manitoba interests. I would hope that we would find some information on exactly what is going to be done in this regard when the bill comes forward.

The question arises, insofar as the Manitoba Development Authority in some of these actions, as to what will be the relationship of these bodies and their actions to the House itself. Is there a possibility here that in fact a good deal of the responsibility of the House, the final responsibility of the House, is diverted into these authorities and that the House is not kept fully informed of exactly what is being done in the Province of Manitoba, what agreements are being made, and where do we stand?

The growth of government - I suppose this is inevitable with the growth of the problems, the new agencies that are set up, these new developments, can mean that in fact the representatives' power decreases. I think that in the long run this is not in the interests of good government. Now I don't know what exactly is proposed insofar as reporting to the House by the Development Authority and the new agreements that they may enter into. Although the Minister says that this does not give any new power - I understood him to say that it's exactly the same power that exists now - I would like to know exactly what is going to be the relationship insofar as this House is concerned and what information will we be given. Will we get all of the details and will, in fact, the House remain the final body that must make decisions?

Referring to the Nelson Agency - Oh I know, I presume that's the Growth Account. Could the First Minister indicate when it is expected that monies will be going into the Growth Account and what amounts might we be needing; how much money in fact will be coming into the Growth Account; what are the estimates now, as time goes on, of the development of this particular account. The Nelson Agency structure, it seems to me is moving into a field that is the responsibility of the Manitoba Hydro. When the Minister says that they will be used to explore for markets, I would assume that this is in fact a Manitoba Hydro responsibility,

(MR. MOLGAT cont'd.) particularly since we have welded the two agencies together sometime ago when the Manitoba Power Commission, which was the sales agency at that time, the distribution agency for power in the Province of Manitoba, was amalgamated with Hydro, the explanation, the reasons we were given by the government at that time for so doing were that there was in fact some duplication of work, that we would have a more efficient organization if we were to have one body, and as a result the Power Commission was dissolved and amalgamated with Manitoba Hydro.

Well it seems now, that for part of the work at least of the Nelson, we are taking a different tack, Mr. Chairman. Now we're setting up a new agency which, it would seem to me, insofar as the responsibilities at least for the sale of power, or the search for sale that the Minister referred to, is in fact a Manitoba Hydro responsibility, and one which I presume they have been doing, because during the whole course of the Nelson development, ever since the discussion started on this, we have, every year when it was discussed here in the House, emphasized that the Nelson development undoubtedly was one that was feasible insofar as the straight engineering of it. Whether it's feasible from an economic standpoint depends on the sale of the power, and at that time when the First Minister was talking about the total development of the Nelson, it was obvious that the sale of the power, in the early stages at least, would have to depend on sales outside of Manitoba; sales to our neighbouring provinces; hopefully, in fact, sales to Canada exclusively because here was a Canadian asset - a Manitoba one but a Canadian one - but we had to face the fact that another potential market was obviously that of the Northern United States, and when we were discussing in the committee stage, or rather at the -- well yes, it was in the Public Utilities Committee when the matter of the Nelson River was discussed and we had the Hydro people before us, there was a good deal of discussion as to markets and what studies had been going on, and we were told that there was continuing study, that the Power Commission and the Hydro here was part and parcel of the operation across the line, that they were consulting constantly, and that some steps had been taken to analyze the possibilities of sales there and in the other provinces.

So how did this, then, fit in with the Nelson agency? Is this not a duplication now of responsibilities; responsibilities that some three or four years ago we announced should not be continued when Power Commission and Hydro were amalgamated.

Those are some of the questions, Mr. Chairman, that I would like to have answered at this stage if we could, and depending on what answers I get, we will have, I am sure, further discussions when we reach the bill stage, because I trust that we will have complete details in the bill itself as to the operation of these various accounts and agencies.

MR. PAULLEY: Mr. Chairman, I just want to say a word or two. I'm not going to oppose the resolution as such, but I was quite interested in the remarks of the Honourable the First Minister in the introduction of this resolution.

I question the advisability of setting up another agency in respect of the Nelson River Development. I tried to find out some time ago whether or not this would be done, and the Minister did mention it in the Budget Speech, and I've now taken a look at it. And subsequent to the First Minister laying before the House the Budget, the federal authority has named the Atomic Energy Organization as its agency in the development of the Nelson. Now I understand that their function will be pretty well solely on the transmission lines between the northern development and other areas. Notwithstanding that, Mr. Chairman, it does seem to me that there is quite a new departure from the past method of electrical development in the Province of Manitoba,

We in this group have staked our reputation, if indeed we have one, on a number of occasions, on the capability and the qualifications of the Manitoba Hydro Power Commission. I'm glad that in most cases our faith has been vindicated by people outside of the House, but it does seem to me that there could conceivably be some areas where there may be some overlapping or some conflict in jurisdiction between the Nelson agency, as proposed by the First Minister, and the present functions of Manitoba Power.

One of the reasons, Mr. Chairman, I raise this point is because I have before me a transcript of the Budget address by the First Minister. On Page 26 I note that one of the things that the Nelson Agency will have, and I quote: "The Nelson Agency will also have special responsibility in the development of new commercial and industrial uses for electrical power within the province." Now, Mr. Chairman, this is a function at the present time within the ambit of the Hydro Board itself. Now of course, maybe the bill, when we have it before us, will clarify the confusion that the First Minister has raised in my mind by reference to his

(MR. PAULLEY cont'd.) statements within the Budget Speech.

I'm glad the Minister did dwell for some time on Subsection (d) of his resolution when he's dealing with the authority of the Minister under the Act to enter into certain agreements on behalf of the government. You know, Mr. Chairman, I'm quite a Democrat; not necessarily only a New Democrat, but a Democrat even without the adjective 'new'. An old Democrat too. I'm certainly not a Democrat of the old type that we used to use down on the farm. But notwithstanding that, Mr. Chairman, I'm getting worried, worried, about the likes of Section (d) authorizing the Minister to enter into agreements on behalf of the government. First of all, of course, the agreements should be entered into on behalf of the people of the Province of Manitoba, not the government, but because, as the Minister says, it's to act on behalf of the government, I have a great fear, because I don't simply trust the Government of Manitoba in entering into agreements insofar as utilization of the resources of Manitoba is concerned.

I've been very, very critical of the agreement that the former administration entered into in respect of Inco and the developments around Moak Mystery Lake and Thompson. True, eventually they were validated by the Legislature. But I want to say to the Honourable the First Minister, not on a personal basis, I simply don't trust the government to enter into agreements on behalf of the people of Manitoba, because generally of the psychology of the political philosophy of the government that we have in Manitoba at the present time. When I say this, I don't think that I'm more holy than they are, but I do think that I would be a little bit more considerate of returns to the people of Manitoba. However, Mr. Chairman, as I say, I'm not going to oppose the resolution at this time, but I want to warn my honourable friend - and I'm sure when I say this I place not too much fear in his body - I want to warn him, however, we will be giving close scrutiny to the aspect of whether or not the setting up of the Nelson Agency may bring about some confusion, and when we have confusion between government agencies such as the Manitoba Power Commission and a possible Nelson Agency, sometimes the benefits that should enure to the people of Manitoba may not be as good as they should be. We'll be looking very very closely at the contents of the legislation to see just exactly how much power the government is prepared to allow any Minister to have in coming to agreements of whatever the nature they may be.

MR. FROESE: Mr. Chairman, I, too, would like to make a few remarks on the resolution before us. I am still puzzled on the first clause, clause (a) for the establishment of a Growth Account in the Consolidated Fund. Does this mean that we will in future have allocations made in the estimates toward this account, or will the government have a free hand in spending monies without placing them in the estimates, and that surpluses in the Consolidated Fund of the province would be available for this purpose? I would like some explanation on this point.

The other point I would like to touch on is under clause (d) authorizing the Minister under the Act to enter into certain agreements on behalf of the government. Are we not establishing a new precedent and also the principle involved here by one Minister committing the government on a contract? Has this happened before, or are we establishing a new principle here?

MR. SMERCHANSKI: Mr. Chairman, I am at a loss to understand why we must have a Nelson Agency when we have such a competent Manitoba Hydro Commission. It functions as a very efficient body. Its functions are quite competent from the standpoint of engineering, and I think that we are going to have a great deal of duplication and additional cost of administration. Would it not be better, if there are any rentals or any revenues to be considered, would it not make more common sense to let these credits accrue to the cost of power development in the province, and pass it on to the consumers of this power? Why must we break into this formula that is complete as it stands now? Why should we interfere with this method at the present time? Is it not more advisable to have a cheaper rate of power, and this cheaper rate of power will attract the development of industry in the province? There is no better attraction for industry to locate in any area than the one main cost of operation, and that's your power rate. I think it would make a great deal more common approach in accruing any credit that may result from this to a lower power cost. The organization is set up, the Manitoba Power Commission is set up as a body, and I feel that this is the proper department where it should be handled.

The other matter of job training under Youth and Manpower agencies, Mr. Chairman, the other night - and I don't want to renew the debate, but if I understood the Honourable Minister of Mines and Natural Resources correctly, he did admit that the retraining of certain people in

(MR. SMERCHANSKI cont'd.) the Bissett area was a dismal failure. Now, Mr. Chairman

HON. STERLING E. LYON, Q. C. (Minister of Mines and Natural Resources) (Fort Garry): On a point of privilege, I said it was not as successful as we had hoped it would be. That's a little bit different from a dismal failure.

MR. SMERCHANSKI: Well then, Mr. Chairman, I guess I should use an adverb or an adjective and say that he said it was reasonably a failure.

MR. LYON: quote and you'll be entirely accurate then.

MR. SMERCHANSKI: In the matter of training young people, Mr. Chairman, I will agree with the remarks of the First Minister, this is one of prime importance on all levels of government, but I also would like to bring to the attention of this committee, Mr. Chairman, that we're not alone in this problem in Manitoba, nor are we pioneers in this program. I think that we can take a certain amount of guidance and possibly instructions, if we want to consider them as such, from the European countries such as Germany, Norway or Sweden, and I think that at one time when we had a delegation over in Europe, that one of the outstanding accomplishments that we noticed in the training of youth in Germany was one of possibly the highest level of attainment, and I wonder, Mr. Chairman, if we are not experiencing a rather jungle of training in the various departments as it is set at the present time. Because there has been a failure or a deficiency in the method of job training as established at the present time. I think that this work can be best done by industry and labour, and that government should only interest itself to the extent that both parties are working in proper co-ordination.

We were very much impressed with the fact that in one building, in one industry in Germany, they were able to train four and five categories of people connected with the fur industry, and it wasn't a matter of whether you had twelve people or whether you had enough in the form of 20 people to form a satisfactory teaching or training unit. In some instances there were only three people, but these three people were three trainees in order to further the overall success of the fur industry, and I think that this government is not looking into the advantages that every industry in this province can contribute in the way of proper job training. You know, Mr. Chairman, during the days of unemployment it was only because a friend of a friend or son of a father that was able to get on the payroll of whatever industry he may have been employed in, and I feel that that type of recommendation, that type of knowledgeable individual that will recommend others in the industry, will produce the best results, and it should not matter whether an industry wants to train two or three or four or five people. If you can multiply this by a hundred or by five hundred, you will accomplish a great deal of more substantial solid trainees in the industry who will stay in that industry than you will with running it on the basis of a classroom approach.

Mr. Chairman, this matter of job training has a great deal to do with the problem of automation, and I think that the Honourable Minister of Labour has recognized this and I think that here again, if I recall correctly, his feeling was that this should be left to industry and labour, and properly so. Properly so. And I think there's a certain amount of danger and a great deal of unnecessary intrusion by the government in reference to job training as far as industry and labour are concerned; and the reason being, Mr. Chairman, there is no better example of this than to find out that there are some five or six departments who are responsible for job training. I also recognize the fact that certain departments have to have that specialized field of job training, but I recommend, Mr. Chairman, that industry -- those people that are involved directly in this industrial development are in the best position to know what they need in the way of proper job training program.

Mr. Chairman, I feel that some of these suggestions in this resolution are premature. I would like to see a study or co-ordination of our job training program in conjunction with industry and labour, and I think that the advantages and the advisability of establishing any such agencies should then be decided on after giving full recognition to the present method of job training, and as I mentioned at the outset, Mr. Chairman, a country like Germany or Norway or Sweden - and I simply use Germany because this is where we saw the actual job training program in progress - that we are not embarking on a new idea of job training, and quite frankly if we adopt this method of job training we will, in addition to training our young people into satisfactory jobs, we'll also increase the industrial growth of our province. Because, Mr. Chairman, remember this, in a classroom of 20 trainees any initiative, any ambition that any one of those 20 trainees may have, is lost; is lost to the cause of industry because you are training them on a wholesale basis. But, Mr. Chairman, you select three or four of these

(MR. SMERCHANSKI cont'd.) individuals and take them into a small specialized industry, and you interest them in this specialized industry, and I'll guarantee you that those trainees are going to be excellent workers and in due time will be wanting to set up their own businesses creating more jobs for more people, and I think that we're missing the entire approach to job training in that we are not encouraging, we're not triggering that ambitious growth that is present in the young people of today and which they resent in a mass classroom approach to job training as we've had to this date. And unless we overcome that approach, Mr. Chairman, we're not going to accomplish with job training the program that we should. In closing, Mr. Chairman, I say that we should be very careful how we embark on these new programs and I recommend that the Nelson Agency could well be administered by the Manitoba Hydro Commission.

. . . . continued on next page

MR. ROBLIN: . . . answer some of the points that members have raised. I must say that the Honourable Member for Burrows has brought a ray of sunshine into my day. He really has. That unqualified endorsement of the Manitoba Hydro Electric Board comes from an unusual quarter and I dare say that a little while ago it might not have been so freely expressed.

I also say to my honourable friend I remember so well how two years ago when he was expressing his doubts and his reservations about the prematurity and the inadvisability and possibly the impracticability of the in-plant training program and I find that now two years later he has delivered us of his views in which he commends this as being the only way to . . .

MR. SMERCHANSKI: Would you tell me where I said I did not favour the in-plant training program?

MR. ROBLIN: Yes, Mr. Chairman, right here in this Legislature standing in that place where you stand now.

MR. SMERCHANSKI: What page of Hansard.

MR. ROBLIN: Why doesn't he ask me what day of the week. I will be glad to give him all that information. However, I want to tell my honourable friend that he has brought a ray of hope to me because I think if we keep on working at it long enough we'll get him in a proper frame of mind for most of the policies the government have.

Now, I'd like to clear up one thing that has obviously disturbed a lot of members and that is whether the Nelson Agency is going to trench on any of the activities of the Manitoba Hydro. When you see the bill you will see that we very specifically and by Statute declare that that shall not be the case. So whatever activities the Nelson Agency turn out to be there's certainly going to have to be in co-operation or ancillary to Hydro and in no way to trench upon their activities because we share the general opinion of the province I think - share it in a very deep and profound way - the respect and regard that the people have for the efficiency of the Manitoba Hydro Electric Board and the people that are running it. And I want to make no mistake about that.

Now, I can understand the feelings of the Leader of the NDP in which he declares himself reluctant to trust the government particularly to enter into an agreement for the people. Well, somebody has to and the way our constitution is that it's up to the government to take the executive action for entering into these agreements. But of course this in no way detracts from the authority of the Legislature because we have to report to this House and hold ourselves responsible to it for anything that we happen to do. So I want to assure him on that point and to say to others who ask about it that as far as I am aware no new power is being sought, it merely is the power that already exists in the hands of different ministers may now be exercised through the authority which is a committee of the same ministers - if you get my description of the situation. So I don't think there's really anything that need alarm us there.

I think about the only other point that I should speak of was raised by the Leader of the Opposition when he asked if we were co-operating with Ottawa. Well the answer is yes, because when I was in Ottawa yesterday I took advantage of the opportunity to call on an old friend of mine who is now the deputy, or is to be the Deputy Minister of Manpower when its department's created. Mr. Tom Kent, and we had a very useful and harmonious discussion on manpower problems. --(Interjection)-- So I think that ought to satisfy the Leader of the Opposition as to whether we have reasonable co-operation with the federal authorities in this important field of manpower training. (Interjection) I thought that piece of news would cheer my honourable friend and I give it to him with real interest.

I think, Sir, that covers the main points that were asked of me and I hope I dealt with them.

MR. CHAIRMAN: The next resolution before the Committee: RESOLVED that it is expedient to bring in a measure to authorize grants to be made in respect of mineral exploration in the province. The Honourable Minister of Mines and Natural Resources.

HON. STERLING R. LYON, Q. C. (Minister of Mines and Natural Resources) (Fort Garry): Mr. Chairman, this being the resolution stage where we're merely requesting the authority of the committee to pass this money, I'm sure that I'll have unanimous endorsement from all sides of the House on this matter which has been spoken of before. I'll be happy to provide the details when we come to second reading of the bill, but essentially the intention of this legislation is to provide further exploration incentive for mining companies and prospectors in our province. The mining industry as has already been mentioned in the debate today had last year a production of \$182 million. Our exploration and development program - when I say ours I mean the program conducted in Manitoba by private companies and individuals - is estimated to be in the area of \$4 to \$5 million per annum. We hope through this legislation to

(MR. LYON cont'd)... stimulate that development even further and we hope by this legislation to stimulate this kind of exploration work in more remote areas of the province where there has not been the intensive kind of exploration that has taken place in certain other mineralized areas of Manitoba. So as I say, the assistance will be provided in the form of grants which will be secured for repayment by way of an agreement; they will be repayable if a mine is developed on the property for which the grant is given. The grants will represent no more than 50 percent of the total of the expenditure in any given case up to a maximum of \$50,000 on any one property.

The incentive program that will be before the House in this legislation is patterned to a large extent upon the program that is in vogue in Saskatchewan and the federal program that was recently announced by the Department of Northern Affairs and which is in vogue now in the Northwest Territories. We hope that this legislation will have the results that we anticipate and we are happy to recommend it to the House as a further stimulant to development over and above the incentive programs that are already being offered, Project Pioneer and other incentives which are already apparent in this field. I hope it will receive the unanimous endorsement of the Committee.

MR. SMERCHANSKI: Mr. Chairman, for once I am going to be in agreement with the Honourable Minister of Mines and Natural Resources. I want to congratulate him and I concur this is the program that is based along the line of assistance given in Saskatchewan and also as developed by the Federal Government in the Northwest Territories. This is an excellent program, this is a good program and I am highly pleased because we have lost to the Northwest Territories and to Saskatchewan in the last couple of years some of the development carried on by various exploration companies that might well have taken place in Manitoba, and I want to commend the Minister of Mines and Natural Resources for bringing this resolution before the House.

MR. SAUL CHERNIACK, Q. C. (St. John's): Mr. Chairman, I think we've just heard the kiss of death. If ever I had doubts about a program the fact that it was endorsed so wholeheartedly by the Honourable Member for Burrows, I certainly worry for and on behalf of the people of Manitoba for whom I assume this proposed legislation is brought. (Interjection) I have great fear because I consider that the Honourable Member for Burrows speaks on behalf of private enterprise and of the rugged individualists who go out and as he has described it in the past with pack on their backs, go out prospecting because they are "the" - truly the free enterprises; and for him now to endorse the participation by way of loans to these prospectors makes me shudder at the thought of what might happen to the interests of the people of Manitoba.

We have had spelled out to us by the Honourable Minister the manner in which these grants are made. I don't know why they're called grants, if indeed they are loans, and I hope we'll get some clarification just why and how grants can be interpreted to be loans. Still he says they are loans and that's good because loans mean agreements and agreements mean understandings and terms. So far this government has succeeded in collecting in royalties some 2 1/2 percent of the production and we have had occasion in the past to deplore the fact that the government has not made a more substantial return on the natural resources which we lend out to the people in that field which the minister has formerly described as being irreplaceable, non-reproducing natural resources. Now if the government finds it necessary with the commendation and assistance of the Honourable Member for Burrows to give these incentives then I would like to know just what the government is going to get back. Is the government going to continue to get back some 2 1/2 percent of the production? And when I said "is that all they get back" I want quickly to say that I appreciate the fact that production of this type brings with it other benefits for the people not just the royalties. Yet the royalties are the investment that the people are getting back from the direct return of permitting private enterprise to deplete our resources and I would think that it is high time that if the government is going to gamble one-half of the cost of exploration that it's return should be substantially better than 2 1/2 percent of the production.

I have not participated in the recent debate on the question of Bissett, mainly because in the last three years I have again and again suggested that the government ought to make sure that when private enterprise goes in to exploit a natural resource it should also be given the responsibility of making sure that when the time comes and it becomes no longer economically advisable for private enterprise to continue that they do not leave as a legacy to the people of Manitoba the burden of ghost towns and the burden of rehabilitation and replacement for all those people that were brought to work for it on behalf of private enterprise to exploit these resources.

This gives the government a proper opportunity in making these advances to make sure that it has proper protection on behalf of the people not only to share in the profits that will come from the enterprise but also to make sure that there is proper reserves set aside to take care of

(MR. CHERNIACK cont'd)... the eventuality - and I quote the Honourable Minister, not verbatim but in the sense of what he said - that these are resources that we know will be depleted; these are developments that we know will come to an end; and knowing that in advance we have to date done nothing in my opinion to guarantee that when the time comes that this organization whatever it be in private enterprise had made sure that it tidies up its house when it leaves - and I use that expression to remind people who are aware of leases, that when you lease something out the term of the lease usually ends up that when the lessee leaves he will leave the premises broom clean and properly setup so that the lessor is able to come back and say "A clean job has been done in connection with that leasing".

So I would urge on this government, dedicated as it is to the principle of free enterprise, that it should make sure that when it enters into the field of giving to free enterprise grants or loans that it also makes sure that the free enterprise which receives it is made to be sufficiently responsible to see to it that firstly the people of Manitoba who make the investment get a proper return on the investment; secondly that when they close up this, and we know they're going to, that when they do close it up that they don't leave this government in a position where it must send out a battalion of cabinet ministers to assess, survey the situation and decide what can be done; so that the government, whichever one it will be, will not be left with a tidying up operation left as a result of a mess which is the, as I called it, the legacy that private enterprise leaves as it cuts its swath through the natural resources of this province.

MR. SMERCHANSKI: Mr. Chairman, I'd like to add a further word on this. The Honourable Member from St. John's obviously does not know the program as it exists in Saskatchewan and the Northwest Territories. And this of course I'm not surprised because he always goes on a tangent before getting the facts before him, and he well, may appear to be shocked because when he makes a statement which is completely untrue in terms of 2 1/2 percent royalties and overlooks the fact that there is a 50 percent federal tax on earnings beyond the first \$35,000 is completely untrue. He can say it is a kiss of death if he wants to, but let me draw the attention of the Member from St. John's that the northern wilds of Manitoba, those mineral resources that you so glibly talk about, are open equally as much to the NDP Party as they are to any member in this Chamber of any other free enterprise party. There are no holdbacks. You can go in and make your own investments and make the money rather than the other members in this House. This is open to you. But I think that he speaks with not having sufficient knowledge of what prospecting and development truly means. He thinks it's something that all you do is there for the asking. I want to tell him once again that there is no harder work in this world than that of a prospector and a mine developer, both from the standpoint of energy, ability and brain power. This is a tough proposition. I well remember the NDP Party talking about the Inco cow up at Thompson and thank goodness nothing has been heard about it for the last two or three years. A most unfair accusation of Thompson. Here is a company that has gone out into the wilderness....

MR. ROBLIN: Mr. Chairman, if I reminded my honourable friend he's an awfully long way from the text of the resolution. Surely we're going to deal with the resolution. I'll admit he's not... defender, but still...

MR. SMERCHANSKI: Mr. Chairman, the development of the International Nickel at Thompson has everything to do with the mineral exploration in this province, but I will not belabour the point long, but I do want to come to a conclusion in that the mineral development of the International Nickel Company at Thompson contributes from the standpoint of taxation to the housing development, school development, municipal taxes, federal taxes, provincial taxes, royalties included and a sales tax; and when my honourable friend from St. John's tells us that this is the kiss of death, I say to him most advisedly he doesn't know what he's talking about. You know I think, Mr. Chairman, his approach to mineral exploration is somewhat warped and I would recommend to him and to his Party that the mineral exploration in Manitoba is equally open to free enterprise and to the NDP Party.

MR. CHAIRMAN: Next resolution: RESOLVED that it is expedient to bring in a measure respecting the control of accesses along certain highways, and to authorize the payment of compensation for the closing of certain accesses along such highways.

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities) (River Heights): Mr. Chairman, this Act, the Highway Protection Act is required because of the complete revision of the old Highway Traffic Act. Deleted from the Highway Traffic Act were matters that had to do with administration and the limited access highways because it was felt that they really didn't have a place in a Highway Traffic Act that was designed

(MR. STEINKOPF cont'd)... to be more mobile than the matters now in the new Highway Protection Act. There are four parts in this new Act that are substantially the same as the old part 3A of the Highway Traffic Act. A very few modifications modernized to provide for property owners in the vicinity of the Freeways to get access to limited access highways, but other than that there isn't any substantial or material change.

There is however, one new section that you will find in part in the new Act which deals with the control of junk yards - junk car yards, I should say, that are in the vicinity, in the neighborhood of the highways, and it was thought desirable to have legislation available for action if needed, but it's not the intention to proclaim this section of the Act immediately because there are parts in the Act that will require certain notice by municipalities, certain by-laws will have to be enacted by municipalities, and it is the intention of the department to give all of the municipalities the opportunity of putting their own by-laws and house in order so that they may be in a position to take advantage of the legislation. There is a part in the Act that deals separately with Metro, and it's position vis-a-vis, these junk car yards, and other than that there is nothing of any specific mention that I couldn't bring up at the second reading of the Act.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I note the Minister's statement regard the junk car yards along highways, and if I understood him correctly he indicated that it was not the intention to proclaim this portion at this time. I would like to ask him why, if it is the decision of the government to do something about this, do they not wish to proclaim it at this time? Secondly, what exactly is going to be done insofar as the present existing junkyards on highways? Will there be a compensation plan to assist them to move, or what are the proposals of the government in this regard? It's a reasonably simple matter I suppose to control them for the future, and to say that no further yards will be allowed, but is it the government's intention to force those that are presently there to be removed, and if so, what arrangements does the government propose to make in this regard? Will it compensate or will it assist, or will it itself take away the cars that are there and that are to be disposed of?

Insofar as the general Act, Mr. Chairman, I gather from the Minister that there are very few changes to be made, this is in fact the Act that was in existence before put into a different form. I would like to make some suggestions with regard to the operation of the Act itself. I've had occasion to appear before the Board which determine the applications for amendments to any of these access applications and I found that the Board is very often in a most difficult position. They are in great sympathy with the person making an application for a variation, because the individual's proceeded to purchase a piece of land, say, without any knowledge at all that there was a restriction facing him. In a number of cases the individual's proceeded even to do some building, at a fair amount of expense, and suddenly he finds out that he was not allowed to do this, but the action has been taken, has been taken most innocently; no one can correct it at that time. The Board is then in the most awkward position that they have a law to apply and there are a set of principles behind the law, which I think are sound, that is that you cannot for safety reasons and for sound development reasons simply have any number of accesses along some stretches of highways at least, the Board then I think in most cases is forced to follow the law which does involve a good deal of hardship on a number of individuals. I asked the Board if any steps had been taken to see to it that lawyers when they were making transfers of land warned the new buyer about the fact that there was a restriction, and I understood from the Board that all the lawyers in the province had been notified of this and that undoubtedly a good number of them were warning their clients, but possibly many others didn't think about it at the time, or didn't realize that there was a restriction and the transfer went through.

It seems to me that we should take some steps along the line and I would think that the Land Titles Office would be the proper place to do it, where if there is in fact a restriction placed on a piece of highway that that should be indicated at the Land Titles Office, so that when an individual comes along at a later date to purchase a piece of that land he would be very clear right at that time that there is in fact a restriction. He would then be in a position to find out whether or not the purpose that he intends to use the land for, or the access that he might want to use, would in fact be denied to him under the law, because I have seen this happen in parts of rural Manitoba where I think it is normal to have one access per quarter section from the highway onto the land. This is a normal farm access. An individual sees that access, he decides that this would be a good place to set up a business. I have one case in particular, it's an implement agency. He proceeds to buy a portion of the land including the access, say a 10 acre piece, sets up a building, establishes his farm implement agency, there is an access road in, so

(MR. MOLGAT cont'd)... he assumes that the access road will be there for the farm implement agency. It is only subsequently that he finds out that that access is really limited strictly to farm use and that the Board in fact, cannot allow him to continue using it. But he has by this time made his investment. Now had there been at the Land Titles Office clear registration of a restriction then surely he wouldn't have entered into the purchase to begin; he wouldn't have entered into the expenditure that he was involved with; and insofar as the Board itself, they wouldn't be faced with an application, which I am sure they sympathize with and which in justice they cannot grant.

So this would be my suggestion, Mr. Chairman - maybe the Minister has some other means of doing it - but I think we should, rather than have all of these applications come before the Board, if we could protect the buyers beforehand, see to it that it doesn't happen, the Board would have less applications, less headaches, and a lot of people would be saved a good deal of inconvenience.

MR. FROESE: Mr. Chairman, I think this is a very important point that was just raised by the Leader of the Official Opposition. Personally I have also attended committee meetings, or meetings of the committee that authorizes these access to properties, and also witnessed where they refused applications and I find that the refusal to grant these permits to have an access devaluates property next to the highways. I think this is a very important point because people, naturally if they want to put up a farm homestead they like to settle right next to a good highway, and in this way the properties next to a highway have a better valuation as a result, and here, because of denying these accesses we are thus reducing the values of these properties. I think we should take a very close look at this.

Then also, I find in this resolution that compensation is going to be made in certain instances. What is the basis for this compensation? Are these people where you are going to close accesses are they going to get sideroads or what is the basis on which the compensation will be made? I am certainly looking forward to seeing this bill and will have further comments on second reading no doubt.

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Chairman, I would like to commend the Minister for introducing this resolution, especially in regard to the control of junk yards along our highways. I am concerned though as to the meaning of "certain highways". I think that this should be extended to our secondary highways also.

I am reminded that the Chambers of Commerce at their convention entertained a resolution deploring the fact that many of our scenic roads, not just the main highways, are being made unsightly by the gathering of old cars. This doesn't only apply to the commercial junk yards. There are many of our citizens who see fit to have five or six junk automobiles, some of them rolled up on their tops, in the front yard. One of the impressions I got of Churchill was the fact that when we got there that no one takes the time to bother pulling off the wrecks once they have a crash. They just leave them on the corners of the streets. This was my first impression of Churchill. I think the Chambers of Commerce are quite right. I don't think there is anything that arouses the ire of citizens when they're out on a scenic drive to see these individual junk yards that are cropping up. I would only again thank the Minister for it but I would also like to make sure that this doesn't just apply to two or three of our main highways.

MR. STEINKOPF: Mr. Chairman, in replying in reverse order, at the moment the Act will provide for the scrap storage yards to be 1,500 feet off a Provincial Trunk Highway, a Provincial road or a Metro street. There is then a definition of Metro because 1,500 feet off a Metro street wouldn't work the same as it would in the rural areas.

In reply to the concern about what are we going to do about the junk cars that are there now, whether there will be any compensation for that, there is none provided for in the Act, but there is provision for regulations to be made under the Act and this may or may not be possible. One of the problems that comes up in this matter is what to do with the cars. There has been a suggestion that they be compressed and the machinery in this business is just being developed to a point where I think it will be feasible within the next year or two, but isn't quite ready yet. This is one of the things that we are watching and we would like to see that we have some way of disposing of the corpus after we get into the business of moving it. The first step though I think is to stop the growth of these junk car yards, and this Bill when it's in operation will certainly have that effect.

The matter of people buying lands and then finding that they have some fault in the title insofar as their ability to use the limited access highway certainly is the main point behind bringing in this Act, and I think that the Honourable Leader of the Opposition has put his finger

(MR. STEINKOPF cont'd)... right on the problem that exists, and this was realized too in the last year or so as the Board went from area to area and found the same problem existed. Last summer a blanket caveat was placed on all the trunk highways in the Province of Manitoba declaring them all limited access highways, so that notice would then be given via the Land Titles Office as suggested. I'm not sure whether all the titles in that connection yet have been serviced at the Land Titles Office or whether that is clear when a man buys or transfers a piece of property, but we have registered the caveats in the Land Titles Office for all of the trunk highways declaring them limited access highways, so that people will have notice, or should have notice that if they buy a piece of land adjoining a trunk highway they will be subject to the regulations and the rules connected with the operation of limited access highways.

This problem has been accentuated in the last three or four years, particularly in the rural areas, and in towns that are expanding along the highways where people are buying strip land -- I can mention any number of cities or towns in the province where the problem has come up -- but the Board in the past has tried to operate as reasonably as it can. There have been cases of hardship but I'm happy to report not too many of them, and in most cases compensation has been provided.

The new Highway Traffic Act also provides for a new traffic authority which combines part of the work of the old Highway Traffic and Co-ordination Board with the Motor Carrier Board so that we will have a more compact way of dealing with these applications, and also a more expeditious way in getting around the province because many of these problems arise outside the urban areas. I think the two Acts working together should be a great improvement over what we've had although I don't think it's going to be a 100 percent fool proof yet but it's getting a long way towards that goal.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, the action taken to restrict the use of the land next to a highway does have a definite effect on the value of that land. In other words if a piece of land by government decision cannot be sold then the value is very definitely affected. Is there any compensation then for the individual who owns that land and through no action of his own but by government decision finds that he can no longer sell it and that the valuation is definitely decreased. What is the situation then?

MR. STEINKOPF: This restriction doesn't prohibit or prevent the owner from selling the land but he sells it subject to notice that it's beside a limited access highway. When the purchaser gets notice that there is going to be a limited access road built beside the highway and the department requires that land and it is expropriated or dealt with in the usual way the person gets compensated for taking of his land. There's a theory - the appraisers have a value of what they place on these lands - if it happens to be part of a farm land the theory is if you take 25 or 50 feet off the road allowance and you push it back a bit the rest of it still has a pretty good value, maybe even a greater value because you have a safer way of getting into your property, you're not just coming right out smack bang against traffic that's moving very fast down a major trunk highway. I think the experience in the United States is that these businesses that now are off the second road - off the access road, are turning out to be good profitable enterprises.

MR. CHAIRMAN: Resolution passed. Committee rise. Call in the speaker. Madam Speaker, the Committee has adopted certain resolutions and request 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. ROBLIN introduced Bill No. 124, an Act respecting the Department of Tourism and Recreation and Bill No. 125, an Act to Amend the Development Authority Act, 1963.

MR. LYON introduced Bill No. 127, The Mineral Exploration Assistance Act.

MR. STEINKOPF introduced Bill No. 126, an Act Respecting Access to Certain Highways and the Control of the Land along Certain Highways.

MADAM SPEAKER: Orders of the Day.

MR. CHERNIACK: Madam Speaker, before the Orders of the Day may I address a question to the Honourable the Attorney-General? In view of the fact that we've been in possession for the last seven weeks of the Report of the Standing Committee of the Statutory Regulations and Orders, is the Minister prepared to bring in legislation pursuant to this, this Session?

HON. STEWART E. McLEAN, Q. C. (Attorney-General) (Dauphin): Madam Speaker, the Report hasn't been concurred in yet.

MR. CHERNIACK: May I ask a supplementary question? Ask if the Bills are ready so that they could be dealt with, if it were concurred in?

HON. GURNEY EVANS (Minister of Industry & Commerce) (Fort Rouge): Before proceeding with the Orders may I lay on the table of the House Return to an Order of the House No. 60, dated April 5th on the motion of the Honourable Member for St. Boniface.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Madam Speaker, before the Orders of the Day are entered into I would like to inform the members of the House that there are two helicopters available at 5:30. I'd hoped that I could have notified you sooner. I think our Whip has notified all the members. One will come in at 5:30 and having been loaded will take off and the second one will land immediately to load up. I've only one request to make. There are 57 members in this House including Madam Speaker and if - there are 50 seats available and if there are three or four more than the helicopter can contain, I would ask those who have already had the advantage, as some have had, of viewing the flood plain, I would ask them to give the right of way to those who haven't. Otherwise you can all pile in.

MR. SHOEMAKER: Madam Speaker, I wonder if we could have some assurance that the Honourable Member for Churchill and the Honourable Member for St. Boniface could be put on separate helicopters so that we would ride more comfortably. I would like to direct a question to my honourable friend the Minister of Health. Once again, are we going to have legislation at this Session in respect to the - or based on the recommendations contained in the Dental Services Committee Report; or are we going to be allowed to discuss the Report at this Session of the Legislature?

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Madam Speaker, in view of the lateness of the Session we will not be having legislation this Session.

MR. SHOEMAKER: A subsequent question. Are we going to be asked to concur in the Report?

MR. WITNEY: Madam Speaker, the answer is no.

MR. LYON: Madam Speaker, before the Orders of the Day are proceeded with, I should like to lay on the table of the House a Return to an Address voted by the Honourable Member for Emerson, dated March 17th, 1966, No. 9; a Return to an Address voted on the motion of the Honourable Member for LaVerendrye dated March 21st, 1966, as No. 10; and a Return to an Order of the House No. 54, dated March 24th on the motion of the Honourable the Leader of the Opposition.

MR. HUTTON: Madam Speaker, I have a list here of the group who intend to go on this flight over the flood area and on the basis of this count even those who have been over the area before could be accommodated if they wish to go.

MR. MOLGAT: Madam Speaker, I would like to address a question to the Minister of Health. Is it not correct that when he introduced the Report that he indicated then, in reply to a question, that he would move concurrence? Is it not correct that on several occasions after that he was asked whether he would move concurrence and introduce new legislation and he said that he would?

MR. WITNEY: Madam Speaker, in answer to those questions I said I intended to do so.

MR. LEONARD A. BARKMAN (Carillon): Before the Orders of the Day are proceeded with, I wish to ask a question from the Minister of Municipal Affairs but I see he's not here. Maybe I can direct my question to the First Minister? As you know, the deadline for municipalities to pass their budget is April 15th, which is tomorrow, and due to the fact that most school boards have not submitted their budgets to the municipalities - I guess because of the proposed white sheet coming from the Department of Education - the question is this, will the municipal department grant an extension to the April 15th period and if so to what extent?

MR. ROBLIN: Madam Speaker, I will take the question as Notice and ask my colleague to deal with it in due course.

MR. MOLGAT: Madam Speaker, I'd like to ask a subsequent question of the Minister of Health. Did I understand him correctly to say that when he was asked the question on several occasions in the past his reply was that he intended to?

MR. WITNEY: Yes, Madam Speaker.

MR. MOLGAT: Then a subsequent question, Madam Speaker. Am I to take from that then when this government says it intends to do something that the actions do not necessarily follow, or do not follow?

MADAM SPEAKER: Order for Return. . .

MR. ROBLIN: Madam Speaker, perhaps I could move the supply motion. . . Well, if my honourable friend wants to move the Order for Return we'll get it off the paper.

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the New Democratic Party.

MR. PAULLEY: Madam Speaker, if it takes as long to get this one back as normal I think it should be moved today. Madam Speaker, I beg to move, seconded by the Honourable Member for Seven Oaks that an Order of the House do issue for a Return showing: All costs concerned with the investigation into alleged charges of incompetence regarding the construction of the Hydro-Electric Plant at Grand Rapids showing (a) the cost of providing for transcripts of the public utility meetings since the allegations were made; (b) the cost of the Tritschler Commission Enquiry; (c) the cost involved in having available to the Commission a testimony and presence of Mr. Buie, former manager of Drake-Pearson Construction before the Commission; (d) whether or not the above costs were borne by the government or by the Liberal Party of Manitoba; (e) the number of copies of the Report of the Tritschler Commission which have been published. A slight clarification, Madam Speaker, (d) refers to costs under (c).

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, I can say right away that the Honourable Judge who conducted this enquiry is one of those who refused to accept any additional emoluments for his services as a royal commissioner. So I can give that information. We will provide the rest of it insofar as it is known to us. What the Liberal Party did with Mr. Buie is one of those mysteries into which I doubt the government will be inducted.

MADAM SPEAKER put the question 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.

MR. PAULLEY: Madam Speaker, before you put the question, I have a matter which I wish to draw to the attention of the House.

MADAM SPEAKER: The Honourable Leader of the New Democratic Party.

MR. PAULLEY: Madam Speaker, it is my desire to bring to the attention of the House what I consider to be a grievance concerning a situation in the City of Transcona and in the . . . School District No. 39, and in the Transcona-Springfield School Division No. 12 regarding school trustees in these areas.

Madam Speaker, on February 9th I asked for a Return to the House showing copies of all correspondence between any minister or ministers of the government of Manitoba, and Transcona-Springfield School Division No. 12 and Transcona School District No. 39 - school boards and school officials since September 1, 1965 relating to the payments to school trustees.

A brief history, Madam Speaker, of the situation in the area leading up to the present is that toward the latter part of the year one of the trustees of a school division raised a question at a school board meeting in Division 12 as to whether or not it was proper for members of the school board to receive compensation for loss of time from their work. It appears that following the question raised by that particular school trustee, one Peter Liba, correspondence took place between the School Division and the Minister of Education regarding the legality of the payment of lost time for work. Subsequently, because there is a considerable overlapping of members of the two boards, the matter pertaining to the school boards, or school trustees rather of School District 39 also came under consideration. I might say, Madam Speaker, that this to me is a very unfortunate circumstance. I also want to say to you, Madam Speaker, that I find myself in a rather unfortunate position because every member of the Transcona School Board or the Springfield-Transcona School Division are personal friends of mine, and I want it made perfectly clear that I'm levying no criticism toward the trustees as such.

The situation, Madam Speaker, is a peculiar one I think to the City of Transcona, that is, that being a railroad town, or at least we were pretty well solely a railroad town at one time, it was deemed advisable to charge as legitimate expenses while engaged on behalf of the school board to reimburse on a strict hourly basis the amounts of money that the individual lost as a result of having to punch the clock in the railroad and work for the school board. Those who were on hourly salary were not affected and did not make any requests or did not receive, until possibly recently, any extra monies for their conduct of school business other than as the result of the indemnity that they were allowed. The situation, Madam Speaker, is that the

(MR. PAULLEY cont'd)... school trustees had for some considerable period of time, I believe since 1952, been reimbursed for lost time with the railway.

I might say, Madam Speaker, that I was on School Board No. 39 in 1951 and as far as I am aware at that time the situation didn't prevail, but I think following that, it may not have been '52 but some time after that, and I'm certainly not trying to clear myself, it became a practice for this to be done up until I say the matter was raised by the school trustee that I referred to back in September or thereabouts. The matter was referred to the solicitor for the school division and he made a report to the School Division No. 12 on October 29, 1965 pointing out to the Board that it could conceivably be that under the provisions of the Public Schools Act, the members who had received compensation for loss of time were in violation of the Schools Act and particularly a violation of Section 123 of Section 1. It is my understanding, Madam Speaker, that on receipt of this information from the solicitor the practice ceased forthwith.

Two of the trustees who had received compensation eventually made restitution, resigned from the Board, ran for re-election, were unopposed and as a result of course are members of the Board at the present time. These members were Mr. Harold Hatcher and Mr. Pete Sosiak. Another member of the Board, one by the name of Bernard Wolfe, who had received compensation as did Mr. Hatcher and Mr. Sosiak, made restitution but he did not run again; his term expired at the end of December. That was that. Another member of the Board who had received some compensation, namely one Mr. Stoyko of the rural section of the division who had received repayment for loss of time, also was defeated, if memory serves me correctly, in the subsequent election. Two of the members of the Board, however, Madam Speaker, Messrs. Malashewski and Shields did not make restitution and as the result of a request of a citizen to the Minister, the Minister in accordance with the Act ordered an investigation made into the situation, and in particular as it affected Messrs. Malashewski and Shields. Recently, the school inspector informed the Board, I believe on April 12th - it's reported in the Tribune on April 12 - that the seats of trustees Malashewski and Shields should be declared vacant.

The reason I raise this as a grievance, Madam Speaker, is because of the fact that I think these two gentlemen, as indeed the others, were victims of circumstance. I mentioned earlier that this had been a practice insofar as the conduct of business of the affairs of Transcona were concerned that where a person actually lost money out of his own pocket on public school business he was reimbursed only for that amount of money. The question arose in the minds of the trustees, Madam Speaker, as to what was the proper course to take. Should restoration be made would - if in fact restoration was made, this would clarify the whole situation insofar as any legality was concerned; or if restitution was not made would this render those who did not make restitution more liable than those who had made restoration.

I want to say, Madam Speaker, that I'm positive that Messrs. Malashewski and Shields were prepared to make restitution; as a matter of fact, I happen to work with Mr. Shields, and he informs me that a cheque had been made out for the purpose of making restoration; but would he be placing himself in a position where he admitted his guilt by the fact of making restoration? Mr. Malashewski considered the saying in the eyes of the public would it be admission of guilt if restoration was made or if restoration was not made would then it be construed as being an honourable way of conduct, because in the opinion of these men, they did no wrong; they were innocent of any intent of receiving any emolument that they felt they were not entitled to, and Madam Speaker, they did not know the law until in September this matter was pointed out to them. And this raises the question, Madam Speaker, in my mind, as to the situation as to ignorance of the law being no excuse, because this situation had prevailed in Transcona School District, as I say, for some considerable period of time, away back ten or twelve years or so, and simply because of the fact that the situation becomes evident as a result of a question at a local school board meeting in September of 1965, two men now are placed in a position of being directed under the Act that their seats must be vacated forthwith.

I'm not going to blame the Minister of Education, because this is the Act and when there is a request made, accompanied by a ten dollar bill, he has his obligations. The inspector has his. But Madam Speaker, I maintain that there has been something inherently wrong over the past twelve years, because Madam Speaker, I would venture to say that 75 percent or more of the school trustees over that period of time, have received payment for which these two individuals are going to have to suffer the consequences of . . . by vacating their seat.

The Winnipeg Free Press on January 4th had an editorial headlined "Transcona's Blameless Lawbreakers," and among other points made in the editorial this statement was made: "The practice of giving compensation for time lost from work was started in the days when

(MR. PAULLEY cont'd)... Transcona was almost entirely a railroad town and most of the trustees were working for hourly wages. It seemed reasonable to compensate them for lost wages and this was done. It is only recently that the practice has been questioned, and then not by the Department but a member of one of the boards. As soon as the question was raised, all payments were stopped and the matter was referred to the Minister for a ruling. There is, in short, every indication . . . " -- and with this I concur most heartily, and I quote again: "There is, in short, every indication that the trustees were acting in good faith, and while it may be true of trustees as it is of politicians and judges that they must not only do justice but appear to do justice, there is not the slightest evidence of dishonest intent."

Madam Speaker, these fellows that served on the school board, on either or both of the school board, just ordinary people who take office on the first of January, the first accounts are laid before them toward the latter part of the month, how in heaven's name are they to know of the violation of the Act if this is not drawn to their attention? I say that there's some responsibility on permanent officials, the auditors who audit the books of the schools, to see that there is no violation insofar as the payment of expenditures are concerned. So I say, Madam Speaker, this is a very unfortunate circumstance, and I think that while apparently the law has been fulfilled, the seats declared vacant, I think that maybe there are other provisions within the Act that the Attorney-General's Department might be able to look into, that would put a different interpretation onto what has happened.

You know, Madam Speaker, last year, or it may have been the year before, we passed a law here in this Legislature which made it permissive for members of the school boards of the likes of Transcona to receive an annual indemnity of, I believe \$500.00 for the members, \$750.00 for the Chairman, or figures of that magnitude. The school trustees in Transcona, Madam Speaker, didn't take advantage of this. They were looking after the interests of the ratepayers in the city, and kept the amount which they were entitled to by law and this Legislature, by way of payment they kept that below what they were entitled to receive if the Act had been fully adhered to insofar as the amount of compensation was Cannot this fact of their annual indemnity being less than they were entitled to receive, be taken into consideration insofar as the overall cost? Is there no rule, Madam Speaker, why this cannot be done? Cannot the other section of the Act which makes it permissive for these annual indemnities to school trustees be used in this case, rather than Section 123?

I don't have to tell this Assembly that I'm not a lawyer, but as I read the Act, Madam Speaker, it would be possible for the trustees to have received two or three hundred dollars more than they received including the amount of their lost time. If this is the case, cannot an interpretation be placed on this by the Attorney-General's Department who is giving guidance in this case, so that that section of the Act might be given more consideration as in Section 123? Certainly there was no intent, no intent whatsoever on the part of the individuals concerned to violate the law, to gyp the ratepayers, the electors of Transcona, at all. They're innocent victims, Madam Speaker, of a technicality, as I take it, within the law. Sure they could have made restitution, but as I said earlier, Madam Speaker, the fact that they didn't make restitution was based -- in one case that I'm so closely related to, was because of the fact that this would appear to be a form of admission of guilt. On the other hand, Madam Speaker, might I ask if the fact of making restoration, enables the law to be circumvented? What is the position, Madam Speaker, of those councillors, or those member trustees, who ran out their term of office and didn't run for re-election, and I raise that question, Madam Speaker, because under the penalty of the law not only are the seats declared vacant, but these individuals are not eligible to run for office for another two years. Innocent victims, Madam Speaker. Good school trustees. One of the individuals who is also a school trustee of the rural part of School Division 12, in a school board there, who worked many, many hours as most of these rural school trustees do in the best interests of education, as I understand it, it's not going to affect him insofar as his job on the other school board is concerned. As I understand it, he doesn't have to resign from the other school board, because of an inadvertence insofar as Transcona-Springfield school Division is concerned.

So I say, Madam Speaker, I raise this as a grievance. I think that it is within the power of this Legislature to remedy the grievance without the necessity of the two persons who have had to vacate their seats being left in that unfortunate position. I want to assure this House, Madam Speaker, that these men are of high calibre, of high morals, and there's no question ever been raised about this. Don't get me wrong that there has been. But the fact still remains that in the eyes of the law as we see it they have violated a provision of the Public Schools Act which

(MR. PAULLEY cont'd)... makes it impossible to continue their services in the first place, and to be eligible to offer their services again for two years.

Madam Speaker, we are having a hard enough job now in Manitoba to attract good men and good women to run for office on our school boards. You know, Madam, the same as I do, that time after time after time, acclamations, indeed on numerous occasions slates of school trustees cannot be filled because of the lack of interest. In this particular case, Madam Speaker, I'm not convinced in my own mind that there should be, indeed there must be, something that can be done to change the situation as it prevails at the present time. I say, first of all, because these two persons did not make resoration because they felt in doing so they would give evidence of guilt, are suffering the consequences. Those others who didn't run again and made restitution, there was no stigma such as attributed to these in the eyes of the public. Those that resigned, made restitution and ran again, did Madam Speaker, in effect, make an appeal to their equals the electors, and the electors supported them and put them back into office. Surely, Madam Speaker, it is within the power of this Legislature to do something about this now, and I ask that it be done.

I raise this grievance, Madam Speaker, and I must go back to what I said at the offset. All of these individuals of whom I speak, I know from personal relationship, are decent, hard-working, trustworthy individuals. It is my understanding, in conclusion, Madam Speaker, that an appeal may be made in this case to the County Court. I trust that this will not be necessary. I trust that somehow our legal friends in the Attorney-General's Department might be able to reconsider this matter in concert with the Department of Education in order to resolve this situation. Thank you, Madam Speaker.

MR. ROBLIN: Madam Speaker, before you call it 5:30, might I have the indulgence of the House to make an announcement that should properly have been made on the Orders of the Day, namely that the Private Bills Committee will not meet at 9:00 o'clock tomorrow as had originally been notified. It will not meet at 9:00 o'clock tomorrow.

MADAM SPEAKER: Is it the wish of the House to call it 5:30 or will we put the motion...

MR. ROBLIN: I think my colleague wishes to say something in response to the eloquent appeal that has just been made and so perhaps

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