

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Wednesday, April 20, 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

ORDERS OF THE DAY

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, if there are no proceedings before the Orders of the Day, may I ask you to call the adjourned debates on second readings on Page 3.

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 109. The Honourable the Minister of Municipal Affairs.

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs) (Birtle-Russell): Madam Speaker, there are just one or two items that should be covered here before this matter goes to a vote.

The Honourable Member for St. John's, when discussing this bill, asked what would be the difference between the assessment as previously provided and the equalized assessment for the division of the annual levy among the area municipalities. Well the difference, Madam Speaker, is simply this, that when you considered the assessment of the various municipalities, it was necessary to consider only the taxable assessment. Since we have gone to the Michener recommendation of paying grants in lieu of taxes on provincially owned buildings, there has been a considerable change in some municipalities in their equalized assessment because the province is paying those grants at this time and because those grants are calculated when determining the equalized assessment.

In order to determine the equalized assessment of a municipality, you determine the tax revenue from the taxes charged against real property and you add to that amount the revenue received in grants in lieu of taxes, and then calculate back from that what your equalized assessment would be. Where a municipality that receives large amounts in grants from either of the senior governments in this way, their equalized assessment may be quite a bit higher than their taxable assessment. I do not think that the difference is going to make a great deal of difference to the City of Winnipeg, but it may make some difference to some of the other municipalities that now receive much greater revenue from grants in lieu of taxes than they did in the past.

He then left this point and went on to speak about the appeals from zoning changes and by-laws of this nature to the Municipal Board and he suggested that there should be a final appeal from the Municipal Board back to Council, expressing as his reason that the ultimate decision should not be left to an appointed Board but that it should be left with some person who was responsible to the electors. Well, Madam Speaker, the situation now is that the ultimate decision really is that of the Minister of Municipal Affairs because he is not necessarily bound in every case by the decision of the Municipal Board, but I think we must all agree that in practice that is the case, and it would only be in a case of extreme pressures being placed upon a Minister after the decision of the Municipal Board that there would be any consideration of taking a course other than accepting the order of the Board.

From there he went on to discuss some things which were not in the bill and I was rather surprised that Madam Speaker let him proceed with this, because really we are expressing here not what is not in the bill; we are to be discussing here what is in the bill and whether or not we approve it.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, I wonder if you might put my honourable friend straight, that when a bill is open the whole principle of the bill is open for discussion.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs has the floor.

MR. SMELLIE: He then discussed the question of whether or not a member should have to resign before running for office at another level of government and he expressed the opinion that this should not be the case, that a member of Metro Council should be allowed to run for either this Legislature or the Parliament of Canada without first having to resign his seat.

(MR. SMELLIE cont'd.) Many others have expressed this idea from time to time, and I must confess, Madam Speaker, that I don't agree with that idea. If a member of this Assembly wants to run for the Parliament of Canada, he must resign, and I believe that this is a worthwhile provision. I do not believe that anyone can give the attention this Assembly deserves and his duties as a member of this Assembly while he is running for office in some other Assembly.

MR. PAULLEY: I wonder if my honourable friend would permit a question, Madam Speaker. Would my honourable friend then suggest that a mayor of a municipality, before he ran for office with the Legislative Assembly, should resign and could not hold office in both places like sometimes 50 percent of this Assembly has done in the past?

MR. SMELLIE: I find some sympathy for that idea. It has never been the case in this province, so far as I'm aware, that a member of a municipal council had to resign before he ran for the Legislative Assembly and it is not the case now. But I find some sympathy for the idea. I agree with the principle. -- (Interjection) -- That's right, that if they're going to run for this Assembly that members of this Assembly have enough work to do to do a good job that it requires their full time. They have not got any time to be spending on some other legislative body.

MR. PAULLEY: Why don't you change The Municipal Act accordingly.

MR. SMELLIE: I'm considering it my friend.

Madam Speaker, I would appreciate it if my honourable friend would allow me to continue until I'm finished my remarks, and then if he would like to direct some questions to me I would be happy to try and answer them. He's giving me a lecture on the rules of procedure in this House and I wish he'd learn them himself, or if he knows them, I wish he'd abide by them.

MR. PAULLEY: Madam Speaker, all I did was ask my honourable friend -- ask you if he would permit a question. He sat down, indicating his pleasure.

MR. SMELLIE: Madam Speaker, after I've answered his numerous questions, even after he's sitting down he keeps asking some more and I'm getting a little tired of it. If my honourable friend's sensibilities were hurt by something I said this afternoon, I wish he'd wait until he has the floor and he'll have plenty of opportunity before this Session is over to tell me what a bad boy I am.

Where was I before I was so rudely interrupted. The question of allowing members of Metro Council to seek other office before resigning has been considered. It has been considered at length and has been rejected, and it's been rejected for the very reason that Metro Council has serious responsibilities and the members of Metro Council, as any of them will tell you and I'm sure the member for St. John's would be the first to agree, have plenty to occupy their time. They are busier than most municipal councils. They have responsibilities greater than most municipal councils.

MADAM SPEAKER: The Honourable Minister speaking reminded me a few minutes ago that I should have called someone's attention because it was not in the bill. I rather think that what he is expressing now is not in the bill either.

MR. SMELLIE: Well, Madam Speaker, if you have allowed other people to raise the subject when discussing this bill, I really feel I should be able to reply.

MADAM SPEAKER: I would suggest that we try to stay to the bill and I suggest this for all members of the House. We've allowed a great deal of latitude here, but if we are going to insist that some people stay to the principle then I suggest we all stay to the principle. The Honourable the Minister of Municipal Affairs.

MR. SMELLIE: The Honourable Member for St. John's then suggested that he thought it was unfortunate that Metro had been deprived of the power to declare Metro streets without the approval of government, but I suggest, Madam Speaker, that there was a corollary and that at the same time as this authority was taken away from Metro, they received assurance and by legislation that they would receive additional grants from the province up to 50 percent of the capital cost of construction of all streets declared as Metro streets; and in addition to that, they would receive maintenance grants equal to \$1,000 per lane mile on each Metro street. I think under those circumstances, where the province is participating in a financial way to a much greater extent than they did before, it's only reasonable that we should have some control over the expenditures that are being made by this government.

The Honourable Member for St. Boniface this afternoon discussed the question of assessment and he suggested that although we may switch to the equalized assessment we had not

(MR. SMELLIE cont'd.) switched to equalized services. I think perhaps, Madam Speaker, he was referring to his own personal situation where he now lives in one of the outlying areas of the Metropolitan area. He referred to the fact that people in some of these areas have no sewer or water service; they have less police and fire protection than is available in some other areas of the Metropolitan area; and they have in some cases reduced transit service. All of this of course is true - of course it's true - and it's likely to be true for some time. But this is not the fault of Metro; this is merely the situation in which those outlying areas lie. It's impossible to provide the same facilities as far as transit is concerned, for example, that people closer to the downtown area enjoy, because transit can only offer service where there is a demand for it, and if there is little or no demand in certain areas for transit service, it can only increase the deficit that's already being suffered by transit and which of course must be borne by all of the taxpayers of the Metropolitan area.

There is one other feature, Madam Speaker, that he failed to recognize, and that is the fact that location is one of the first things that is considered in assessment and that the property which the honourable member owns on the outskirts of the city, if that same property were compared with property exactly similar in downtown Winnipeg, the assessment of the two properties would be in no way similar because the downtown Winnipeg property would have a much greater value because of its location. So although the service in the two areas may not be equal, neither is their share of the tax load.

Then the honourable member went on to describe what he called as this government's lack of support for Metro, and I'm sorry that the Honourable Member for St. Boniface is not here tonight because I'd like to tell him something about the support of the government for Metro. I'd like to tell him, Madam Speaker, that although there may be individual members who sit on this side of the House who have from time to time criticized Metro, that by and large the government has offered the fullest of support to Metro. And when he suggested that members of Metro Council said they were not getting support from government, he may again point to any individual member, but I don't think that he will get the same answer from Metro Council as a whole. I think that he will find that if Metro Council was asked whether or not they had received support from this government, the answer would be in the affirmative.

That doesn't mean to say, Madam Speaker, that I or that members of government agree with every action that Metro has ever taken. That doesn't mean to say that we agree with everything that's been said by Metro Council or Councillors, but the principle of Metro has been accepted. The principle of Metro has been studied by a Royal Commission. The recommendation of that commission was that there was no change, and although members opposite have from time to time suggested that it was time a change was made, government has accepted that recommendation and government has publicly stated that they agree with the principle of Metro and that we stand firm behind the form of Metro government that we have here.

I think that the Honourable Member for St. Boniface is right when he says that although he opposed Metro in the first place that he is one of the few who has tried to make Metro work; and I would say too that the City of St. Boniface that he represents has by and large done everything that they can do to co-operate with Metro. I think he's right too when he says that today there are very few people in the municipal field in the Metropolitan area who would say that they would like to see Metro abolished and to go back to the system they had before.

I would like to say too that I disagree with him when he says that the legislation being introduced at this time is really an attempt to defeat Metro and to proceed towards the amalgamation and the establishment of one big city. Madam Speaker, nothing could be farther from the truth. I hope that I will never see the day when we have one big city, because to me, it would be a real shame if the individual nature of some of our municipalities were to disappear. To me, it would be a shame if we didn't have the City of St. Boniface that really represents the French-speaking people in Manitoba, and other municipalities - I hear the member for Assiniboia mention one - there are other municipalities that have had a long history in this province, as histories are measured in this country, and that have some traditions that they are proud of and should be allowed to maintain.

So I for one, although I believe that municipal reorganization is desirable and necessary; although I believe that we have too many municipalities today for the responsibilities that they have in the Metropolitan area; I do not believe in one big city and I do firmly believe in the Metropolitan Winnipeg concept. So, Madam, the amendments that we have in this bill are amendments that are an attempt to make Metro work better than it has in the past, and I would ask for the support of the members of this House.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 121. The Honourable the Member for Gladstone.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, in the absence of the Member for Gladstone, I would suggest that we proceed with Bill 121. While I am on my feet, I would ask the Minister though when he is closing the debate if he would clarify the new Section 3 of the Bill. There's a couple of points I'm not quite sure what is meant by it.

MADAM SPEAKER: Are you ready for the question?

MR. PAULLEY: Madam Speaker, there are one or two points within the bill I would like to draw to the attention of the House. I want to make an objection now to the phraseology in the bill which I think is antiquated and should no longer be used. I make no criticism of the staff which is charged with the responsibility of the drawing up of the bills, but would like to suggest changes.

You know, Madam Speaker, when The Social Allowances Act was first introduced back in 1959 by my honourable friend the present Minister of Education, if I recall correctly, it was phrased the way it was, "Social Allowances Act," to get away from the terminology, "indigent relief," to sort of give a new or a more modern connotation in respect of the unfortunate people who are not in the position where they are fully able to take care of themselves. For that reason I think, if memory serves me correctly, that throughout the whole of The Social Allowances Act, an Act at the provincial level, the word "social allowance" is that if a person has not the means -- has the needs and not the means, they would be entitled to a social allowance. I assure my honourable friend the Minister of Education that I have no intention of getting into an argument or a debate with him as to the proper interpretation of the words "means" or "needs" tonight. I'd love to, but I just don't really feel up to it.

But I notice though, Madam Speaker, in the bill that we have before us, that in those areas where the reference is made to people at the municipal level who are in need of aid, the words "indigent" and "relief" are used; and where reference is made to the provincial Act, the word "Social Allowances" is used; and I would like to suggest to the Minister of Welfare that consideration be given to using the same terminology throughout. When we think of the words "indigent relief," we are going back to the years gone by when it was considered almost a stigma on an individual to have to apply for aid, back to the depression days when so many people, due to the economic system and circumstances, had to really apply for help.

So, Madam Speaker, I want to make an appeal to the Minister and to the authors of legislation that where - and I think I am correct in saying - we no longer use the word "indigent relief" in respect of provincial legislation, that we should stop it insofar as municipal aid is concerned. As I say, it's a throwback to the dark ages. Living as we are in the supposedly affluent society with all of the tests, be they needs tests or means tests, I think that it is a truism to say that those people, who are forced because of circumstances in soliciting aid, at least should be given the courtesy of saying that it is a social allowance rather than indigent relief.

Also, Madam Speaker, I think that I am correct, as I stated a few moments ago, when a bill is open for amendments the whole principle of the bill which is open for amendment is under discussion, and while the Minister who sponsors this bill is changing or suggesting amendments insofar as regulations are concerned, I want to say to my honourable friend that we are still not satisfied with the scale of allowances that are being meted out to those unfortunate enough to have to receive assistance.

If newspaper reports are correct, my honourable friend the Minister of Welfare is reported as having said the other day - and I haven't got the actual report before me and the Minister can correct me if I am wrong - but newspaper reports which I read indicated to me that the Honourable the Minister of Welfare made the statement in this House, Madam Speaker, that he was not satisfied with the generosity of the payments in respect of social allowance which are being awarded or meted out in Manitoba today. You know, Madam Speaker, I would hate to be a Minister of Welfare in a province which is going to spend a billion dollars on a development on the Nelson River; who is going to loan hundreds of thousands of dollars to an organization far removed from the borders of Canada, let alone Manitoba; and yet at the same time stand up in this Legislative Assembly and say that he is not satisfied with the treatment that is being given to unfortunate people within the Province of Manitoba.

I know my honourable friend is wont to tell me and others in this House that under The Social Allowances Act of Manitoba some people or families may receive up to two, three, four

(MR. PAULLEY cont'd.) hundred dollars in respect of allowances. I don't dispute this at all with my honourable friend, but I do say to him that there still are far too many, Madam Speaker, in the unfortunate position of having to request aid that are not receiving sufficient by way of allowances.

My friend the Minister knows that I have drawn to his attention on numerous occasions individuals such of whom I speak. I'm not going to re-hash the case of the person who is only in receipt of \$67.50 and is deprived of medical treatment, but I have a number of other cases, Madam Speaker, that I could raise for my honourable friend in this House, which I'm not going to do at the present time.

But I do want to say to my honourable friend, if, Sir, you really mean what you are quoted as having said the other day, that you are not satisfied with the allowances that are being awarded under your Social Allowances Act at the present time, now is the time - now is the time for you to announce a new policy, a new schedule of allowances under The Social Allowances Act of the Province of Manitoba, because here, as we are -- I sincerely hope and trust, Madam Speaker, that the Honourable Member for Springfield is suggesting to the Minister of Welfare that he should give support to my plea, and I thank him - I thank him for his interest in what I am saying because I am sure that the people of Springfield will welcome the intercession for the people of Springfield who happen to be on the meagre social allowance that the Province of Manitoba is awarding today. And I want to say to my honourable friend, the member for Springfield, those in Springfield who I know have made appeals to me to assist them, will be informed of his intercession on their behalf.

So I say to my honourable friend the Minister of Welfare, now is your opportunity. Suggestions have been made that at the conclusion of the consideration of the bills and resolutions that we have before us, the government may call an election. This is one consideration. Another is that ere long we might have an election in any case. So I suggest to my honourable friend - I don't care a continental if, on the eve of the announcement, my friend the Minister of Welfare announces a new schedule of allowances on behalf of those unfortunate enough to have to apply for it. I would welcome it, even though it might mean that some may give added support to my honourable friend because of the timing of the announcement.

So I say, Madam Speaker, to my honourable friend, he has admitted that the allowances are not sufficient. He has the opportunity now, when we're considering the bill on social allowances, to make an announcement -- what does it say - "Repent ye because it's about time we're going to have an assessment of what you've done over the past few years" - or something like that. He has an opportunity now in winding up the debate in consideration of this bill to announce to the members of the House that the terms of The Social Allowances Act are going to be broadened so that a person in receipt of only \$67.50 will be granted a Medicare card; so that those people that my honourable friend must be aware of who are not receiving sufficient social allowances will be granted an increase. I ask my honourable friend to do so as he closes the debate on this bill.

I also ask him, as I started to say at the offset, Madam Speaker, is it any longer necessary in this year of our Lord, 1966, to continue to use the terminology "indigent relief." We say here in Manitoba we're short of manpower; we have more jobs than we have people to fill them. This being the case, Madam Speaker, should, I'm sure, give added emphasis to what I'm endeavouring to say, that those people that are on social allowance at the municipal level or the provincial level or any level are not indigent relief people but people, because of some circumstance, are not able to obtain for themselves a livelihood by the sweat of their brow by toil, because the government has told us, Madam Speaker, there are too many jobs for the people to fill them. So I say to the Minister, change the terminology; let us add a little more dignity to the legislation that is being proposed to us at this time.

MADAM SPEAKER: Are you ready for the question?

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Madam Speaker, if no one else wishes to speak on this subject, I will very briefly answer the two or three questions which have been raised.

MADAM SPEAKER: The Honourable Minister is closing the debate. The Honourable the Minister of Welfare.

MR. CARROLL: First of all, Madam Speaker, I would like to just refer to this case that the Leader of the NDP keeps bringing up in the House here. I think he's talked about this person getting \$67.50, as he says, so often I think he believes himself that this in fact was the amount of money the man was receiving, and I think if he will consult his file in connection with

(MR. CARROLL cont'd.) this case, I think he'll find that he's in error in that respect and I think possibly he should try to correct any future comments that he makes with respect to this person's income.

MR. PAULLEY: Madam Speaker, on a point of privilege, this is a grave accusation, for the Minister of Welfare is indicating that I am giving false information knowingly to the House. Is this what my honourable friend is suggesting? If he is, Madam Speaker, I'm going to ask him to retract or disprove my statement, because I can prove them. If my honourable friend, Madam Speaker, insists that I am giving false information to this House, then I respectfully suggest to you, Madam Speaker, that you cause an enquiry to be made.

MR. CARROLL: Well, Madam Speaker, I will say that if he was in fact only getting \$67.50 a month I will retract any comment that I may have made. My impression is that he was getting somewhat more than this, and in addition to that there were other benefits which had to be taken into account -- (Interjection) -- Pardon? Yes.

MR. PAULLEY: Is what?

MR. CARROLL: Well, my impression was that it was larger than that amount. Now if I am wrong, I retract. I certainly wouldn't want to accuse you of saying something that wasn't a fact. My understanding was that he was getting somewhat more.

MR. PAULLEY: Don't be so concise in your accusations.

MR. CARROLL: The other suggestion was - he was referring, I think, to the fact that the government has under consideration at the present time a change in the scale of grants for social allowance recipients. I made this statement during my estimates and upon, I believe, other occasions during the debates in the House. I think if the Session ever decides to wind up, then it will certainly expedite the work the Cabinet has before it in consideration of this and other important matters.

I think he raises a very good point when he mentions the reference in this bill to indigent relief. My understanding is that this is a terminology that is used mainly to differentiate between those people who happen to be getting municipal assistance from those who are actually on social allowances, and I rather suspect that even the municipalities don't refer to this word "relief" any more. I suspect they refer to it as a municipal allowance or municipal grant of some kind rather than as a relief payment. I think this helps us in our consideration of the work and the maintaining of accounts to be able to refer to the kind of assistance that's being given by municipalities as indigent relief. I will have a look at that and see whether at some time in the future we may be able to make a change and refer to this as some other kind of assistance.

The member for St. George asked a question about Section 3. This just does away with the section having to do with residence qualifications and enables them to make payments to people who find themselves in municipalities who may not have actually established residence qualification within that municipality, and the same thing applies to the Province of Manitoba for those who may be found in local government districts or in the unorganized territory and things of that kind.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 103. The Honourable the Member for Lakeside.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, I had planned on making at this time a few remarks dealing with Brandon College as an institution, but I have decided on account of the time of the Session that I shall not allow myself that pleasure and may seek another opportunity to do so, perhaps at this Session.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 125. The Honourable the Leader of the Opposition.

MR. GUTTORMSON: Madam Speaker, I would suggest that we proceed with the bill as the Leader is otherwise detained and I would not want to see the work of the House held up, so I suggest we proceed.

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

MADAM SPEAKER: The adjourned debate on second reading of Bill No. 127. The Honourable the Member for Burrows.

MR. MARK G. SMERCHANSKI (Burrows): Madam Speaker, in reference to Bill No. 127, the mineral exploration in Manitoba, or for that matter the mineral exploration in the province, are naturally a resource that is bound to be depleted, and there has been much said in terms of

(MR. SMERCHANSKI cont'd.) the fact that the province should have a vested interest or equity in these resources. This is all very well providing that the investment or the development in the form of exploration of a mineral deposit is going to result in a satisfactory development so that you can realize a profitable mining operation. Obviously, those members of this House who have been talking along this line failed to realize that there is less than one percent of the claims that are staked in this province that have a possibility of being developed into a profitable mining operation.

Now the other thing I'd like to bring to the attention in reference to this bill, Madam Speaker, is that the same people talk most glibly of the fact that we have unlimited resources in the north. They only say this because they do not understand the type of rock formations that exist in our Province of Manitoba, and it is interesting to note that only 12 percent of our total Pre-Cambrian area in Manitoba is a favourable hunting ground for mineral deposits.

Now it is true that the government might well receive a participating interest, or, as was described, benefits to be derived from the natural resources. Madam Speaker, if the so-called benefits to be derived are of no value after having taken the preliminary exploration of a mineral deposit, and if it is found that it is of no value, then this principle of benefits to be derived is truly of no consequence.

I might also point out that there is a rather false impression in the minds of the average individual that if you own some mineral claims, therefore, you have a vested or a staked interest in some potential value in the mineral deposits as they're known to occur in the Pre-Cambrian Shield. This is equally as untrue.

I am somewhat amazed and I am somewhat flabbergasted to find that the average consensus of opinion is that whenever you are connected with the mining or exploration of mineral deposits, that you are supposed to be some specially selected individual and therefore you have Midas' golden touch. This is not so, Madam Speaker. I can think of no other industry that requires a harder effort, both from the physical effort that goes into it and from the technical effort that goes into it. It is true we have many indirect methods of approaching a mineral deposit or approaching the possibility of a mineral deposit by the method of exploration. We of course in the field use everything that is at our disposal, and when we have used these various methods of approach and find that all of them are negative, then you have to come to the conclusion that it was an interesting prospect but unfortunately it did not develop to be successful. To simply make a categorical statement that the government should have a participating interest in each one of these projects is not so.

Now, Madam Speaker, maybe I don't understand the remarks of some of these people who make the statement that all you have to do is simply go out into the wilds of Manitoba and you will stake out a claim and then you will develop this into a profitable mining operation. There is nothing further from the truth, because anyone that's interested in exploration of the mineral deposits in this province can hardly object to a bill of this nature.

Furthermore, there is a necessity for this type of a bill because there is one in existence in Saskatchewan; there is another one in existence in the Northwest Territories. Not only that, they have gone a little further. They have gone to the point of assisting the secondary development of the mine in terms of the processing of the mineral deposit into a saleable mineral, so this province is at a disadvantage as of this present time. The discovery of any deposit, of any new mineral deposit, is no different from the creation of a new business enterprise, and there is no denying the fact that the establishment of a profitable mineral deposit is an asset to the province and to the community that is being developed.

I sometimes wonder when some of these people do make the statement that there is a benefit to be derived, if they have every stopped to give consideration to what is meant in terms of exploration of our mineral resources and mine development. Madam Speaker, it is the equivalent of taking a complete city block with all its services of sewer, water, electricity, social functions, community clubs, theatres, ball parks, recreation parks, and this is exactly what has to take place in the development of a mining community. It's no small job, Madam Speaker. Management, in terms of the exploration of mineral resources, goes through many trying decisions during the period of this development, because you must have labour to develop the mineral deposit and you're never sure whether this mineral deposit is going to make a mine or not.

In the meantime, you have the various labourers coming to you and saying that they want to bring their families out, and then that means housing; and then that means that you have to have some type of schooling and education at this mine. Then of course the problem crops up

(MR. SMERCHANSKI cont'd.) to what extent is the government or the community prepared to finance this operation, because there is one important thing, you have not arrived at a proper development program to know whether this will make a producing mine or not.

Madam Speaker, there are many ghost shafts throughout the Pre-Cambrian Shield of Manitoba, and for that matter through all of Canada. It is a very difficult situation when you're developing a mineral deposit that's just on the verge of possibly making a profit and maybe not, maybe just about breaking even, and you have that entire responsibility of the community. You have that entire responsibility of people that have been working at this project for one or two years, they are anxious to bring their families out; they are anxious to get established; and it is a very very heavy responsibility on the management of that mine, the directors of that mine, to make these decisions.

I think that we must consider in this bill the objective and purpose of mineral exploration. Development and exploration, Madam Speaker, I think would run on the basis of possibly ten percent of success as compared to the average industrial enterprise. In other words, for every ten successful industrial operations, you'll only have on the average one successful mining operation.

It is for this reason, Madam Speaker, that I felt I wanted to take some time out to point out these various aspects of mineral exploration. It's not an easy problem. It's not something that you can attach a label to and say that the government or the people of Manitoba have a vested interest to be derived from it. I feel that the best vested interest that the people of Manitoba can have in the development of the mineral deposits in Manitoba is let free enterprise develop them and assist free enterprise in the same way that we would assist them in any industrial development and encourage them to carry on, because truly they are far more capable to do the job. All that the government has to do is to provide the favourable climate and anything that they may lack, then at that time it is the responsibility of the government to interject into the program and give them the assistance to make sure that if additional help is needed to make the successful operation of a mineral exploration program, then this is their responsibility.

It is for that reason, Madam Speaker, I did want to take some time out and I do again say that this is a good bill and I hope that it is going to encourage the development of additional exploration in the province, and I can say from personal experience that it will, because we are now on an equal basis with Saskatchewan, the Northwest Territories, and a slightly altered assistance program that does exist in Ontario.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 126. The Honourable the Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam Speaker, I feel that this bill is necessary and essential if we're going to have a modern highway system in the Province of Manitoba. It is true that part of the bill deals with matters that were previously covered in Part C of The Highway Traffic Act, but there are some new sections to this bill, particularly dealing with scrap automobile yards, and I think that Part 4 of the bill dealing with that particular subject deals with a matter in respect of which we should have taken some legislative action some time ago.

I don't think there is anything more unsightly than going on the mainline of the CPR from Winnipeg to the coast, passing through Brooklands and seeing all those scrap yards uncontrolled, and then going through Saskatchewan and Alberta and every little town you come to, it just seems that their chief industry is a scrap automobile yard. The same is true on highways. If we don't do something on our highways to get these unsightly sores away, it certainly will detract from the pleasure one gets in driving down a highway.

There is only one or two suggestions I would have to make, Madam, regarding this bill, and one deals with where we have limited access to a highway and we have provided a service road as part of that limited access. I hope that the Department of Highways will see to it that that service road is kept clear of snow to the same extent as the highway in respect of which it has been built.

Another matter too, Madam, which I would like to refer to is the question of control of land along highways. My experience has been during the past number of years that a great number of people who have built along provincial trunk highways are really not aware of the regulations respecting the distance from that highway which they must build, and I would suggest to the government - and I make this suggestion as a matter of good public policy - that

(MR. HILLHOUSE cont'd.) whenever they enact new regulations respecting control of highways, that they notify the owners of the land adjoining that highway of these changes.

These are all the comments that I have to make, Madam. I think it's a good bill and I would like to see it go to second reading.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 80. The Honourable the Member for Burrows.

MR. SMERCHANSKI: Madam Speaker, on Bill No. 80, I feel that maybe the Minister of Industry and Commerce has felt that I may have been too critical the other day, but the fact that we have Bill 80 before us may well mean that some of the things that I did have to say were actual facts. Maybe at times I become too objective, but I only want to state this, Madam Speaker, that this is my way of life and I feel that it is a privilege on my behalf to serve my constituents in the best way I know how, and I'm going to do everything I can that is knowledgeable to me in this line to criticize the government, and this I think I will continue to do.

I simply want to mention, Madam Speaker, that this Bill No. 80, at the termination of eight years of rather very optimistic descriptions in the Throne Speech of industrial development in Manitoba, can well be linked up to be parallel to some of the remarks of the five year program or the great leap forward or something on a crash basis. Madam Speaker, if we reason with ourselves and we make certain assumptions and then we use these assumptions to come to a conclusion, and if these assumptions are not correct, then our conclusion is very much off the beam. I think that that possibly is the way I'd like to explain it in terms - I have mentioned this before and I say this quite advisedly, Madam Speaker - in that we have had a great deal of useful preliminary type of studies and reports, but when you require that final drive to make a proper conclusion, this is where this government has failed to accomplish that final conclusion.

Naturally, Madam Speaker, anybody with any responsibility whatsoever would at all times look upon business administration as being on a good sound basis and there is much in this bill that I recognize as being some of the conditions that are in existence, as the Minister has mentioned himself, in the Provinces of Saskatchewan and New Brunswick and others. It would appear that Bill 80 is going to enable industrial development in this province to possibly commence at topnotch speed, but by the same token, Madam Speaker, this has taken eight years and we have lost ground in the interim.

The only thing that concerns me in reference to Bill No. 80, Madam Speaker, and I do hope that I am wrong in Part 2 and I do hope that what the Minister has said is going to apply in terms of good sound business decision, because if I read that part of the bill - I do hope I am reading it wrong - the government will take an equity position in an industry, because this is the next step to Crown corporations and I venture to say, Madam Speaker, that it will end up as a dog's breakfast. I do hope that under the terms of this bill, and as outlined by this bill, that one of the most attractive features to encourage industrial development is a satisfactory rate of interest, not at eight percent, Madam Speaker, for the first year nor seven percent as the present rates are established. Free enterprise - private enterprise in this province with the proper local people taking the initiative that they will, Madam Speaker, if given the opportunity - which of course I question whether they have been given an opportunity to date - they will proceed to develop the industrial improvement and continue the industrial growth of this province.

Madam Speaker, on this Bill No. 80, I think there is an excellent opportunity for the government today to be able to take advantage of the situation of full employment because there is time for planning; there is time for action. Under the terms of full employment, there is very good reason why those people who are working on the minimum wage or slightly above the minimum wage, to be re-trained and up-graded into a higher rate of pay. This government at the present time has got an excellent opportunity to do just that and I only hope that some of their job training programs that have failed are going to be re-examined in the light of additional information that they now have and that they might be able to up-grade the lower paid people in our province today.

I was quite pleased to know that there was a limited acknowledgment of the fact that some of our technical personnel who are graduating from the University of Manitoba are not being able to take their rightful part in the development of Manitoba. All I can say is that the various departments have to be held responsible for the lack of attracting the opportunities that exist in

(MR. SMERCHANSKI cont'd.) Manitoba to the attention of these graduates who are leaving the province for other parts of Canada and the United States.

New industries under Bill No. 80 have to be developed, and we have got an unlimited number of qualified people by virtue of those who are now part of our industrial development in the province and those who have been trained and are ready to take their place along with the others in industrial development of Manitoba. The development of new industry - it is no mystery; it is no secret. It may be going into the field of unknown conditions but they are not insurmountable. They can be conquered and there is a great deal of satisfaction when you are able to conquer the unknown.

Madam Speaker, I do hope that Bill No. 80 is going to place special emphasis on local people. I do not wish to labour the House with some of the past experiences, but I think that sufficient instances have been brought to our attention, whether we care to acknowledge them or not, that local people have not been encouraged to the extent that they might have been, and yet these are the people that can do most for our industrial development in the Province of Manitoba.

Madam Speaker, there is one very important part in terms of the standard of living in any community or any province and the Province of Manitoba is no different. I well remember the remarks of this government in the earlier years that they were going to do all these additional good things for the people of Manitoba with no increase in the tax load. This of course has not been the case because the taxes have been increased. Now I know of no other way to make life more comfortable for the residents and the people of Manitoba than to continue and to proceed diligently in the additional development of industrial development in Manitoba so that these industries can rightfully contribute to the tax picture in Manitoba and give this province the opportunity to remove some of the lower taxes, or some of the not so high tax percentages of the wage earners in the lower income brackets who are least able to pay these taxes.

Madam Speaker, you may wonder why I make this statement. I make this statement, Madam Speaker, because the location of one or two large industries would be sufficient to remove the entire tax on all our utilities that this House did not remove earlier this year. True, it's only a small percentage of a tax but it is still a burden for those people who are on the lower income bracket in our community.

It is for this reason, Madam Speaker, that I do hope Bill No. 80 is going to enable this province at long last, after eight years on the threshold of economic development, and I only hope that this is not simply a bill but that some action will be attached to it and that some good will come from it in order that we may better the average livelihood of the citizens of Manitoba.

MADAM SPEAKER: Are you ready for the question?

MR. PAULLEY: Madam Speaker, it was certainly with a great deal of interest that I followed the remarks of the Honourable Member for Burrows. I certainly am not going to debate with him what he said, except to say it was a revelation to me to hear him say during his discourse that he was going to support one of the most socialist bills that I have ever had the opportunity of supporting in this House.

Why do I say socialist bills, Madam Speaker? My honourable friend the Member for Burrows made reference to Part 2 of the bill. It is not proper for me, Madam Speaker, to refer specifically to clauses, but Part 2 of Bill No. 80 gives the government power to do something which we of the New Democratic Party have suggested that the government of Manitoba should do for years, namely, that where private industry does not establish industries or other undertakings and private industries are not ready to proceed with those undertakings, then the government can under Bill No. 80.

I have in mind, Madam Speaker, the development of a steel mill for the Province of Manitoba. On a number of occasions I have suggested that in the absence of any apparent initiative from private industry that the Government of Manitoba enter into the steel industry. I have pointed out that we have vast chromite deposits, that we have nickel deposits - two of the components of steel. We well know, Madam Speaker, that we have here in Manitoba vast hydro-electric resources which is also required in production of steel. And here in Bill No. 80, Part 2, Madam Speaker, we have legislation at long long last that will permit the government to enter into such an undertaking.

I trust and hope that when the vote is called this evening on this bill - because there will be a vote - that when the vote is called on this bill, my free enterprise friend from Burrows

(MR. PAULLEY cont'd.) will join with the socialist from Radisson in giving to the government the power which is contained in Part 2 of Bill No. 80. Now I invite my honourable friend to stay around long enough to help me help the government to help the community, if need be, for the establishment of a steel industry at Thompson for the advantage of the people of the north, whom I was accused of selling down the river, in effect, this afternoon.

As far as Bill No. 70 as a whole, Madam Speaker, of course, as I am sure you are well aware, Bill No. 70 is really a re-enactment -- Bill 80 - excuse me - Bill No. 80 is really a re-enactment of the former bills of The Business Development Fund Act of Manitoba. I'm proud - yes, the reincarnation - and by giminy Christmas, Madam Speaker, we've seen another reincarnation tonight - we've seen free enterprise Burrows join socialist Radisson, and what a reincarnation. At last he's got on the right track. What a marriage! Not quite that - I won't go that far.

But anyway, Bill No. 80, as I say, is a revision of former bills, and I'm happy, Madam Speaker, that I can say here without equivocation, and I think without any argument, that the first member of the present Assembly who introduced a resolution to set this type of legislation up was myself when I represented Kildonan-Transcona back in 1953 or 1954 - somewhere like that. Of course the colleagues of my friend from Burrows, the Liberal Party of Manitoba were in power at that time and they rejected the proposition of a business development fund posthaste because we didn't need one then, we were developing so rapidly. But now the Honourable Member for Burrows says, after eight long years I'm glad to see that there is a bill like this so that we can start developing. The opportunity was there in 1954.

I've always had one complaint, however, with The Business Development Fund Act and that is it does appear to me as though it is possible for the government to have prior information insofar as the loaners are concerned than the rest of the members of the Legislature. I say this and I don't mean any slur when I say this, Mr. Speaker. I say this because of the fact - and I think he's qualified, capable - but I say this because of the fact that the present General Manager of the Fund is the Deputy Minister of Industry and Commerce. I mean no wrong by saying this but it is a situation - I know the provision is in the bill where there can be one civil servant on the Industrial Development Board, this is the legislation - but it could be somebody else other than the Deputy Minister of Industry and Commerce, but because of the close association there is this possibility.

Then, Madam Speaker, there is one other shortcoming I think in the bill which we might overcome, and it might help to overcome any area of suspicion that members of the House might have. I suggest that insofar as the Fund itself is concerned, the audit of its books are concerned, the investigation into appraisals and the likes of this could well be done by the Comptroller-General of the province. I think this, Mr. Speaker, would remove any area of suspicion that anybody might have from time to time. We have considered from time to time in this Legislature the possibility of establishing an Ombudsman that would remove suspicions - would draw to attention any possible irregularities.

Now I'm not criticizing or condemning when I say this, Mr. Speaker, the members of the Industrial Development Fund, but it does leave the area open for some suspicion. As a matter of fact, we heard some of that possible suspicion the other day from one of the other honourable members in the House. It's my understanding - at least there's nothing in the legislation which suggests that the Comptroller-General should look into the financial aspects of the Fund. I looked very closely in the Act to see if there was any reference to the Comptroller-General investigating to see whether or not public funds are being administered efficiently and properly. We've had arguments over the possibility of having an Auditor-General. We have been told that we don't need an Auditor-General because we have a Comptroller-General who is looking after the finances - the taxpayers' money of Manitoba.

Now, Mr. Speaker, taxpayers' money of Manitobans is going into the Industrial Development Fund and I would suggest to the Minister, the sponsor of this bill, that it might well be worthy of consideration that if members of this House are not entitled to receive details of the inner workings of the Fund, that if the Comptroller-General had this authority it would give greater assurance, if indeed greater assurance is necessary, because, Mr. Speaker, when we come to Part 2 of the bill, there's quite a big difference, isn't there? Under Part 1 of the bill everything is secret; no one can know how the money is expended or ask whether Joe Blow or John Henry received any money. But under Part 2 of the bill, the socialist - the real socialist part of the bill - it's everybody's business then that the government entered in and used X number of dollars for the establishment of an industry.

(MR. PAULLEY cont'd.)

So I suggest, Mr. Speaker, that there may be some avenue or some parallel that if in one case it is desirable that this House know how the Development Fund spends taxpayers' money for investment into an industry on behalf of the government, that surely there should be some tie somewhere - I'm not asking for detailed information when I say this - but some servant of the Crown who is independent to a considerable degree, such as the Comptroller-General, may, under the Act, conduct the audit of the Development Fund.

So I say, Mr. Speaker, I'm rather happy tonight to know that my original proposition - and I'm bragging about this but I think with justification - that my original suggestion which was turned down by the Liberals when I first entered this House is now revised and going to be carried on by the government and the Legislature of Manitoba. In addition to that, I'm more than happy - I'm more than happy that now this Conservative Government is going to go forward and, if need be, socialize industry, utilize the products of Manitoba for the benefit of Manitobans.

Let me say this, Mr. Speaker, that if my honourable friend the Minister of Industry and Commerce or the member for Churchill or the member for Burrows tells me I'm wrong, I merely say I must be right because this is the legislation we're passing; and if you don't mean it - I say if you don't mean what is contained in this legislation, then why in goodness name did you bother the Legislative Counsel and the staff of the government to draw up such legislation.

I read with so much humour - and I can only say, Mr. Speaker, it was rather second-hand because it was in a newspaper report - where it was indicated that the Honourable the Minister of Industry and Commerce is alleged to have stated - and I wasn't here, I read it in the paper - is alleged to have said "We don't expect we're going to use this ...

MR. EVANS: the opportunity to say that I didn't say that. I have looked it up since and I think the impression given in the headline of the news story is mistaken.

MR. PAULLEY: Then, Mr. Speaker, I am more happy than ever because that indicates that my honourable friend apparently is joining with me in this forward advance. I can understand this too, Mr. Chairman - you weren't here - but if memory serves me correctly, my honourable friend sat where the Honourable Member for La Verendrye sits; I sat where the Honourable Member for Logan sits; and in the far corner the Communist Member Mr. Kardash sat. I was insulated at that time from the right and from the left. The right has moved over to the left and I haven't got any further to the left than I was at that time.

So I am happy with this legislation, Mr. Speaker. I commend it to the House and I certainly am going to ask for a recorded support for the member for Burrows.

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Speaker, I'm not going to speak at length on this, but I would like the Minister when he closes the debate to clarify a point for me. I believe he uses the expression "arm's length operation." Now this could be easily misinterpreted and I think he used it because the Fund shall not make a loan if sufficient funds are available from other sources, but if we refer to this as an arm's length operation, it's not very consistent with the Part 2 that my Leader has just mentioned, because there the government had to become thoroughly absorbed in the operation, and if you said that it was an arm's length operation, I think perhaps you should reconsider that.

MR. GORDON W. BEARD (Churchill): The Honourable Member for Radisson just won another friend again. I thank him for supporting the steel industry. I don't rise to speak very long right now but I would add one more ingredient for him to the steel industry and that of course is the rich iron ore, which I would draw to the attention of our Minister also, that has been found north of Manitoba. I am told that this is one of the richest iron ore bodies ever found in the world until now. They are going to pelletize this and ship it south and in all probability it will come to Churchill, and where it goes from there, one doesn't know as yet. I do understand that it is going further west and I would hope that possibly we could stop this.

I understand also they are looking for between two to 400 Eskimos to train as miners up there which is a very favourable program. But I certainly would support, and I'm sure all of Northern Manitoba will support the honourable member's suggestion to bring the steel industry to Northern Manitoba, and we will hope they would do it possibly by the extension of the Hudson Bay Railway north which isn't as far-fetched as one would think when they first have the suggestion made to them.

MR. DEPUTY SPEAKER: The Honourable the Member for Rhineland.

MR. J. M. FROESE (Rhineland): Mr. Speaker, I beg to move, seconded by the Honourable Member for Seven Oaks, that the debate be adjourned.

MR. EVANS: I wonder if we couldn't urge my honourable friend to speak now. It's been the universal experience all day today that the members have taken considerable trouble to continue speaking and not to adjourn debates. We have had some outstanding examples - the Leader of the Official Opposition surrendered his right to speak on a bill tonight and a number of others have curtailed their remarks. The Honourable Member for Lakeside denied himself what has really been a traditional speech year by year with him, and I would urge my honourable friend that if he has a contribution to make that he make it now.

MR. FROESE: Mr. Chairman, I am not prepared to speak on it tonight. I think this is a very important bill and I would like to make my contribution tomorrow at as early an occasion as possible after this.

MR. EVANS: Would my honourable friend move to motion.

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

MR. EVANS: Mr. Speaker, may I ask you now to call as the next item, on Page 5, the Second Reading of Public Bills - Bill No. 45 and continue then on with the Bills on Page 6.

MR. DEPUTY SPEAKER: The second reading of Bill No. 45. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, at the request of the sponsor of this Bill, and with the permission of my seconder, may I please request leave of the House that I be allowed to withdraw it.

MR. DEPUTY SPEAKER: Agreed. The Bill is withdrawn. The adjourned debate on the second reading of Bill No. 65. The Honourable the Leader of the New Democratic Party. -- Bill No. 63, I'm sorry.

MR. PAULLEY: It's okay, Mr. Speaker, 63. This Bill, Mr. Speaker, is in effect a proposition to remove from The Labour Relations Act the legal entity clauses in respect of Labour. You may recall, Mr. Speaker, that this legislation was established following the report of Mr. Justice Tritschler following the Brandon labour strike. Labour is still of the opinion that this is pointed legislation directed towards their activities and that it prejudices the situation insofar as labour is concerned, in that it puts them in a different basis than it does industry as a whole. So the purpose of the Bill, without belabouring the House, Mr. Speaker, is simply that and I recommend it to the House.

While I am on my feet, Mr. Speaker, may I draw to your attention that unfortunately my colleague the member for Elmwood who introduced this bill is not here, however, he has given me approval to allow the Bill to be voted on in his absence and we will not request that it be stood over in case he comes back.

MR. DEPUTY SPEAKER put the question and after a voice vote declared the motion lost.

MR. PAULLEY: Yeas and Nays please, Mr. Speaker.

MR. DEPUTY SPEAKER: Call in the Members.

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

YEAS: Messrs. Barkman, Campbell, Guttormson, Harris, Hillhouse, Molgat, Patrick, Paulley, Smerchanski, Tanchak and Wright.

NAYS: Baizley, Beard, Bilton, Bjornson, Carroll, Evans, Froese, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McLean, Martin, Mills, Moeller, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, and Mrs. Morrison.

MR. CLERK: Yeas, 11; Nays, 26.

MR. DEPUTY SPEAKER: The motion is lost. The adjourned debate on second reading of Bill No. 64. The Honourable Member for Hamiota.

MR. EVANS: Mr. Speaker, could I ask you to hold that item for a time and come to it later in our proceedings and call now No. 87.

MR. DEPUTY SPEAKER: The second reading of Bill No. 87. The Honourable Member for Roblin.

MR. B. P. STRICKLAND (Hamiota): in the absence of the Honourable Member for Roblin, presented Bill No. 87, an Act to validate certain By-laws of The Town of Dauphin and The Rural Municipality of Dauphin and to enlarge the Boundaries of the Town of Dauphin, for second reading.

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

MR. WRIGHT presented Bill No. 90, an Act respecting The Rural Municipality of Old Kildonan and The City of West Kildonan, for second reading.

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

MR. EVANS: Mr. Speaker, in view of our present situation, I wonder if we could leave the next item until later on.

MR. D. M. STANES (St. James) presented Bill No. 95, an Act to amend The St. James Charter and to validate By-law No. 10109 of The City of St. James, for second reading.

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

MR. PAULLEY presented Bill No. 98, an Act to amend The Transcona Charter, for second reading.

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

MR. OSCAR F. BJORNSON (Lac du Bonnet) presented Bill No. 99, An Act respecting The Village of Powerview, for second reading.

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

MR. CAMPBELL: in the absence of the Honourable Member for Gladstone, presented Bill No. 100, an Act to authorize The Town of Neepawa to Pass a By-law respecting a Medical Service Building in the Town, for second reading.

MR. DEPUTY SPEAKER presented the motion.

MR. CAMPBELL: Mr. Speaker, I have half a dozen clippings here from the Neepawa Press.

MR. DEPUTY SPEAKER: Are you ready for the question? The Honourable the Minister of Municipal Affairs.

MR. SMELLIE: This proposed Bill gives to the Town of Neepawa a power that is not usually given to municipalities and I have some reservations as to whether or not this is desirable. I do not intend to oppose the Bill at this time but I feel it should go to committee so that the town can be heard, but unless they can convince me otherwise, I would intend to move in committee that the Bill be not reported.

MR. CAMPBELL: Mr. Speaker, if no one else wishes to speak, I would just like to say that I consider this to be not an unusual Bill but a very interesting one, and it seems to me that it's something that we certainly should pay some attention to. It's quite remarkable that here is the Town of Neepawa, not a large place, showing the initiative - you wouldn't expect me to be complimenting them on this kind of a program - but here they are, this town is showing the initiative to say we need medical services, doctors, dentists and others in here, and we, the Corporation of the Town of Neepawa, are prepared to build a medical centre. That's what this Bill is asking the Legislature to approve. I can appreciate the position that the Honourable the Minister takes and I certainly don't intend to debate the matter here. I can read a Neepawa Press clipping if you would like to hear one, but I think it's really an interesting development and I'm glad that the House takes the position that we should hear the town's expression upon it.

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

MR. BEARD presented Bill No. 101, an Act to validate certain By-laws of The Town of The Pas, and to enlarge the Boundaries of The Town of The Pas and the Boundaries of The Kelsey School Division Number 45, for second reading.

MR. DEPUTY SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, before you put this question, I wonder if the introducer has anything to say. I just want to make one or two comments. If he would like me to make them and then he could follow me, it would be quite all right.

Mr. Speaker, I rise on this because this by-law of the Town of The Pas has something to do with the Churchill Forest Industries (Manitoba) Limited and their development in Northern Manitoba. I want to say to my honourable friend the member for Churchill who introduced this motion, it is not my intention to oppose going to second reading, but I do want some clarification at that particular stage as to the contents of the bill.

Mr. Speaker, the other -- oh, about a month or so ago when the Honourable the Minister of Industry and Commerce first introduced to the House the announcement of the Churchill Forest

(MR. PAULLEY, cont'd) . . . Industries Limited, I put in Orders for Return asking for copies of agreements between the province, Churchill Industries - or Monoca A. G. as the parent company is known as. Among other Orders that I asked for was a copy of all agreements between any municipal corporation, the province and Monoca or the integrated forest complex. The reply which I received subsequently stated that there were no agreements between any municipality and Churchill Industries regarding the Churchill Forest Industries of Manitoba. It might be that there is a technicality here, Mr. Speaker, that there was no agreement until this Act is ratified. If this is the technicality, then I respectfully suggest that the Order for Return might have indicated that one was contemplated by this Bill.

Also, Mr. Speaker, I want to ask the honourable sponsor of the Bill if he would have before the committee that considers this Bill the agreement between Churchill Forest Industries of Manitoba and the Town of The Pas respecting the basis of setting the assessment for 20 years. The Bill refers to Schedule - or Exhibit A which has to accompany this by-law. We have no indication, Madam Speaker, of what the contents of the agreement are. Now we have taken the position in this corner that the Government of Manitoba has given sufficient concessions - more than sufficient concession in respect of Churchill Forest Industries - and I for one am most anxious to know what additional concessions are going to be made at the municipal level in respect of this industry.

Now I realize, Madam Speaker, that simply by standing up on a Bill of this nature that someone might say that here again I am trying to deter industries from going into Northern Manitoba. I want to assure anyone who might have that thought that such is not the case. I think the people of The Pas are entitled to obtain industry for their well-being but I don't think that it should be necessary for the taxpayers to have to assume onerous burdens, if indeed there are onerous burdens as the result of the industry locating there, due to the activities of this government.

So, Madam Speaker, I ask the honourable the sponsor of this Bill if he would consider my remarks in the light in which I give them, and if he will make arrangements for the committee that is going to consider this Bill to have before it copies of the agreement between Monoca or Churchill Forest Industries and the Town of The Pas so that we will know the sum total eventually of the concessions at the municipal level as well as at the provincial level which the Province of Manitoba are prepared to give to this organization from Switzerland.

MR. CARROLL: I was just wondering if the member would permit a question. Did you say that someone had turned down your request for information about an agreement between the Town of The Pas and Monoca? That is what I understood you to say. I just want . . .

MR. PAULLEY: I said, Madam Speaker, that in my Order for Return I had asked for copies of all agreements between the Town of The Pas and Monoca and the Order said "nil". It was a nil report that I got. That's all I said. --(Interjection)-- Madam Speaker, that's what I asked for, copies of the agreement, and I did get a nil report which I'll be glad to show the Honourable Minister of Welfare or the Minister of Industry and Commerce. I don't accuse anybody of trying to scuttle the business.

MR. HILLHOUSE: Madam Speaker, the objection I have to giving second reading to this Bill at the present stage is that we're being asked to approve a by-law authorizing the Town of The Pas to enter into an agreement with the Churchill Industries (Manitoba) Limited, which agreement is supposed to be a schedule to the Act and is not attached as a schedule to the Act. We're also being asked to approve a by-law giving to the Churchill Forest Industries Limited a fixed assessment for 20 years. Now we're not given any information as to what the capitalization of that company is going to be in The Pas nor are we given any information from which we could determine what the ordinary assessment would be and what advantage they would be getting by reason of getting a fixed assessment. I think before this House is asked to approve any such Bill we should have all the documents before us so that we can look at the matter in an intelligent way.

Personally, I am opposed to any municipal corporation giving a fixed assessment to any industry, but it may be necessary - it may be necessary in respect of The Pas in order to establish this industry there to give some encouragement, but it would seem to me, Madam, that the encouragement that has already been given by the Government of Manitoba to this organization is sufficient at least to induce anyone to invest money. I would like to be sure that the Town of The Pas is not also being asked to subsidize an industry.

MADAM SPEAKER: The Honourable the Member for Churchill.

MR. BEARD: Madam Speaker, perhaps I can clear up some of the questions that have been asked tonight. As I understand it, the principle of this bill of course is to bring in additional properties into the area of the Town of The Pas. This is carried out, I am told, by unanimous consent of the Mayor and Council, the Kelsey School Division, the principals of Churchill Industries and the Government of Manitoba. The area originally was included in the Local Government District of Consol, which I understand surrounds the Town of The Pas. This area also, I might explain to members, is one area that lies north of the Saskatchewan River and to the east of the area - the reservation area. At this time there are no services provided over there because it's on the other side of the river. Secondly, there's no habitation in that area that is being transferred.

The area was purchased by Churchill Forest Industries from the Local Government District. The area is now being included in the Town of The Pas. This area does not segregate any homes from The Pas because there is nothing on the other side of it, and it of course provides The Pas with a new industrial area.

The services to be provided by the Churchill Forestry Industry - those are the main services that are required for the area - or they can be negotiated between Churchill Forestry Industry and the Mayor and Council of The Pas, and I think if you know the mayor of The Pas like I do, he'll drive a pretty hard bargain - or a good bargain, I should say.

The tax commitments will be commensurate with the construction of the plant, and I would like to leave this portion up to the Minister to explain. As I understand it, there will be no financial burden to the Town of The Pas because there are no financial commitments, as I understand it.

I would point out at this time that it's an industrial area, that the area that would be required to provide homes for the workers or the employees would be in what is within the bounds of the Town of The Pas at present. Anybody acquainted with the area, as I understand it, there's quite a lot of open space between the new Industrial School and the residential section, that portion of the town.

As far as the agreement between the Churchill Forestry Industry and the Town of The Pas, I will again refer that over to the Minister.

I would like to point out though that in introducing this area to the town, I'm fully convinced that there can be no extra costs over and above what their tax commitments would be from the company at this time, because without having to provide the services for that area, then certainly it is up to the Forestry Industry itself to get the whole thing started.

I would also point out that this property is not nor has ever been used as far as I know, and knowing the area myself, I don't know what other value it would be, certainly to the Local Government Districts of Consol, other than the development of a townsite, and it would of course be ridiculous to consider an industry so close to The Pas if it wasn't a part of the Town of The Pas, because certainly in the future at some time, with the planned expansion of both the industry and the community, then certainly we would require that this be part of the town.

I don't believe there's anything else I could add to it other than my own personal satisfaction in being able to introduce this Bill, because as members know, we have a Bill coming up to incorporate the Town of Thompson and I like to associate the two ideas, where we find progress in anticipating the growth of Thompson through its incorporation; and then we can reach back to one of the oldest communities, certainly one of the oldest large communities in Northern Manitoba, and find there also signs of progress. If this is going to be carried out throughout our north, then certainly we as Manitobans can look forward to a reasonably rosy future and pave the way to relieving you people in Southern Manitoba of this great tax burden that we hear about so often from opposition.

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

MR. STANES introduced Bill No. 104, an Act to disestablish The Town of Brooklands, dissolve The School District of Brooklands No. 1440 and amend The St. James Charter, for second reading.

MADAM SPEAKER presented the motion.

MR. STANES: Madam Speaker, I think it would be an omission on my part if I did not rise at this time and congratulate the Mayor and the Council of Brooklands and the Chairman and the School Board of Brooklands for their goodwill in their attempt to serve the public of their particular area, that they are prepared to give up their own seats, their own positions, because they felt, and I think quite rightly, that their own people can be better served. I think

(MR STANES, cont'd) . . . there's no greater act can be found in any public service and I wish to make that public.

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

MR. R. O. LISSAMAN (Brandon) introduced Bill No. 115, an Act to amend The Brandon Charter, for second reading.

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

MR. COWAN introduced Bill No. 116, an Act to amend The Winnipeg Charter, 1956, and to validate By-laws Nos. 19061, 19190 and 19204 of The City of Winnipeg, for second reading.

MADAM SPEAKER presented the motion.

MR. SMELLIE: Madam Speaker, there are some measures contained in this bill that don't receive the wholehearted approval and support of the department, and we will have something to say about these when they appear in committee.

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

MR. BEARD introduced Bill No. 94, an Act respecting the Incorporation of The Town of Thompson, for second reading.

MADAM SPEAKER presented the motion.

MR. PAULLEY: Madam Speaker, I wonder if the member is going to explain this Bill.

MR. BEARD: I would be very pleased to, Madam Speaker. First I might like to say though, I am sure that no other duty that I shall be called upon to perform in public life will give me greater satisfaction than the introduction of this Bill to incorporate our Town of Thompson.

Bill No. 94, which allows for the incorporation of the Town of Thompson, follows the general Municipal Act as applies to other areas. It allows for a Mayor and Council of six members. They are to be elected in the first week of October, or rather they'll be nominated the first week of October and elected on the fourth week of October along with the other municipal elections in the province. It is the intention of this Bill to have them take their place immediately as a negotiating team to complete the many agreements that will have to be carried out by the people of Thompson before the first of January.

I might point out that in the negotiation that follows, the Municipal Board will be called upon for arbitration wherever they can't arrive at a solution that would be favourable to all concerned, or acceptable that is. I'd point out that many hours have gone into the negotiation of this agreement which of course reaches back to the original agreement that was made between the government and the International Nickel Company which was at that time taking care of an area which was called The Local Government District of Mystery Lake. This is a large area, Madam Speaker, and out of that has grown the Town of Thompson, so we must consider this in the same light as all of the other municipalities and towns in the Province of Manitoba with the exception that the Local Government District of Mystery Lake takes the place of the municipality, so that the original agreement still stands and the commitments are still there as far as the company is concerned.

So now relatively speaking the company is responsible as per original agreement for the local government district of Mystery Lake and for the Town of Thompson. This Bill allows for the appointment of a Town Manager, a business manager, who will be responsible to the Mayor and Council for policy and those other duties that he will be called upon. To start off with, Mr. Nesbitt, the local government district administrator will of course have to carry on until he completes his negotiations with the Mayor and Council and this of course will allow for a continuity of operation during the change-over, if there is one.

This would mean then that during the months of October, November and December the business manager or the local government administrator will remain in charge of the affairs of the town while the Mayor and Council are there to consider policies and to complete the agreement and the negotiating between the themselves, the province of Manitoba and International Nickel Company. The Mayor and Council will be paid in accordance with The Municipal Act as it is carried out in the rest of the province - and I might explain to members that I believe that the payment of these are for a town of 10,000 or under 5 million assessment is \$2,000 for the Mayor and \$1,000 a year for the Councillor. For over 10,000 or over 5 million assessment \$3,600 for the Mayor and \$1,800 for the council, unless otherwise provided.

I would also point out that I personally feel that an arrangement with a business manager is certainly in keeping with the position that we find ourselves in Thompson because certainly

(MR. BEARD, cont'd) . . . we are not experienced up there in the operation of a town the size of Thompson. It is going to be difficult, we're going to have a lot of lessons to learn in a big hurry, because we're taking over of a big business. We will have to do it slowly possibly, maybe a little slower than some people would wish, but certainly there is allowance for the take-over just as fast as the Mayor and Council feel that they can adequately do it. I'm sure that the Government of Manitoba will lend all the assistance that their offices can in assisting the Mayor and Council.

It allows for the electors and candidates as set up under the Municipal Act. In conceiving the incorporation of a new town like this you must have something to go back to so they would set a date of residents in the town of the first of January of this year, or property owners if they come at a later date - and they would have to be British Subjects. The candidates that are running for mayor and council would be the same as under The Municipal Act.

I might state that there has been some question on the necessity of having to negotiate for further land if required and I would point out to members that there is a larger area of land than usually is included in an incorporated town. The Town of Thompson area as I understand it could accommodate a population of up to approximately 15,000 in the area which is now being serviced. There is also an area across the river which is included in the townsite surveyed and as development grows and this land is required than it would accommodate along with the Town of Thompson a population of between some 40 and 50,000, and this appears to be adequate for some years to come - unless of course we can encourage a steel industry to Thompson.

The services of the district which have been provided for will be negotiated, or ownership and operation of these services will be negotiated between the local government district and the town. Now this is the services that are required such as the fire fighting equipment, and any of those other usual services that go along with a town a municipal hall. Because we must remember that there has to be administration for both the local government district and the town of Thompson, even though they are separate, and the commitments will still have to be met. This will include a yard and the garages for the town equipment and the rural municipality equipment, etcetera.

I don't know whether I have anything else that I can add for members right now. If you're . . . later time anyway I suppose.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, I think there will be no disagreement in principle so far as setting up Thompson as a self-governing body. I think all the members of the House here subscribe to the point of view that wherever possible there should be local organizations running their own affairs rather than being run by the Department of Municipal Affairs through an administrator. So I want to say at the very outset that I am very pleased to see Thompson having reached the point where the government has agreed to allow them to incorporate and run their own affairs. There was some discussion some two years ago regarding this and the government was not prepared then to take the steps but now apparently they have agreed and I intend to support the bill in principle.

I must say however, that I have received a number of letters, communications from the Thompson area regarding the Bill. The member who has just spoken mentioned one of them - that is the question of the size of the town and the possibilities of expansion. Other comments that have been made to me are with regard to the indebtedness of the recreation centre in the town, as to how this is to be shared and who is to be responsible. I would hope that we will be able to get more details at the committee stage and that the experience we may have gained in other centres such as Flin Flon and other northern areas in the past in their incorporations will be used in setting up this Bill so as to prevent some possible future troubles.

The main objection though, Madam Speaker, that I have had raised against the bill is that there seems to have been a lack of communication with the people of Thompson themselves. The comments that I have heard indicate that the Bill and the incorporation was established without reference to the local bodies. Now I appreciate the difficulty where there is no elected body as such in having consultation, and yet in a community like Thompson inevitably there are some local organizations that establish themselves - quite evidently there is a Labour Union; has been since the very beginning of the town. From what I have heard they were not consulted so far as the incorporation or what went into the Bill itself. There are other groups undoubtedly like service clubs. There's a Chamber of Commerce. Chambers of Commerce are normally representative of a certain element in the community with a very definite stake in that community and my understanding is that they were not consulted either in the proposals contained in the Bill.

(MR. MOLGAT, cont'd) . . . :

Now that does not necessarily mean that the Bill is bad but I think it is unfortunate that it should be launched in this way because I think wherever possible we can bring people into the discussion, have them feel that they are part and parcel of it, that eventually then when the incorporation goes through and the town is set up there will be better feeling amongst the people who are living there and who are going to be participating in the functioning of this community. If my information is correct, I think it is unfortunate that there was not this local consultation. The Minister may have other information, but this is the information that was sent to me and I raise the point, Madam Speaker, because I think it is unfortunate.

I would hope that when this Bill comes to our committee, even though there is a long distance involved between Thompson and Winnipeg, that there may be some members from the Thompson area who might be prepared to express their views as citizens so that the Members of the Committee can have directly from them the recommendations that they may have for changes in the bill but on the general principle I'm pleased to support the Bill. I hope that we can have a more detailed discussion with explanations from the Minister regards the matter of local discussions prior to setting the bill up.

MR. PAULLEY: Madam Speaker, I just want to also join with the Leader of the Opposition. I received a telegram from the Local 6166, the United Steel Workers of America at Thompson - I believe the Honourable Minister of Municipal Affairs received one as well as myself, and I believe also the Leader of the Official Opposition received one. I think it would be well, Madam Speaker, for the purpose of the record, if I may just read out this brief telegram: "Please be advised that Local 6166, United Steel Workers of America in Thompson, Manitoba, take strong exception to certain portions of Bill 94, otherwise known as the Thompson Incorporation Bill -- specifically Section 3, clause (2), Section 10 and portions of Section 11. A major concern of our Union is the method in which the Bill was drawn up and presented. The Thompson residents and organizations did not have the opportunity to participate in, make submission to, or voice their opinion on the Incorporation Bill. We request opportunity to signify our feelings before final reading. Signed by the Executive Board of the Local 6166, United Steel Workers of America, Box 766, Thompson, Manitoba."

I want to say, Madam Speaker, that I've taken a look at the Bill, too, and I'm very pleased to note that Thompson is going to become incorporated as a town. Which reminds me of an incident of a year or so ago - "shades of Joe Borowski," I think, Madam Speaker, are evident in this Bill that we have before us. You will recall possibly, Madam Speaker, that Joe Borowski undertook a vigil . . . in the corridor of the Legislature round about Eastertime - I believe it was two years ago now, time passes so quickly - when he was endeavouring to obtain for the citizens of Thompson the same rights that are normally those of the rest of citizens in Manitoba. If memory serves me correct, there was some concession made at that session, and I think directly as the result of Joe Borowski that there was set up a council of residents to advise or work in conjunction with the resident administrator. The Honourable Minister of Municipal Affairs shakes his head, but I think it was mainly due to our friend Joe Borowski on behalf of democracy that progress was made more rapidly in this field. I would suggest that our friend Joe Borowski - who at that time just incidentally of course, was the President of the New Democratic Party of Thompson, that he rather -- (Interjection)-- My friend from Emerson says, "What a coincidence". Isn't it so true, Madam Speaker, that the main fighters for democratic rights in this Assembly have been New Democrats. --(Interjection)-- Oh definitely he does.

However, Madam Speaker, I say that this is good. We protested the original provisions of the bill - the agreement which set up company Towns, and I think as the Leader of the Opposition has indicated, this can be an indicator of not to enter into Company agreements again.

There's just one or two things that I do have to comment on, apart from what I've said in regard to the Bill specifically. I note that under the provisions of the Bill the present resident administrator is to be a town manager, subject to when the town council is eventually set up they have the right to dismiss him or go back. I think it would have been far more democratic if the Bill merely had said that the town administrator will no longer be the administrator on the coming in of the council; so that they had the right, not a suggestion in the Bill itself, but that they had the right to decide whether the resident administrator would continue as a town manager or not.

Also, Madam Speaker, the Honourable Member for Thompson referred to the provisions

(MR. PAULLEY, cont'd) . . . within the Bill dealing with the boundaries of the town, and School Division, that they cannot be altered without the approval of the government and the company. This indicates to me that the company, notwithstanding the setting up of an incorporated town, still has the rights of exercising a reasonable amount of power or considerable amount of power insofar as further extensions. It might be argued that the company are in effect in control of the area surrounding the incorporated, what is to be the incorporated town, in any case would have to enter into the agreement, I can appreciate that. It may be odd for it to be placed in the Bill itself, the bill of incorporation, because if the town does control the area around by the original agreement, well then of necessity they would have to be part of an agreement in any case.

So, Madam Speaker, I join in welcoming the incorporation of another town, a thriving town, to the Province of Manitoba. I can assure my honourable friend, the Member for Thompson, that if he will support me in my endeavours I will make sure that there is a steel foundry in the new Town of Thompson before too long.

MR. SMELLIE: Madam Speaker, there are just one or two points that should be made here before we put the question. First of all on this question of communication with local people. This is something that has given me some concern since we first started talking about the incorporation of Thompson, because our hands were tied. It was very necessary that we should, by the agreement that was entered into in 1956 with International Nickel Company, it was necessary that we had to reach agreement with the company before any legislation could be presented.

There is one other matter, too, that entered into our consideration, and that is that this matter proceed as a government bill and it was not until just before it was presented in the House when I asked the Member for Churchill if he would like to introduce the bill, that this matter was changed and even on the copies of the bill I think members will notice that it still bears the name of the Minister of Municipal Affairs on the front. Because we were in negotiation with the company as to the terms of the principles that were going to appear in the Bill, and because these negotiations were not completed as the time that the Session was called, this Bill has been delayed. I regret that there wasn't really any opportunity until the bill was introduced to let the people in Thompson know what the provisions of the bill were.

Since that time, as honourable members know, there has been some complaint from the community that they weren't consulted. This week, I had the opportunity to explain to a meeting of the Chamber of Commerce in Thompson, which meeting included large numbers of members of the Union, which sent the telegram, and any questions that persons at that meeting wanted to ask were answered I believe to the satisfaction of most of the people who were there. And when it was explained to them that government legislation is not ordinarily discussed in public outside of this Chamber before it's introduced, they appeared to be satisfied with this explanation and I think that honourable members opposite would have been even more critical than they are if government legislation had been discussed in public before it was introduced in this House. So I think you may understand, Madam Speaker, that it wasn't easy to have close consultation with the people of Thompson prior to the time that the Bill was first introduced by the Member for Churchill.

Attempts since that time have been made to assure the people in the area concerned that first of all, the area included in the townsite of Thompson itself is much larger than would ordinarily be included in a town. Most of the towns when they're first incorporated include an area of about one square mile. The area that's included here is much larger than that; it includes the area of the present townsite, all of the present subdivision; it also includes the industrial area across the railway tracks where the CNR location is; it includes the area where the sewage disposal plant is on the edge of the river, and it includes an area on the north side of the Burntwood River, which is larger in area than the present townsite area on the south side of the river. This area has been changed slightly from the original townsite limits that were entered into by agreement between the Local Government District and the Company. An area which was low lying and of little value was taken away and another area of good solid ground along the river was added to the area of the townsite.

I'm satisfied in my own mind that there is plenty of room for the expansion of this town for more years that most of us in this Chamber are going to be worried about. I'm also satisfied that the people of Thompson have in this Bill the opportunity to enter fully into the democratic process and to govern their own affairs in the same way as any other municipality of the Province of Manitoba.

(MR. SMELLIE, cont'd)

Some mention was made of the visit we had a couple of years ago from Joseph Borowski. I want to assure the members of this House that long before Mr. Borowski came here negotiations had been commenced between the government and the International Nickel Company for this procedure and that arrangements had been made with them for the establishment of an appointed Advisory Committee, two years ago; for the election of a School Board in the fall of 1965 to take office at the beginning of this year; and for the incorporation of the town during the year 1966 to take effect at the beginning of 1967.

I think members should notice also that certain particulars of the agreement have been left for negotiation between the elected representatives of the town and the local government district. This was done on purpose so that the people in the community should make the decisions rather than have someone else make them for them, I think that everything has been done that could have been done to allow as much participation as possible by the elected representatives of the people in Thompson in deciding their own destiny in this matter.

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

MR. JAMES T. MILLS (Kildonan) introduced Bill No. 117, an Act to amend The Shop Regulation Act, for second reading.

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

MR. MILLS: Yeas and nays, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the second reading of Bill No. 117.

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

YEAS: Messrs. Baizley, Bjornson, Harris, Jeannotte, Klym, Lissaman, McGregor, Martin, Mills, Moeller, Paulley, Shewman, Smellie, Stanes, Tanchak, Watt, Weir, Wright.

NAYS: Messrs. Barkman, Beard, Bilton, Campbell, Carroll, Cowan, Evans, Froese, Guttormson, Hamilton, Hillhouse, Lyon, McLean, Molgat, Patrick, Steinkopf, Strickland, and Mrs. Morrison.

MR. CLERK: Yeas, 18; Nays, 18.

MADAM SPEAKER: I vote in the negative and I do so so that the decision of this House is not final and so I leave the House another opportunity of deciding the question. I declare the motion lost. The second reading of Bill No. 113. The Honourable the Member for Brandon.

MR. LISSAMAN presented Bill No. 113, an Act respecting the City of Brandon, for second reading.

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

MR. STRICKLAND presented Bill No. 118, an Act respecting the City of Portage la Prairie, for second reading.

MADAM SPEAKER presented the motion.

MR. SMELLIE: Madam Speaker, I think it will be appropriate for me at this time to inform the member concerning the circumstances which make the introduction of this Bill necessary, and because the matter is extremely technical and rather complicated I would like the indulgence of Madam Speaker, to read the statement which I would like to make at this time.

The street paving projects undertaken by the City pursuant to By-laws No. 3855, 3866, 3869 and 3883, were advertised as local improvements, but the City did not apply to the Municipal Board for its approval of the borrowing of the net amount of \$159,151.79 to finance these projects as required by subsection 1, of section 534 of The Municipal Act. As the money was borrowed by the City without the authorization and approval of the Municipal Board and since the Municipal Board Act does not grant to the Board authority to validate borrowing by-laws subsequent to the borrowing having been done, legislation is required to approve and ratify the borrowing by the City pursuant to these by-laws and to permit the City to impose frontage charges where applicable on the lands fronting and abutting the streets whereon these local improvements have been made.

The City also undertook the looping of sewer and water mains on Fisher Avenue and Birchwood Drive in preparation for street paving provided for under the authority of By-law No. 3870. Although this looping was advertised as a local improvement the looping of the sewer and water mains on Ninth Street Southeast and the house connections from laterals to private property lot lines were not so advertised. The borrowing done by the City under the authority of By-law No. 3870 for the purpose of carrying out the sewer and water main

(MR. SMELLIE, cont'd) . . . improvements in the net amount of \$46,796.85 was not authorized or approved by The Municipal Board as required under Section 534 of The Municipal Act. This By-law likewise requires to be legalized and validated and the borrowing by the City in the amount stated to carry out these projects approved and ratified.

The sewer and water extensions installed on Ninth Street Northeast and along Maplewood Crescent to La Verendrye School at a net cost to the City of \$25,305.07 was not authorized by a formal By-law of the City. The sewer and water extension of Ninth Street Northeast was not advertised as a local improvement; rather it was installed as a house connection. The sewer and water extension along Maplewood Crescent to La Verendrye School was advertised as a local improvement subsequent to the work being undertaken and carried through to completion. No adverse petition was received by the City in respect of this work when it was advertised as a local improvement.

Because the City omitted to pass a by-law authorizing the work to be undertaken and to authorize the City to borrow the money required to finance the undertakings and omitted to seek the authority and approval of the Municipal Board to the borrowing done, legislation is required to authorize and approve the carrying out of the work undertaken and to legalize, validate, and ratify the borrowing done by the City of finance these improvements and to permit the City to impose where applicable frontage charges on lands fronting and abutting the streets where local improvements were laid.

The City undertook as Winter Works Projects the relocating and renovating of water pipes and valves adjacent to the old water pumping station; the renovation of the former post office building which had been purchased to serve as a City Hall and the relocation of the Cenotaph. By-law No. 3869 authorized the City to undertake the relocation and the renovating of the water pipes and valves and the borrowing of the sum of \$5,500 for this purpose. But again it failed to seek the authorization and approval of the Municipal Board as required in the Act.

The renovation of the City Hall and the relocation of the Cenotaph initially was financed out of current operating funds. Subsequent to these undertakings being carried through to completion the by-law authorizing the borrowing of the net amount expended was authorized and approved and the amount borrowed under authority of this by-law was returned to the current operating fund. The current loan outstanding in respect of the public works undertaken as winter works projects with accumulated interest is in the amount of \$71,422.14. Legislation is required to provide that the public works undertaken with respect to these projects was legally instituted, authorized and carried out and to legalize, validate, and ratify the borrowing by the City of the money required to finance these undertakings.

During the years 1961 through to 1965, the City undertook substantial sewer, water and paving projects. Each of these projects was properly advertised and all by-laws relating thereto to authorize the borrowing of the money for these projects were authorized and approved by the Municipal Board. The policy of the City has been when such improvements are carried out the City levies a uniform frontage charge on lands fronting and abutting the street whereon the improvements are made and levies the balance of the cost of the improvements over the City at large. The by-law providing for the imposition of uniform frontage charges for such improvements is applicable throughout the City and it provides for a charge of \$5.00 for foot front for sewer and water installations and a charge of \$5.09 per foot front for street paving.

The effect of this by-law has been that the cost of the sewer, water and paving projects that's levied over the City at large exceeds the four-sevenths of the total cost permitted to be levied over the City at large under Section 702 of The Municipal Act by the amount of \$588,507.15.

Legislation is required to authorize the City to levy by appropriate annual mill rates the amounts required to pay the annual principal and interest payments on debentures authorized in excess of the total sum that may be levied and charged as frontage charges in respect of these sewer, water and paving improvements. The delays involved in financing the various projects through the issuance and sale of debentures in the making of local improvement levies where applicable has resulted in the accumulation of interest charges on the moneys borrowed. It is now proposed that these interest charges together with the sum that will need to be raised to provide for the sale of debentures at a discount because of the current money market, be capitalized. It's estimated that the amount for which the City will require debentures in order to capitalize these costs together with the legal and other costs associated with the issuance of sale of the debentures will amount to about \$158,800.00.

(MR. SMELLIE, cont'd) Legislation is required to authorize the City to issue debentures for this purpose.

A judgment was obtained against the City for damage resulting from the operation of the City Sewage Lagoon. Four other claims for damage have been implemented by suits in the court, but the amount of damage to be awarded under these claims has not yet been fixed. The City have been directed by the court to abate the nuisance resulting from the operation of its Sewage Lagoon and has engaged the services of consulting engineers to make recommendations as to what must be done or can be done to abate the sewage lagoon nuisance and to establish the cost of the work to be undertaken. The report of the Engineer is not yet available.

The City also is faced with claims for damage arising out of the construction of the Tupper Street Overpass. The amount of damage to be awarded under these claims has not yet been finalized. The City, therefore, by legislation is seeking the authority to create a debt not exceeding the amount of \$450,000 for these purposes, an authority to secure the debt by the issue and sale of debentures without the requirement of having to submit a money by-law for these purposes to a vote of the ratepayers of the City. In total, therefore, the City is seeking legislation to authorize, validate, and ratify the creation of a debt by the City in the amount of \$1-1/2 million.

I believe it's necessary and in the best interests of the City that this Bill should be passed now. It is however, my intention to require the Municipal Board to conduct a full and complete enquiry into the affairs of the City of Portage la Prairie and to advise if it is in the public interest to take additional measures for control of the finances of this City. I would also propose, Madam Speaker, to move in Committee, that another section be added to this bill which will not relieve any of the elected officers of that City from their personal responsibility for their actions taken.

MR. HILLHOUSE: That in effect Mr. Minister would mean that the \$105,000 extra money charged against the City for accrued interest, etcetera, and costs, could be collected from the elected representatives who voted for the expenditures of these monies.

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

MR. COWAN introduced Bill No. 114, an Act to amend the Optometry Act, for second reading.

MADAM SPEAKER presented the motion.

MR. COWAN: Madam Speaker, this Bill comes to us by reason of a decision of the Court of Queen's Bench. The member of the Optometry Society violated one of the by-laws of the Society and his licence was revoked accordingly and he appealed to the Court of Queen's Bench and Mr. Justice Smith of the Court of Queen's Bench decided that it was too severe a penalty for the offence with which he was charged and refused to continue with revocation of this man permission to carry on the practice of optometry. He advised the lawyers of the Optometrists Society to seek to have the Act amended so that they wouldn't have to revoke the licence if there was an offence in the future of the same nature, and so this Bill comes to us for the purpose of allowing the Society to reprimand somebody that violates a by-law or to suspend his right to practice optometry. They could suspend it for a day or a week or a month or to revoke it.

If we do not pass this measure, it would mean that in the future as in the past, if a person violated the by-law of the Society, the only remedy that the Society would have would be to revoke the man's right to carry on his work as an optometrist, and the Society don't want to have that as the only remedy for violations of the by-laws of the Society.

The rest of the Bill deals with the procedure in connection with a violation. The Bill actually simplifies procedure from what it is at present and it goes over the procedure in some detail so that there will be no confusion with regard to a person who is charged with violating a by-law of the Society.

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

MR. COWAN: Yeas and nays, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the second reading of Bill No. 114, an Act to amend The Optometry Act.

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

YEAS: Messrs. Bazley, Barkman, Bilton, Bjornson, Campbell, Carroll, Cowan, Evans, Froese, Guttormson, Hamilton, Harris, Hillhouse, Jeannotte, Klym, Lyon, McGregor, McLean, Martin, Mills, Moeller, Molgat, Patrick, Paulley, Shewman, Smellie, Steinkopf, Tanchak, Watt, Weir and Wright.

NAYS: Messrs. Beard, McKellar, Stanes and Strickland.

MR. CLERK: Yeas, 32; Nays, 4.

MADAM SPEAKER: I declare the motion carried.

MR. COWAN introduced Bill No. 93, an Act to amend the Public Schools Act (3), for second reading.

MADAM SPEAKER presented the motion.

MR. McLEAN: Madam Speaker, not wishing to pre-empt the position of the mover of the resolution, I was going to speak on it, before the vote if I may

MR. COWAN: explain the bill, Madam Speaker? This bill provides that the Winnipeg School Division may make a grant to the Manitoba Education Research Council. That is an organization composed of representatives of the Home and School Association, the Department of Education, the Winnipeg School Board and the University of Manitoba, and at present it's conducting some research and expects to conduct further research in the future. The Bill provides that the amount that the Winnipeg School Division can give out in grants is increased from \$15,000 to \$20,000.00. It also provides that the School Board may take out insurance policies on their property with a \$500,000 deductible clause. The School Board may by by-law make a levy not exceeding one-fifth of one mill for the purpose of creating a reserve fund, not exceeding \$500,000 to provide for the cost of replacing or repairing any buildings damaged by fire or by any other cause, and it may borrow by by-law without submitting it to the ratepayers a sum not exceeding \$500,000 to provide the cost of replacing or repairing any building destroyed or damaged by fire or for any other cause, where the costs are not covered by insurance or the fund that may be created by virtue of this Bill.

The by-law for borrowing to set up the fund, or to cover any loss rather, if it is necessary shall have no effect until approved by the Municipal Board. The Bill also provides that the City may enter into an agreement with the City of Winnipeg to provide for the joint use of property owned by the City or by the School Divisions.

HON. STEWART E. McLEAN (Attorney-General)(Dauphin): Madam Speaker, while I do not oppose the second reading of this Bill, I would like to indicate that there may be objections taken in Committee to some of the provisions of the Bill.

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

MR. EVANS: now to call the adjourned debate on second reading of Bill No. 64 on Page 5?

MADAM SPEAKER: What page is that on, please?

MR. EVANS: Page 5 of the Orders

MADAM SPEAKER: 63 and 64?

MR. EVANS: No, just Bill 64. That was passed

MADAM SPEAKER: Fine. Thank you. The adjourned debate on the second reading of Bill No. 64. The Honourable the Member for Hamiota.

MR. STRICKLAND: Madam Speaker, I adjourned this debate on behalf of the Honourable Member for Swan River.

MADAM SPEAKER: The Honourable the Member for Swan River.

MR. BILTON: Madam Speaker, Bill 64 before us calls for an amendment to the Public School Act with the addition of the words, "or French" to be incorporated. The Honourable Member for La Verendrye when speaking on the subject the other day commented that the adoption of this recommendation would permit French language as a language of teaching. I for one, Madam Speaker, hold in the highest esteem my honourable friend. I have not and I hope I never will have the slightest reason to quarrel with him. I sincerely hope that regardless of our differing public opinions, our understanding of one another will be undiminished.

I must, however, say that the thoughts he leaves with me on Page 1387 of Hansard, in his opening remarks, leaves the impression that the teaching of French is prohibited in Manitoba schools. This is just not so. Recent years have seen a substantial extension in the teaching of French in the Manitoba Public School system. I strived last year to point out the multi-lingual and plural nature of our society in Manitoba, developing as it were a cosmopolitan population which we would all hope would ultimately develop into a harmonious forward-thinking people with possibly the admiration of the whole nation.

The Honourable Member spoke of the drain of French-speaking people from this province to Quebec. I noted published statistics in a local journal recently which indicated that in 1965 some 2,500 French-speaking people had gone to the Province of Quebec. I agree with him. This is a serious situation. We cannot afford to lose this drain. I ask, however, if this

(MR. BILTON cont'd)..... migration is for the reason he suggests. This surely cannot be, Madam Speaker, because the same report indicates that 1,900 people came from Quebec and settled in this province. To carry this one point further, this report indicates that 13,000 left this fair province for Ontario while 10,000 came from the Province of Ontario to Manitoba. On balance, Madam Speaker, I suggest to you these figures speak for themselves.

What about the National brain drain to the United States year by year from across the nation? I'm sure these figures would be rather enlightening too. I think you will agree with me, Madam Speaker, that in a period of buoyant economy which we are experiencing today, the trend is for migration. This is true across the entire nation.

In dealing with the annual bid of the Honourable Member from St. Boniface for what he terms French Canadian rights, may I say I listened with interest to his remarks whilst he travelled far afield to make his point and suggested experimentation on the subject would be satisfactory with him. This I suggest, Madam Speaker, is being done. I must congratulate him for his effort which was far removed from the flamboyant and ill-conceived statements he exhibited last year when it was evident he was of one mind and one mind only, that at all costs, must be accepted regardless of whatever views others may have throughout the Province of Manitoba.

I also noted, Madam Speaker, that in his remarks he admitted that biculturalism and bilingualism cannot happen in one day. He admitted that it will take five, ten and possibly fifteen years. He asked for some agreement on this subject, thus bringing an end to the battle. I ask him where is the battle? I suggest to him that the average Canadian-French Canadian, and those of English tongue and in fact, those of the several tongues that make up the population of this province, live in comparative harmony. Where is the battle he speaks of?

He mentions the subject as political dynamite. This, Madam Speaker, I suggest is simply a figment of his mind. Surely such comments do little to advance the feeling of understanding in cultural matters and language usage. He said some people might object to this legislation. Some people, Madam Speaker, through ignorance. He continued, ignorance through lack of knowledge. I do not accept this statement; in fact I believe it was rather unfortunate. I feel there are many thousands, Madam Speaker, many thousands of people throughout the Province of Manitoba who are far from ignorant because they differ from the opinion of my honourable friend. The majority of these people that I am referring to I think it is reasonable to say, are fair-minded people. He did say that everyone was paying lip-service to his effort. This I suggest is not true; and he knows it.

I was also interested in the remarks of my colleague from St. Vital. He, I feel, made several important points differing I'm sure, from that of the Honourable Member for St. Boniface and he went to some length in doing so.

Last year, Madam Speaker, I spoke to some extent in regard to the contents of this Bill. This I recall, was fortified by extensive statistics to substantiate the stand I took, in the hope that my ultimate plea indicating that we would be premature in adopting this Bill, keeping in mind everything that has gone before. Madam Speaker, it's not my purpose to thrash old straw; the record is there and my mind has not changed. For those sufficiently interested, the remarks I am referring to will be found in Hansard dated May 6th of last year, Page 2, 459.

I only want to say again, that we should and must await the outcome of the Royal Commission on biculturalism and bilingualism. After all this subject is nation-wide in its scope and its recommendations must surely be the guide lines toward, we hope, national unity, and, I pray, better understanding.

This Federal Commission, Madam Speaker, has taken some \$4 million to date in public funds and I understand a staff of some 200 people. Who will deny therefore, that they are not having problems. Recent reports suggest they have a long, long, way to go before they come to the conclusions to place before the people, for the people to decide as to exactly what they want.

Surely the Honourable Member for St. Boniface can have no quarrel with this suggestion. He talks of his interest of Canadian unity and understanding, and I agree with it wholeheartedly agree with it. Let us however, not put the cart before the horse. We have lived together as a people for scores of years in harmony. I suggest come what may, we will continue to live in harmony. This subject, historic in its substance, and in the minds of some a vexing problem, will be solved in good time. This, not without patience and understanding on all sides.

(MR. BILTON cont'd).

There have been a multitude of words, Madam Speaker, said on this subject, often reaching the pinnacle of hysteria - by, I'm happy to say, a limited number of people. Surely progress can be looked for in a penetrating and continuing sense so that when the ultimate give and take in understanding is reached it will have an enduring foundation to which all races, creeds and colours that make up our people, may accept and grasp for the well being of our national image and the good of the nation.

Madam Speaker, with the Royal Commission at work in the nation's midst, I see no harm - an opinion, I might say, joined up and down this province - in awaiting the conclusion of this Commission, then acting accordingly at the proper time with complete - and I repeat, complete - provincial public opinion, which each in his own way represents in this House.

Having said these few words, Madam Speaker, I do not believe it would be in the public interest to proceed with the second reading of this bill. Accordingly, Madam Speaker, I move, seconded by the Honourable Member for Lac du Bonnet, that all the words after "that" in the first line of the resolution be deleted and the following substituted therefore: "In the opinion of this House having regard to the recent and substantial extensions in the teaching of the French Language in the public school system; and in view of the multi-lingual and plural nature of our society in Manitoba, the addition of French as a second language of instruction should be studied in the light of national policy decisions which are now under review in this field and of the particular circumstances of our own province."

MADAM SPEAKER presented the motion.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, I move seconded by the Honourable Member for St. George, that the debate be adjourned.

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

MR. EVANS: Madam Speaker, when I move the adjournment, I propose to move it until 2:30 tomorrow afternoon. I think we have a full morning's work at least in the Law Amendments Committee, and that's what I propose to move at that time.

I think I'd like the House to know also that the Honourable Member for Rhineland made a very kind suggestion that if he was holding up the business of the House by having adjourned this one Bill, that he would be willing to reconsider. I think, however, we will have a full day's work in the Law Amendments Committee. I thank him for his consideration but I suggest that it will be quite convenient to allow the debate to take place when next we meet.

Therefore, Madam Speaker, I now move, seconded by the Honourable, the Attorney-General that the House do now adjourn and stand adjourned until 2:30 tomorrow afternoon.

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