

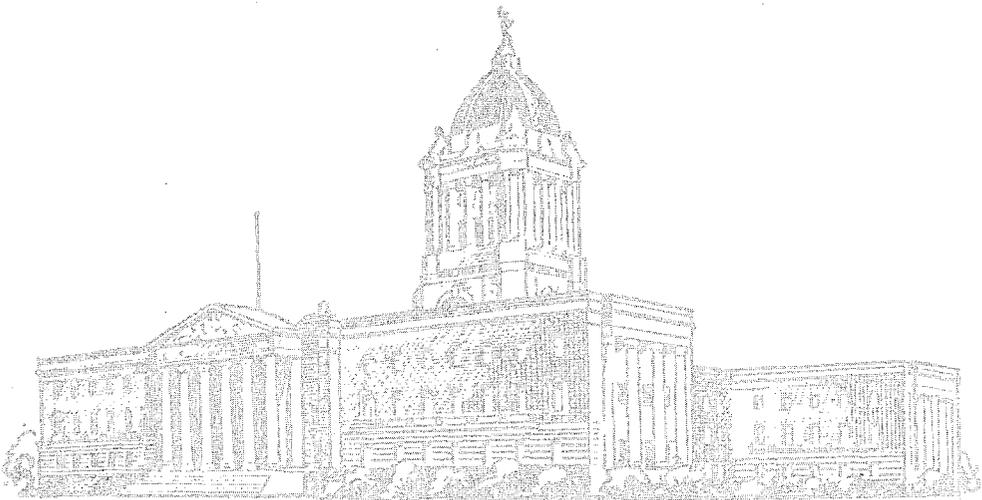


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VII No. 16 2:30 p.m., Friday, March 2, 1962. 5th Session, 26th Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Friday, March 2nd, 1962.

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

MR. JAMES COWAN (Winnipeg Centre): I beg to present the petition of the Winnipeg Better Business Bureau, Praying for the passing of an Act to amend an Act to incorporate the Winnipeg Better Business Bureau.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I beg to present the petition of Albert Chamberland and others, praying for the passing of an Act to incorporate the Missionary Oblate Fathers of Keewatin.

MR. SPEAKER: Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notice of Motion.

Introduction of Bills.

HON. GEORGE JOHNSON (Minister of Health)(Gimli), introduced Bill No. 45, an Act to amend The Mental Diseases Act; and Bill No. 44, an Act to amend The Health Services Act.

MR. R. O. LISSAMAN (Brandon), introduced Bill No. 43, an Act respecting the Closing Off and Filling in of the Channel of the Assiniboine River within The City of Brandon, known as "The Snye".

MR. W. B. SCARTH, Q. C. (River Heights), introduced Bill No. 9, an Act respecting Capital Funds (IAC) Limited.

MR. SPEAKER: Committee of the Whole House.

HON. DUFF ROBLIN (Premier)(Wolseley): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Industry and Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the proposed resolution standing in my name.

Mr. Speaker presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of the Whole, with the Honourable Member for St. Matthews in the Chair.

MR. ROBLIN: Mr. Speaker, the Administrator of the Province of Manitoba having been informed of the subject matter of the proposed resolution, recommends it to the House.

MR. CHAIRMAN: Resolved that it is expedient to bring in a measure to amend The Loans Act by providing, among other things, for the delegation by the Lieutenant-Governor-in-Council to the Provincial Treasurer of authority to fix and determine certain particulars of certain treasury bills the issue of which has been authorized by the Lieutenant-Governor-in-Council.

MR. ROBLIN: Mr. Chairman, this is a rather interesting subject here that represents a new departure in public finance in Canada, and that is that this province, and indeed the Province of Saskatchewan as well, have decided to issue Provincial Treasury Bills as part of the financing structure of the province. As members know, we now issue bonds of various terms and length on the credit of the province, but there is a considerable market for short-term money, that is, 91 day money which we have decided we should exploit. As a result, we have been issuing for the last three or four months, once a month, a Treasury Bill for one million dollars on a 91 day basis. The result of all this is that in the course of a year \$13 million is raised in this way. The advantage to the province is twofold. First of all, it enables us to diversify the term which our money is outstanding to meet the needs of the market, so that it runs all the way now from 91 days to 20 years in some cases. The savings bonds are medium term, being about 10 years. It also has the added advantage that it gives us \$13 million at a very economical rate of interest. It's about two full interest percentage points cheaper than if we were operating on a long-term bond market; and in this particular policy with respect to a floating debt of 13 million on treasury bills, we make a saving of around \$260 thousand a year on a two percent basis as far as interest is concerned. So that is the background of the proposition.

What this motion is proposing is that the Lieutenant-Governor-in-Council be empowered

(Mr. Roblin, cont'd.) to authorize the Treasurer to accept the terms that might be offered with respect to these treasury bills. When long-term issues are arranged there is plenty of time for the Lieutenant-Governor-in-Council to consider whatever offers are made and to decide as to the action that should be taken, but the treasury bills move into a very active section of the market where transactions take place on the matter of minutes notice. We are notified about the middle of the morning as to what the various prices are, and we have to make up our minds whether we are going to accept them or not within a very short space of time. As a result, it's not always possible for the Executive Council to be in session at that particular moment and to give the necessary approval for the acceptance of any terms. So the proposition here is that in respect of treasury bills, in view of the quick-acting nature of the market for this kind of security, that the Provincial Treasurer himself be authorized to accept these arrangements, subject of course to the overall approval of the Lieutenant-Governor-in-Council, which naturally is finally in charge of the situation. But if this resolution carries, if the Bill passes, it will mean that the Provincial Treasurer is able to accept the terms that may be offered on these treasury bills on the telephone so to speak, because that's the way this kind of business is done, and it does not lend itself to the usual procedure of approval by the full Executive Council.

MR. MOLGAT: Mr. Chairman, all of us I think noticed in the newspapers some time ago when the government proposed to go into this new financing venture. I think it has some interesting aspects to it so far as the Province of Manitoba, and if this can be considered as the working capital operation--I think it is rather interesting to note that in the short time my honourable friends across the way have been in office, they have found more ways to borrow money than any government in the Province of Manitoba. They launched forth some time ago in financing in the United States; that was followed last year by the Savings Bonds; and now this year we have another new method of borrowing. I'm not necessarily criticizing this method. I'm just pointing out this rather obvious fact.

I do have some specific questions to ask with regard to this new measure. The news report that was issued at the time stated that the arrangements were made with two financial houses--were purchased by them of the treasury bills on a weekly tender basis. I'd like to know from the First Minister why this has been done only with two financial houses. Why not on the open market? It seems to me that if he is putting out one million that this could be handled by the financial institutions that exist, and let all of them bid. Why not have an open competition on it? I can't understand the reasons for limiting it only to two particular firms. How can he assure this House that we are in fact getting the best deal that we can, if it's put in the hands of two people and not on the open market.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Chairman, it would appear to me that we on this side of the House should agree with any method within the realms of propriety that the government adopts in order to receive monies or loans -- borrow monies at lower than the prevailing rates of interest. We in this sector of the House on numerous occasions raised the question of the exorbitant rates of interest which are being charged in our opinion for various loans. If I recall correctly, Mr. Chairman, we first referred to the great bond conversion issue of a few years ago. Now the Provincial Treasurer has explained to us that due to the nature of borrowing, that sometimes a favourable interest rate is available on rather quick notice. I would like to ask him, Mr. Chairman--I would presume that prior consultation is held with all of the members of the Treasury Board as to the likely requirements for a period of time, and that the purpose of this would be that those considerations having been given, then the treasurer would be in a position to know of the requirements. In other words, that this is not an onus or responsibility that is just placed solely on the Treasurer's shoulders, that the Treasury Board first of all meets; decides the amount of borrowings that is necessary for their current expenditures; and then, in effect, says to the Treasurer, as soon as you can get what appears to be a favourable rate of interest you have our authority to go ahead and make the necessary borrowing. I think with that assurance, because I don't like, generally speaking, Mr. Chairman, that one man, or an individual, no matter how capable he may be, have the responsibility or the authority just simply to borrow money on the credit of the province. So I would like to have the assurance from the Honourable Treasurer that these things are all discussed and then at his discretion in accordance with the interest rates, this is accepted.

MR. M. A. GRAY (Inkster): Mr. Chairman, are those lenders who are very willing and

(Mr. Gray, cont'd.) charitable to lend money to the province at a low interest, are they an American market or Canadian?

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert-Plains): Mr. Chairman, just as a matter of information, the government must have other means of raising money on short-term loans. I believe that they used the treasury note instead of the treasury bill. Would the First Minister be kind enough to explain the difference?

MR. J. M. FROESE (Rhineland): Mr. Chairman, just a comment or two regarding this matter. I would be interested to know just how much money this government can borrow on a short-term basis. After all, indication has been given that a further issue of savings bonds, which most likely will be on a demand type too, will be floated. Just how far can we go with these demand monies? This 90 day business is very short-term basis too, and I would like to know from the First Minister what he feels--and he will have the basis to judge this on. How much can we have of this short-term financing and still be on the safe side?

MR. ROBLIN: Mr. Chairman, I will try and answer all of these questions, starting with the Honourable the Leader of the Opposition. I have to agree with him that we have been introducing new methods of raising money, although we did not do so in the case of borrowing from the United States. That was done by previous administrations, including the one that preceded us. The institution of the Manitoba Savings Bond was done for a very deliberate purpose as an innovation, and that is to interest the people of Manitoba in investing in their own province and investing in the facilities which their own government is providing. The outstanding success of that issue, I think, is entirely gratifying to all members of the House. In addition to that, I must say that it does produce a rate of interest which is quite acceptable to us, as being something less than the market at the present time. With respect of the treasury bills that are here before us, he asks why we limit ourselves to the two agencies through which we work. Well I must say that working through an agency for the borrowing of money is the way in which, nowadays, all the provinces of Canada work, from Newfoundland right through to Nova Scotia, New Brunswick, Prince Edward Island--I am not certain of Prince Edward Island--Quebec, Ontario, Manitoba, Saskatchewan. Alberta deal with a major syndicate, as a rule, and British Columbia a lot insofar as their savings bonds are concerned. So this is a standard procedure, but it begs the question why. Well in the case of the treasury bill the reason is twofold. The first one is is that it fits into the general pattern that I described; but also its revenue operation, and in discussing this with half a dozen or more of the major financial houses who might be expected to handle this kind of thing, we found that there was some hesitation on their part as to judging what exactly would happen with a new department of this sort. Under those circumstances, and after consultation with those who are experts in the business, it was decided that, particularly in view of the pioneering nature of this particular venture, that it would be well to use the agency system which we are doing.

Now I think I may say it's producing good results, because what we are paying on our treasury bills is about one-quarter of one percent more than Canada obtain on their treasury bills, and theirs are tenders. So we have a pretty good idea of where we stand in that respect. We have a pretty constant relationship to the tendered Canada bill price and we're about 1/4 of 1% above them, which experts in the market seem to think is just about what we should expect to be under the circumstances. The prices we've been getting are pretty good. I have the prices here. They range from 3.3% to 3.38% on the four different weekly issues, and one can therefore see that there is a pretty good relationship to the current rate of about 5.45, and it bears a relationship of about 1/4 of 1% above the Canada bills. I think we may say that, as far as anyone can tell, the issues have been well received and the price that we're getting for them is a good price.

Now carrying on with the Honourable the Leader of the New Democratic Party, I should tell him that the Cabinet itself sets the overall limits under which we're working in this respect, and the Treasurer has to operate within those rules that are laid down. As well, the financial managers in the Treasury Department keep track of our money needs and advise the Treasurer as to just what action he should be taking at any particular time. So I think I can give him the assurance that he was asking for.

The Honourable Member for Inkster inquired as to whose money it is. Well this is Canadian money as far as we are aware. It's bought from us by Canadian firms, and a wide

(Mr. Roblin, cont'd.) variety of different people invest in these 90 day bills from time to time, depending on who has short-term money available for use at any particular moment.

The Honourable the Member for Ethelbert-Plains asked about treasury notes. I am not just sure what he means, because we don't use a treasury note. The way in which most of our financing operates is that we will operate on surplus monies that we have, which may be lent out by internal treasury bill, which is probably the thing that he is thinking about, say to the utilities who may be in need of money. Then when the utility goes to the market; they replenish their supply of money; they pay us back on these internal treasury bills, which are just sort of a bookkeeping transaction to make the best use of the total supplies of money that may be available within the whole of the government apparatus at any one time. I imagine those are the ones to which he is referring.

With respect to the Honourable Member for Rhineland who asked about the balance, a very sensible question, he asked about the balance between the short-term and long-term borrowing that the province has out, and that of course is a matter that requires attention. Fortunately, we have a very considerable line of credit which is unused with our banking people, so that we feel that we have adequate protection against any short-term dislocations that might occur in the money market. It is difficult to say, for example, on savings bonds what the limit or the feeling should be. In the Province of British Columbia, as my honourable friend will know, they have over \$200 million out in this particular form of bond issue. As far as anyone knows, it seems to be working quite satisfactory for them. I must admit they seem to be the pioneers in the country in this particular line of financing.

With respect to treasury bills, we think that, for the time being at any rate, \$13 million is probably the limit that we should work for until we find out just how acceptable this is over a longer period of time to the people who have money to lend. It's going to be a question of learning by the experience of the market in this particular connection. But we do feel that, with all our financial measures taken together, that we have adequate protection for any short-term dislocations that there might be.

MR. MOLGAT: Mr. Chairman, I just want to comment very briefly on one point the First Minister made and then go on to others, and that's the matter of borrowing in the United States. I was aware that the previous government had borrowed there. Circumstances, however, were very different from the time when this present government borrowed. This present government borrowed when American funds were at a substantial discount and the net cost to the Province of Manitoba will turn out to be substantially higher. In fact, I think it would be very interesting if my honourable friend could tell us what--on the basis of today's premiums of American funds, the complete change-over that has taken place since he borrowed--what our net cost is on that borrowing of his.

But coming back to the question of treasury bills, which is specifically under review right now, I don't feel that I can agree with my honourable friend in his statement that this can be best handled through an agency. The previous government had operated its finances and its borrowings without the agency structure. When my honourable friend came into power, he made a change in this regard. Well we discussed it then and it's true that my honourable friend went into the money market for much greater amounts than the previous government did, and under those circumstances, there might be something to be said for the agency structure. I still prefer, whenever it is possible, to return to the straight free enterprise basis, where these are on the open market. I appreciate that in certain circumstances it may be necessary to go to the agency basis where there are some very large sums to be borrowed and where we may run into problems with other provinces borrowing at the same time, but this doesn't seem to me to apply at all to these treasury bills. These are presumably going to be issued on a stated basis. I presume that the government intends to proceed and issue them once a month. It's known in advance that the government is going to issue this. It's not going to appear on the market suddenly. The situation in Ottawa, as I understand it, is a straight bid basis. When one looks at Winnipeg, it's true that we have not got the financial resources here that they have in Eastern Canada, but still when you consider the amount of treasury bills that the government is asking for, \$1 million, which is a very sizeable amount of money it's true, but in the terms of governmental finance is not that great, I think that the resources in Winnipeg do permit for a tender basis at this time. We now have some large financial institutions here, a number of them

(Mr. Molgat, cont'd.) with head offices here--the assurance companies and so on. We have the headquarters here for the grain trade. They are in certain periods of the year substantial borrowers on short-term. We have certain other businesses established here in Winnipeg who at certain times of the year will find themselves with surplus funds who want to invest on a short-term basis. I think that in this context that the bid structure on this type of borrowing is quite feasible, and I would strongly recommend to the government that they examine this and be on a straight free enterprise basis of an open bid where we know that we're getting the best price.

MR. ROBLIN: I feel that I should make some comment on the observations made. Let's go back to the American loan. The time that the American loan was made, insofar as we were concerned, was made at a time when there was a very substantial difference in interest rates between Canada and the United States; so much so that there could be a 10% swing in rate of exchange alone, before the advantages of the interest bargain that we got by borrowing from the United States would be in peril. Even so, it seemed to us that we should do our best to protect that advantage that we had gained and not depend upon the happenstance of the rate of exchange, because as everyone knows this fluctuates. So we had been hedging our American debts by the purchase of Canadian-US paid securities. That means that we are taking into our sinking funds, of which we operate a great many, Canadian securities that are payable in the United States at the exact same time that our debt is payable in the United States. As a result, you get a fairly satisfactory hedge in that way on fluctuations on the rate of exchange. We have done that in respect of our American borrowing and we believe that we have in that way obtained a reasonable hedge against fluctuations in the exchange rate and thus protected not only our exchange rate, but also the wide variation in interest in the United States and Canada at that time, which is in our favour. I think that that particular transaction will stand on its own feet without too much trouble.

Now I am really not too far apart from my honourable friend on his suggestion that the treasury bills should be put out to tender. I agree that there is some consideration to be given to the point that he made. Our difficulty is, and I say this frankly, our difficulty is that we are under the necessity of developing a new market. Now I suppose I won't be too popular with some quarters when this appears in the paper, but the fact is that the people who lend money are a very shy bunch, and anything new or different from what they have been accustomed to requires a little getting used to, and one of the problems that we have had is developing a market for these bonds. For example, the market for Canada treasury bills is attractive to the banks in many instances, but I do not believe we have as yet interested the banking system in the purchase of our treasury bills. What we do--the difficulty is that we are not in a position of being able to farm them out on a \$100,000 basis or a \$10,000 basis to various people who may wish to buy them. We have to leave it to the agency to do that. The agency, by the way--and this is rather interesting--what does the agency get for doing this job? Well they get \$250 for every million dollars that they place for us, so you can see that their commission on this is practically nil. It's a very small amount indeed, so that we're not sort of arranging a good thing for somebody to get into in this respect, because the agency fee is about \$250 for every million dollars that they sell. The arrangement we have is a flexible one, and as soon as we think that we can prudently place these things out to tender; that we've developed a market for them and that the people in the money business are sold on the idea and we can eliminate some of the risks we envisaged when we first started; then I think we would be very happy to consider going over to the bid basis, because on the treasury bill my own feeling is that it would be desirable to do that just as soon as we can. The point is, that when you start something new you naturally want to make sure that the thing is not misconstrued or that it is acceptable to the money market and properly received. I think that, on the whole, it was wise to use the agency basis. The spread is only 1/4 of one percent from the federal bills and, as I say, the agency itself gets only about \$250 per million that they place. However, I am going to tell my friend the Leader of the Opposition that I'm not going to quarrel with him on his suggestion about tender, and as soon as we think that these things can be tendered with good results and a satisfactory interest rate to us, I think we'll be very glad to do that.

MR. MOLGAT: Mr. Chairman, I'm glad to hear that from the First Minister and I hope that that time will be very soon. I think that all the financial institutions should have an

(Mr. Molgat, cont'd.) opportunity to bid on these if they so wish. I do not like to see this being left in the hands of two firms only. I have nothing against these two firms. I don't even recall who they are, but--

MR. ROBLIN: My friend is under a misapprehension here I think, because anybody can buy these. Anybody can buy them.

MR. MOLGAT: Through these two firms.

MR. ROBLIN: Yes, and they get \$250 for handling a million dollars, but anybody can buy them that wants them.

MR. MOLGAT: Yes, but they have to buy them through these two firms. There are a lot of other firms in this city with offices here who should be allowed to buy them. However, I hope that this will happen soon and that we'll be on a tender basis. I want to come back for one moment to the American loan which my honourable friend brought up again. He says that through his sinking funds he's hedging. Well, Mr. Chairman, the sinking funds should be buying what is good for the sinking funds. The sinking funds should be buying what is right at the time to purchase, and what the best security is. The sinking fund shouldn't be used to hedge for previous mistakes of the administration. If my honourable friend made a wrong calculation previously on his borrowings, he should not be using the sinking funds now for the purpose of correcting those mistakes. The sinking fund should be operated for the sinking fund purposes, not to hedge for other matters.

MR. ROBLIN: Mr. Chairman, what is the sinking fund for? It's to repay our debts. That's what it's for and this is a debt that we repaid. So we filled the sinking fund for this purpose with these kind of securities and they're just as good as a bargain for us as any other securities on the market.

MR. MOLGAT: My honourable friend should still be buying for the sinking fund the best securities that he can buy for the sinking fund, not necessarily American securities because of previous borrowings there.

MR. ROBLIN: That's exactly what we do.

MR. CHAIRMAN: Resolution be adopted?

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, I am always interested when my honourable friend the First Minister or others on that side of the House refer to what was done by the previous administration. They don't always refer to it in as kindly terms as the Honourable the First Minister did today, because today when he thinks that he can quote the previous administration as a good example of having done something that they did, that's fine. But when he thinks that he can castigate the previous administration, he certainly doesn't hesitate to do so. Now I have previously said, and I would like to repeat it, that the two borrowings, the one by our administration and the one by his in the United States, were very different transactions --very different indeed. We borrowed at a time, over there in the United States, when interest rates were lower than they were here, just as in his case; but when we borrowed there and brought the money back we got a substantial premium, a very substantial premium, well on the road toward a million dollars. When the honourable gentleman's administration borrowed over there and brought the money back they got a discount, also quite substantial, and now they have seen that swing that he talks about go the other way and the penalty is again going to meet them. These were not very similar dealings, Mr. Chairman.

Then I'd like to mention also the comment on the statement that the Honourable the Provincial Treasurer made with regard to the tender system, that they had been advised by the financial experts that it's well to have managers for their borrowing operations. I never remember an occasion of our borrowings, and we had substantial borrowings during our time, I never remember an occasion but what the financial experts came and suggested to us that we should do these borrowings through an arrangement to be made to one or a group of firms at a stated price. I never remember one occasion but what their advice was that they could give us a better deal than we would get by following our traditional system of tendering. I also never remember a case but what we did better when we called for the tenders than the offers that they had made. I don't know that those situations would apply now, because when my honourable friend speaks about the shyness of the people who lend money, their shyness with regard to a new form of financing, I don't think that their shyness is because of a new form of financing, Mr. Chairman, I think their shyness is because they watch pretty carefully how the debt is building

(Mr. Campbell, cont'd.) up in the province. I think their shyness is induced by the fact that the debt of this province has been building up in the way it has. This is another method-- this is another method, true it's a convenient one and I recognize that it's a short-term one; and I recognize that there will be some immediate savings; but I think the shyness that my honourable friend mentioned is caused by the people taking a hard look at the accounts of the province, not because of the newness.

MR. ROBLIN: Mr. Chairman, I perhaps should point out to the honourable gentleman who just spoke that there is one similarity at any rate between his borrowing in the United States and ours, and that is they both had to be paid back in United States money at the price of that money the time repayment is made, so the situation in that respect is exactly the same. I'd also like to say this with respect to shyness. I think I should say that the best judge of the money market is perhaps not the syndicate; perhaps not the government; the best test is the market itself. If your bonds are acceptable at an interest rate; if after they are issued they remain at the issue price or thereabouts; you can be reasonably satisfied that you have made a sound financial arrangement in that respect. Now I would ask if anyone wants to examine the fate, the history of issues of bonds of this province that have been made by this administration. I think they will find that within reasonable bounds those issues have been accepted in the terms that I stated. First of all, the interest rates compare very well with what other provinces are getting. They're lower than a good many and rank well up with Ontario and Quebec these days. Secondly, when the bonds have been issued, the price as registered by the market, which is the final arbiter of all these things, has indicated that the prices at which they were sold were not unreasonable prices. So when you get on to the matter of debt, let me make this point. We can only borrow what this Legislature has authorized us to borrow--no more. All the operations which I speak of today only flow from the fact that the Legislature itself has authorized us to borrow. Now I say that those who don't like our borrowing policies should vote against our capital appropriations when they came up. Last year, for the first time on record, I think that happened, when members of the Liberal Party--I'm not sure about others, I don't recall--voted against part of our borrowing policy in one respect. So as far as that goes, they're on the record in that connection. But I think that if they are opposed to this borrowing, then I think that we should ask them to register that opposition at the proper time in the capital accounts when they come up.

MR. MOLGAT: disagree completely with that statement. Surely we have the right, in fact we have the duty in this House to criticize this government on its borrowing policies if we so feel. We don't have to get up and vote against giving you the power to borrow, but surely if we don't feel you're borrowing the right way, it's our duty to get up here and say so. My honourable friend again is trying to pretend that we shouldn't be criticizing in this House, that we should agree with everything he does.

MR. D. ORLIKOW (St. John's): Mr. Chairman, I'm not going to say very much about the technical details of how the government borrows the money. I don't pretend to be an expert in the financial market but I imagine, and I hope that the government is doing the best it can. When the Conservative Government of Manitoba does exactly what the New Democratic Government of Saskatchewan does, I for one am prepared to assume that it's probably a good thing. I do, however, Mr. Chairman, I do, however, want to make some comment about the remarks of the Honourable Member from Lakeside. It seems to me that what he said today needs to be considered in the context of the discussion we had yesterday. Now it seems to me that the members over there, the members of the Official Opposition, are going to have to make up their minds sometime and I would advise them that they ought to give some real serious thought to this before we get into the next election. They can't have it both ways. At least I don't think the public will buy it both ways. They can't have it the way the Honourable Member from Lakeside, the former leader of their party, talked in other days that we ought to keep the expenses down as low as possible; we ought to spend as little as possible; we ought to borrow as little as possible. You can't have it that way and have it the way the present Leader of the Opposition was talking yesterday. Let's spend more money for old age pensions, and I suppose as we go along during this session that it will be: let's spend money for a host of other things. They can't have it both ways and I think that this House and the people of Manitoba have a right to expect from the Official Opposition some real honesty. I think that this House has the right to say to the members of the Official Opposition: "Now what do you really think we ought to do?" That

(Mr. Orlikow, cont'd.) doesn't mean, Mr. Chairman--I don't agree with the Leader of the Opposition when he says if they're going to vote for things they asked for they have to approve everything the government does. It may be that they will agree with the spending of the government, but they may think that the government is borrowing too much money--as the Member from Inkster says, "Letting posterity pay for it"--and that the government ought to pay for more of the expenditures out of current accounts. I assume that means higher taxes. Well, if that is what they think, then they ought to say it. I think it is time they stopped talking out of both sides of their mouth.

MR. MOLGAT: Mr. Chairman, I just want to thank the Honourable Member for Inkster for his suggestions to our Party. I'm glad to see that he realizes that we are the Party that should be running the government and he wants to have our policy. I'm happy to see him in continuing coalition with my friends on the other side.

MR. PAULLEY: I think, Mr. Chairman, what my honourable friend and colleague from St. John's said in respect of the Official Opposition, that they were running with both the hares and the hounds.

MR. CAMPBELL: Mr. Chairman, I find it rather difficult to relate my honourable friend's remarks, those of the honourable gentleman from St. John's, in this present debate with the debate that took place yesterday. I don't know what connection he sees there. This is a matter of borrowing that we're talking about today. I don't remember borrowing coming into the discussion yesterday. I didn't take any part in that discussion. I sat--(interjection)--I beg your pardon?

MR. PAULLEY: That was very obvious.

MR. CAMPBELL: It was very obvious. It wasn't any more obvious than the fact that my honourable friend the Leader of the New Democratic Party started off on the government's side and ended up on ours.

MR. PAULLEY: Oh no, Mr. Chairman.

MR. CAMPBELL: That was really proof.

MR. PAULLEY: Mr. Chairman, on a point of privilege--on a point of privilege, may I suggest my honourable friend followed me, not me following him.

MR. CAMPBELL: Well, I'll say it again so there'll be no mistake. The thing that was very obvious, even though my honourable friend evidently missed my taking part in the debate yesterday and feels badly about it, the thing that was really obvious and was significant was that my honourable friend the Leader of the New Democratic Party started off supporting the government, which I admit is his usual role, but as the debate went on he switched around and supported the position taken by my leader, and I leave it to anybody in the House, except my honourable friend, to say whether that is right or not. There's no question about it. As I understood the debate yesterday, it was not a question of borrowing, and I think that's where my honourable friend for St. John's has gone a bit off the rail. It was not about borrowing. It was simply about the question whether the old age pensioners would or would not get the \$10 that the Federal Government had given to them. Now if there's some question of borrowing comes into that, if my honourable friend is trying to make the point that the Federal Government also has to borrow a lot of money, I don't know his connection. But whatever it is, I'm prepared to debate it.

But to get back to this debate, I want to say to my honourable friend the Provincial Treasurer that the two borrowings in the United States are not as identical as he would lead the House to believe. I agree with him, and I'm glad to hear him restate his famous dictum that when you borrow you got to pay it back. That's a sound principle, one that he enunciated some years ago in this House, and even though his actions appear to belie his words a bit, yet he knows that that is the logical final result. When he says that both of them have to be paid back in United States funds, that's correct. But the difference was this, as I mentioned previously, that when we borrowed we got well on toward a million dollars of a premium which went into one of the reserve funds here, which built up during the years to a very sizable amount, which I am sure has more than met the difference in the situation that exists now or is likely to exist in the future with regard to exchange. When my honourable friends borrowed, they borrowed and they took a discount on the amount of money, and that discount has to be carried year by year through amortization of debt discount. Now it's a mighty difficult situation, Mr. Speaker.

MR. ORLIKOW: Mr. Chairman, I want to say two things. First of all, the significant

(Mr. Orlikow, cont'd.) thing in my mind in yesterday's debate was the failure of the Honourable Member for Lakeside to speak at all--(interjection)--I'm sorry. Well, if he spoke, he spoke very briefly. I want to say this. As I see it, the Honourable Member for Lakeside when he was on that side of the House, or even the Honourable Member for Lakeside when he was the Leader of the Official Opposition, would have voted precisely as the members on that side voted yesterday. He would have opposed the giving of that \$10 to the old age pensioners. This is the way I estimate the honourable member would have acted. Now, with regard to why I raise this matter, Mr. Chairman.

MR. CHAIRMAN: We had that debate yesterday. This is a different matter.

MR. ORLIKOW: Well--I know, but the honourable member raised it, Mr. Chairman, I didn't. Now with regard to this, Mr. Chairman--

MR. CAMPBELL: On a point of order, I want to support my honourable friend's right to speak, because what the rule says is that he cannot refer again to a debate that was concluded. I'm certain that that one wasn't concluded yesterday, so I say he has a right to speak.

MR. ORLIKOW: Mr. Chairman, my reference to the matter which he raised, the matter of borrowing, was simply this, and I reiterate it, that if members of this House, whether it be members on this side or members on that side, make proposals which cost money out of the current revenue, and that's what the Leader of the Opposition proposed yesterday and which we in this group supported, that an expenditure of some, speaking from memory, about a half a million dollars be passed along to the people who are in institutions and people who are in receipt of old age assistance. Now if we keep on making suggestions for the spending of current monies then obviously the government, whichever government it be, is going to have to borrow more money for capital, because they can't pay for capital out of current accounts if we spend all the current account. Therefore, what we are doing is saying we've got to continue borrowing. All I'm saying to the members of the Official Opposition, and I say it again, that they've got to make up their minds what they're for. Are they for more spending, and therefore more borrowing, or are they for the old frugal policy--and there's something to be said for it--I disagree with it. But the old government--yes, the honourable member still says, "here, here". Well, that's interesting. Are they for it? Then they ought to say so. All I'm suggesting is they've got to make up their mind which side they're on.

MR. CAMPBELL: with my honourable friend admitting even that there was something to be said for it, for that kind of a policy. That is another indication of how my honourable friends waver around in their thinking, if that's what it is. No wonder they were disturbed yesterday as to which side of this question they would be on. At first they naturally inclined towards the government's side through force of habit, but as the debate proceeded and they found out, they caught on that the Liberal Party was taking the right stand on this, of course they thought they'd better be on the popular side as well as the right one.

MR. ROBLIN: Mr. Chairman, may I just remind the members of the Committee that we're really debating the question as to whether or not the Provincial Treasurer should have anything to say about the treasury bills. Perhaps we could dispose of that subject and get on with it.

MR. PAULLEY: Mr. Chairman, I'm going to reply to my honourable friend. I think that we can do that quite adequately. I agree with him that the debate on the question that was raised yesterday has not finished. I must apologize, however, to my honourable friend the Member for Lakeside. I was in error when I said that he sat silent during the debate yesterday. I haven't had the opportunity of perusing the Hansard for last night but I have looked at the Hansard that we have before us in respect of yesterday afternoon. I must apologize to my honourable friend. He did speak on three occasions, on each occasion dealing with a point of order and at no time on the question before the House yesterday afternoon.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole House has adopted a certain resolution and directed me to report the same and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Swan River, that the report of the Committee be received.

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

MR. ROBLIN introduced Bill No. 38, an Act to amend the Loans Act.

MR. SPEAKER: Before I call the Orders of the Day, I should like to introduce to the members of the Legislative Assembly, Garden College from West Kildonan in the constituency of Seven Oaks, represented by the Honourable Mr. Wright. We have with us this afternoon 72 pupils of Grade XI, their teacher is Mr. Solar. We hope that their visit with us this afternoon will be a pleasure to them and profitable and instructive. Orders of the Day.

MR. ROBLIN: Mr. Speaker, I'm not trying to cut off questions here but I just wish to report, Sir, that it was agreed last night we'd move into government business first thing, and in that case I'd call the Committee of Supply, but there may be questions arising before the Orders that you might wish to entertain.

MR. MOLGAT: Yes, Mr. Speaker, I want to ask the First Minister a question with regards to the proposed floodway plans around Winnipeg. Last week, on February 22nd to be exact, I asked him when we could expect to have the details on the arrangements with the Federal Government for the financing of these works. He indicated to me then that these would be available to us in the fairly near future. I would just like to point out that if we're going to have a proper debate on this we have to have this information well in advance of the debate, because we simply cannot be expected, while we're going through estimates and the other work, to at the same time be able to analyze these things fully. It has taken my honourable friend three years to arrive at these matters. I don't think we should be expected to cover them in three days.

MR. ROBLIN: As I told my honourable friend at the time, the principles upon which the agreement is to be based are clear and they will be placed before the House. I don't think even my honourable friend will have the slightest difficulty in grasping them very quickly. As for the details of the arrangements, which are not matters of policy, these are, it is true, being negotiated still. I received a letter from the Minister the other day in which he told me that they would be treated as a matter of priority as far as they are concerned, so we must certainly take him at his word in that respect.

MR. MOLGAT: Mr. Speaker, on that point, if the First Minister of Canada was able to make an announcement at a Conservative banquet of the details which we could have here in Manitoba, surely this House could be given the information.

MR. ROBLIN: The information that he gave is available to members of the House.

MR. MOLGAT: Could the Minister make available that information to us?

MR. ROBLIN: Certainly.

MR. ORLIKOW: Mr. Speaker, I'd like to direct a question to the Minister of Public Welfare. Mr. Speaker, we have now had two different answers on the question of how much is left to people in institutions. I want to submit a third question. Is it possible that people in institutions in receipt of old age pensions are receiving no personal allowance at all? And if this is possible, how many cases of this nature are there? If they haven't got the information then I am prepared to wait until Monday to find out.

MR. J. A. CHRISTIANSON (Minister of Public Welfare)(Portage la Prairie): I'll take it as notice, Mr. Speaker, but the regulations in that regard are pretty clear under The Social Allowances Act.

HON. GEORGE HUTTON (Minister of Agriculture)(Rockwood-Iberville): Mr. Speaker, before the Orders of the Day, I would like to draw the attention of the members to a paper that was called for by the Honourable Member for Lakeside that has been distributed to the members, which deals with water supply to the south centre of Manitoba.

MR. CAMPBELL: Mr. Speaker, I would like to acknowledge the fact that the Honourable the Minister of Agriculture and Conservation has acted very promptly. Thank you.

MR. MOLGAT: Mr. Speaker, before we enter the Orders of the Day, following on the suggestion of the First Minister we did agree yesterday to proceed immediately in the government business. I would just like to make one suggestion though. Would it be proper to have the Orders for Return moved so that they could go to the departments and be in action, rather than be held up until next week? It would give the departments that much more time.

MR. ROBLIN: Mr. Speaker, I think there is no objection to that. I have looked over the Orders and my colleagues advise me that they seem to be in order as far as we are concerned.

MR. SPEAKER: Orders for Return. Address for Papers--the Honourable Member for Emerson.

MR. J. TANCHAK (Emerson): Mr. Speaker, I move, seconded by the Honourable Member from Ethelbert-Plains, that an Address be presented to His Honour the Lieutenant-Governor praying for copies of all correspondence from 1956 to the present time, between the Government of Manitoba and the Government of the State of Minnesota in regards to the Mississippi Parkway.

MR. SPEAKER presented the motion.

HON. STERLING R. LYON, Q. C. (Attorney-General)(Fort Garry): Mr. Speaker, we'd be quite pleased to accept this Order, subject to the usual reservation as to the obtaining of the prior consent of the Government of Minnesota.

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

MR. SPEAKER: Orders for Return--the Honourable Member for Gladstone.

MR. N. SHOEMAKER (Gladstone): Mr. Speaker, I beg to move, seconded by the Honourable Member for Turtle-Mountain, that an Order of the House do issue for return showing: (1). The total expenditures by the PFRA on the following projects; (a) the Rivers Dam; (b) the Neepawa Storage Project; (c) the St. Malo Dam. (2). What was the financial contribution of the Province of Manitoba to the above projects? (3.) What will be the financial contribution of the Province of Manitoba to the Turtle Head Creek Dam Project?

MR. SPEAKER presented the motion.

MR. HUTTON: Mr. Speaker, I would be happy to get the information in respect of parts (2) and (3), but in respect of part (1), the responsibility for this doesn't fall within my jurisdiction, but within the jurisdiction of the Federal Minister of Agriculture.

MR. MOLGAT: Mr. Speaker, on a point of order here, wouldn't the Minister have this information though? Surely the PFRA keep in touch with the Provincial Government before proceeding with works in this province and keep them advised, do they not?

MR. HUTTON: Yes, Mr. Speaker, it's true that there is a fairly close liaison between the PFRA and the Provincial Government, but at the same time I would not be advised of the details, the financial details of their particular project where they are financed and carried out in total by the PFRA.

MR. SPEAKER: Are you ready for the question, subject to the reservations of the honourable member for agriculture?

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

MR. SPEAKER: The Honourable Member for Inkster.

MR. GRAY: Mr. Speaker, I beg leave to move, seconded by the Honourable Member for Seven Oaks that an Order of the House do issue for a return showing: 1. The total number of deaf children in the province; (a) in Greater Winnipeg; (b) in the remaining portion of the province. 2. The number of Manitoba children attending school for the deaf; (a) Saskatoon School, Saskatchewan; (b) in Winnipeg; and (c) in other provinces and also the United States. 3. The total cost to the province; (a) for those attending Saskatoon School; (b) for those attending in Winnipeg; and (c) for those attending other schools including the United States.

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

MR. SPEAKER: The Honourable Member for Carillon.

MR. E. PREFONTAINE (Carillon): Mr. Speaker, I wish to move, seconded by the Honourable Member for St. George, that an Order of the House do issue for a return showing: (1) How many homes were built at MacGregor in the Indian, Metis settlement. (2) The financial contribution the Government of Manitoba made to this construction. (3) Whether this covered the full cost of the construction. (4) If not, the source of the remainder of the funds. (5) Whether all homes were built of the same size and specifications. (6) In whose names the titles of these homes are held. (7) Whether this same assistance is available in all parts of the province.

MR. SPEAKER presented the motion.

MR. CHRISTIANSON: Mr. Speaker, we'd be very pleased to accept this Order for Return. We have already written to the other two levels of government involved in order to secure their concurrence.

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

MR. A. J. REID (Kildonan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Elmwood, that an Order of the House do issue for a return showing: The total amount of monies spent diverting the Creek on Highway 52, situated 2.8 miles from Highway 59, for each fiscal year from April 1st, 1958 to March 31st, 1961.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

MR. CHAIRMAN: Department I - Legislation. Resolution No. 2.

MR. MOLGAT: Mr. Chairman, when we closed off last night I had asked the Leader of the House or of the Committee to allow me to speak on item (e) Operation of Recording Equipment. There are some matters I wanted to check in this regard, strictly concerning any changes being made in the Hansard. This is something which I think is very important, in particular to the members in the minority groups here in the House. I have checked on this and I am satisfied that the changes that I have seen do not constitute, in my opinion, a breach of what I feel should be done with the Hansard, so that limits my comments on that particular item. I just want to re-emphathize that I don't think we want to get into an editing of the Hansard. Surely it's enough that we make our speeches in here without having to reread them subsequently to that. This can present some problems at times, because some of us may not speak as clearly as others, and the recording staff may have some difficulties with what we say. I think all of us have to accept the Hansard as subject to correction at a later date, because we surely cannot spend our time while the House is in Session going over everything that was said the day before to accurately see if we have been reported. So that is the only comment I wish to make at this time.

HON. GURNEY EVANS (Provincial Secretary) (Fort Rouge): Mr. Chairman, I will just take advantage of this occasion to say this, that we must of necessity depend on each member to read his own speech eventually and to call attention to errors that have been made. Those who do not reread their speeches must assume the responsibility for the correctness as it appears in Hansard.

MR. MOLGAT: Mr. Chairman, I would just like to say that I don't really think we should adopt that rule, that because someone doesn't correct something it is automatically assumed to be correct, because then that would really force us all to do the reading to make sure that we have been accurately recorded. Couldn't we leave it simply that the Hansard is expected to be a reasonable record of what has been said, but that the final decision should be the actual records that are kept here; and then if any argument ever arises, that we should not base it on the Hansard itself but on the record which can be listened to.

MR. ROBLIN: I think we should say of Hansard, "unrevised and unrepented".

MR. S. PETERS (Elmwood): mistake in Volume 1 of the Hansard. The very front page, it says: Volume 1, 2:30, Thursday, February 15th, 1962.

MR. PREFONTAINE so that the suggestion that has been made by the Minister in charge would lead to an impossible situation. The Minister seemed to invite anyone who has reread or read his speech and finds errors to get up in this House to rectify this. Well I am sure there would be quite a few members rising every day to rectify or to correct certain statements that appear in the Hansard. As far as I am concerned, I know every time I speak I suppose the next day I would have to get up and correct certain of the statements. I know that my English is not perfect, and if those who listen to the records later on think that I say "God" when I say "Galt" and it is printed that way, I suppose that it is partially my fault. I do not want to make a nuisance of myself by standing up every day to ask for a correction and I don't think that this policy would be a sound one. It would cause some embarrassment before the Orders of the Day every day.

MR. GRAY: Mr. Chairman, I would like to suggest to the last speaker that he's not the only one in this House that finds himself in the same position as another one.

MR. EVANS: The Honourable Member will recognize that I was referring to matters of substance -- of things that were important. I think he himself has made corrections where it was important to do so by speaking before the Orders of the Day on a subsequent occasion. I remember the famous occasion when my honourable friend from Fisher was accused of calling some employees of the Department of Mines and Resources "bum" and he was quick to point out that he was referring to, I think, the bombs that kill wolves; so I think there are occasions on which people would want to take advantage, otherwise if no harm is done they let it go.

MR. CAMPBELL: Mr. Chairman, there is one matter which I think could be raised here though and that is that I agree entirely with the others who have spoken that we should not attempt a revision of Hansard. We should not attempt to have a revised Hansard. I think the "unrevised and unrepented" is the right system. In that connection I would like to say quite sincerely that I think the Hansard staff, in general, are doing an excellent job. I think it's quite remarkable that they have been able to keep up in the way that they are doing and I'd like to pay my respects to them for doing a good job. They must be very capable young people in there and they work very hard, but the very fact that they are capable is the reason that I mention this point that I think could be covered without us attempting to get a revised Hansard, and that is this, that if they detect an obvious mistake in grammar or in tense or something of this kind that is obvious, I'm not suggesting that it be corrected -- leave it as is -- but what I am suggesting is that they go back over the record and listen again to see if that is right. I have noted here obvious mistakes in grammar between "is" and "was" and things of that sort, where I am quite positive that the individual -- and it was not myself -- I am quite positive that the individual didn't make that mistake, and inasmuch as I am sure that the young ladies in there will know if they just listen, my suggestion is that they check again when there is an obvious mistake. After all, Mr. Chairman, these are proof read by someone in the Hansard staff, I think. I think that they are first typed out and then the rough draft is proof read by someone who is in a what we might say a supervisory capacity. Well now, when it is being proof read, if something is obviously incorrect so far as construction or grammar or something of this sort is concerned, wouldn't it be well to suggest to them that they go back and check that one over again to be sure, because I think there is some mistakes of that kind getting through.

MR. EVANS: Mr. Chairman, I think it's worth spending a minute or two on this method of preparing Hansard. The first operation is to type out the rough draft which in many cases contains spaces and omissions -- the typist is not able to hear what was said or make it out, so they put a few dots in. It goes from there to the supervisor who takes the rough typescript and corrects it in pencil. She is for this purpose the editor. I have been over examples of a number of the honourable members of the House, some who speak quite distinctly and some who don't, and I must join in the tribute that the Honourable Member for Lakeside has paid to the skill and the diligence with which these people work. Their instructions are to eliminate only such things as the pronouncing of a word or a phrase and then an immediate correction changing it into something else, as we do so often when we just stand up and speak without preparation. The instructions are to reproduce as exactly as possible what the honourable members said after eliminating such errors as those and after their best efforts to form the words into complete sentences, with some punctuation to make them readable. The instructions are not to change the characteristic English of the member who has spoken, feeling perhaps that his own way of speaking best expresses his own thoughts. Then from the rough draft it goes to the final typist who types it out and then it is given a final check before it is eventually printed by listening back -- the re-typing is very often listened back on the transcribing machine and the final editor will catch any changes in that way. Certainly no matter of fact or statements will be altered, nor are they instructed at the present time to change the characteristic way of speaking.

MR. CAMPBELL: Mr. Chairman, I agree with the Honourable the Minister's statement, I think it is correct. Certainly no one realizes better than I that the difficulty arises with these young ladies listening to the records being played back, because some of us do not speak as distinctly as others. I suppose that a good many of us, if we get a little hurried or if we're a bit excited, we probably are less correct than we would be under other circumstances, and there is certainly a great difference in the speaking voices. If I may say so, Mr. Chairman, without any offence, and I don't extend so many compliments to the other side of the House that I could be accused of trying to butter them up too frequently, the Honourable Minister who has just spoken is one of the ones who is possessed of an excellent speaking voice. Seeing that I'm just nicely started in my public career I would give many thousands of dollars to be able to have as fine a speaking voice as he has. I have noticed many in my time in the House. Those of you who know Senator Haig, who is getting along in years now, will know that he was one of those people who possessed a voice that, in the days when we didn't have the public address system in this House, Jack Haig without raising his voice the slightest bit could be heard perfectly through all of this Chamber. And like some who have succeeded him, it was heard pretty often too. Our friend,

(Mr. Campbell, cont'd) I mean on this side of the House, our friend Bud Jobin was one who had a great speaking voice. It must be much easier for the people who are doing this job to take off those folks than some of the rest of us. Quite frankly, I have listened once or twice. It was a horrible experience, but I did it. I listened to something being played back to me and I never tried it again. I sound exactly like Donald Duck, and maybe that's what I sound like to you folks anyway, but over the record it's bad and I sympathize with the people who have to go through this day after day after day and hour after hour -- it's a tough job. The only thing that I am saying is that when they find an obvious mistake in the case of some of the people that don't make those mistakes usually, wouldn't it be well for them to check up and then if that's it, put it in, but I think a few of those are getting by. I'll mention one privately to the Minister. I don't care to bring it up here.

MR. A. E. WRIGHT (Seven Oaks): Mr. Chairman, I would like to offer a suggestion and this suggestion might result in the decrease in the size of Hansard. I want to change Robbie Burns' expression where he said "see ourselves as others see us". I think perhaps we should "hear ourselves as others hear us". Perhaps if we had some means, if we even had to subscribe ourselves into a fund whereby we could listen to these records maybe after hours, it might be a great program of self-improvement.

MR. MOLGAT: before we leave the item. I realize that this is a much more difficult matter than the House, but so far as the committees are concerned, has the government given any consideration to possibly getting the committee work in a form of Hansard? I appreciate that there is no recording equipment there and so on but very often when we come around the following year and say, well someone said so and so or I remember a certain vote, when we check it up in Hansard we can find no trace of it. Really what went on is that it was in one of the committees.

MR. EVANS: Mr. Chairman, there are no present plans for providing Hansard for Committee.

MR. CHAIRMAN: Resolution 2, Item 3. Comptroller-General's Office (a)

MR. A.J. REID (Kildonan) Mr. Chairman, on the Comptroller-General's salary I notice an increase of \$1,000 paid to the Comptroller-General, but in the item above, the Assembly Expenditures, I notice there is a small cut in salaries. I am just hoping that it wasn't at the expense of say the guard, or the ushers or the page boys, to increase the wages to a high paid official. I just wonder if that's the policy, Mr. Chairman.

MR. ROBLIN: Mr. Chairman, I wondered that it should be necessary to put my honourable friend's mind at rest on this point, but I'll be glad to do it. I could say I think by the way of explanation that all the salaries, generally speaking that is, of civil service employees of that category are subject to a five step annual increment, and that so far from anybody getting less than they got in the previous year, those who carry on their jobs in an efficient fashion are eligible for this one step increment on the basis that I have suggested. In fact there is about half a million dollars or so in the present estimates in salaries scattered all the way through, extra and additional to what was appropriated last year, in order to take care of these increases. I can assure my honourable friend that except in rather rare cases of people who are not recommended for an increment, that members of the civil service receive this pay advance. I think it's worthwhile his having mentioned the fact that the salary of the Comptroller-General is increased as it has, and I think I should take this opportunity to inform the committee that there has been a general revision of about the same nature in the salaries of all the Deputy Ministers and senior officials of that kind. Their salaries are not eligible for the annual automatic increment increases I mentioned and they have had no increases over the last several years, whereas the staff, generally speaking, has had not only the increment about which I refer but also had a general raising of their whole floor, as members will recall. There has been this considerable increase in the wage bill for the Civil Service staff but the higher officials at the Deputy Minister level have not received corresponding increases. It was thought this year that it would be in order to make these upward adjustments because I think I may say that without exception the senior civil servants, the senior members of our staff -- they are not members of the civil service -- who occupy the Deputy Ministers posts and equivalent posts throughout the administration certainly gives this province value for the dollar that they get by way of salary. Their salaries, I must frankly admit when compared with salaries paid to people occupying similar posts in other places, are in some instances none too high. But we do think that it

(Mr. Roblin, cont'd) . . . would be appropriate this year to adjust them upward in the way that we have done and, as you will notice, there has been this increase in the Comptroller-General's salary. If members desire, we can give them the other details of other senior officials as we proceed.

MR. GRAY: Mr. Chairman, I'm afraid I disagree with my colleague when he criticized an increase in salary. My job was always to try and increase everybody's salary from the page boy to anyone else. But to criticize an increase of a man who was put in charge to watch a business of over a hundred million dollars, this is not a high salary. We've got to pay a man. This man in my opinion -- I happen to know him personally -- could get a job today for more money with his ability and confidence that the public and the House has in him. So while I agree with him that salaries are low for someone here, we should not compare to one who earns it and gets a higher salary. As far as I'm concerned, I think that he gets about half what a deputy minister gets and his responsibility is as great as theirs are in some cases.

MR. PREFONTAINE: May I ask the First Minister if it will be possible for the department, for the Minister, to give us a list of all the deputy ministers and those who are doing equivalent work, who are considered in the same category, together with the total salaries that they will be getting with respect to different jobs that they might have been fulfilling. The names and the salaries.

MR. ROBLIN: We expect to give that as we go along.

MR. PREFONTAINE: Would we have to ask for that for every deputy minister? Would we have to ask for it or . . .

MR. ROBLIN: I think the ministers will volunteer it.

MR. E. R. SCHREYER (Brokenhead) understand that the primary function of the Comptroller-General is to control the issuance of money from the Consolidated Revenue Fund and I would ask the First Minister if this same officer is also responsible for auditing. If this is the case, I find it rather strange.

MR. ROBLIN: There is a duality of function contained right in the statute with respect to the work of the Comptroller-General, that perhaps might, at least in theory, appear open to question -- and maybe it is open to question -- but it has worked in practice I think quite satisfactorily over a long number of years. The office of the Comptroller-General has the responsibility of making sure that expenditures are within the limits imposed by the Legislature, and they also exercise a general auditing supervision, one might say, they don't do the detail auditing, but they sort of do the auditing supervision, which in a sense ties up with their function as Comptroller-General in that sense. So there might be a theoretical point there, but I must confess that it hasn't become practice.

MR. SCHREYER: Mr. Chairman, I would like to object to this practice, although not strenuously because it apparently has worked out in practice, but I'm sure that no one is more aware than the First Minister of the importance, even in theory, of control of purse. The function of auditing and of control in the British Parliamentary System have always been kept separate. It seems rather strange to have the same office auditing on its own work which it performed as comptroller, and to me this seems to be a very important departure from the parliamentary system handed down to us from Britain and from the Federal House. I'm wondering also -- and here again it is not a strenuous objection, but just a matter of accuracy -- should this item be under Legislation or should it be under second executive council, because Comptroller-General as such is an executive officer, not a legislative officer.

MR. ROBLIN: Mr. Chairman, I would like to refer to the two points made. First of all, I think there may be a misunderstanding here with the way in which the Comptroller-General's auditing function works. The main point that I would like to make is that he is responsible for a pre-audit, which in a sense ties right into the control as to whether or not the expenditures are made in accordance with the terms of the legislation, etc. The actual issuing of the money and the cheques and that sort of thing is done by the Treasury branch so there is quite a distinction there.

The second point that I would like to make is this, that the Comptroller-General ought to come under this item because he is not an officer of the executive branch. He is an officer of the Legislature, he's appointed by the Legislature; he can only be dismissed on a two-thirds vote, and he is an officer of this House rather than an officer of the government itself. So it is

(Mr. Roblin, cont'd) . . . for these reasons that you find his estimates under Legislation.

MR. FROESE: Mr. Chairman, in connection with auditing would it not be advisable to have alternate auditors every other, every second year. I know that under the Department of Insurance in the Federal Government that regarding finance companies or financial organizations, that alternative auditors are required. I just wonder whether that would be feasible.

MR. MOLGAT: Before we leave this particular item. Is the Comptroller-General now at the maximum range of his salary or what is the range insofar as deputy ministers and equivalents?

MR. ROBLIN: There are no ranges set down as such. These are ad hoc arrangements. (Interjection)

MR. MOLGAT: Do they vary then from deputy minister to deputy minister?

MR. ROBLIN: Yes, they will vary from deputy minister to deputy minister, some get slightly more than others. I think for example the Provincial Treasurer is \$15,600 -- deputy provincial treasurer, rather, \$15,000.00. And as the House knows one or two of the deputies also hold other positions which give them additional sums. So that there is definitely a difference in the pay, and not all deputies get the same. It depends on -- seniority's got something to do with it and the function of the department.

MR. MOLGAT: This is a change in policy then from the past I take it, because as I recall it previously, by and large all the deputy ministers were on the same salary schedule, then there were one or two who held other posts with some of the utilities or something of the sort and got extra for that. But it seems to me all the others were on the same basis, were they not?

MR. ROBLIN: Well it's no change as far as we're concerned. I'm not able to say what it was before we came in.

MR. SCHREYER: part of the First Minister's answer, but I would like to clear this up. Is it correct then that all auditing other than pre-auditing is done by a private firm of Chartered Accountants?

MR. ROBLIN: No that's not so, Mr. Chairman. The auditor's staff does audit the audits of the auditors in the departments as well.

MR. CHAIRMAN: Resolution 2. Passed.

MR. PREFONTAINE: Mr. Chairman, may I ask again if we could be supplied a list of the deputy ministers and their salaries, rather than force us to ask at every, with respect to the deputy minister of every department, because it would be a tedious repetition all along. If we had a complete list which would give us the names and the salaries of the different jobs that a deputy minister might

MR. ROBLIN: I can give my honourable friend the full information on that.

MR. CHAIRMAN: Resolution 3. Item . . .

MR. CAMPBELL: I was going to raise a further point that's been raised before in other years. I would like to ask the honourable the First Minister if he wouldn't give consideration to putting the -- listing the deputy minister separately from now on. That used to be done. As a matter of fact years ago, years ago, we went into almost endless detail in the estimates by listing not only the deputy minister and the senior executive officers, but I think at one time that perhaps every single member of the department -- a great many of them, at any rate. I don't suggest that we do that, but I do think that because of the deputy ministers occupying the position that they do, and being in the salary schedule that they are, that we usually ask about their salaries, why not, rather than having a list, have them shown right in the estimates.

MR. CHAIRMAN: Resolution 2, passed. Resolution 3. Item 4, Legislative Printing and Binding, passed. Resolution 4, Item 1, Executive Council, Department of Executive Council, Item 1 (a), passed.

MR. MOLGAT: Mr. Chairman, under "other salaries" the list shows that there are seven. Is that the total amount there for other salaries?

MR. ROBLIN: Yes, that's what my figure shows, seven.

MR. MOLGAT: Are there any changes, Mr. Chairman, in this from past years?

MR. ROBLIN: That's the same as last year, Mr. Chairman.

MR. MOLGAT: Could the Minister give us the details on the various functions of these seven individuals, Mr. Chairman.

MR. ROBLIN: No, I don't think I could, Mr. Chairman. They're just general administrative

(Mr. Roblin, cont'd) assistants in the office.

MR. MOLGAT: Mr. Chairman, to go back then on a point which we were discussing last night. Now I'm not trying to pretend for one moment that the Leader of the Opposition has as heavy a schedule or as much to do as the Premier, but then on the other hand the Premier does have substantial assistance. He has ten ministers, all of them with adequate staff, I believe, at least substantial staff, for the various functions that they perform. In addition, in his own office he has seven persons on his staff for the various particular functions of his own duties, that is exclusive of his other duties as Provincial Treasurer. It seems to me that our request for some staff for the Opposition in the light of these circumstance, plus those that I mentioned last night; in the light of the statements that my honourable friend made previously, the promises he made to the then-leader of the Opposition that I would ask him to reconsider the stand he had yesterday. Possibly yesterday we've had a rather painful debate for himself and that his true normal sentiments of generosity and fair play and understanding had been somewhat clouded by the events of the day. It was late on in the evening; we had been going on since 2:30 in the afternoon. Here we are today -- it's still relatively early -- and in the light of what, as I say, was said last night, the circumstances in his own office, the interest that he shows obviously in the duties of the Leader of the Opposition, the fact that he himself has I know a very personal interest in our Parliamentary Institution, that he does believe firmly in the responsibilities of opposition, that he give this matter reconsideration. I think our request is very fair. I asked yesterday for a permanent secretary and a research assistant. I still submit that these are reasonable requests. I'm not going to suggest some horse trading and some bargaining, but even if we were supplied with only a permanent secretary this would make our work very much more practical and more fruitful and I'm sure would work to the advance of the Province of Manitoba.

MR. ROBLIN: My honourable friend is singularly persuasive this afternoon. I accept with becoming modesty the compliments which he has just passed in my direction here. I was interested yesterday in the Honourable Member for Carillon's support of the idea. I only regret he didn't show the same interest in it when he was on the treasury benches some while ago, because I think he was on the treasury bench when I first raised this matter. But, Mr. Chairman, I think the question should be examined on its merits and not on the basis of any idiosyncracies that any of us might have, and I think I can tell my honourable friend that his request should be considered and will be considered on its merits. I don't think that I can give him an undertaking at the present time, but I think I should assure him that consideration will be given to this point.

MR. PREFONTAINE: I might say that I was possibly on the treasury bench at the time that the same, or a similar request was made by the present Premier, and I think I stated yesterday that I had opinions different from those of my leader, but he was the leader and he made the decision. But again I would like to plead with the First Minister and tell him that I am sure that way down deep in his heart he thinks that the request of my present leader is a fair request, reasonable request, and that if he will not take the attitude that he should render -- well what shall I say, tit for tat, or something like that, and forget the past and listen to his heart, good heart and judgment, knowing very well that he believes in our parliamentary system, and believes that an opposition working well is good for democracy -- that he will reconsider and certainly give some assistance to our leader.

MR. ROBLIN: What my honourable friend was searching for was: "What's sauce for the goose is sauce for the gander".

MR. PAULLEY: Mr. Chairman, the Premier feels, or the Treasurer feels in sort of a mellow mood today. (Interjection) Oh definitely. I was just going to suggest this, Mr. Chairman, and I hesitate in doing so. We heard such a lovely lecture yesterday evening from the Honourable Member for Lakesie dealing with the responsibilities of members of this Assembly when he was speaking in reply to my colleague from Inkster on the question of pensions, how necessary it is, or how desirable it is for us to make our contribution without recompense to any great degree in the interests of democracy in Manitoba. Now I've listened with a great deal of interest to the plea of my honourable friend the Leader of the Official Opposition. We have a peculiar situation in the House - (Interjection) - we have a peculiar situation in the House at the present time -- I think unparalleled possibly in the history of Manitoba -- where we have an Official Opposition with only one member more than the group that I have the honour to lead.

(Mr. Paulley, cont'd) And in some quarters in Manitoba it has been suggested -- and these are not my words, Mr. Chairman -- it has been suggested that at least on some occasions in the past and occasions may still arise in the future, where we have been referred to as the real opposition to the Conservatives here in the Province of Manitoba.

Now I would just suggest this, that if in the apparent cordial mood of the First Minister this afternoon -- and I say "apparent" advisedly knowing the young fellow -- that consideration is being given to research assistance, or other assistance in respect of attempting to give to the Opposition more of the facilities that are required and necessary for the Opposition, that he undertake to consider the fact that here in the Province of Manitoba we have this peculiar situation of by virtue of a by-election and a hundred odd votes, that the two parties on this side of the House have only a difference of one member. Had it not been, I would suggest, and I think the record would substantiate this, had it not been for a hundred odd votes in a by-election in Turtle Mountain, our numbers may have been equal in the House at the present time. And just in case, Mr. Chairman, that my honourable friends on the right said, "Well, after all you didn't run in that by-election, or subsequent by-election to the by-elections at that time." I frankly confess that we did not. I hope that situation does not arise again because I feel that we in our party are on the ascendancy here in the Province of Manitoba and the exhibition -- using the term rather loosely and not directly -- the exhibition of the Official Opposition in the Legislature of Manitoba leads us to the conclusion that my last statement is perfectly correct, and it may be ere long that there will be a considerable reversal in the positions within the House at the present time.

Again, Mr. Chairman, I simply say to the Provincial Treasurer that if he is taking under consideration, and this is not a personal plea, but if he is to take under consideration the functions of opposition and base his judgment on that factor of worth of opposition in the House, he take under consideration the history of this present Legislative Assembly in the Province of Manitoba as to who is fulfilling the obligations and duties of opposition.

MR. ROBLIN: Mr. Chairman, I wouldn't, I think, be fair in leaving any expectation in the mind of my honourable friend that I could accede to his suggestion, because I think that constitutionally we can only recognize one opposition. However, I tell him not to be discouraged because as the poet Browning says: "A man's reach should exceed his grasp or else what's Heaven for". So he can continue to aspire to the position that my honourable friends occupy and as long as those two fight it out over there, the outcome is a matter of indifference to me.

MR. PAULLEY: Might I say to my honourable friend though, and this is a statement I believe to be factual. Possibly the Leader of the Opposition has this information from Ontario, he referred to Ontario yesterday insofar as the allocations to the Leader of the Opposition in Ontario, I don't know if he had the figure also, that the leader of the third group, namely, the New Democratic Party in Ontario received from the Provincial Treasury by virtue of that, an allotment, or allocation for clerical staff and for him to carry out his duties there. So that there has been the precedent established, Mr. Chairman, for the information of my honourable friend the Provincial Treasurer that in this modern age the function of government is not the same as it used to be in the dark days that he referred to just a moment ago.

MR. PREFONTAINE: Mr. Chairman, I think I should give a lesson of history to both the First Minister and Leader of the New Party. The First Minister has told us that it was not constitutional, if that's the word that he used, to recognize two opposition leaders. But this has been done -- maybe in spite of the constitution, by the then First Minister, Mr. Bracken who was leading a Coalition and he recognized three or four official leaders of the opposition in this House. He divided the salary that had been allocated to one leader, he divided it between different persons, and I'm sure that the First Minister remembers the incident which caused the change of policy. After the election of 1949 there was in this House the CCF Party sitting where we are sitting now and the New Democratic Movement sitting a little further away, I believe -- I'm not sure where we were sitting, we were in opposition anyway -- but this New Democratic Movement had six members, and when we came to this item in the estimates I rose and I pleaded in order to have the salary divided between the CCF, the Leader of the CCF Party who had only six behind him, whereas Mr. George Renouf leading our New Democratic Movement had five behind him -- including the present First Minister. We had some discussion, and the Leader of the CCF Party objected strenuously to dividing his salary with Mr. George Renouf

(Mr. Prefontaine, cont'd) ... the Leader of the Manitoba Democratic Movement. After he had spoken I rose and I said, "now remember I'm predicting to you that very soon you will be the second party in opposition and you won't have any salary yourselves because there will be a party here and I thought that this New Democratic movement would become a political party in this province possibly, or at least it would achieve what it wanted to, break coalition and then have the Conservatives on one side and the Liberals on the other side and the CCF would be the weaker of the three parties in Manitoba -- and this has come to pass very quickly. At the next election the CCF lost their title of the official opposition and they lost a salary that they could have gotten possibly if they had supported the principle of dividing the salary to be given to the leader of the opposition. So that- (Interjection) - you're not complaining -- and I'm sure that you do not believe that you will be the official opposition in this House at any time. Certainly not the way your party split on all the issues -- your two rural members from the country and your other labour members from the city. I am sure that you are just bluffing, if I can use that word, when you pretend that you will become the Official Opposition in this House. So that I believe that we should recognize a Leader of the Opposition and that we should do something to enhance his position and make it possible for him to do the job that according to our parliamentary system he's called upon to do.

MR. CAMPBELL: Mr. Chairman, I think that the Honourable the First Minister is perfectly right in what he said, that as much as my honourable friend the leader of the NDP should aspire to the Leadership of the Opposition -- that should be as high as he would ever raise his sights, I would think -- and I would guess that after the next election, when we move over to that side of the House, it's possible that he might even get that, or if he doesn't at least he'll likely be able to form an alliance with the remnants of my honourable friend's party who will be sitting on this side. And I think that's perfectly logical because they're so much alike.

MR. PAULLEY: Mr. Chairman, I quite understand the arguments of my honourable friends on my right; however, I think it is based on a different premise than that that they are trying to propose to this House this afternoon, and I think justifiably so. And I think that if I was a member of that group on my right I'd have the same fear that they have at the present time, their fear is, that if we were given a little additional help there would be no question of doubt that we would be the Opposition in the Legislature of Manitoba. Now for years past, and even presently, despite the oration that we heard from the Honourable the Premier the other day of the enormous contributions that we have presumably or supposedly been receiving from the ranks of labour -- which simply isn't materializing at the present time. No! No, no we're not and I say that quite frankly Mr. Chairman, we're not receiving it. We have hopes, but at the present time, at the present time I frankly say for the edification of my honourable friend that they're not forthcoming at the present time to the degree that he considers that they are. But apart from that, I can understand my honourable friend the Member for Lakeside, I can understand my honourable friend the Member for Carillon, because with just a very little bit of assistance in the field of research -- and I want to point this out too, Mr. Chairman, that I never suggested as far as myself is concerned, any sharing of the salary of my friend, the Leader of the Liberal Party, the Leader of the Opposition. I never even suggested that. Thirty-five hundred dollars which is the difference between his salary and mine in this House is in recognition of the fact as I mentioned of a by-election. And that's okay, good luck to him. The only -- (interjection) , Oh I do the work, certainly I do. The only thing that I suggested for consideration is the fact that we should be -- if any additional assistance is to be given for the matter of research, to allow us to bring up propositions in opposition to the government, that because of the closeness between the two parties that we should be given the same consideration, despite the fact of only one difference in number. And I suggest again Mr. Chairman, I can understand my honourable friend's fear. I can understand the reason why my honourable friends on my right are saying to the government, "now for goodness sake don't allow this NDP, who is arising as they're going down, don't give them any impetus to their advancement". I can understand it, and I have no hard feelings with my honourable friends at all in respect of this, it's perfectly understandable and-- I might, I might possibly take the same viewpoint if I had the same fears as they have, Mr. Chairman, but I have not. I know where we're going. I know where they're going. One is up, the other is down, and we are the ones that are going up.

MR. ROBLIN: Mr. Chairman have his turn just about now.

MR. FROESE: It's very interesting to hear the discussion going on, and it's of particular interest to me because I think. involve especially our party. If consideration is given to the request made I hope that the First Minister and his colleagues also consider my position and see whether they can find ways and means to also give a little support in this direction. We all know that in one of the western provinces, the tables are reversed and that both the Conservatives and the Liberals each have one member in the Alberta Legislature. Then there's also a peculiar position there that they have one coalition member which is Conservative-Liberal coalition and when it happened that they were supposed to agree as to who their opposition leader would be, it came to the point that they could not agree -- even the coalition member could not be the leader, so what they did, they had to divide the remuneration up between the three and now they alternate between the three of them as to who is the leader. Certainly this is quite interesting although I hope it never comes to pass in this province. But I do believe that those people in that province, the representatives of their various groups, are receiving fair consideration and are given the necessary tools to provide an efficient and a good opposition even though their numbers are small, and I hope that when consideration is given by the government of this province to this matter that they will not forget our position here.

MR. SCARTH: Mr. Chairman, by the time the honourable gentleman over there gets through talking on this subject the Canadian dollar may well have depreciated further in value, so we should help him out soon -- if we're going to.

MR. MOLGAT: hear that support from the Member from River Heights. I hope he will impress that upon his leader. I simply rise Mr. Chairman, to assure my honourable friend the Leader of the NDP that I don't recall in my comments having either said that he should have or should not have assistance. That I will leave in the hands of my honourable friend the Leader of the House who will make the decision in this regard. I would like to point out one thing to him though. He's very fond of saying that the difference between his group and our group is one seat, and he says, one hundred votes. I suggest to him if he went back to the 1958 election, or for that matter, the 1959 election, and he checked to see which parties put candidates in every constituency that he would find a very serious lack in his own group; that the first requisites of a party in this province it seems to me is to field candidates wherever by-elections or elections are held, and he should well remember that fact. However, I am not contesting his claim; that he can make for himself. My only claim, and I repeat what I said last night, I seek nothing for myself personally, but on behalf of our group, in order to do the job that we have to do, I really feel that my honourable friend should give this serious consideration. I am sure that there are few people in the province who realize that at this stage the opposition has no assistance whatever -- no staff at all. I know that when speaking to a number of people they seemed extremely surprised that this was the case, and I would hope that my honourable friend will take this into consideration, and rapid consideration.

MR. ORLIKOW: Mr. Chairman, I would like to say something on this and I would like to discuss this in a non-party manner if I can for a few moments. I want to say that I was very disappointed in the comments of the First Minister on this matter yesterday. I've heard him speak very eloquently on the duties and responsibilities of our kind of parliamentary government; and surely if parliamentary government is to work properly it requires not only a competent government but it requires a competent opposition. Now this has nothing, Mr. Chairman, to do with this particular House or the people who are in this particular House -- this has to do with the basics of government. Now the government's side of the House has and it doesn't matter which party forms the government, has a whole host -- every cabinet minister has deputies; every cabinet minister has experts. On the opposition side -- and this is not true, Mr. Chairman, only of the Leader of the Opposition or the leader of our group, it's true of every member -- we are given during the session and between sessions reports that vary from -- how many pages were in the Willard report? 1,000 pages -- on hospitals, to reports on Hydro Electric projects, to reports on Welfare, to reports on the economic prospects of various parts of Manitoba. I want to suggest in all seriousness Mr. Chairman, that there isn't a single member of this House, on any side, who can possibly have the training, and who can possibly have the time to assimilate all that knowledge by himself. It simply can't be done. And the experience in every jurisdiction -- the Honourable the Leader of the Opposition dealt with it yesterday -- the experience of every jurisdiction in this country is that opposition members, opposite leaders

(Mr. Orlikow, cont'd) ...are being given more and more technical assistance. This is true, not just in Canada; this is true everywhere; and for the First Minister to slough this off as he did yesterday with a bit of a gesticulation and to say that, he asked for it yes, but he found out after experience that he had to do his own research, I don't think that he was really being very serious, because I challenge the First Minister or anybody else, to say that the basic work which they do is done by themselves. There isn't a competent person in any important organization whether it be government or business, or even the much maligned trade unions where the person in a position of responsibility doesn't have trained people to help them -- research people. And I want to suggest to the First Minister -- I am not so worried about this year, I think he's made up his mind for this year and he's not going to change it no matter what we say -- but if he really believes the things which he has said on other occasions, and not just in this House, I've heard him, I've agreed with him, I've admired the things he said -- if he really believes it, then the test is to prove it by applying to the business of this House and to the organization of this House, the very things which he says so eloquently on other occasions.

Now I'm going to sit down, Mr. Chairman, but I want to say this, that if next year the First Minister doesn't agree then I'm going to take the time of the House next year, find some of those speeches which the First Minister made and read them into the record so we can see what the First Minister says in various places. I think he should be consistent. I think in the light of what he said in other places, he should give some serious consideration to this matter.

MR. LARRY DESJARDINS (St. Boniface): Mr. Chairman, I think that the last member who spoke is very sincere, but I'm a little afraid, because I distinctly heard the Leader of the House, the Prime Minister, just a little while ago, the Premier just a little while ago say that he would reconsider this. He did say that maybe yesterday -- he didn't say it, but he pretty well acknowledged it -- that he wasn't in the best of mood and today that he would look at this in a different way. I think that if we have this assurance that the honourable the Leader of this House will consider giving a secretary and somebody to do the research for the -- not to the Liberal Party but to the party in opposition. So I would like the Honourable Member from St. John's to be careful not to more or less take it for granted that nothing will be done this year, because I'd sooner on this occasion believe the Leader of the House than the Member from St. John's. I would have to say that in all sincerity there is something to what the members of the CCF are saying. I don't think that we can start giving a raise in salary to every party, because you'd have more independents than enough, and a secretary to every single person, but this might be something that the government can take into consideration, and it might be that a party that at the last, the previous election, has had candidates in all constituencies and that managed to elect a reasonable percentage of the, could be entitled to some help. I think that that might be an idea, maybe with some modification, but there, certainly we have to be honest on that if its, if its difficult for us to find somebody to do this work, it is difficult for them too.

Now we will not always have a third party like we have this year that probably borrow the material from the government side of the House most of the time anyway. Some of these days they might have ideas of their own, and they should have somebody to help them; although we must recognize the fact that right now, I think that the Leader of this House is thinking of the people that are officially in opposition. It's not a Liberal Party or a Conservative or a CCF or an NDP, who is only a few hundred votes behind. I don't know if he means that in a popular vote all over the province, but he has that on his mind. He should be careful also because the Honourable Member from Turtle Mountain has been wanting to rise and ask for some, his fair share on this thing.

MR. PETER WAGNER (Fisher): Mr. Chairman, I'm sitting here quietly and I made the remark two years ago if I were on the farm I would have disced 20 acres or 40 acres in that meantime, and yesterday we spent a half of day, and today we're doing the same thing, fighting politics between the parties. We do not even consider what the people will do with us in 1963, or whenever the election is going to be called, but we're fighting amongst ourselves and we're sitting here doing nothing. And I would suggest that we go on because as far as I am concerned, the farmer would be contemplating whether to seed, whether it's going to grow or whether it is going to come up, he'd never seed, whether he should harvest it or he shouldn't, he would never get it done -- and it seems to me the same thing here. . . .

MR. CHAIRMAN: 1 (a) passed, (b) passed, Resolution 4 passed. Resolution 5 - Federal

(Mr. Chairman, cont'd.) . . . Provincial Conference - Item

MR. DESJARDINS: On resolution 4, I would like to ask a question. It has been reported in the newspaper and in press releases that the Cabinet has held many meetings outside the City of Winnipeg, and when these meetings were held in Winnipeg proper at times they have been held in the motels or hotels. Now before -- I must say that the release also stated that, made sure that the people should know that at least here, when these were held at, I think it was a motel, that the expenses were paid by the members themselves. Now I would like to know if all expenses, that means travelling expenses also, when these are held in a certain centre in the country, is it the policy of the government to feel that this is good business for the betterment of Manitoba, and is that paid for by the Treasury, or is that paid for by the members? And there is another question, and this is not a sarcastic question. I wonder why -- The reason for this -- I'm not talking about outside of Manitoba, I can understand the value on that -- political value for one thing, no doubt. But here in the City why do we have to move from this beautiful building now -- as I say, I say this earnestly because I know that in some of the rooms it is difficult to understand each other, to hear everything that is said, and I wonder if that is one of the reasons or is there another -- maybe its a personal reason that shouldn't be divulged at this time -- but is there anything, is there something wrong with this building because it certainly looks like a beautiful building, and as I say I understand the people going out away from Winnipeg to do a little bit of campaigning, that's pretty tempting, but right here in Winnipeg to turn around and go to a motel, that I can't understand. It doesn't matter who pays for it -- this is not an accusation of funds being misused -- but I would like to know in a building like this with all the -- a beautiful building, if there's something wrong it seems to me that the Cabinet should have a place where there's no telephone, nothing, that they could have a meeting and decide what they're going to do for the managing of Manitoba without having to go to a motel. That to me is kind of ridiculous.

MR. A. J. REID (Kildonan): Mr. Speaker, . . . answer the same -- give the same answer as he's answering the Honourable Member for St. Boniface. I was just wondering what all these grants mean, in the sense of what they mean and how they're all appropriated or how they're all given out. -- (Interjection) -- Well, what do you mean; we're on grants -- No. 4.

MR. OBIE BAIZLEY (Osborne): No. 4, Mr. Chairman.

MR. REID: It was No. 4. The last time you called it was No. 4. The Member for St. Boniface got up and that's why I got up now.

MR. ROBLIN: You must realize that when the Chairman is calling the items, he is referring to the resolution numbers on the far right side of the page. This is resolution 4, as I understand it, that we're dealing with now.

MR. BAIZLEY spoke in French. (Translation to appear in a subsequent Hansard)

MR. BAIZLEY: Mr. Chairman, I must say, Mr. Chairman, that the Honourable Member from Roblin had this prepared and he, not being in the House today, asked me to deliver this message for him. I'm sure that the reason he did, that I had the pleasure of being one of the delegates from this Legislature, along with the Honourable Member from Roblin, the Honourable Member from Selkirk and the Honourable Member from Brokenhead. It is rather strange for a young fellow who is new in politics, listens to the knives and battles that go on in this House and finds himself fraternizing in a most amicable way, not only with your own Opposition but with members and opposition members from other legislatures and parliaments in the Commonwealth. I would suggest that possibly members of legislatures across the country could make more use and better use of the Commonwealth Parliamentary Association. Certainly it was a most pleasant experience visiting the historic city of Quebec, taking a boat trip down the St. Lawrence and mighty Saguenay. The hospitality of the Premier of Quebec and members of that Legislature equalled western hospitality; it certainly couldn't surpass it as we all know here, but it was equal to the hospitality that we show here in the west. I might say too, Sir, that it is a unique experience to find out and be reassured that our problems are in very good hands and that we in this Legislature are quite capable of looking after our own problems. They seem very small indeed compared to some of the problems some of the other legislatures have in comparison. There seems to be one general complaint and that is that the public by and large were not too anxious to improve their privilege payments so that all governments could do a better job on their behalf. I think, Mr. Chairman, with these few remarks, I would like

(Mr. Baizley, cont'd.) . . . to say once again that it was a pleasure and honour to be a member of the delegation to the Canadian Commonwealth Parliamentary Conference in Quebec City. Thank you!

MR. MOLGAT spoke in French. (Translation to appear in a subsequent Hansard)

MR. MOLGAT: Mr. Chairman, it seems to me, however, that we're just a little bit ahead of ourselves. Presumably my honourable friend is speaking on Item 6, under Grants to the Canadian Parliamentary Conference. I've no objection at all to proceeding with that and then coming back to Item 5, The Federal Provincial Conference later; it makes no difference to me. So are we back on 5 then, and then ?

MR. CHAIRMAN: You're sure you're talking about the resolution, are you?

MR. MOLGAT: Resolution 4, well

MR. CHAIRMAN: Resolution 4 -- we just called resolution 5.

MR. MOLGAT: Well, I've nothing further to say on 4, but, I think we were here into a discussion of six, were we not?

MR. CHAIRMAN: No -- No, we're discussing Resolution 4. We've just complete resolution 4, which is item 1 and then we called resolution 5, item 2, which the Member for Osborne was speaking on Federal-Provincial Conference.

MR. MOLGAT: No, I believe my friend was speaking on the Canadian Parliamentary Conference, was he not?

MR. CHAIRMAN: Oh, yes -- yes.

MR. ROBLIN: . . . proceed with item 5, the Federal-Provincial Conference if you wish.

MR. CHAIRMAN: He should have spoken on 6, he spoke a little early on it.

MR. MOLGAT: So we're discussing 5 are we, and we'll come back to 6 later on. Very well. On 5, Mr. Chairman, I notice that there is \$1,000 appropriated as against \$5,000 last year. This I presume is based on the expectation of my honourable friend of his possible successes in getting more money from Ottawa.

MR. ROBLIN: They're not even based on that assumption. They're based on the assumption there will not be a new government there that I will go and confer with.

MR. DESJARDINS: Mr. Chairman, I don't like to stand up and correct my leader, but as far as I am concerned we're still on four. We came to four, then the Honourable Member from East Kildonan asked a question and he was told that he had the wrong four, and then the french was more than acceptable, I understood every word. But anyway let's go back on four, and I know that

MR. CHAIRMAN: We're now on Item 2, which was resolution 5. We had called resolution 4, but I presume that when my honourable friend from Osborne saw the Federal-Provincial Conference and he had this french speech all hot and ready, that he jumped down to resolution 6, so he's just a little ahead.

MR. DESJARDINS: Well, Mr. Chairman, I rose as soon as you mentioned 4 and I said that I was speaking on 4, and then the Honourable Member for East Kildonan stood and asked another question just before the Premier was -- while the Premier was getting on his feet, and he said that he could probably answer that together, and then we didn't go any further than that. After that the Member from Osborne spoke -- I think that the Premier would be ready to give me an answer; I saw him getting up until the Member from East Kildonan got up.

MR. A. H. CORBETT (Swan River): Mr. Chairman, I am under the impression that a lot of the members don't know what they are talking about.

MR. PAULLEY: The Honourable Member from St. Boniface, Mr. Chairman, was speaking of the holding of meetings other than in this building, and I think that he's perfectly correct, that the First Minister was going to reply or at least it looked from here that either him or the Provincial Secretary was going to, and then there came the interruption. I think that I will support my honourable friend and mon ami from St. Boniface.

MR. DESJARDINS: Could I please have a reply or would you sooner not answer at this time.

MR. ROBLIN: I listen to my honourable friend's opinion with interest as I always do.

MR. DESJARDINS: . . . that the people of Manitoba will not have a reply on that -- they don't know if there's anything wrong with this building or is it suggested that we could have a parliament legislative building in every centre in Manitoba? Is that what is implied here? Or aren't we allowed to -- or aren't we supposed to get answers when we --

MR. ROBLIN: I have no objection in pursuing the matter Sir. I think that what the government has done in this matter is to have cabinet meetings in various parts of the Province of Manitoba in order to allow the people in those areas to make what representations they wish to us at those times. We receive a number of invitations from half a dozen towns in the province that we should go -- we've got them stacked up as a matter of fact -- invitations that we should go and visit with them and have our cabinet meetings there because they feel that it is good for their part of the province and we're happy to oblige them, and I think we're likely to continue to do so.

MR. DESJARDINS: Mr. Chairman, that is one of the answers that I wanted. Maybe eventually we'll sub-let this building here, but that doesn't explain the part of the meetings being held in hotels or motels in Winnipeg here. Is there any special reason for that? And I did say -- the Premier . . . that I can never be sincere, and I'm always trying to get at something else -- I did want to know if there was something wrong with your meeting room or anything like that. I think that we should know.

MR. ROBLIN: I'm touched by my friend's solicitude.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, why doesn't the Premier explain why he would spend \$36.00 a day on a suite in the Charterhouse Motel when he's got a beautiful building like this? Why move away two blocks? This building was designed and built for the purpose of the government of the day and then he moves away two blocks -- two, three blocks away and spends \$36.00 a day on a big suite in one of the swank motels in this city. Could he explain why? Is it necessary to do this?

MR. CHAIRMAN: Resolution 4 passed; pass resolution 5. Item 2, Federal-Provincial Conference, passed

MR. PAULLEY: Mr. Chairman, I'd like to say a word on this. I'm certainly not going to re-hash all of the discussions that we had at our special session last fall. Pardon?

MR. EVANS: Want to bet?

MR. PAULLEY: I said I'm not going to -- but I don't know whether saying anything on this particular item might lead to that. It is sufficient for me to say that it's something we're stuck with until the agreement expires at the present time, or if there is a change in government. I don't even know if the agreement could be changed; I don't think there was any change in the government of the former liberal government in Ottawa until the actual expiration, with the exception of an increase, I believe, in the percentage. The basic principle remained the same.-- (Interjection) -- Yes. However, I think -- there is this \$1,000, I don't know whether it's nominal or whether they will be consultations between the federal and provincial authorities across the Dominion, but I would like to just raise one point in connection with this -- unless we get into a hassle which I am not anticipating -- but I would like to suggest this in laying the foundations for future Dominion-Provincial conferences and relationships, that more consideration be given to the active participation of municipalities in these conferences than has been the apparent fact in the past. I think this is the time for the period of negotiations or consultations that this should be given, so just at the time of the conference that the matter doesn't come up sort of in an ad hoc sort of a way, that now is the time that consideration should be given to this aspect. After all municipal governments are a very important part of government now as we all know. We hear more about municipal affairs I think and will be hearing of them in this Legislative Assembly as we go through these debates. The thought just occurred to me, Mr. Chairman, that I would just raise this point for the consideration. Possibly it is done, but to me it feels that now is the time -- no matter who the government of Manitoba, no matter who the government of Canada is -- that the groundwork for full municipal participation in conferences of this nature should be established.

MR. ROBLIN: Mr. Chairman, I think my honourable friend raises a good point, but it has certain difficulties depending on the degree of participation one thinks of, and that is that under the Constitution, the Federal Government only deals with the provinces. However, we have always made it a practice and I believe this was a practice that was formerly carried out as well to associate with our delegations and representations, representatives of the municipal groups in Manitoba. That still continues, and we do consult them before we go down; we consult them before our briefs are prepared so that they have an opportunity to see what we have in mind and make their own contributions to them and we have enjoyed very good discussions

(Mr. Roblin, cont'd.) . . . and I think, helpful discussions. As well we had invited representatives of these groups to attend with us at the conference, which they have done, and we've taken advantage of their counsel when we've been considering our reactions to the proposals that are placed before us. So we do make a real effort to make sure that the municipal level of government is kept informed and associated with us in this work. I think it is a good point.

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, I have no intention of reviving the debate with regard to the Federal-Provincial financial arrangements, but arising out of the debate that was held last fall at the time of the special session, I have a little bit of unfinished business with my honourable friend the First Minister. Because we had a difference of opinion just at the very last sitting of the House as to what I had said during my remarks and neither one of us was able to produce the Hansard because it had fallen somewhat behind, and so we were arguing, perhaps it's not rare in this chamber, in a sort of a vacuum. My honourable friend had taken exception to only one part of the address that I had delivered in connection with Federal-Provincial financial arrangements. The part that he had taken objection to was that he had insisted that I had said there was no equalization in the new proposal. I replied at that time that when I had used the terms that he objected to -- which he characterized as extravagant language -- that I had used those terms and that language in dealing with the fact that the Province of Ontario was the one big winner in the new arrangement.

Now, Mr. Chairman, I do not expect that the First Minister has had time to check Hansard in that regard, because I am sure he's much too busy to be reading over the debates that take place. I don't blame him for that, but I would like to say to him that I have checked it. I checked it immediately after I received it last fall. I've checked it again since that time. I have the Hansard with me. I'm not going to bore the House by reading it unless the difference of opinion continues, because I say quite frankly that my reading of Hansard bears out completely what I said then, that when I used those terms I was referring to the difference in the treatment that Ontario received in comparison with the other provinces. Now I'm not in the position that my honourable friend is with the Member for St. John's. Apparently it has been agreed on all sides that the Member for St. John's must walk around to the First Minister's office and tender him his congratulations or do it publicly in this House. I understand that has been agreed to. But I'm not asking for that. I certainly am not asking the First Minister to congratulate me on my speech or on the attitude that I've taken. I'm not looking for congratulations or compliments or anything else. I'm simply saying that I have reread what I said at that time, I've reread the discussion; I believe that the statement that I made at that time was quite right, that my honourable friend misinterpreted it, and I'm not challenging him to a debate on it, I'm simply saying that if he's prepared to take my word for it subject to him looking it over if he cares to, then I'll let the matter drop here but I can't let it drop without making that explanation.

MR. ROBLIN: Mr. Chairman, I must tell my honourable friend that regrettably no undertaking has yet been given by the Honourable Member for St. John's as to whether he will congratulate me or not. He says he wants to check the figures for himself. Well, that's a wise precaution because I checked his and I found them considerably askew, so I have no objection to his checking mine but I think he'll find I was a little more accurate than he was.

Now, regarding the point at issue, I, of course, accept my honourable friend's word without any qualification whatsoever. In fact, my remembrance is that at the time he did correct me and I accepted his explanation at that time, merely saying that my impression was something different. But I have no hesitation taking his word for it; in fact, I'll go farther and say that I think my honourable friend certainly intends to be, and usually is, one of the most accurate people around in his use of language and expression of ideas here. We disagree from time to time and sometimes I misinterpret or place another meaning on what he says, but I don't think I'd question his veracity.

MR. CAMPBELL: . . . Mr. Chairman, I appreciate what the Honourable the First Minister has said, and it will relieve me of the necessity of boring the Committee with reading part of both of our speeches over again.

MR. ORLIKOW: Mr. Chairman, I usually am quite successful in getting into my own fights and managing them. How I got brought into this one I don't know. With reference to the matter which I raised I want to say simply this, that checking the records as to what the total expenditures of all municipal governments at all levels in the Metropolitan area of Winnipeg is

(Mr. Orlikow, cont'd.) . . . quite a job and checking the record of what they get from the province is quite a job. I'm proceeding at it as quickly as I can without a research assistant. The running total so far, Mr. Chairman, according to the figures which I have been provided by the various municipal people, I want to tell the First Minister are running more in my direction than in his, but when I have them complete -- and they'll be complete before this session is over -- I will certainly bring them to the House and put them into the record.

MR. ROBLIN: I'm willing to wait until my honourable friend finishes the job. In fact, I wouldn't mind helping him if he needs a little assistance.

MR. PAULLEY: Yes, Mr. Chairman, let's not forget one or two statements that have been made in this House lately about figures lying and vice versa. Now when you get a whole flock of figures -- I think my honourable friend the First Minister should at least wait until my colleague compiles his and then rebut, not assist him in arriving at figures that might substantiate what he wants substantiated.

MR. ROBLIN: I just want to get at the facts and I thought I was being helpful.

MR. CHAIRMAN: Resolution 5, passed.

MR. MOLGAT: Resolution 5; I'd just like to put my honourable friend the First Minister's mind at rest. I'm sure he'll be extremely surprised if we go over this item this quickly. I just want to reassure him that it will come up for debate later on in the session under other occasions.

MR. CHAIRMAN: Item 4, Resolution 6 -- Grants and Miscellaneous.

MR. ROBLIN: Mr. Chairman, on this it's customary, members usually ask for a breakdown of this particular item, which I am prepared to give and answer any questions I can on it. There may be a considerable amount of discussion arising out of these grants.

I think the significant thing to note is that there has been over the years a very large increase in the grants to cultural organizations. In the year 1958-59 for example, there were \$10,000 made available in grants for cultural organizations. In this year of grace there are \$62,500 available to cultural organizations, which is an increase of six times over the past several years. I must say, however, that I'm not very proud of this increase in the sense that I think it's adequate or anything more than the minimum that could be estimated for this matter, because in these days I'm afraid we have to recognize the fact that the government is expected, and quite rightly, to take an interest in the cultural activities of the community to the extent that it puts up some of the public funds for this purpose. And as I say, we have made this increase from \$10,000 in '58-'59 to \$62,500 in this year, which is a substantial increase but which I think is certainly completely justified in every case. Now I'll give you the amounts and perhaps those interested might jot them down. Manitoba Drama League, \$1,000; Manitoba Theatre Centre, \$4,000; Le-Circle Moliere, \$500; Regional Drama Festival, \$3,000; Manitoba Museum Association, \$5,000; Historical Sites Advisory Board, \$1,000; Winnipeg Art Gallery Association, \$9,000; Men's Musical Club of Winnipeg, \$2,000; Winnipeg Symphony Orchestra, \$15,000; Royal Winnipeg Ballet, \$9,000; Brandon Art Council, \$3,000; St. Boniface Museum Association, \$10,000. Now there are other grants but I'll stop there in case anyone wants to make a comment on the cultural grants.

MR. E. R. SCHREYER (Brokenhead): Are some of these organizations receiving grants from the Canada Arts Council or is it the policy of this government to make grants only to those that are not receiving grants from the Canada Arts Council?

MR. ROBLIN: A number of these bodies are receiving grants from the Canada Arts Council. Some also get grants from the Metropolitan Corporation and some from other bodies as well. I'm not familiar with all the details but there's no rule against Canada Council.

MR. MOLGAT: There's no change from last year, I take it? The figures are the same as last year? Are the changes within the groups, some new ones on and others dropped, or change in figures between them, or are they the same?

MR. ROBLIN: I'll see if I can find the last year's figures, Mr. Chairman, if I may have just a minute. I may be able to locate them. Well, if we can carry on I'll look for them and find them.

MR. MOLGAT: Were there last year, supplementary grants made later on? I remember we were discussing at this time last year, I think it was Rainbow Stage, who were at that time in danger of closing up, and as I recall it my honourable friend said that he would consider

(Mr. Molgat, cont'd.) . . . their situation. Were there grants made subsequently to the session?

MR. ROBLIN: There is usually an unallocated amount of some few thousand dollars. I cannot recall if it was allocated, or to whom, but in response to the particular question I can say that there was no allocation made to the Rainbow Stage last year. They did have their financial struggles but they managed to win through on top so that our assistance was not as necessary as it was thought it might be.

MR. ORLIKOW: Mr. Chairman, I don't want to repeat the speeches which I've made in other years because it has already been pointed out there is really no change between this year and last year and I suppose, though I haven't checked it between last year and the year before, not a very substantial change. And I suppose the Provincial Treasurer who brings in estimates which have increased from \$103 million to \$121 million can be sympathized with when he tries to hold the line. I suppose it's too much to expect that when there are so many immediate and urgent requirements of a very large nature that the line has to be held at this point. At the same time I do think, Mr. Chairman, that it's time to give some serious consideration to the whole question of culture. The art gallery and museum are operating in completely hopeless quarters. When there's an event on at the Auditorium then I understand the art gallery is closed. And it does seem to me -- I'm not saying the provincial government needs to bear the entire responsibility, but it does seem to me that the provincial government is that body which can act as a capitalist to get this matter started, working with the people, for example, in the associations for the art gallery or the museum, who are very interested, that the provincial government can by being sympathetic and by helping, can get them started so that we can in the very near future have an art gallery and have a museum which are worthy of the name. Now it may be -- the First Minister's mentioned on other occasions that he's giving thought to it -- it may be that he has some plans that are not necessarily for this year, but I would appeal, Mr. Chairman, to the First Minister to give consideration to helping, to sitting down with these people, if it hasn't already been done, assessing what their needs are, to assessing what other means they have, because I suppose that Winnipeg, Manitoba, is no different than other places. There are private sources of funds which have been used in other places; there are philanthropists that have given fairly large amounts of money for this kind of project -- I'm not a particular believer in that kind of financing but it has been done in other places and I wouldn't object if somebody could be found in the City of Winnipeg who would give money in fairly large quantities for a museum or an art gallery. But if there aren't, or if supplementary money is needed, Mr. Chairman, it seems to me that the Province of Manitoba should be contributing towards, if not to the current expenditures, to the current needs of these organizations, at least to the capital expenditures for these purposes. I want to suggest that not only do the local citizens need such a thing but if we talk on terms of attracting tourists -- I know that when I go to other cities, to other provinces, that one of the things I look at very quickly are the art gallery, the museum. This is a point of interest and we're talking about attracting tourists; this is something which we ought to have a good hard look at because I think it's something which we are way behind many other places. Now I'm not saying that it needs to be done today -- I certainly have no specific details as to how it can be done, but I would appeal to the First Minister to put it somewhat higher on his priority list, which I know he has, than it would seem to be indicated in these estimates.

MR. ROBLIN: committee that the total of these cultural grants last year was \$48,750. That compares with \$62,500 this year. So members can see there has been something of an increase in these cultural grants and I'll give the details for those who are interested in jotting them down. This is the list for last year. I've already given you the list for this year. Manitoba Drama League \$250; Manitoba Theatre Centre \$400; Le Circle Moliere \$500; Manitoba Museum Association \$5,000; Regional Drama Festival- Nil; Historic Sites Advisory Board \$1,000; Men's Musical Club of Winnipeg \$2,000; Royal Winnipeg Ballet \$9,000; Winnipeg Symphony \$15,000; Art Gallery Association \$9,000; Brandon Art Council \$3,000; St. Boniface Museum \$10,000, so there is that upward revision in these figures.

I would like to reply, however, to the suggestion made by the Honourable Member for St. John's because he touches a responsive cord. I think that we must look at these cultural activities on a province-wide basis and I suppose it is inevitable that much of it is concentrated

(Mr. Roblin, cont'd.) . . . in the city of Winnipeg and the metropolitan area merely by virtue of the fact that so many people live here, but one of the things that we try to do in giving our grants is to encourage particularly those associations whose work is province-wide or who take their work out to various centres throughout the province so that all the people can to some extent share in this respect. In fact there is a small grant given to the Brandon Art Council which is pretty active these days. But, I suppose that if one were to think in terms of a very large investment for a museum or an art gallery or anything of that sort, it seems difficult to get away from making that investment in the metropolitan area and perhaps we should give that some consideration. I do think that we will have an opportunity in the next few years to give very serious consideration to that kind of thing because the national centenary as well as our provincial centenary is not too far away, and it might be that some project of this sort would appeal to the public as being a very suitable and concrete way of our recognizing these important anniversaries in the life of the country and in the life of the province. I will say this, that a committee is at work in examining the various aspects of the problem and they are charged with developing some plans in co-operation with organizations outside the government, and other people might be interested, so that in due course we may come to the Legislature with some concrete proposals in this respect. This committee is now undertaking its labours. I think it's possible -- I mustn't get carried away here -- it's possible that we may be able to have something to say about it in our next session. That would be a reasonable expectation although I can give no firm undertaking, but the idea and principle, I think, has much merit and we're taking a very good look at it.

MR. FROESE: The First Minister mentioned that most of these monies are spent in the urban centres such as Winnipeg and Brandon. I wonder, could he tell us how much is spent in rural areas outside of these two urban areas? I know that we have some local historical societies and I am just wondering whether these are getting any assistance from the government. We also have a number of musical festivals throughout the province each year and is there any assistance given to these organizations?

MR. ROBLIN: It's impossible, Sir, at the present time to do what we would like to do for a great many of these very valuable organizations that are spread throughout the province. What we have to do is make our contribution, which is rather small -- let's face it -- make our contribution to the central body. For example, in the musical festivals we make it to the musical festival that is held here for the whole province, rather than for the sub-festivals, as one might say, that are held in various sections. Similarly with drama, we make our contribution to the Drama League which in turn takes its exportees out into the various centres of the province. They tour the province, giving instruction and counsel and help to the local associations, and that is the way in which we try to ensure that there is some attention paid to the provincial nature of these organizations. It is impossible therefore, to give my honourable friend a dollars and cents reply. All we can say is that we try to assist, keep in mind those organizations that have province-wide connections as well as others, of course.

MR. A WRIGHT (Seven Oaks): Mr. Chairman, last year I was concerned about the reduction in the grant to the Historic Sites Advisory Board and the First Minister explained that it was based on their needs for last year. I notice that again the grant is only \$1,000, where in 1960 it was \$3,000. Now we all know what is taking place at Grand Rapids, where the archaeologist is racing against the bulldozer practically, and I just wonder if the First Minister would give us some idea of what the need would be for the Historical Sites Association this year.

MR. ROBLIN: Well, I can't add anything to the information that I've given my honourable friend on that. I just can't off the cuff give you a report on what they're doing, but I can say that insofar as the archaeological remains at Grand Rapids are concerned, that is being covered by a separate -- in another way, because it's much too expensive to expect anyone to include it in this appropriation, so that it is being covered in another way and those funds are provided to get what benefit we can from those archaeological surveys before it's too late.

MR. SHOEMAKER: Mr. Chairman, in the Manitoba Gazette, February 19th, page 19 -- 1962 -- there are certain regulations on that page and it starts out, it says that -- "It is hereby ordered that the following described parcels of land are declared to be historic sites," and it lists five or six. I am particularly interested in what is referred to here as the Arden Campsite and then it sets out the location. I wonder is this the proper place to bring up or raise this

(Mr. Shoemaker, cont'd.) . . . question? What has the government in mind for these various sites?

MR. ROBLIN: . . . other, expect that this should be raised under the estimates of the Minister of Mines and Resources because he's responsible for any park or development of that sort. I'm afraid I couldn't tell my honourable friend.

MR. CHAIRMAN: Resolution No. 6 passed.

MR. REID: . . . 6 . . . Okay. 7, next one I want, pardon me.

MR. CHAIRMAN: . . . passed

MR. MOLGAT: On 6 are we not? I think yesterday when I spoke on this subject of the Parliamentary Association, I asked the First Minister if he would be giving us a report on the Session which I think he attended in Europe and I think he told me it would be on this item.

MR. ROBLIN: I would be glad to make a few comments about that. There's been a change made in the way in which the Commonwealth Parliamentary Association proper, that is international if you like to say, operates. In that, they are now holding their conferences every year instead of every second year. In addition to that, as members know from the remarks of the Honourable Member for Osborne, the Canadian branch holds its own meetings, separately, in different provinces across the country each year and representatives of all parties attend, and I think that's extremely valuable.

The International meeting, if I may describe it that way, took place in London in September of this year, and my colleague, the Minister of Health, and I were there. He wasn't at the conference; he was busy doing a little research work on medical health plans and he will probably tell you at some length -- he'll tell you about his experiences in various European countries. I, too, did some investigations along that line with him, but I also attended the Commonwealth Parliamentary Association Conference which was held in London, and, as members know, the Parliamentary Association is extremely interested in the educational matters that were discussed here with such vigor, under the heading of the Little Colombo plan from time to time, and as members know that was one of the big items discussed at the time that they met previous to the one I am referring to now. I think I can say that there is great appreciation among Commonwealth countries for interest in these educational matters, and as a matter of fact at one of their meetings, though not at this one, they passed a resolution to that effect. However, I don't want to go into that thing again because we thrashed it out pretty thoroughly at one time in the past.

This conference was devoted exclusively to the problems of Britain's entry into the Common Market. That was the sole topic of interest and it proved to be a very burning topic indeed. Now I want to give you my impressions of that because it's certainly -- what I heard surprised me, and I want to do this, if I may, without opening up a debate on the Common Market, because we're going to have a chance to do that and members will have their say at that time, and I just give this for information because I've been asked to, and it is this -- most surprising. Every nation that was represented there, with the exception of the representatives of the United Kingdom of Great Britain and Northern Ireland, took violent exception to the suggestion that the British Government should join the Common Market. The Canadian delegation, of which I was one, had practically nothing to say on the subject in view of certain circumstances which members are all aware of. They didn't say anything about the position of Canada with respect to this. As a matter of fact they were mostly concerned with technical problems like the educational one that I've referred to. But every nation, Nigeria, India, Ceylon, Sierra Leone, the British West Indies, and believe it or not -- this sounds incredible -- the Isle of Man. Every one of them, of those parliamentary delegations who spoke -- and they practically all had something to say -- led by Australia, were very, very disturbed about the implications of the Common Market. So that the whole of the meeting resolved itself really into a -- not a debate because we don't conduct the affairs in that way, but in a discussion of the problems that the Common Market would pose for Commonwealth countries, and it was a very interesting discussion indeed.

We had after the opening speech by Australia in which they pointed out the dangers to Australia, a country that produces a variety of temperate agricultural products much as we do, where they pointed out their difficulties there and then they were followed by Lord Privy Seal, Edward Heath, who put forward the United Kingdom's position on the Common Market, and let me pay my respects to the eloquence and the intelligence and the vigor with which Mr. Heath

(Mr. Roblin, cont'd.) . . . presented the point of view of the United Kingdom. He did an excellent job and he, I thought, presented that case in a very fair -- let it be said -- in a non-partisan, in a very fair light indeed, and I think he made a distinct contribution to the discussion.

Let me tell you some of the fears that the Commonwealth countries raised, and oddly enough -- this must strike us as odd, I am sure, situated as we are, thinking as we do -- oddly enough, the gravamen of the charge brought by the Commonwealth countries was that this would tend to the break-up of the Commonwealth, and when you heard this sentiment being expressed by gentlemen in black skins and yellow skins and chocolate skins and the most interesting and exotic variety of dress, speaking English with a considerable variety of interesting accents, some of whom have probably just been in the Commonwealth as far as self-governing members are concerned, a very short time, it was indeed a remarkable thing to hear these men speaking of the importance of the Commonwealth and the necessity of making sure that any economic problems that arise should not lead to its disruption. And I often ask myself, and I ask them why they should take that point of view, and they said "Well of all the institutions on the globe today, there is no institution where men have provided themselves with a bridge between the different races, with a bridge between men of such varieties of culture and colours and languages and religious outlooks such as the Commonwealth, because here we meet" -- and this is so platitudinous that it will bore you, Mr. Chairman, but this is the truth of the matter -- "Here", they said, "we meet as members of the same club", and what a trite phrase that is, but does it not encompass within it a feeling of association that one can hardly expect to find, say in the United Nations, or any other institution however well-intentioned and well-motivated and important it might be. But here within the Commonwealth, because there was this quite mystical connection as it is today -- one can hardly define it -- between the members of the Commonwealth, they could come down and deal with these delicate matters of religion and of race and of colour and of prejudice and segregation, and all those things which are the bane of mankind today; they could sit down in this atmosphere in the Mother of Parliaments in London, as indeed we did in Australia, and talk without quarrelling, talk without bitterness, talk without that impatience that we sometimes have with the views of other people, and they felt that the maintenance of such an association as the Commonwealth with all its imperfections was something that was greatly to be desired, and they were afraid lest these economic difficulties should lead to the destruction of the Commonwealth as they knew it.

Then there were some other aspects that we're not quite so easy to discuss, that is, the danger that some of them saw willy-nilly -- we may not agree with that -- the danger that some of them saw that the European Common Market was becoming a rich man's preserve, that instead of being outward-looking toward the rest of the world in terms of trade and economy and social philosophy, that it would become inward-looking and be a private preserve with high tariff walls around it, and that the coloured people would be frozen out of this association, and there was a fear that the Common Market might just become another screen for the old-fashioned economic imperialism which so many of these people resent, quite understandably, so much that they are determined to have nothing to do with it again. And the job of trying to get across to them the idea that it need not be this kind of thing was a job that was attempted by the delegates of the United Kingdom and some of the rest of us, let it be said, in connection with this matter, that while these fears might be realized that it was equally possible that instead of that the Common Market would be an outward-looking organization; that it would really make itself the basis of a wider association, perhaps not a political association, but certainly a social and economic association, that could include the coloured nations of the Commonwealth and could include the less developed parts of the world, and that was the sort of atmosphere and limitation, if you like to put it that way, in which the work of that conference was conducted. But I must say it was pretty tough going, because what do you do when you find the representative of Northern Nigeria who speaks much better English than you do, incidentally, and can think just as clearly and perhaps if not more logically, than you can, getting up defending the old-fashioned Commonwealth that we knew, and its preferential tariffs, and all its associations of trade that are being called into question by the Common Market. It was such a reversal of form that it was really staggering one as to how to cope with it, and when you found that the Nigerian was backed up by the Indian, and the Australian was three deep behind him, and you can bring

(Mr. Roblin cont'd.) . . . in all the rest, you can see what kind of a problem we were facing at that Commonwealth Conference, but I refer again to the spirit in which the meeting was conducted; to the fraternal atmosphere, for the unwillingness of any member to grievously offend any other in the expression of his views, and the desire of all to be as reasonable as they could.

Well, the discussions went on along this line; there were a number of very delightful ceremonial occasions. Her Majesty was pleased to open this conference in the famous hall of Westminster that was built by William Rufus. I don't know whether there is any of William Rufus' building still left, but he gets the credit for most of it and that was a very impressive state opening, but I think that this can be said, that it did a great deal of good to ventilate this issue in that form before the representatives of the Commonwealth. It gave all of us a much more intimate view of the thinking of the other people, of what some of their interests were that they were anxious to preserve and to develop, and some of the difficulties that would have to be overcome if a Common Market arrangement was to be acceptable to all the members of the Commonwealth that were there on that occasion. I myself am optimistic; I am optimistic in the sense that I think that once the issue is ventilated in that form that it gives us an opportunity to know what the problems are; it outlines the difficulties that confront us, and once you've got the thing nailed down a little then how much better it is and how much easier it is to try and solve the problems that these difficulties raise, and there is the process of education. My education was greatly advanced, I know, by what I heard and saw there, and I am sure that happened to others, but the astonishing thing was the unanimity of opinion about the Common Market, and I quite understand after having been to that meeting some of the difficulties that various governments have run into in connection with this whole idea and the feeling of the Commonwealth on it. My hope, of course is that as events mature this feeling will change. My hope is that as events mature we will be able to take advantage in increasing measure of those positive opportunities that are open in connection with this matter, and that we will be able to deal somehow with the obvious difficulties that will arise.

And so, Mr. Chairman, that is a thumbnail sketch, if you like, of what went on at the Commonwealth Parliamentary Association Conference, and I must say that I personally am very grateful for the opportunity that I had to be there. I think it was certainly good for me. I'm not sure that I made much of a contribution to anyone else's welfare, but it was part of a very valuable experience and I believe that a continuation of these meetings -- I'm very glad that they're being called now once a year instead of once every two years, and I believe that a continuation of these meetings will be good for all concerned, because there's nothing like being able to meet in that particular atmosphere and under those auspices to broaden one's view of the problems of mankind.

MR. CHAIRMAN: I think that . . .

MR. ROBLIN: I suppose the Committee could rise unless some member has a point he wants to make to . . .

MR. CHAIRMAN: I presume we'll leave Resolution 6 open?

MR. MOLGAT: No, Mr. Chairman, I would like to make some further comments on this. There is no need to close 6; we've closed 5.

MR. ROBLIN: We don't insist.

MR. MOLGAT: I wonder before we rise whether -- now that we're into the second major item of the estimates -- whether the First Minister could indicate what we'll be going into after Industry and Commerce.

MR. ROBLIN: Yes, Mr. Chairman, Health will be next. Yes, Health after Industry and Commerce. I move the Committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions and have directed me to report the same and asks leave to sit again.

W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Brandon that the report of the committee be received. Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Industry and Commerce, that the House do now adjourn.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Monday afternoon.