Name
ALEXANDER, Keith
BAIZLEY, Obie
BJORNSON, Oscar F.
CAMPBELL, D. L.
CARROLL, Hon. J.B.
CHRISTIANSON, John Aaron
CORBETT, A. H. COWAN, James, Q.C.
DESJARDINS, Laurent
DOW, E. I.
EVANS, Hon. Gurney
FORBES, Mrs. Thelma
FROESE, J. M.
GRAY, Morris A.
GROVES, Fred
GUTTORMSON, Elman
HAMILTON, William Homer HARRIS, Lemuel
HARRISON, Hon. Abram W.
HAWRYLUK, J. M.
HILLHOUSE, T.P.,Q.C.
HRYHORCZUK, M.N., Q.C.
HUTTON, Hon. George
INGEBRIGTSON, J. E
JEANNOTTE, J. E.
JOHNSON, Hon. George
JOHNSON, Geo. Wm. KLYM, Fred T.
LISSAMAN, R. O.
LYON, Hon. Sterling R., Q.C.
MARTIN, W. G.
McKELLAR, M. E.
McLEAN, Hon. Stewart E., Q. C
MOLGAT, Gildas
MORRISON, Mrs. Carolyne
ORLIKOW, David PAULLEY, Russell
PETERS, S.
PREFONTAINE, Edmond
REID, A. J.
ROBERTS, Stan
ROBLIN, Hon. Duff
SCARTH, W.B., Q.C.
SCHREYER, E. R.
SEABORN, Richard SHEWMAN, Harry P.
SHOEMAKER, Nelson
SMELLIE, Robert Gordon
STANES, D. M.
STRICKLAND, B. P.
TANCHAK, John P.
THOMPSON, Hon. John, Q.C.
WAGNER, Peter
WATT, J. D. WEIR, Walter
WITNEY Hon Charles H
WITNEY, Hon. Charles H. WRIGHT, Arthur E.
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Electoral Division Roblin' Oshorne Lac du Bonnet Lakeside The Pas Portage la Prairie Swan River Winnipeg Centre St. Boniface Turtle Mountain Fort Rouge Cypress Rhineland Inkster St. Vital St. George Dufferin Logan Rock Lake Burrows Selkirk Ethelbert Plains Rockwood-Iberville Churchill Rupertsland Gimli Assiniboia Springfield Brandon Fort Garry St. Matthews Souris-Lansdowne Dauphin Ste. Rose Pembina St. John's Radisson Elmwood Carillon Kildonan La Verendrye Wolselev River Heights Brokenhead Wellington Morris Gladstone Birtle-Russell St. James Hamiota Emerson Virden Fisher Arthur Minnedosa Flin Flon Seven Oaks

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Address

THE LEGISLATIVE ASSEMBLY OF MANITOBA 8:00 o'clock, Tuesday, April 4th, 1961.

MR. SHEWMAN: Mr. Speaker, I wish to move, seconded by the Honourable Member for Brandon, whereas the marketing of livestock in the last several years has been of great concern to the livestock producers of Manitoba, therefore be it resolved that this government give consideration to the advisability of establishing a committee of this House to enquire into all phases of the livestock marketing system in the Province of Manitoba.

Mr. Speaker presented the motion.

MR. SHEWMAN: Mr. Speaker, this resolution speaks pretty well for itself. There has been a change in nature in agriculture and its economic position on account of the new demands for policies and new programs on the part of governments. This is in regard to the marketing of livestock; the economic position of the beef cattle industry, and the management matters which contribute to an efficient and economical program in the production of livestock. There has been a great increase in the demand for beef which will result from the growing human population of Manitoba and Canada, in fact the world today. Some have said that livestock pays the bills and, I think as far as we are concerned here in Manitoba, that that is possibly partly right. In the last two years of 1958 and 1959, Canadian farmers have cashed in on the sale of meat animals to the tune of around a billion dollars, Mr. Speaker, and livestock has made up almost entirely one-third of the total farm income in this period. When you take into consideration livestock, and other poultry products are added in to the picture of cash returns to the farmers, it means that there has been \$1-3/4 billion that has been accounted for as far as the livestock and poultry are concerned.

Now there has been investigation into other phases of farming and I think that this resolution, as I've mentioned, speaks pretty well for itself, that there is a need to investigate the marketing of livestock today, especially to the producers of livestock of Manitoba. There are varying economic trends that can have their effects on food consumption and prices which people can pay, but between 1956 and the present, the number of people in the U.S. and Canada has increased by over seven percent. In the same period, assuming that we now have about 112 million head of cattle in the two countries, that is Canada and the United States, the cattle population has increased by less than four percent. Now I think that possibly there is some bearing on the system of marketing livestock that we've had in the past that would tend to possibly just carry on the levels that we have been as far as livestock is concerned. There's factors in the cattle industry that have rapdily been rising, you might say, as far as cost to the consumer is concerned; but there has been a great demand for a better quality of beef as far as the consumer is concerned. The increase in demand in the last few years, in the same period 1958 and '59, has risen three to four percent. Now if this average continues, and what I mean by that is the average consumer demand continues, it means that there will be, in a very short time, a shortage of beef as far as Canada is concerned.

Now the quality of beef, in my opinion, Sir, could be improved on. I think that investigating the marketing of livestock is one way that we would be able to improve the quality of beef that the producer would have to sell to the consumer. Possibly the cost of producing this beef might be the reason that we are short of beef, or will be short of beef in Manitoba and Canada. Now we have the breeder, the feeder, we have the packer and the retailer, who have made a significant contribution to providing more acceptable beef to consumers, and have contributed to building consumer demand which the industry now enjoys. It is true that over a period of years that the beef that has been put on the market has improved, but there is lots of room to produce a better beef animal than we have been producing in the past. There are some animals of the breeds that are popular today, the Herefords, the Shorthorns, the Angus and other breeds as far as beef cattle are concerned that have been popular beef animals, but it's hard to tell just what animal is the best animal for market when he's alive and on the hoof. It will take a considerable amount of research to distinguish which animal is the most acceptable to consumer's demand.

Now we've noticed in the last few years that there's been a great demand for hamburgers, that is hamburgers that are sold at the eating place on the corner and in the home. It has been said, in years gone by, that hamburger was a kind of a catch-all item as far as a butcher shop

(Mr. Shewman, cont'd.)....is concerned; but the consumer today is demanding a lot better and is getting a better grade of hamburger than in years gone by. That is what you might term as the rough meat of the animal, possibly the belly beef, that is ground into hamburgers and made into sausage, that there is a great deal more demand for today. I am told that today there is a good many thousand pounds of this frozen hamburger imported into Manitoba, and that is another reason why we should have an investigation into all phases of the marketing livestock. I believe we have in Manitoba a great possibility of using up a lot of this rough meat that I've mentioned into frankfurters, sausage and hamburger and such things as that.

Now we have a tendency today for a smaller roast, a smaller steak, and possibly the solution to that would be a smaller type of beef cattle. The average weight today of a steer that's sold is around 1, 199 and possibly better, and there is a certain amount of waste as far as the consuming public is concerned to an animal of that type. If we are going to look ten years ahead, which is not a very long time to look ahead as far as the livestock producers of Manitoba is concerned, I think, giving due respect to the livestock producers in the past, that we have a great room for improvement in the livestock industry on account of the demand of what the consumer is asking the livestock producer to produce today. Now the consumers, as we see the picture, like convenience; and by their reactions at shopping counters and such places, the consumers have shown that they are willing to pay a premium for the right type of beef that they think they should have. We have, for example, the consuming public are demanding and have been demanding sliced bread. They like sliced bacon; they like the rindless type of bacon; they like the frozen foods; frozen meats and the pre-packed meat. It is better for the farmer and better for the consumer by having this style of marketing for them. In years gone by there was a lot of beef and pork sold to the consumer by the pound from door to door and that day is long gone by. The producer can specialize in lines of production on an efficient scale, and the housewife can secure standardized grades and brands of products when and where she wants them, with some more research into the marketing of livestock.

It's quite true that normally we export a considerable number of feeder cattle to the United States, and this varies from year to year depending on what the U.S. position is. We realize that the start of beef production comes from a cow and a calf. We are told that our range for cattle in the west is diminishing. Then I think, Mr. Speaker, it's time that we in Manitoba were giving some consideration to what could be done as far as getting that calf into a position where it's marketable beef. There has been, in years gone by, a demand for rough meat, as I've mentioned before, and it has meant that our cow population has dwindled to an extent of where it's serious as far as the meat-consuming public is concerned of Manitoba and Canada. The beef cattle industry limitations of grazing lands and ever-growing demands for beef, and an analysis of these two factors indicate a basically favourable situation. That is true I believe, but we can't just rest on our laurels today.

Now the meat-processing shows expansion in Canada. On January 26th, 1961, the report from the Meat Packers Council of Canada indicates that some 54 new firms entered the meat packing processing or sausage manufacturing business in Canada. Included in this total were 22 new abattoirs. According to reports from the Council and the DBS, 20 of these new firms were located in Ontario, 18 in Quebec, 6 in British Columbia, 4 in Alberta, 3 in Nova Scotia, one each in New Brunswick, Manitoba and Saskatchewan. I ask myself — why just one in Manitoba? I think a study of the cattle situation, the market of livestock in Manitoba, could answer that question just why one in Manitoba. We have a lot of pasture land that's quite suitable for the raising and the growing of cattle in Manitoba. The other thoughts that come into my mind, I think that are worthy of consideration, when we stop and think that in 1958 the cattle livestock market in our Union Stockyards in Winnipeg, the cattle that sold at the stockyards amounted to 170,000 some odd cattle; and direct to the packers was 82,000 some odd. In 1959, there was 140,000 head sold at the stockyards and 70,000 sold at the packers.

Now I ask myself this question, and it's a question that I would like to see answered as far as the meat producers of Manitoba are concerned, why are so many head of cattle sold direct to the packers when there's no competitive bidding at the packing plants? I think, Mr. Speaker, that these are things, as I mentioned before, that this resolution pretty well speaks for itself. In the calf marketings there was 59,000 some odd sold in 1958 at the stockyards; and direct to the packers, 40,000 head. The hog marketing of cattle, I've mentioned these

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(Mr. Shewman, cont'd.)....figures before in the House, Mr. Speaker, and it amazes me and it's hard for me to understand why 700 and some odd thousand hogs would be sold to the packing plants and only 100 and some odd thousand sold on the public market. I've never heard of any packing plant in Canada establishing a market for cattle or for hogs, but there is public markets throughout Canada and we have a very good public market in St. Boniface that does establish a market price as far as cattle and hogs are concerned. These stockyards in St. Boniface have been operating since 1917 and they're operated through an Act of the Dominion Government of Canada. The Government of Canada Marketing Services in the Union Stockyards compiles market information and issues methodic market reports twice daily.

Now these are questions that I would like to have answered as far as the meat producers of Manitoba are concerned, and I think we owe this duty to the meat producers of Manitoba who have strived to give the consumer a better quality of beef without too much help from the government in producing livestock. It's true that we do have help to produce livestock, but not too much help in the marketing end.

MR. GRAY: Mr. Speaker, you know personally that I'm not a farmer. My farm experience was only threshing at a dollar a day for a couple of years. I'm speaking now in reply to the honourable member who just sat down and my first word is that I am supporting him in every way possible except when he dealt with the hogs. I reserve my rights to support that particular item. They say the more we encourage birth control the more children are born, and that applies also to the animals. I feel that I have to support the last speaker when everything is said because he was dealing with an industry necessary for the convenience of the people of the Province of Manitoba, and not only of Manitoba, but probably if they have a surplus, to the rest of the world. The last speaker, the Honourable Member from Brandon......

MR. PAULLEY: The Honourable Member from Morris.

MR. GRAY: Oh, I'm sorry. I humbly apologize. encouraged the production of industry in the interests of the farmers. I say also that it's in the interest of the people not only of the Province of Manitoba but to the rest of the world. I agree with him, with every word he said, about the demand of food the world over; about the demand of help the world over. I fully agree with him in every word he said that it is no justice that half of the world should go to bed hungry. In everything I agree with him and I want to support him; and I want to tell him while the hog or the cattle markets are now low, we are trying to produce as much as possible, not only for our own requirements but also for the rest of the world. I want to congratulate the Honourable Member from Morris on his statement that he's not only concerned about what we get for ourselves, but he's also concerned what we get for the rest of the world. The paper mentioned today about a certain amount of money which the First Minister intends to contribute outside of Manitoba. The very same principle applies here. We are ready and willing to support everything in every land that would help the salvation of the people of the world; that will help the salvation of the people of the world in order that we could perhaps in our generation-I don't think in ours but in generations to come -- to create a world of peace and freedom and equality; and not see half of the population of the world go to bed hungry. I'm supporting his principles fully -- personally.

MR. G. W. JOHNSON (Assiniboia): Mr. Speaker, I beg to move, seconded by the Honourable Member from Osborne, that the debate be adjourned.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. SPEAKER: Proposed resolution standing in the name of the Honourable Member for Brokenhead.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable Member for Fisher, the following resolution: whereas the expropriation action of this government will affect adversely the taxation of property owners who may own less than four acres or forty acres of contiguous land as a result of loss of land to the floodway public work, and whereas this same public work will result in the loss of many acres of taxable land with a resulting loss of tax revenue to the municipalities affected by the floodway, therefore be it resolved that this government give consideration to the advisability of making such statutory amendments as may be necessary for the following: (a) to guarantee revenues on the affected acreage to the municipalities equal to the tax revenue which those municipalities received prior to expropriation and construction of the floodway, and (b) to preserve the tax exemption status of those property owners who will be losing acreage due to the public work.

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Mr. Speaker presented the motion.

MR. SCHREYER: Mr. Speaker, one of the resolutions which I introduced not too long ago, I spoke for 60 minutes. This time I can assure honourable members that I shall be able to state the case in less than six minutes. I think that the resolution is largely self-explanatory. The main reason that I want to raise this matter in this Assembly by way of resolution is so that it might be discussed and discussed properly. I feel that up until now, while the subject matter of the construction of the floodway has been fairly thoroughly aired here, the matter as to how this will affect the municipalities tax-wise and property owners, also tax-wise, has been largely left surrounded by a rather cloudy haze. I merely want to be able to receive from the other side some indication as to their intentions in this regard. I know that up until now some attempt has been made to inform the people who will be affected by the floodway as to what the fate of their property will be. Members will recall that not too long ago we held a meeting in the Narol district, at which meeting senior civil servants were invited there to explain these matters to the people in the district. I don't know if the people there were completely satisfied, but I'm sure that they were able to learn certain things that they hadn't known before. But one thing that was definitely left untouched was this matter of policy; namely, what is the government's intention with regard to compensation to municipalities for the loss of taxation revenue.

Now, I would say to honourable members that they should not think that this is a trivial matter, because in the Municipality of St. Clements alone, this could mean as much as several thousand dollars, five or six thousand dollars very roughly in tax revenue loss if there is no compensatory payment by the Provincial Government. Personally, Mr. Speaker, I don't see any reason why the municipality should suffer this tax revenue loss. I would assume that the Provincial Government will take the necessary action and make the necessary statutory amendment, but I think that it should be formally discussed in this chamber. With that in mind, Mr. Speaker, I present this resolution and I would conclude by saying that I'll be very disappointed and very disillusioned in the fairness of this government if they couldn't give indication during this session that they will, in fact, be making provision for compensation to municipalities for tax revenue loss; and also, that they will take necessary action to protect those property owners who might lose a certain number of acres and thus lose their tax exemption on their buildings as a result. I think this is only asking for a fair and obvious thing. With that in mind, Mr. Speaker, I conclude.

MR. WALTER WEIR (Minnedosa): Mr. Speaker, I beg to move, seconded by the Honourable Member for Hamiota, that the debate be adjourned.

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

MR. SPEAKER: Second reading of Bill No. 44. The Honourable Member for River
Heights.

MR. W. B. SCARTH, Q.C. (River Heights) presented Bill No. 44, An Act to amend an Act to incorporate Hudson Bay Mining Employees' Health Association, for second reading.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. SCARTH: Mr. Speaker, the bill before the House is comparatively simple. In 1944 an Act passed through this Legislative Assembly incorporating the employees of the Hudson Bay Mining Association into a Health Association. The object of the association, the main object was to provide hospital care and treatment and health service for members of the association and their dependents, and to enter into contracts for this purpose. Under the Act of 1944 there were two bodies, that is there was a governing body called the Board of Trustees composed of five elected members; and then there was a second board called the Management Committee consisting of seven people, three of whom were medical practitioners, three of whom were members of the Board and the remainder, the other man, appointed. It is now the desire of the employees to have their own board run the affairs of the association and by a vote of 1900 to 200, a secret ballot, the employees decided upon the principles of this Bill, that being that hereafter the Board of Trustees composed of five elected members and two appointed by the Hudson Bay Mining and Smelting Company shall be the governing body and be responsible for the management of the association.

MR. GRAY: Mr. Speaker, may I direct a question to the mover of this Bill? I do it in

(Mr. Gray, cont'd.)....all sincerity because he could challenge me why I'm asking this question. How does the honourable member come in initroducing this Bill, which is more or less a labour bill? Knowing the gentleman, who always fights against labour legislation, I'm very curious to know how does he come into this picture?

MR. SCARTH: I happened to live in this country 13 years, Mr. Speaker, and I think I know something about the affairs of the employees of that company.

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

MR. SPEAKER: Second reading of Bill No. 20. I understand this is to stand tonight.

MR. PAULLEY: I don't think that was the understanding, Mr. Speaker. I think the understanding was that we wouldn't take a vote tonight.

MR. ROBLIN: I think, Sir, that we'll just proceed with this resolution in the ordinary way and if there's anyone who cares to adjourn it then it will be adjourned, otherwise I think the understanding is that we let the matter stand in the name of the Honourable Member for Wellington so that he may close the debate and have the vote next time.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. D. WATT (Arthur): Mr. Speaker, it was my understanding this afternoon that the Bill would stand until next Friday. I did not bring my notes this evening. I would ask now that the matter stand until Friday.

MR. SPEAKER: Is it agreed?

MR. GRAY: Mr. Speaker, I want to direct a question which is very unpopular and I could get hell for it. I'm prepared to take the hell and all they have to do is say yes or no. Is it the intention of some of the members of the Administration benches to try and leave resolutions on the Order Paper at the adjournment or at the prorogation of this House? I'm speaking on my own behalf. I'm speaking on behalf of the resolution I have here in connection with the deaf and blind children -- a school for them. I'm just wondering -- we know definitely we are going to adjourn soon more or less, not in the next six months, and I was just wondering, and I'm speaking quite seriously and painfully, whether there isn't a movement to leave those papers on the Order Paper before we prorogue?

MR. ROBLIN: Mr. Speaker, I didn't interrupt the honourable member but I feel I should say now that I feel that I don't know on what reasoning he rose. I don't know whether it was a point of privilege or a point of order. He stated no reasons and lately he's developed the habit of just standing up whenever it suits him to make comments on what happens to be going on here. Mr. Speaker, he has, however, said something about which I feel entitled to raise as a point of privilege, and that is my honourable friend has imputed or stated that, in his opinion, or he's asked the question that people on this side of the House are going to see to it that matters on the Order Paper are not dealt with by the time we prorogue. I ask my honourable friend can be remember a time when that was done, either by this government or any other, except with consent of all those concerned. I can't remember a time and it's never been done in this House. Surely it should be unnecessary for me to stand up and to say that we intend to see that the Order Paper is finished before we leave; and if there's anything standing on the Order Paper when we decide to prorogue, that it will only be dropped if it has the consent of all those concerned. That has been our custom and I think it will be our custom. Perhaps I shouldn't say this because I think I can assume my honourable friend did not mean to give the impression that he did, but otherwise I would have said that I resented his implication. I feel perhaps he did not put it to us in that way so I won't adopt that attitude, but I want to assure him that we're going to deal with the business of the House before we go home.

MR, GRAY: All my life I told my teacher to correct my grammar.

MR. SPEAKER: I take it that Bill No. 20 stands for tonight.

MR. ROBLIN: Mr. Speaker, I would now propose that having reached government business, that we call Bills No. 46 and 27 and then we'll revert to concurrence.

MR. SPE AKER: Adjourned debate on second reading of Bill No. 46. The Honourable Member for Rhineland.

MR. J. M. FROESE (Rhineland): Mr. Speaker, I will be very brief tonight. When I adjourned debate the other day it was more or less done in order to peruse the Bill itself and see just what it did contain. I would like to tell the House here that I'm very much in agreement with most of the items it contains. There are probably some items which I feel that should

(Mr. Froese, cont'd.)....be changed, probably by some additions or deletions; and in one or two cases I think we should probably have a few amendments made. However, since the Bill is of such a nature that it contains quite a number of amendments to different sections of the Act, I think it would be best to leave it to the time that we consider it in committee.

There was one point I thought I would like to make, and that is that I would have liked to see a provision in the Act whereby Credit Unions could use a portion of their reserve fund and apply it to a stabilization fund, which Credit Unions throughout the province would then be able to use in order to stabilize the assets of Credit Unions. We find today that Credit Unions get into trouble and we have no way of assisting them. Through this fund we would propose that in case a Credit Union was liquidated that the central organization would, through this stabilization fund, be able to pay the shareholders of that Credit Union 100 cents on the dollar and then take over all the liabilities and collect them; and whatever could not be met could be taken out of the stabilization fund. I hope that since it was not in the Bill this time that something will be done, probably in the future, so that we can bring this to effect. I know it has been done in some of the other provinces and also some of the other states in the United States with good success, and it's something, I think, we should be working towards too.

Then there are other minor amendments such as, and I'm referring to the credit committee and the supervisory committee, where this legislation would premit the secretaries to come from outside the committee. Here I feel that we should keep the officials of these committees from within the committee in order to limit the knowledge and business affairs of these Credit Unions to stay within its committees. This is a matter of confidence and I think it should be limited to the elected officials only. I have a number of other matters that I feel should be drawn to the attention, but I will do so when we get into committee. Thank you.

Mr. Speaker put the question and following a voice vote declared the motion carried. MR. ROBLIN presented Bill No. 27, an Act to amend The Insurance Act, for second reading.

MR. ROBLIN: Mr. Speaker a word or two of explanation about this small Bill. It contains a number of relatively minor amendments to the Insurance Act, but about which I think the House should be informed. The first one has to deal with the fact that in the present system of inspection, particularly of the smaller insurance companies domiciled in Manitoba, we have been charging a fee for that service. It has been pointed out to us that they are already audited by reputable auditing companies and rather objected to paying two fees and, under the circumstances, it seemed that they made a case. This will eliminate the necessity of the government charging an inspection fee for the inspection that will continue to take place on behalf of the Superintendent of Insurance.

The other item has to do with the maximum amounts of money that need to be deposited by insurers operating in Manitoba. At present, that is stated in the Statutes. It is felt that in some instances this is too small considering the nature of the business, and the Act is modified to allow the Superintendent of Insurance to specify a further larger sum and change the sum if he feels it's warranted under the circumstances. Since the Act was drafted it has been brought to our attention that perhaps it would be just as well if this power were subject to the approval of the Lieutenant-Governor-in-Council. Although it's not in the present Bill, it is intended that that amendment should be introduced in committee. The final section in the Bill is one which cuts down the paper work by enabling the Superintendent to issue a general license to a firm that may be dealing in three or four different kinds of insurance. I think those are the main points in the Bill. Mr. Speaker.

MR. CAMPBELL: Mr. Speaker, if I had taken the time or had the time to consider the report of the department or Insurance Branch, I suppose I could have found the answer to this question, but I simply haven't had the opportunity to do that. I was wanting to ask the First Minister, are there still a considerable number of insurance companies incorporating under the province rather than under the Federal Government?

MR. GRAY: Mr. Speaker, before the Minister answers, he may answer my questions at the same time. All those three sections which he emphasized, is that in the protection of the public or the insurance companies? You jumped at me last time and I want to prevent you jumping at me now. I may have been wrong last time but my intentions were right and my intentions are right today. So when I'm asking these three questions, I'm not trying to tell the

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(Mr. Gray, cont'd.).....House that you are not protecting the public -- we know that --but I do want to know where you have protected them?

MR. PAULLEY: Mr. Speaker, there's just one question I would like to ask of the First Minister, the Provincial Treasurer in connection with this Bill. If I recall his remarks correctly he mentioned something in connection with inspection fees which are paid, I presume, by the insurance companies for the services of the Superintendent of Insurance and his department. The question that rises in my mind is whether or not, with the reduction of the inspection fees, whether out of general revenues a greater contribution in respect of insurance inspections and the likes of that will have to be made. It is my impression at the present time that as a result of these fees that are paid by our insuring companies in the Province of Manitoba, whether their headquarters are here or elsewhere, that they are in effect paying for the inspection services. My question is in respect of the inspection fees that this would continue?

MR. ROBLIN: If that's all the questions Sir, I'll close the debate. First of all I say to the Honourable Member for Inkster that I'll always give him credit for good intentions but one knows where good intentions sometimes lead one. However, I will say that in this circumstance that we believe that the measures in this Bill are for the protection of the public, certainly as far as inspections go and as far as matters dealing with the maximum deposits for insurers operating in Manitoba, that indeed is for the protection of the public.

I can say to the Honourable Leader of the Opposition that there are very few companies incorporating under the Provincial Statutes. I can say to the Honourable Leader of the CCF Party that the type of inspection and companies referred to is a very small group indeed. There may be \$300 or \$400 involved; probably nothing much more than that. In the committee we can get the exact amounts and I think there are three or four companies only effected -- they're small little mutuals here and there; nothing of any great consequence.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

......Continued next page.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education that the resolutions reported from the Committee of Supply be now read a second time and concurred in.

Mr. Speaker presented the motion and following a voice vote declared the motion carried. MR. CLERK: No. (1) resolved that there be granted to Her Majesty a sum not exceeding \$59, 850 for the fiscal year ending the 31st day of March, 1962; (2) resolved to be granted to Her Majesty a sum not exceeding \$330,710 for Comptroller-General's office for the fiscal year ending the 31st day of March, 1962; (3) resolved that there be granted to Her Majesty a sum not exceeding \$45,100, Legislative Printing and Binding for the fiscal year ending the 31st day of March, 1962; (4) resolved that there be granted to Her Majesty a sum not exceeding \$52, 155, Administration for the fiscal year ending the 31st day of March, 1962; (5) resolved that there be granted to Her Majesty a sum not exceeding \$5,000, Federal-Provincial Conference, for the fiscal year, ending the 31st day of March, 1962; (6) resolved that there be granted to Her Majesty a sum not exceeding \$90,000, Grants and Miscellaneous, Executive Council for the fiscal year ending the 31st day of March, 1962; (7) resolved that there be granted to Her Majesty a sum not exceeding \$161,355, Library and Historical Research, Executive Council for the fiscal year ending the 31st day of March, 1962; (8) resolved that there be granted to Her Majesty a sum not exceeding \$207,655, Administration, Treasury, for the fiscal year ending the 31st day of March, 1962.

MR. CAMPBELL: Mr. Speaker, I move an amendment seconded by the Honourable Member for Carillon that while concurring in Resolution No. 8, this House expresses its concern over the large increase in provincial and municipal debt.

Mr. Speaker put the question.

MR. PAULLEY: Mr. Speaker, just before the motion is put, I want to indicate to the House where we of our CCF Party stands in respect of the Resolution that has been proposed by the Honourable the Leader of the Official Opposition. As I understand the wording of the Resolution, Mr. Speaker, it deals with both the question of provincial debt and also municipal debt and regretting the fact of the increases in the debts. In order that the position of my party is clearly understood, Mr. Speaker, I want to say that I regret very, very much that due, in my opinion, to the policies of the Conservative Government of Manitoba that the provincial debt of Manitoba has increased far too much and far too rapidly. However, as I indicated in the introduction of my amendment to the address from His Honour at the opening of this Assembly, I did state that insofar as we of this party are concerned that we recognize the fact that due to the economic situation which prevails in Canada and in Manitoba, that we could see no alternative whatsoever for the provincial administration from having to go into some further debt. At that time, Mr. Speaker, if you will recall, I mentioned the fact that in my opinion due to the financial policies of the former administration there were many things left undone in the Province of Manitoba. I said at that time that we had to catch up as a result of the so-called penny-pinching administration of the former regime here in the Province of Manitoba and that that was adding to the debt burden of the Provincial Treasury.

Now, then Sir, having said that, where do we stand insofar as this motion of non-confidence -- which of course technically it is -- proposed by the Leader of the Opposition? I started my remarks by saying first of all I regret very much the increase in the municipal debt, and then I went on to say that I felt there was some justification due to the policies of the former administration in respect of the increase in the provincial debt. Therefore, Mr. Speaker, I'm caught and I frankly admit that I'm caught in a position where we have to weigh and balance because as members of this Legislature and members of political parties we have to weigh out the good and the bad in any resolution that is presented to this House. We, of my group, have come to the conclusion that we cannot support the resolution as presented by the Offical Opposition at this time for two reasons. Firstly, because of the actions of their administration when they were charged with the responsibility of conducting the affairs of the Province of Manitoba, in our opinion, led to the necessity of further increases in our provincial debt. And secondly, the reason that we have to come to the conclusion that I am now stating to the House is because we feel that had they accepted their responsibility that it may have been possible that the municipal debt may not have increased as rapidly as it has. So I say, Mr. Speaker, as far as our group is concerned -- again I say that we are caught as sometimes all of us in an Assembly such as this are caught weighing the good

(Mr. Paulley, cont'd.)points and the bad points. And I might say, Mr. Speaker, in all deference to my honourable friends opposite, I feel that I am going to have to, and so is my group, support them in rejecting the resolution as proposed by the Official Opposition, The Liberal Party of Manitoba.

MR. ROBLIN: Mr. Speaker, it isn't often that we have a very extended debate on these resolutions in concurrence because most of the issues that arise have been pretty thoroughly ventilated in previous sittings of the House so I'll try not to be too long. But I always find it interesting that my honourable friend after having voted solidly for the past two years or three years, the past five sessions or is it four sessions of this Legislature, for the capital program of the Government of Manitoba

MR. PAULLEY: You're talking of them, are you?

MR. ROBLIN: Well I'm talking of them, yes. I would be glad to include my honourable friend if he wants me to but

MR. PAULLEY: No, I don't think you can.

MR. ROBLIN: Well perhaps not. But having voted pretty solidly for what the government has proposed in the way of capital expenditures, they always come along piously and say; "Oh, yes, but it adds to the debt, therefore we're against it." Well I would suggest that with the honourable exception of the Member for Carillon who made it quite clear that he didn't intend to support our proposal for the floodway, and whatever members on the other side are in his particular sub-party, the anti-floodway sub-party -- there's at least one of them, perhaps there are more -- I can't recall any of these measures which did not secure the approbation of my honourable friends. I didn't hear any protest that we should stop the Grand Rapids project; I didn't hear any protest that we should cease to support the Hydro-Electric Board in its activities. I didn't hear any protest that we should stop the development of the Manitoba Telephone System; nobody protested to me that we should stop spending money on the highways in the way in which we were doing; nobody has made any suggestions about that. When it comes to the Water Supply Board or those other matters of interest in the capital supply vote, everybody on the opposite side seemed to find that they were pretty good things. I find it a little bit difficult to understand how you can run with the hare and hunt with the hounds and hope to have anyone take you seriously. I think my honourable friends opposite should start voting against some of the supply measures. I think that when the Loan Bill comes up this year instead of voting for it as they've done in previous years, they should get themselves on the record and vote against it, because they're in the ridiculous position of saying, "We approve of everything you do but we don't like the fact that this affects the debt structure of the province." Well, Sir, I suppose there's no point in labouring the point because it's so obvious and so clear that it requires no emphasis from me, but I would be very happy to have a recorded vote on this particular matter.

MR. GRAY: If you're seeking opposition we'll give it to you.

MR. E. PREFONTAINE (Carillon): Mr. Speaker, I have not very much to say. We have just listened to a speech that the First Minister has been making in this House repeatedly session after session since he has taken office trying to remind us all the time of the fact that we have approved of certain of his projects -- and we did approve certain of the projects because just after an election, after the people of the province had voted, well we said, "Let the government have its way." We in the Opposition have no responsibility in this House to announce policy, to declare policy. Our responsibility is to oppose policy if we think it should be opposed. Now the debt has increased very substantially. Every time that we approve of certain expenditure, we are not fully aware of the amount of debt that this will cause. Certainly not, we are not. We see that in the first two years the debt has increased by \$100 million and in the last year we don't know yet. And I say that it is a terrific increase and the amount of interest that this province will have to pay from year to year is increasing by leaps and bounds. The municipalities debt has increased last year by \$9 million, that's straight municipal debt, and we have no record yet of the debt that is involved with respect to school construction, and that would be a great increase in the debt of the municipalities. We view this with alarm and we think it's a serious situation. We have brought this resolution before the House; I think it's a proper resolution and even though the First Minister tried to ridicule our stand, all those who are fully aware of our parliamentary system will not agree with him -- will disagree totally with him, and recognize that we have a right to take this position at this time.

MR. SPEAKER: Are you ready for the question?

HON. GEORGE JOHNSON (Minister of Health and Public Welfare) (Gimli): Mr. Speaker. I'd like to say a few words on this matter. I don't rise to speak often in these debates and I'm a relative newcomer to the House but it always just gets me a little bit to see a former Minister on this side such as the Honourable Member for Carillon get up and speak in this way. I was more disturbed this evening when I viewed the local television screen and then hear him rise and talk about the huge debt being created by this administration on this side of the House, and mentions this in respect to municipalities. Now is my honourable friend suggesting that we do less in the field of welfare; that we do less to support the senior citizens and alternative care facilities; that we give less by way of cash allowances to these people? Is he suggesting we do less in the area of mental health after introducing the health estimates this year where I tried to point out the need for ever-increasing expenditures by this and succeeding governments in this area, and in the area of preventive health, and doing everything we can to support the hospitals scheme in the preventative and long-term nursing area. Is he suggesting we do less about constructing hospitals and meeting our obligations with the Willard Report before us and other matters of this kind? Now I think we are trying, and have consistently said that our policy as soon and as rapidly as we can implement it, is designed to relieve municipalities as much as possible of the long-term high cost welfare cases. And to me in these few remarks I just want to go on the record as endorsing 100 percent my Leader's view that Manitoba needs these services for the future. This is good commonsense; it's why we're on this side of the House, and we're going to keep going forward.

MR. FROESE: Mr. Speaker, I think I should put myself on the record too since we are discussing the matter of public debt. I personally feel that if we want to spend these large amounts of monies, we should be able and willing to pay for them at the time that we are spending them, not pile up a large debt and not be able to pay them in years to come, because we know that as we pile up this debt either when the time comes to repay that debt when the bonds and securities become mature that we will have to reborrow again at that time. (Interjection) We're talking of the provincial debt in Manitoba. I'd just like to put that on the record,

Mr. Speaker presented the motion and after a voice vote declared the motion lost.

MR. CAMPBELL: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the Members. The question before the House is the motion by the Honourable the Leader of the Opposition, seconded by the Honourable Member for Carillon that while concurring in Resolution No. 8, this House expresses its concern over the large increase in Provincial and Municipal debt.

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

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Guttormson, Hillhouse, Hryhorczuk, Molgat, Prefontaine, Shoemaker and Tanchak.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Cowan, Evans, Gray, Groves, Hamilton, Harris, Hawryluk, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Paulley, Peters, Reid, Roblin, Scarth, Shewman, Smellie, Stanes, Strickland, Thompson, Wagner, Watt, Weir, Witney, Wright and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas 11: Nays 40.

MR. SPEAKER: I declare the motion lost.

MR. CLERK: Resolution (9): Resolved that there be granted to Her Majesty a sum not exceeding \$95,955, Taxation Branch, Treasury, for the fiscal year ending 31st day of March, 1962. (10) Resolved that there be granted to Her Majesty a sum not exceeding \$83,980, Insurance Branch, Treasury. (11) Resolved that there be granted to Her Majesty a sum not exceedint \$11,950, Fidelity, Hold-Up, Burglary and Safe Insurance Premiums, Treasury. (12) Resolved that there be granted to Her Majesty a sum not exceeding \$108,000, Miscellaneous, Treasury. (13) Resolved that there be granted to Her Majesty a sum not exceeding \$2,506,833, Treasury. (14) Resolved that there be granted to Her Majesty a sum not exceeding \$110,000, Grant for 1960 Organizational Costs. (15) Resolved that there be granted to Her Majesty a sum not exceeding \$68,495, Administration, Provincial Secretary. (16) Resolved that there be granted to Her Majesty a sum not exceeding \$9,300, Queen's Printer's Office, Provincial Secretary. (17) Resolved that there be granted to Her Majesty a sum not exceeding \$31,157,

(Mr. Clerk, cont'd.) Manitoba Gazette, Provincial Secretary. (18) Resolved that there be granted to Her Majesty a sum not exceeding \$91,900, Civil Service Commission, Provincial Secretary. (19) Resolved that there be granted to Her Majesty a sum not exceeding \$286,000, Civil Service Superannuation Act, Provincial Secretary. (20) Resolved that there be granted to Her Majesty a sum not exceeding \$50,000, Civil Service Group Life Insurance, Provincial Secretary. (21) Resolved that there be granted to Her Majesty a sum not exceeding \$59,235, Purchasing Bureau, Provincial Secretary. (22) Resolved that there be granted to Her Majesty a sum not exceeding \$35,000, Workmen's Compensation Board, Provincial Secretary. (23) Resolved that there be granted to Her Majesty a sum not exceeding \$783,980, Administration, Education.

MR. J.M. HAWRYLUK (Burrows): Mr. Speaker, I beg to move, seconded by the Honourable Member for Inkster that while concurring in Resolution 23, this House regrets that the government has failed to assume a fair share of the cost of education and has left too large a portion to be borne by the municipal taxpayer.

Mr. Speaker presented the motion.

MR. HAWRYLUK: Mr. Speaker, I would like to make a few comments about this because I wish to protest on behalf of our group that this year it appears that most municipalities, and particularly the City of Winnipeg, will be penalized to the extent of quite a bit of money in regard to the formula that was set up last year. We know that for many years the Winnipeg School Board has made presentations to the past government and the present government indicating that they have always felt that the responsibility of paying and giving a fair share of the provincial money to costs of education was their obligation. Now we know that the government has accepted a measure of financial responsibility and there was a change made a couple of years ago in the grant structure. But what's happened? We find that on the basis of the grant structure from last year that the City of Winnipeg in its second full year of operation will get a reduction of approximately \$i million or nearly one-third of its budget of \$3,118,000 in spite of the fact that there will be an increase, a definite increase, of pupils registered in the fall of 1961. Now I wish to give some very interesting figures which I think is something we should take into consideration, and these figures are based on the operational expenses and the grants for the entire school divisions of the Province of Manitoba.

Now for 1960-61 the general operation grants were \$20,578,000 and this year on the basis of formula, due to the change in the assessed valuation of property, it will only be \$18,800,900, a decrease of a million and three-quarters. In regard to your capital grants, we should not confuse the two at all because capital grants naturally are needed because of the fact that a lot of school building is going on in the Province of Manitoba. There is a definite increase of a million seven hundred, over seven hundred thousand dollars; the text books have gone up and will go up for the coming year by \$541,700 while the special grants will remain the same. But, the point is that the operational grants that this government is going to give to the school divisions of this province is going to be down by approximately 12 percent, a sum of \$1,800,000, while that of the capital grants is going up approximately the same thing. But we should not obscure the fact that the reduction will affect a great many municipalities in this province. On the basis of enrollment so far as the City of Winnipeg is concerned, they consider that they will get approximately 3.4 percent more pupils in the fall of 1961, and in order to keep pace with the figures that they used last year in order to operate the schools, they figured that they, that the province, the various school districts should have received \$722,000 more, but instead they are going to receive approximately -- in round figures it comes to \$2-1/2 million short.

I feel, Mr. Speaker, that something will have to be done because the taxpayers, particularly in the City of Winnipeg, are up in arms, and I presume it will be the same in the various other municipalities in Greater Winnipeg. There's some very interesting figures here based on per pupil cost. For example now in Winnipeg last year on the basis of the grants, it averaged \$71.29 per pupil. What's happening for 1961? All they're going to get is \$47.58, a reduction of 33-1/3 percent. In the City of St. James, this particular one is really going to be hurt and they're really going to be hurt badly because according to this figure here, they received last year \$93.83 per pupil, while this year they're going to only get \$53.53, a reduction of 42.9 percent. And regarding Seven Oaks there's a reduction of 8.9 percent and St. Vital 1.5 percent, so it means that Winnipeg stands to receive 17-1/2 percent less per pupil in 1961 than it did in

(Mr. Hawryluk, cont'd.) 1960. On the basis of these figures, Mr. Speaker, I think our Provincial Government will either have to consider this year or the next year to adjust or revise the formula, because there's no question in my mind, that we know this is obvious that the capital grants the government is giving -- which was long coming -- again I wish to reiterate what my Leader has said in support of the remarks he made before - the fact that we need schools, the fact that many of these schools are obsolete, the capital grants are a necessity and they must be available -- but we are fully aware that the capital grants will taper off, but the operational grants will continue increasing from year to year. There's no question about it; the more teachers you hire, the more pupils enrol, the operational grants will continue to rise as the years go by, so it's obvious according to what's happening this year on the basis of what the government is doing, it's obvious that it's going to go back again to the old formula where the real estate owner, the property owners are going to foot the bills of education and I think this government will have to make some changes in the formula. I predict whether it's now, five years from now, ten years from now, the government will have no choice but to contribute at least one-third towards the cost of education. This is a very serious matter. The Chairman of the City of Winnipeg Finance Committee made a report that where last year the taxpayers in Winnipeg paid 43 mills on their property will this year pay 50 mills, which means that any assessed property that's worth about \$5,000 will be increased by approximately \$50.00, and I think it affects every other municipality in Manitoba as well. So I feel in moving this concurrence that I have every justification to say that this government will have to give a fair share and a better share to the cost of education because too much of a portion will be borne by the taxpayer as the years go by.

MR. McLEAN: Mr. Speaker, I think perhaps there are one or two thing that I might say in reference to the motion which has been made and the comments that have been made by the Honourable Member for Burrows. I think it should not be overlooked that the school grant formula now in effect was a formula recommended by a Royal Commission appointed by the previous government of this province and adopted, that is the formula adopted, by the present administration as being one - of course obviously this came not with any partisan sense because the Commission was not appointed by the present administration -- and one designed to provide a system of grants which would be at once fair and equitable as among all the citizens of Manitoba. Now this system was hailed by school trustees and teachers and people generally and, in particular by the trustees of the school district of Winnipeg. They said, in effect, this is a wonderful system and you have been very wise indeed to adopt it and we appreciate it. Now, of course, I suppose the honeymoon is over because apparently what was of course obvious right from the beginning, that it was a formula that operated in keeping with economic factors, certain factors, that they're of course not happy that it is producing less money. What is overlooked however are certain facts. For example, I appreciate that it is easy to say approximately \$1 million and that leaves the impression that it is \$1 million. The fact of the matter is it's some \$625,000. That's the difference by which the grant is reduced by reason of the increase in the balanced assessment in Winnipeg. The second fact is that the actual increase in assessment in the City of Winnipeg from last year until this year, if one applies the same mill rate, will produce some \$443,000more, so that without any increase in the mill rate Winnipeg can bring themselves within some \$200-odd thousand of the reduction in the actual number of dollars. But that's the actual increase for one year. The balanced assessment hasn't increased for two years because we go by two-year terms. What has not been told to us is what the increase in the actual assessment has been in the term of two years. If one wanted to make a comparison, one would have to compare the increase in the actual assessment as between two years ago and now, as indeed that is the basis on which the comparison is made between the balanced assessment because it goes by two-year terms. So I say, Mr. Speaker, that one must view this, I think as objectively as possible, and to appreciate that while it is true that the monies paid by the Province of Manitoba correspondingly decrease with the increased stability of the municipal corporation to provide taxes as expressed in terms of the balanced assessment, that there has been an actual increase in assessment, more assessment on which taxation can be based to produce the necessary funds without any increase to the individual taxpayer. It is only the difference that we're talking about; it's not a million dollars that we're discussing.

Now the actual fact of the matter is, of course, that there are not many municipalities.

(Mr. McLean, cont'd.) The Honourable the Member for Burrows said there are many municipalities that are in this situation. That is not the case. There are many municipalities in Manitoba that will not increase their local tax requirements and, indeed, there are some municipalities that will require less from their local taxpayers this year than the case of last year. I mention this to indicate that this is the operation of the formula that is designed to be reasonably fair and equal to all the Province of Manitoba.

Now, perhaps just a comment about the suggestion of contributing a fixed fraction, one-third or a fixed percentage of the costs of the school district of Winnipeg. I think that would be impractical, and indeed, one would have to apply that formula to the Province of Manitoba; and if you did, we would probably be paying about 133 percent of some school divisions because of the difference in their actual operational costs. I think, Mr. Speaker, that we must base our view of this matter on the fact that this is a formula which is designed to be fair to all; to provide, as indeed it is doing, the monies in every part of the province necessary to support the same standard of program. If one were to look at the comparison, for example, of teachers' salaries throughout the province you will find that they compare most favourably throughout the province; and that has been made possible by the formula of grants, a very large proportion of which is directed to the grant toward teachers' salaries. The objection that is made by way of the motion before the House cannot be sustained on any rational understanding of the formula and what it is designed to do.

MR. PAULLEY: Mr. Speaker, I feel obligated to say a word or two in support of the amendment as proposed by my colleague the Honourable Member for Burrows. When I say that I feel obligated, Mr. Speaker, I want it clearly understood that I don't feel obligated to support his resolution simply because of the fact that he happens to be and is -- and I'm very proud of him -- to be a colleague of mine and that each of us have the same political faith. I'm happy to support him in this resolution because I think that he is pin-pointing before this Assembly something that is an actual fact. He has told us by his resolution that the government has failed to assume a fair share of the costs of education and left too large a portion to be borne by the municipal taxpayer. Now, Mr. Speaker, for the last three or four weeks or more we of this Assembly have been scrutinizing the estimates of the departments of government and, of course, among those departments has been the Department of Education. What do we find when we analyze the estimates of the Department of Education? I think an analysis of this substantiates in full the contention of my honourable colleague the Member for Burrows. If we look at Page 5 of the estimates of the Department of Education, we find that the governmental contribution to school grants in the Province of Manitoba this year have been reduced by the sum or \$407,000 over what they were last year.

We recall, Mr. Speaker, that when the Honourable the Minister of Education stood in this Assembly, while we were meeting in committee, that he pointed with pride to the rapid expansion of our educational system in the Province of Manitoba; that he had categorized in his remarks, the additional number of schools that had been built; the additional number of school rooms that were being provided; the additional number of students which were now being provided with education in the Province of Manitoba as a result of the policy, as he said at that time if I recall correctly, the educational policy of the Conservative Administration of the Province of Manitoba. I say with some justifiable pride that he was able to stand up and say these things. But notwithstanding all that my honourable friend said at that time, the fact still remains -- I'm sorry, I possibly caused that to my honourable friend from Roblin -- but by the same token, as the estimates for the Department of Education shows, as I have indicated, that there is a reduction in the school grants from the Provincial Treasury of some \$400,000. Now then, of necessity it must follow that if the additional facilities that my honourable friend enumerated for us in the Legislature are being provided to the school children of the Province of Manitoba, that it must cost money. If the Government of Manitoba have reduced their school grants by \$407,000 then, of necessity, the increase must have been borne at the municipal level.

My honourable friend the Minister of Education shook his head when I made that last statement. I refer him to the estimates of the department in respect of the school grants. I appreciate, Mr. Speaker, that insofar as the overall contribution to education in the Province of Manitoba and the Department of Education, we have before us an increase of about 1.4 million overall. But the contention of my honourable friend the Member for Burrows is that there has been a

(Mr. Paulley, cont'd.) ... corresponding increase at the municipal level in school taxes. He has, I think, substantiated the fact that these have been too much. I'm only using the figures of the department and the estimates before us to support the contention of my honourable friend that again in this particular instance, that while the provincial contribution to education insofar as those aspects of education for which there is a municipal co-operation and municipal support is concerned, that their costs have gone up at the time that the provincial contribution has gone down.

I appreciate, and I must say this in fairness to the government, Mr. Speaker, that there has been an increase of almost \$700,000 in the contribution of the government in respect of the University of Manitoba. Isn't this something, however, that the administration which now governs the Province of Manitoba promised to the people of Manitoba during two election campaigns, that they would make available more educational facilities at the higher echelons in education? I appreciate that. I appreciate also, Mr. Speaker, that in respect of student instruction and the likes of that that there has been some increase in the apportionment of federal taxes or federal finances into the realm of education.

But the resolution that we're dealing with at the present time deals with the question of the amounts of municipal contribution to the field of education. I think it has been established in debates in the past that my honourable friends opposite did say to the electors of the Province of Manitoba that they would bear an ever-increasing sum in proportion to that of the taxpayers in respect of education. The very figures, Mr. Chairman, that we have before us today disproves that entirely. And when, Mr. Speaker, one analyses the few reports that we have already received from the municipalities of the Greater Winnipeg area and some outside, it only bears to prove the contention of my honourable colleague the Member for Burrows. My honourable friend the Minister of Education when he was speaking just a few moment ago, if I recall correctly, did say that many municipalities are not increasing the tax burden on their taxpayers. I do not dispute, Mr. Speaker, this statement of the Honourable Minister of Education. My colleague from Burrows has pointed out the situation in respect of the City of Winnipeg, of which he is one of the representatives. Others who are representatives of other areas, particularly urban areas, can also to some degree, to a greater or lesser extent than the situation in Winnipeg, support that contention. My honourable friend the Minister of Education can, I believe, support the contention that some municipalities in the Province of Manitoba are not being faced with increased school costs. I would suggest to him that he analyze the reasons for them not being increased. I think, considering my friend the Minister of Education to be a reasonable individual, that he would take a second look at the estimates of his department which I say, on the basis of his figures, are \$407,000 less than they were last year, despite the added number of school teachers, despite the added number of classrooms, that the governmental contribution is causing the situation referred to by my colleague the Member for Burrows and is adding ever-increasingly to a burden of school costs on the taxpayers of the Province of Manitoba.

MR. PETERS: Mr. Speaker, there is one important matter that we seem to be overlooking here as far as the City of Winnipeg is concerned. We in this Legislature last year created a new level of government — Metro Government. Under the formula basis, the City of Winnipeg collected their business tax. When we created Metro, Metro came along and took away 50 percent of their business tax. The City of Winnipeg is being charged with collecting that tax under the formula basis and they are losing that much more money and it's a fact that we shouldn't forget. That, too, is helping to lift the cost as far as the City of Winnipeg is concerned.

MR. SPEAKER: Are you ready for the question?

MR. COWAN: Mr. Speaker, I'd just like to point out to the last speaker that, in return for Metro taking over that half of business tax, Metro provides services for the City of Winnipeg. They've taken over the assessment; they've taken over the building inspections; they've taken over the parks; they've taken over many of the streets and so on; so Winnipeg gets value for giving up that tax. They just don't give that money away for nothing.

MR. PETERS: Is that why they increased their mill rate another seven mills?

MR. COWAN: That has perhaps something to do with it, but it doesn't account for the full seven mills by any means.

MR. SPEAKER: Are you ready for the question?

Mr. Speaker put the question and after a voice vote declared the motion lost.

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

MR. SPEAKER: Call in the members. The question before the House is the motion moved by the Honourable Member for Burrows, seconded by the Honourable Member for Inkster, that while concurring in Resolution No. 23, this House regrets the government has failed to assume a fair share of the cost of education and has left too large a portion to be borne by the municipal taxpayers.

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

YEAS: Messrs. Campbell, Desjardins, Dow, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Paulley, Peters, Prefontaine, Reid, Shoemaker, Tanchak, Wagner, Wright.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Cowan, Evans, Froese, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, Witney, Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas 18. Nays 33.

MR. SPEAKER: I declare the motion lost.

MR. CLERK: Resolution 24. Resolved that there be granted to Her Majesty a sum not exceeding \$30,223,925, Educational Grants, Education.

MR. HILLHOUSE: Mr. Speaker, I wish to move, seconded by the Honourable Member for Ste. Rose, that while concurring in Resolution No. 24, this House regrets that the government has not made the necessary provisions to provide equality of educational opportunity for all children in Manitoba to the full extent of their capabilities and potentialities.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. HILLHOUSE: Mr. Speaker, when the Minister's estimates were before the House I spoke on this very matter, and I dealt with the case of the retarded children; with the case of the hard of hearing children; and with the case of other children who required special educational facilities; and that is the matter concerning which this non-concurring vote deals. Since then I have had the opportunity of reading the declaration on the rights of a child, as adopted by the Commission on Human Rights of United Nations in 1959. Canada, as you are all aware, is the signatory to the original charter of the United Nations. Canada is bound by all the covenants of that Charter and is bound by all the declarations of the United Nations. Manitoba being part of Canada, is also morally and legally bound by these covenants and declarations. Now it is not my intention to read all of the principles embodied in the declaration on the rights of the child as adopted by the United Nations in 1959, but I do wish to read to this House Principle No. 5, which reads as follows: "The child who is physically, mentally or socially handicapped shall be given the special treatment, education and care required by his particular condition." I submit, Mr. Speaker, that that type of child in Manitoba is not being given that treatment.

MR. ROBLIN: Mr. Speaker, I'm always interested in listening to the Honourable Member for Selkirk because he usually makes a thoughtful contribution to our debates. I would just like to observe, however, that for a good many years he sat on this side of the House and supported the proposals that were put forward at that time for the assistance that was made available to children of the sort he describes. He found it equitable to his conscience to vote for the monies that were provided during those periods with no complaints whatsoever that I can ever recall hearing him say. I can tell him, and I'm sure this will make him feel a good deal better, that since this government came into office the grants for retarded children of the type that he describes and for other sorts of retarded children have increased by approximately 50 percent. I hope that that will enable him to look perhaps a little more favourably on the efforts of the present administration in respect of the problem that he mentions.

MR. CAMPBELL: Mr. Speaker, I'm sure that the Honourable the First Minister will recall and so will others in the House, that even though a lot of people have criticized the former administration for not being over generous in a lot of ways the fact is it was our administration that started making special provision for these children that have been mentioned.

MR. GRAY: Mr. Speaker, I don't care who gets the credit, whether it's the former Liberal Government or the present government. The fact is an increase does not mean that there's a

(Mr. Gray, cont'd.) complete amount allocated for the complete education of retarded children. So the fact that the First Minister said there was a 50 percent increase, doesn't mean anything. Sometimes I go out collecting for the Community Chest or the Red Cross and then a man comes up to me and says, "I'm going to increase my contribution 100 percent. Last year I gave a dollar and I'm giving now \$2.00." Well that doesn't mean a thing, an increase of 50 percent. The question is whether this government or the last government -- and believe me if I had to choose between the two governments I would have to close my eyes and take a chance, definitely. So the question is, 50 percent, it doesn't mean anything. I'm going to support this amendment because I feel that the government, either this or the last, have not done the full need, have not done enough for those who are unfortunate in the position of being a retarded child.

MR. SPEAKER: Are you ready for the question?

MR. JOHNSON (Gimli): Mr. Speaker, I'd like to say a few remarks in connection with the resolution brought down by the Honourable Member from Selkirk. Now he's a neighbour of mine and I know his intentions are of the very highest, and I don't question that for one moment. I, like the First Minister possibly feel that having sat in this House as long as the Honourable Member from Selkirk has, why this issue hasn't come up before, especially in view of the fact that -- and I wanted the committee to be fully aware of this -- that in the past couple of years the Honourable Member from Selkirk I'm sure can take heart in that we have 75 beds at St. Amant Ward today. The Sisters of the St. Boniface Sanatorium were good enough to offer us facilities in that institution and the parents of children who are in that facility at this time will proudly tell you it is the finest of its kind in Canada. And this has been told to me by many in the psychiatric field. At Portage la Prairie we have continued with those plans to provide more facilities with more and more emphasis on training facilities for those who are trainable and institutional cases at this time. The Child Guidance Clinic has been created in this city with substantial capital grants of \$100,000 from this department and with approximately an operating budget per year of \$100,000 in supporting the psychiatric section along with the City of Winnipeg and the surrounding municipalities to provide the very type of assessment facilities and certain classroom facilities which are so much required by these children who are emotionally disturbed and slow learners, etc. This is a facility which was not there before. Also we have met with the Association for Retarded Children, whom I consider the finest voluntary organization of its kind. This group of concerned, dedicated people have taken the bull by the horns in the last five or six years and developed through the service clubs, fine institutions throughout this province. It was our pleasure in meeting with them a little over a year ago to grant their request that we increase the grant per student from \$15.00 to \$20.00 a month; that we record a half day's attendance as a full day for grant purposes; that 85 percent attendance by any child would constitute a full grant and so on. These were requests that they wanted made. We discussed with them at great length the possibility of provision of resident facilities for children in outlying areas. This has many connotations and complications which may creep in. This is something which our psychiatric people are not in agreement upon and now the association have asked us to look at it with them. With this in mind, we have set off a sub-committee of Deputy Ministers and the Director of special classes and the Director of Rehabilitation to bring a report to the Ministers on the future role of the Departments of Education and Health in this area. I feel a great deal has been done. I can tell you from personal experience in rural Manitoba, in the Town of nine, ten years ago when children were brought to me who were retarded and couldn't be handled in school and it took me months to get an assessment made as to the future of that child and the type of facility and training which would best benefit him. Our assessment facil-Ities consisted of the small child guidance centre at the old Childrens' Hospital. They've come a long way in the last few years. And the Honourable Member from Selkirk can certainly take heart from that, I feel in the last two and a half years. Now I believe that this is evolution; this is coming and it's coming very rapidly and it certainly is in the forefront of the hearts and minds of the people on this side of the House. I just felt that this should be recorded in this committee in view of this resolution.

Mr. Speaker put the question and after a voice vote declared the motion lost.

MR. HILLHOUSE: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members. The question before the House is the motion moved

(Mr. Speaker, cont'd.) by the Honourable Member for Selkirk, seconded by the Honourable Member for Ste. Rose, that while concurring in Resolution No. 24, this House regrets that the government has not made the necessary provisions to provide equality of educational opportunities for all children in Manitoba to the full extent of their capabilities and potentialities.

A standing vote was taken the result being as follows:

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Paulley, Peters, Prefontaine, Reid, Shoemaker, Tanchak, Wagner and Wright.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, Witney, and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas: 19; Nays: 32.

MR. SPEAKER: I declare the motion lost.

MR. J.P. TANCHAK (Emerson): Mr. Speaker, I move, seconded by the Honourable Member from Ste. Rose, that while concurring in Resolution No. 24, this House regrets that the government has failed to provide equality of educational opportunity for all children of Manitoba by failing to provide equality of grants among all school districts in Manitoba.

Mr. Speaker put the question.

MR. TANCHAK: Mr. Chairman, I'll be very brief on this because I'm sure the Honourable the Minister of Education knows what's in my mind, but I'm hoping that this time I'll be able to soften his heart a little more than I have been able to succeed in the past. In two election campaigns and as well as in this House, the Conservative candidates and also the Cabinet Ministers in this House promised the people of Manitoba equality of educational opportunity for all children in Manitoba. The word "all" children of Manitoba. The government has failed to provide this equality of educational opportunities in many areas of Manitoba and especially so in non-division areas. The government, I say, still persists in being punitive and still persists in being dictatorial. The government is discriminating against areas which failed to bend to the will of the government and I say that the government is deliberately denying teacher grants to school districts concerned - school districts which did not see it fit to accept the school divisions. Grants which rightfully should be theirs. I'm opposing this resolution on the grounds that this government is not providing equal educational opportunity for all children of Manitoba.

MR. FROESE: Mr. Speaker, I heartily concur with what the previous speaker said in that not the same grants are geing made available to all school districts in the province, especially in the area I represent which is receiving much less in school grants. That is one thing I have brought to the Minister repeatedly during the last two years and I hope that something will be done on this matter to correct the wrong that is being done in not providing the same school grants for all school districts in the province.

MR. McLEAN: I don't suppose that there is anything that I can add to what I have said on previous occasions on this particular subject. The fact of the matter is Mr. Speaker, that these grants and these educational opportunities are available to all parts of the Province of Manitoba and the particular sections of the province represented by the Honourable Member for Emerson and the Honourable Member for Rhineland have chosen not to accept them. Now they did that, and that was their right, and I have no quarrel with their decisions, but they knew beforehand. You can't possibly say that it was punitive becaue it was not anything that was designed for their particular purpose. It was stated in the clearest terms before the vote on February 27th, 1959, that the new grant system would be applicable only to school divisions. They chose not to have school divisions and knew before, when doing so, that that was the grant system that would be applicable. I don't know what more can be said, it was a choice they made. The rules were clearly laid down; everyone understood it in the beginning.

But, Mr. Speaker, I think that the resolution, if I may say so, comes with ill grace from the Honourable the Member for Emerson, because he sat in this House and he supported a government and a political party who were for years responsible for the greatest inequalities in educational opportunities that ever did exist in the Province of Manitoba. We're complimented that he now feels that the new system that applies provides equality and that he wants equality, but the question I would like to ask him: what did he do about it before this system became applicable?

(Mr. McLean, cont'd.)..... In 1946 there was a report by a committee of the House recommending a system which would provide equal educational opportunities for the students of Manitoba with respect to which practically nothing was done. Later a system of what were known as secondary school areas were developed and practically nothing was done in order to implement it. Now these inequalities existed all over the Province of Manitoba and the Honourable the Member for Emerson and those with whom he was associated took no action to correct it. I simply say that we do now have a system which provides equal opportunity, a system which is available, and has been available to all parts of the Province of Manitoba, and that at least he and those with whom he is associated are the last ones to be bringing this resolution before this House.

MR. TANCHAK: Does the Honourable Minister remember when I came into this House?
MR. PREFONTAINE: Mr. Speaker, the Honourable Minister sticks to his declared opinions of last year and of two years and three years ago, that he will do nothing for those divisions that voted no at the time of the vote. Now, Mr. Speaker, I've said before, and I repeat, that this is only because of the fact that there are only three divisions who voted that way, and I dare the Minister to tell this House If there had been 25 that he would adopt the same policy.

MR. McLEAN:before the vote.

MR. PREFONTAINE: Before the vote, yes, but if there were 25 non-divisions, half the province not getting the same grant the government would not stand up to the pressure. It can stand up to the pressure of three divisions, but it would not stand up to the pressure suppose 25 or 30 had voted the other way. The Honourable Minister says that the previous government did do nothing, that there was a report that was tabled here -- well it was tabled not in 1946 but it was tabled in 1945 by a Coalition Government, and the Conservatives -- I don't know if there is any survivor of that epic except yourself, Mr. Speaker, possibly -- were all in agreement. In fact the members of the special committee had on the committee, Mr. Millar who was Conservative and the honourable member I believe was himself a member of that committee, and what was done about it was a matter of the Coalition Government, and I think the Minister is ill advised now, at least he's not on solid ground, when he attackes only the Liberal Party for the policy which the Coalition adopted at that time. There was equality of opportunity at that time just as much, every school district was treated the same all over the Province of Manitoba, and some school districts were not penalized because they failed to go along with the policy of the government. We didn't have this policy of penalizing school districts who voted contrary to government hopes or government policy. So I say the Minister is ill advised to chastise a member who was not in the House at that time --who came in I believe in 1957 for the first time -- and I think he is ill advised. (Interjection) Well I know that you'll turn to ridicule when we have no argument -- that's the way of kids to attack and turn to ridicule or shout loudly -- but I say that the honourable member is on solid ground when he claims that all school children are not treated equitably in this province, when some districts, because they voted one way are penalized, and I submit that they are penalized.

MR. ALEXANDER: Would the member permit a question?

MR. PREFONTAINE: Yes.

MR. ALEXANDER: How many levels and different types of school grants were there in effect in the Province of Manitoba in 1956-57?

MR. PREFONTAINE: I didn't get your question. There was too much sound around.

MR. ALEXANDER: I said how many levels or different types of school grants were there applicable in the Province of Manitoba in 1956?

MR. PREFONTAINE: Well the honourable member knows very well that the school support, the basis of support was \$2,500 per authorized teacher and this applied all over. We had a special deal with respect to the Dauphin-Ochre school area and we had offered the people who wanted to go into the secondary school system area, we had a special deal for them. It was available to them if they wanted them and there was no special inducement except for the area of Dauphin.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Mr. Speaker, the Minister has made quite a bit about the fact that there were three divisions that voted no and had they voted yes they'd have received the same treatment as the other divisions in the Province of Manitoba. Now I would like an explanation from the Minister why one certain area, a division under the name of Dauphin-Ochre, voted no to the division and yet have received the same privileges as those that voted yes.

MR. PAULLEY: Mr. Speaker, I know the Honourable the Minister of Education can't answer that because he's already made his speech. I want to just put on the record, Mr. Speaker, the position of our group in respect of the resolution that's before the Assembly at the present time. We are going to support the resolution as proposed by the Honourable Member for Emerson. --(Interjection) -- No, not ashamed at all Mr. Attorney-General because we do not feel in our group that the teachers who are teaching the school children of Manitoba should be prejudiced as they are being in these three school divisions because of the actions of the voters in the particular areas. We know well that insofar as the grant structure is set up in the Province of Manitoba that the grant structure in respect of teachers is more favorable in the school division area, of course only at the secondary level. We feel that the school teachers are being prejudiced in the areas where they did not vote for the larger school divisions. --(Interjection) -- I think the teachers would agree with me on this. Now then, Mr. Speaker I would say that if the people in these areas which have not decided to come into school divisions do not want the transportation grant that is available to them in respect of school divisions; if they do not want other grants that are available to them in respect of the school divisions and are paying for them and not taking advantage of it that is their business. As far as we are concerned we want all of the pupils of the Province of Manitoba to have at their --I almost said command but nobody commands a school teacher -- available for them the best teaching staff that it is possible.

So I say, Mr. Speaker, the reason that we are going to support this resolution as proposed by the Honourable Member for Emerson is because we feel that with the set-up the way it is, the teachers are the ones who are being prejudiced in that they are not receiving comparable salaries with those within the division. If the ratepayers within the divisions themselves as I say do not want to take the advantage of the school divisions plan -- and I would suggest to them, Mr. Speaker, and I have no hesitation in saying here this evening -- I would make an appeal to them in these areas which have not come into the school divisions plan, I would make an appeal to them at their very earliest permissible under the law, to reconsider the decision that they have made and come into it, and I hope that they do. Again, Mr. Speaker, I feel that we should support the resolution because of the prejudice that is being shown, not particularly by the government -- I must be fair to the government in this -- not particularly by the government itself but by the ratepayers in the areas concerned. Therefore, Mr. Speaker, we are going to support the resolution as proposed by the Honourable Member for Emerson.

Mr. Speaker presented the motion and following a voice vote declared the motion defeated.

MR. GILDAS MOLGAT (Ste. Rose):as far as our group is concerned.

MR. ROBLIN: Are all the members here that voted the last time? If they're not, we'll have to have a division.

MR. PAULLEY: Well, if they are not in the Assembly Mr. Speaker, we can call them in. I believe last year however if I may say to the First Minister that there was this arrangement made. I've no objection to calling in the members, but I think we can each speak for our own groups.

MR. ROBLIN: On the point of order, Mr. Chairman, my recollection is that people stayed in their seats and attended to the business while these votes are going on. I think it is only right that we should insist on that otherwise we get ourselves into quite a mess.

MR. PAULLEY: All right. You may be right on that. I have no objections. The yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members. The question before the House is the motion proposed by the Honourable Member for Emerson, seconded by the Honourable Member for Ste. Rose that while concurring in resolution No. 24, this House regrets that the government has failed to provide equality of educational opportunity for all children of Manitoba by failing to provide equality of grants among all school districts in Manitoba.

A standing vote was taken the results being as follows:

YEAS: Messrs. Campbell, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Paully, Peters, Prefontaine, Reid, Shoemaker, Tanchak, Wagner and Wright.

NAYS: Mesdames Forbes and Morrison and Messrs. Alexander, Baizley, Carroll,

Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, and Witney.

MR. CLERK: Yeas 18, Nays 32.

MR, SPEAKER: I declare the motion lost.

MR. CLERK: Resolution 25, resolved there be granted to Her Majesty a sum not exceeding \$585,790, Teachers' Training Education, Education. (26), resolved there be granted to Her Majesty a sum not exceeding \$1,935,917, Student Instruction, Education. (27), resolved there be granted to Her Majesty.....

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Selkirk that while concurring in Resolution No. 27, this House regrets that the government has failed to take care of the interests of the basic export industries of this province by failing to make adequate protests against the increasingly restrictive trade policies of the Federal Government which invite retaliatory action by other countries and seriously threaten our whole export trade and in particular our export of farm products.

MR. SPEAKER: Would the Clerk inform me what Resolution No. 27 is for?

Mr. Speaker put the question.

MR. MOLGAT: Mr. Speaker, this resolution could lend itself to a very long speech on the matter of trade policy, but I don't intend at this stage to make such a speech. The resolution is clear and states exactly the problem as I see it. There are two basic farm problems. I think the Honourable the Minister of Agriculture will agree with me on that. One is price and the other is market. This one treats the subject of markets. This is of basic importance to the whole of the Province of Manitoba. It's extremely important to every industry in Manitoba that our export trade for farm products be protected, that is be encouraged to the maximum extent. It is quite obvious that any action taken by the Federal Government to restrict trade with other countries as we have seen in the case of Japan in particular, and other countries as well, can only result in a drop in our own export of farm products. I suggest that our government should be taking a much stronger case with Ottawa on this subject. There have been repeated cases of pressure on other governments, quotas and all the rest of this, and this can only work against the interests of the Province of Manitoba. It is most important that our government make our position felt in Ottawa and exert every possible pressure on them to cease this practice and to encourage international trade which is to our general benefit.

MR. HUTTON: Mr. Speaker, I'm not going to get into an argument with the Honourable Member for Ste. Rose about tariffs, trade and so forth. But you know I can't help wondering Mr. Speaker, where the Honourable Member for Ste. Rose has been living in the past three or four years. He apparently has set himself against letting any of the information of the day, current events, current trends and so forth, he has set himself up in the position where they make no impression upon him whatsoever. I'm not here to speak on behalf of the Federal Government, far from it and I doubt if there has been a Minister of Agriculture in the Province of Manitoba in a good many years who has taken issue with the government at Ottawa as the present Minister of Agriculture has. And when the issue is sufficient, I'm not afraid of a fight with anyone whether it be the members of the Opposition or whether it be members of other levels of government. If it's a matter of principle and the welfare of Manitoba are concerned, I'm not afraid of a fight with anyone. It happens to be a weakness of mine. I suppose it's inherited because my grandfather came from Ireland, and I guess he brought his shillelagh with him and he must have handed part of it down to me.

Mr. Speaker, since the Federal Government at Ottawa took office they have decreased the surplus of wheat that the country carried under the former administration; decreased it by some 200 millions of bushels. It was, if my memory serves me correctly, over 700 million that Canada was carrying in the way of surplus wheat or wheat reserves, if you want to call them that, and at the present time there's something over 500 million bushels. I'm not patting the Federal Government on the back and saying that this is good enough. A resolution was introduced to the House today, or an amendment to the resolution, asking this House and the Government of Manitoba to request the Federal Government to increase and extend their efforts in the field of markets. I think it's unfair not to acknowledge the fine job of salesmanship which has been done and the efforts which have been made on behalf of the western farmer in the field

(Mr. Hutton, cont'd.).....of disposing of their agricultural products. If my memory serves me correctly, on the average during the past three years there has been 300 million bushels of wheat sold in the commercial markets. If you want to compare that with the record of the previous administration at Ottawa, it is something like 30 million bushels a year better than the record of that administration. I can't recall in the last decade that the former administration in this province went to bat very strenuously on behalf of the farmers of this province.

Now in addition to this, I think it is unfair to chastise the present administration for a lack of interest in the field of marketing. The Province of Manitoba, and I don't take the credit for this because it could only be done through the support of my colleagues in the Conservative Party here in Manitoba, a conference has been called to be held in Manitoba within a few weeks, at the end of April, and it is called specifically to see what can be done to solve our marketing problems, and also to look at the broad field of agricultural policy as it affects the marketing of our farm products. I don't want to brag --(Interjection) -- No, I don't. But I think it's fair to state that the Province of Manitoba has given some leadership in this which I admit and acknowledge is a long time area that has not received the attention that it should have. But I want to point something else out, Mr. Speaker, that this problem of marketing and of agricultural policy is not a problem that is peculiar to Manitoba, and Manitoba cannot solve the problem of Manitoba farmers without the co-operation of other provinces and of the Federal Government and all other bodies that are interested in the agra business of this country. It's just foolish to think that Manitoba can stand up and make demands by herself and hope to have any great effect upon the decisions that are so relative to the welfare of the farmers in this province. We must relate our conditions and our needs to those of the farmers -- and there are half a million across Canada--we must relate our needs and our problems to the farmers in other areas of the country. It is only through a co-ordinated attack, if you like to put it that way, a co-ordinated effort by all the farmers of Canada and the promotion of understanding between the farmers in the different sections of Canada that there is any hope that we will find a solution or even a partial solution to the problems that we face. But I cannot accept the criticism that has been brought against this government that we have failed to give the support to the farmers of Manitoba in the field of marketing and agricultural policy as it affects us as an exporting area. There's all kinds of evidence to the contrary; that never before have these particular problems received the attention that they are receiving today.

MR. SPEAKER: Are you ready for the question.

Mr. Speaker presented the motion and after a voice vote declared the motion lost.

MR. MOLGAT: The ayes and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members. The question before the House is the motion moved by the Honourable Member for Ste. Rose, seconded by the Honourable Member for Selkirk that while concurring in Resolution No. 27, this House regrets that the government have failed to take care of the interests of the basic export industries in this province by failing to make adequate protest against the increasing restrictive trade policies of the Federal Government which invite retaliatory action by other countries and seriously threaten our whole export trade and in particular our export of farm products.

A standing vote was taken the results being:

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Paulley, Peters, Prefontaine, Reid, Shoemaker, Tanchak, Wagner and Wright.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, Witney and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas 19, Nays 32.

MR. SPEAKER: I declare the motion lost.

MR. CLERK: Resolution No. 28, resolved that there be granted to Her Majesty a sum not exceeding \$1,234,060, Agriculture. (29) resolved that there be granted to Her Majesty a sum not exceeding \$86,140, Publication and Statistics Agriculture and Conservation. (30) resolved that there be granted to Her Majesty a sum not exceeding \$551,820, Agricultural Development, Agriculture and Conservation. (31) Resolved that there be granted to Her Majesty a sum not exceeding \$193,300, Agricultural and Horticultural Societies, Agriculture and Conservation. (32) resolved that there be granted to Her Majesty a sum not exceeding \$57,470, Co-operative Services, Agriculture and Conservation. (33) resolved that there be granted to Her Majesty a sum not exceeding

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(Mr. Clerk, cont'd.).. \$517, 500, Economic Research, Agriculture and Conservation. (34) resolved that there be granted to Her Majesty a sum not exceeding \$100,000 Crop Insurance Agency, Agriculture and Conservation. (35) resolved that there be granted to Her Majesty a sum not exceeding \$449,000 Manitoba Agricultural Credit Corporation, Agriculture and Conservation. (36), resolved there be granted to Her Majesty a sum not exceeding \$25,000 Predator Control and Grasshopper Control, Agriculture and Conservation. (37) resolved there be granted to Her Majesty a sum not exceeding \$1,588,625 Water ${\tt Control\, and\, Conservation,\, Agriculture\, and\, Conservation.\, (38)\, resolved\, there\, be\,\, granted\, to\, Her\,\, Maj-number (38)}$ esty a sum not exceeding \$211,660, Administration, Attorney-General. (39), resolved there be granted to Her Majesty a sum not exceeding \$427,380, Land Titles Offices, Attorney-General. (40), resolved there be granted to Her Majesty a sum not exceeding \$294,130, Law Courts, Attorney-General. (41) resolved there be granted to Her Majesty a sum not exceeding \$30,870, Legislative Counsel, Attorney-General. (42) resolved there be granted to Her Majesty a sum not exceeding \$2,223,300 Administration of Justice, Attorney-General. (43), resolved there be granted to Her Majesty a sum not exceeding \$21,065, Miscellaneous, Attorney-General's Department. (44), resolved there be granted to Her Majesty a sum not exceeding \$251,585, Juvenile and Family Courts, Probation and Parole, Attorney-General. (45), resolved there be granted to Her Majesty a sum not exceeding \$572,750 Detention Homes, Attorney-General. (46), resolved there be granted to Her Majesty a sum not exceeding \$80,280, Administration of Estates of the Mentally Incompetent, Attorney-General. (47), resolved there be granted to Her Majesty, a sum not exceeding \$21,500, Provincial Buildings and Other Projects - Chargeable to Capital Division. (48), resolved there be granted to Her Majesty a sum not exceeding \$641,827, Executive Division, Health and Public Welfare. (49), resolved there be granted to Her Majesty a sum not exceeding \$11,314,038, Health Division, Health and Public Welfare.

MR. WRIGHT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Fisher that while concurring in Resolution No.49, this House regrets the failure of the government to make such changes in the Hospital Services Plan so that the increasing costs would not be borne by the premium payers especially those in the low income brackets.

Mr. Speaker put the Question.

MR. WRIGHT: Mr. Speaker, last year just after the House prorogued the government announced an increase of 50 percent in the Manitoba Hospital Services Plan premiums. Now I wish to say at the outset that we're proud of the Plan; it's here to stay and money must be found to keep it solvent. We knew that the first few years were going to be difficult ones and this morning we heard the Administrator who gave us very sound reasons for the need for more money. When I first read of the increase in premiums I wondered of what use I was in this House, Mr. Speaker, because last time although we had a very busy session, we heard not a word about an increase in the Hospital Services Plan premiums. Now many of my constituents...

MR. JOHNSON (Gimli): Mr. Speaker, I want to correct the honourable member, when he says 'not one word." If he will peruse Hansard and my introduction to the estimates last year he will see where I pointed out very clearly at the end of '59 a surplus of \$174,000 and pointing out that the whole matter was being studied at that time.

MR. WRIGHT: I accept that explanation, Mr. Speaker. Now many of my constituents were incensed over this 50 percent increase and I think they had every reason to be about it. It wasn't only because of the large increase of 50 percent but the lack of a statement, a policy, by this government as to future increases. Now in psychology there's a principle that if you want to get along with people you must let them know in advance of changes which are liable to affect them, and in this I must say that our government was negligent. This morning we were in Public Accounts and we listened to the administrator talking about the projection of costs for our plan and he explained there a series of schemes by which we would have to finance this plan and which we would have to consider. Now, after the increase was announced last year, my Leader made certain public statements which brought a quick reply by the First Minister in regard to the future of the Hospital Plan. I think that this is a matter of principle, Mr. Speaker. For instance this morning in Public Accounts Committee when we were comparing the plan of Manitoba with that of Saskatchewan someone said, "where will you find the money?" Well, I think that's the duty of the government to find the money. Had we discussed this pl an at the last session -- and as I said before we fully realize the need for money -- then I think that is the time when we could discuss the ways and means of raising this money. I think it was an unfair question to put to us this morning, because I think that if the government came to us and said that this is the situation, we have to have more money and we have to consider plan "a", "b" or "c" I think that we are capable of doing that. We were deprived this opportunity at April 4th, 1961 Page 1640

(Mr. Wright, cont'd.)....the last sitting of the House. Now, if the government had brought in a resolution calling for an increase in the premiums at the last session, stating the principle that, say on an ability to pay basis, or on a registration fee basis, making it necessary to finance the balance out of general revenue or through other means, then I would say that we as Legislators would have considered this; that would have been our duty. We supported the plan just as we supported the larger school divisions so I think that the government should have no hesitation in entrusting some of the decisions on such a large scale with us. As I said before, Mr. Speaker, we're going to concur in this Resolution but I sincerely think that the government should have given us some warning at the last sitting of the Legislature in regard to the principle of just how we are going to finance our Manitoba Hospital Services Plan insurance.

MR. PAULLEY: Mr. Speaker, I'd like to make one or two comments in connection with the amendment which has been proposed by the Honourable Member for Seven Oaks. I want to assure the House, particularly those members of the Public Accounts Committee that I do not intend to go into the detail that I did this morning at Public Accounts. I want to join my honourable colleague from Seven Oaks when he says that so many people in his constituency were incensed over the increase in the hospital premium. Such was the case, Mr. Speaker, of people who were in touch with me from practically every constituency here in the Province of Manitoba. They could see no justification established by the government for the increase. There was a justifiable protest, I think, because of the fact that the increase was instituted so shortly after a session of the House last year. I know full well that my honourable friend, the Minister of Health and Welfare can properly say, or will say, that he did not have the information before him at the time that the House was in session; that it was not until the Commissioner had compiled the document which is under consideration by the Public Accounts Committee, which was produced to the Minister after the session had ceased. I raised the question or the point this morning in Public Accounts, and I want to repeat for the purpose of the record, because there is no record of the Public Accounts Committee, that in my opinion, the government could well have delayed the increase that they put in some time in June of last year, until such time as the Legislature had met, and until such time as a more thorough analysis had been made of the scheme and the financial aspects of the scheme had been made.

I think I have established from the records of the estimates of the province that while the federal contribution to the plan is increasing due to the increased costs in hospitalization, and that while the premium holders or premium payers to the plan have had their premiums increased by some 50 percent, the Government of Manitoba has decreased its contribution to the plan by some half a million of dollars. My colleague, the Honourable Member for Seven Oaks made reference to the fact that as a result of a few points raised by our group after the increase was announced that in the by-election at Pembina the Honourable the First Minister came to the conclusion or announced that there would be changes forthcoming or suggestions of changes forthcoming in the matter of premium collections. If the newspaper reports are correct, he said at the nominating meeting which chose as the Standard Bearer of the Conservative Party for the constituency of Pembina, the Honourable Member who now is a member of this Assembly, he stated that the government would attempt to try and find ways and means by which the burden on low income groups would be somewhat alleviated. And I appreciate that very, very much. But at the same time, Mr. Speaker, at the same time, the law of the Dominion of Canada and the agreement between the Province and the Dominion states emphatically in respect of premiums, that they must be uniform, and until the Honourable the First Minister is able to convince his compatriots at Ottawa of the changes in their legislation that the suggestions that he made at Manitou are not possible. The only think that is possible is the government itself undertaking a reduction or rather an increase in the number of those who are entitled to free premiums under our social assistance regulations or something of that nature. Suggestions have been made in some quarters as to the possibility of having the premiums based on somewhat, some sort of an income basis. Again I say, Mr. Speaker, this is not possible under the agreement between the federal and provincial authorities until such time as the over-all legislation is changed. At least that is my understanding. So I say the only other alternative that I can see at the present time, until possibly the new deal that the Prime Minister of Canada is offering to the provinces under the Dominion-Provincial arrangements or proposed arrangements in respect of the year 1962 and

(Mr. Paulley, cont'd.)....onward, whereby the province will start collecting an income tax of its own, the only alternative is a greater contribution from provincial sources in to the plan itself. The Farmers' Union of Manitoba, labour organizations and many others have protested the increase in the rates. The Minister attempted to justify in his press statements as to why the increase was necessary, by referring to the fact that we were going to have to have more hospital beds provided for in the Province of Manitoba; and yet at the same time that that announcement was made, Mr. Speaker, the hospital construction actually was under a ban of any new construction other than that which had been authorized long before the rate increase was contemplated.

So I say, Mr. Speaker, that we present this resolution as a further protest to the rate increase to the premium payers of the Province of Manitoba at this stage in order to establish our position on the record. I pointed out this morning how this rate increase in creating a terrific burden on many people, particularly in the low income groups who have two or three children over the age of 18 attending high school or university, because as we are well aware, Mr. Speaker, that as soon as a person becomes of the age of 18 irrespective of whether or not they have any income or not, those who are responsible for them must start paying the premium for them. I have had illustrations drawn to my attention where in some cases people of modest means who are attempting to give their children a better break in life by sending them to university, than they had indeed themselves, are having to pay not only the family premium of \$72 in respect of themselves, but because of their children being over the age of 18 have also to pay an additional premium of \$36 a year twice in respect of their children. Now these are things that we're drawing to the attention of the House this evening, Mr. Speaker, so that they are established on Hansard. The question as I say is under consideration before the Public Accounts Committee. I realized that this morning I roused the ire of my honourable friend the Minister of Health and Welfare; I may well be doing the same again this evening. I appreciate very much, and I say this to him in all sincerity, I appreciate very much his keen interest and his keen endeavour in this scheme, but I am sure that he is the type of an individual, even though it may rattle him periodically, he is the type of an individual that would give us the right to criticize and I think we are critizing constructively in respect of this scheme. So, therefore Mr. Speaker, we of this group have no hesitation in presenting this resolution on the concurrence of the section in the estimates dealing with this matter.

MR. JOHNSON (Gimli): I just learned that in Public Accounts we're not on the record and I just want to put a couple of things on the record again. I have the same high opinion of my honourable friend, the Leader of the CCF Party, I've heard him so often say the same things now that he sounds like a broken record to me, and I hope I'm going to sound like a broken record to him. But the long and short of it is that certainly we increased the premiums. My honourable friend has suggested this evening that we should have delayed this increase until the Legislature met again. Well as a responsible Minister in charge of this department and recommending to my colleagues who share this responsibility with me in this party, this side of the House, I could not justify a deficit of this magnitude especially when -- close to \$5 million before this Legislature sat again. We did what we thought was right and we took this step which we knew would not be too popular. We had, and continue to have, the greatest concern possible for those people in the lower income groups who do need or should have or we should aim to find a measure of relief for them in our deliberations. However my whole contention and the contention of this party was to maintain the standards of care that have been established and to meet the demands which would be placed upon this plan in the future. We were determined to carry this forward, and we are continuing to seek ways and means, as the First Minister has said on so many occasions, to find a measure of relief for certain categories.

Let me make one point very clear again. The so-called deep freeze of Manitoba hospital construction. Fifteen million dollar deep freeze of my Honourable Leader of the CCF Party. I've read it out; it's in Hansard; I'm not going through it again. A rehabilitation hospital, the facilities taken under the plan, certain renovations and so on in converting tuberculosis beds, the major addition to the Winnipeg General Hospital of 3.6 million for a service wing to service the \$5 million hospital that has recently been completed with no kitchen facilities, no service wing, period. I was up to the hospital tonight to see a friend of mine and we hope for that kitchen soon. It's almost impossible to feed people in a \$5 million hospital with no kitchen

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(Mr. Johnson, Gimli, cont'd.)....facilities. What did we do? We inherited this the day I came to office, the Boards were in my office; they knew they were facing a progressive government who would measure up to the situation and get things on the way. We've been going forward objectively and realistically to make sure that while our big survey was underway to absorb those major things that had been recommended by the Advisory Committee before and immediately after we took office. The \$15 million deep freeze that's all I can call it. He ignores any of my pleas in this regard. I want to point again that 41,000 to 43,000 people in the province, Mr. Speaker, do have a waiver of hospital premiums. Let's say it again. If I say anything I'm the Minister of Propaganda. If I send a patient a statement telling them the benefits that the plan has paid on their behalf it's propaganda, it's politics, there's something wrong about it. Yet the people of the province want to know; they have every right to know. What does a private organization such as MMS do? They found this out. Their customers wanted a slip at the end of the month to tell the doctors how many calls; they wanted to see how much the men were being charged.

MR. PAULLEY: May I suggest to my honourable friend the Minister of Health and Welfare the reason for that is because of the fact that they use it for income tax deductions. Mr. Speaker, may I ask how many speakers there are in this House?

MR. SPEAKER: Order, Order!

MR. ROBLIN: There's one over there, that's for sure.

MR. PAULLEY: Yes, but he couldn't be heard because of a little bunch of poppycocks over on the other side of the House.

Mr. Speaker, all I wanted to do and I'm sure my honourable friend who is more of a gentleman than the other tribe — all I wanted to do was to suggest to my honourable friend the Minister of Health that......

MR. ROBLIN: Mr. Speaker, on a point of order, I ask you on a point of order why is he on the floor?

MR. PAULLEY: Because the Speaker has not told me to sit down and he is the supreme governor of this House and not you my honourable

MR. SPEAKER: Order, Orderi

MR. PAULLEY: ,.....my honourable friend the Minister of Health and Welfare --- Pardon?

MR. SPEAKER: Are you asking a question?

MR. PAULLEY: No I was on a point of privilege Mr. Speaker. I wonder how many Ministers of Health there are opposite? The point of privilege, Mr. Speaker, when the Minister of Health and Welfare was talking about MMS and the certificates that they receive is, and I'm sure that he would agree, that the reasons that they issue them is because they're allowable for income tax deductions.

MR. ROBLIN: Mr. Speaker, I want to rise on a point of order and protest. My honourable colleague here was making a speech. He was interrupted by my honourable friend opposite who was allowed to speak for many minutes, as usual, and repeat himself, give us the stuff we've heard all over again as usual, and he gets up; he doesn't raise a point of privilege; he doesn't raise a point of order; he doesn't ask a question; he makes another speech and he doesn't give you, Sir, a chance to rule on it whether it's in order or not.

MR. PAULLEY: Mr. Speaker on the point of order, which isn't the point of order that the Honourable the First Minister has raised. I stood up. — (Interjection)— The Speaker hasn't stopped me, are you the Deputy Speaker? Are you sitting up front now. Don't forget you're not the Chairman as you are on Public Accounts. Mr. Speaker as the Minister was speaking I did arise and he recognized me, and hesitated, and gave me the courtesy of it, which is far more than the Little Colonel of this House is doing at the present time.

MR. JOHNSON (Gimli): Mr. Speaker, I just want to continue with my few remarks, and I just wanted to make it perfectly clear to the Leader of the CCF Party that he and I will never agree on this. This business of sending the people a statement is a common practice; it's good business practice and we didn't do it in all sincerity as a method of propaganda. We did this because my staff felt that this was something — they had had many phone calls from people who had been in the hospitals and wondered whether their bills were paid or not and so on. I'm going to have something to say about this when Public Accounts convenes first thing in the

(Mr. Johnson, Gimli, cont'd.)....morning and I'll just touch on it briefly here, but it's the duty of everyone in this Legislature who sees the tremendous problem facing the Province of Manitoba with a utility of this magnitude, to do everything within their power to bring anything to the attention of the plan or the Minister as to any so-called areas where we can improve the plan, controlling cost and so on, which we're constantly aiming at. After all the voluntary boards of these hospitals are the ones who present budgets to us; they are as a rule groups of voluntary citizens who have had experience in this field for years, who are dedicated people in the health and welfare field. I have said over and over again, Mr. Speaker, that the activities of the Health Department are meaningless at the community level without the full participation, concern and interest of the people in the community, and this has to be, I hope, stimulated and -- we have to keep telling this story to the public.

It's important that they know the magnitude of this plan and present day costs, and while having every concern for those in the lower income groups who would find \$3.00 a month and \$72.00 to an old age pension couple who are just on the border line area where they do not receive a waiver premium -- while having all this concern for people, let us continually remember that to build a bed is between \$5,300 and \$5,700 a year, it changes once in a while. And secondly, that a \$36.00 premium will pay one and a half days in an acute hospital today.

I could go on and on and go through all this again but I just wanted to make that point clear, Mr. Speaker, before my train of thought was interrupted by my honourable friend from Transcona who has a vital capacity at times that amazes me, and while I know his concern is genuine, I do feel that we disagree on these few errings. Certainly the federal contribution increases as our costs increase. The plan and the Commissioner can answer to many of the technical details in the increase which I have understood in going over this with him slowly, but a person that is living with it daily can give it to you more clearly. However, we had to relate our provincial contribution, as we've continually said, on some basis. Instead of just subsidizing it in some incoherent manner, we tried to relate it with an escalator clause in it as we defined very clearly in the financial estimates for the three-year period where we do have this increasing participation. We completely hear nothing day to day of the 1,900 people in alternative care facilities in this province being maintained at an average cost of \$90.00 per person below the plan. We don't hear a word about the -- Now if I'm going to be a Minister of Propaganda let's tell them, let's tell the public. Let my honourable friends go out and tell the public of the work we're doing to keep people out of hospital. The expenditures in the Health Department up every year. The tremendous increases in welfare expenditures; every nickel of it designed to support the Hospital Services Plan and to help people out of hospital. And by the Lord Harry more has been done in this in the last year and a half to two years than in the history of this province before, in going into nursing homes and alternative care institutions and underlining the problem and looking at it clearly and segregating these many elements of medical care that exist in these institutions and putting sick people where they belong, where they need the care. In meeting these increasing costs of medical science in hospitals where machines cost \$100,000, where not one member of this House would say it shouldn't go into that hospital; where that one life's worth all the wind I've heard around here. Thank you, Sir.

Mr. Speaker presented the motion and after a voice vote declared the motion lost. MR. PAULLEY: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: The question before the House is the motion proposed by the Honourable Member for Seven Oaks, seconded by the Honourable Member for Fisher that while concurring in Resolution No.49, this House regrets the failure of the Government to make such changes in Hospital Services Plan so that the increased costs would not be borne by the premium payers especially those in the low income bracket. Those in favour of the motion please rise.

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgar, Paulley, Peters, Prefontaine, Reid, Shoemaker, Tanchak, Wagner and Wright.

NAYS: Messrs. Alexander, Baizley, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Shewman, Smellie, Stanes, Stickland, Thompson, Watt, Witney, Weir and Mrs. Forbes and Mrs. Morrison.

MR. CLERK: Yeas - 19. Nays - 32.

MR. SPEAKER: I declare the motion lost.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce that the House do not adjourn.

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