

THE LEGISLATIVE ASSEMBLY OF MANITOBA

9:30 o'clock, Saturday, May 4, 1963

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

HON. STERLING R. LYON, Q.C. (Attorney-General)(Fort Garry): Madam Speaker, I beg to present the fourth report of the Standing Committee on Law Amendments.

MR. CLERK: Your Standing Committee on Law Amendments beg leave to present the following as their fourth report:

Your committee has considered Bills: No. 70 - An Act to amend The Greater Winnipeg Gas Distribution Act. No. 110 - An Act to amend The Municipal Boundaries Act (2). No. 114 - An Act to amend The Metropolitan Winnipeg Act (2). No. 123 - An Act to amend The Crop Insurance Test Areas Act. No. 124 - An Act to amend The Housing and Rehabilitation Act. No. 126 - An Act to amend The Queen's Bench Act. No. 127 - An Act to amend The Testator's Family Maintenance Act. No. 128 - An Act to amend The Surrogate Courts Act. No. 129 - An Act to amend The Workmen's Compensation Act. No. 131 - An Act to provide for the Repeal of The Debt Adjustment Act. No. 132 - An Act to amend The Highway Traffic Act. No. 134 - An Act to vest the Title to Certain Lands in Her Majesty the Queen in Right of Canada. No. 135 - An Act to amend The Health Services Act. No. 136 - An Act to amend The Psychiatric Nurses Association Act. No. 137 - An Act to validate By-law No. 4-63 of The Village of Crystal City. No. 138 - An Act to amend The Psychiatric Nurses Training Act. No. 139 - An Act to amend The Prearranged Funeral Services Act.

And has agreed to report the same without amendment.

Your committee has also considered Bills: No. 24 - An Act to amend The Public Schools Act (1). No. 133 - An Act to provide for Pensions and Disability Allowances for Teachers. No. 34 - An Act to provide for the Observance of Official Time in the Province. No. 58 - An Act to amend The Time Sale Agreement Act. No. 81 - An Act respecting the Administration and Conservation of Wildlife in the Province. No. 121 - An Act to amend The Public Schools Act (2). No. 102 - An Act to amend The Winnipeg Charter, 1956, and to validate By-laws Nos. 18696, 18760 and 18764. No. 104 - An Act to incorporate The Civic Development Corporation. No. 108 - An Act to amend The St. Boniface Charter, 1953. No. 113 - An Act to amend The Registered Nurses' Act. No. 117 - An Act to amend The Child Welfare Act. No. 125 - An Act to amend The Rivers and Streams Act. No. 130 - An Act to amend Certain Provisions of the Statute Law and to correct Certain Typographical Errors in the Statutes.

And has agreed to report the same with certain amendments. All of which is respectfully submitted.

MR. LYON: Madam Speaker, I beg to move, seconded by the Honourable Minister of Welfare, that the report of the committee be received.

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

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Minister of Education. The Honourable the Minister of Welfare.

HON. J. B. CARROLL (Minister of Welfare)(The Pas): Madam Speaker, I know that some of my colleagues in the House here would like a very short speech on this occasion; in fact I heard one of them comment a moment ago that he wished the bells would stop ringing, and I really don't want to add to his misery any more than I can help so I do intend to be brief. I'm also, of course, conscious of the rule that the Chairman of our Committee brought to our attention last night, that at this stage of the proceedings of the House it would be quite improper to add to the repetition, particularly with respect to this subject which has been so well covered by the Minister of Utilities and other members on this side of the House.

I do just want to say a word, though -- I would like to just say that in my opinion the committee made a very proper finding from the facts which they had before them and the evidence which was presented to them. I think they have very satisfactorily cleared the Hydro of the charges which were made against them and I say "against Hydro" because in evidence before the committee it was brought to our attention that this was a contract which was entered into by

(Mr. Carroll, cont'd.) . . . Hydro. It was first of all initiated by them -- entered into -- it was administered by them without any reference to the government itself, and they said at that time that if there was anything wrong with this contract then they must accept responsibility for it. But at the same time I think that the government recognizes that if it was a bad contract then we must accept responsibility for it as well. So I say that any charge of negligence in protecting the public interests, for incompetence, or failure to plan, or failure to understand business principles, must reflect against Hydro, and I'm pleased that the evidence which we had clearly substantiates the report which is before the committee at the present time, because I think we'll recognize that it was only through the advance planning of Hydro that Grand Rapids became a possibility -- because of their advance planning, because everything was in readiness to proceed. When the power purchase agreement became available through our inter-connection with Saskatchewan in November of '59, it became possible at that moment; it became more economic to go to the Grand Rapids site; and this was, of course, the result of their advance planning that made this whole thing possible and which will result in lower rates to the power consumers of Manitoba, and of course a very vital part of this whole operation was the water haulage contract itself.

Madam Chairman, I believe that that's really all I want to say on this occasion, except to say that I think that the findings substantiate my personal conviction that I've held for some time about the integrity and efficiency of the members of the Manitoba Hydro Electric Board and of their officials. I think it's an accurate reflection of the work of our committee and I think the conclusions were accurate and properly drawn from the very thorough and exhaustive investigation of this whole affair.

MR. J. P. TANCHAK (Emerson): Madam Speaker, I move, seconded by the Honourable Member of Gladstone, that the debate be adjourned.

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

MADAM SPEAKER: Notices of Motion.

Introduction of Bills.

Orders of the Day.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Madam Speaker, before the Orders of the Day -- it's the first time we've reached this far in our proceedings for some days and I have some questions I wanted to ask of the -- I believe this falls under the Attorney-General -- or it may be the First Minister. It's with regards to estate taxes. I've received a complaint that insofar as Old Age Security cheques which arrive after a person dies in the Province of Manitoba, that these are returned to Ottawa and then when the filing is done for the estate the Province of Ontario considers that the cheques, being back in the Province of Ontario have their situs there and proceeds to levy a portion of an estates tax on them, and I wonder if the First Minister could inform us what is the case. This is apparently a specific case that has occurred, and the letter that I have says, "These cheques then have their situs in Ontario and because their situs then is in Ontario, Ontario is charging a tax on these cheques in the case of an estate that is taxable."

Now surely it's an unfair position, I would think, if this is what is happening. What is our protection in this regard?

HON. DUFF ROBLIN (Premier)(Wolseley): If my honourable friend would be kind enough to give me a copy of the letter I'll look into it for him.

MR. LYON: Before the Orders of the Day are proceeded with I should like to lay on the table of the House a Return to an Order of the House No. 14 dated March 26, 1963, on the motion of the Honourable Member for Logan.

I should also like to lay on the table of the House a Return to an Order of the House No. 20, dated April 16, 1963 on the motion of the Honourable the Leader of the Opposition.

MR. CARROLL: Madam Speaker, I would like to lay on the table of the House a Return to an Order of the House dated Friday, April 26th, in the name of the Honourable the Leader of the Opposition.

MR. W. WEIR (Minister of Public Works)(Minnedosa): Madam Speaker, before the Orders of the Day, I'd like to lay on the table of the House a Return to an Order of the House No. 22, standing in the name of the Honourable Member for St. John's.

MR. ELMAN GUTTORMSON (St. George): I'd like to direct a question to the First

(Mr. Guttormson, cont'd.) . . . Minister. I have received correspondence from a resident in the Grand Rapids area who states that about 60 people in the area sent him a petition regarding the fishing season on Lake Winnipeg in the Grand Rapids area. The petition is signed -- the complaint is that the companies are allowed to fish with trap nets until August 10th while the local fishermen, who I am advised are bona fide residents, are not allowed to fish beyond July 16th. The question they posed to me is to enquire from the First Minister if he would reply to their letter and also if he is considering changing the regulations to allow the local fishermen to fish on the same dates, that is as to season.

MR. ROBLIN: Madam Speaker, I will take the question as notice. While I am standing may I inform the House that the Manitoba Savings Bonds will go on sale on Monday, March 21st, through the usual channels -- I'm sorry, May 21st. Some of my friends might say my eyes are braided. I am not able to give further information about the interest rate as that will be determined at a later date subject to conditions prevailing at that time.

MR. MOLGAT: Madam Chairman, a question on the statement by the First Minister. How much does he intend to get this time from the issue, and is there a time limit on it or is it simply a limit as to the amount?

MR. ROBLIN: Those matters will be settled when we get a little closer to May 21st.

MR. MOLGAT: Madam Speaker, I'd like to ask a question of the First Minister. I think there are still some Orders for Return and Address for Papers outstanding. Could he inform us now of their status?

MR. ROBLIN: Yes I can, Madam Speaker. There are two Addresses for Papers in the name of the Honourable Leader of the NDP and the Honourable the Member for Portage la Prairie, and it's unlikely that either of those will be returned because we are in correspondence with Ottawa and they have not cleared it yet. There is one other, Return No. 3; the Honourable Member for Brokenhead and the Honourable Minister of Agriculture are still apparently at odds as to what is required. I just don't know what the status of that is in the absence of my honourable friend. The other one is the request of the Honourable Member for St. John's for a list of all properties leased by governments, boards and commissions. It is not likely that that will be returned in time for this session of the Legislature due to the amount of work involved in getting it.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): I believe, Madam Speaker, there's another one standing in my name in connection with these charges concerning legal fraternity.

MR. ROBLIN: That was tabled this morning I believe, Madam Speaker.

MR. S. CHERNIACK (St. John's): I believe there's another one in my name relating to contributions of the government to streets, the construction of streets in the highway.

MR. ROBLIN: My ears are a little bit plugged this morning. That was tabled this morning.

MR. CHERNIACK: at all. I haven't seen them and I only hear of them by number.

MR. MOLGAT: Madam Speaker, possibly I should enquire if one of mine is in this as well. I believe that I had one, the matter of expropriations of the Hydro

MR. ROBLIN: It's tabled.

MR. MOLGAT: Thank you.

MR. CHERNIACK: May I understand just the procedure -- I'm informed one of the orders will not -- one of my orders will not be ready in time for the adjournment. What happens then?

MR. ROBLIN: They lapse.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the First Minister. The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, we've had a fair amount of discussion on this subject both here in the House and in committee, but I want to make my position again very clear in this matter. I oppose and object to the one principle, which is that the government gets involved in mining corporations who get themselves in trouble through their own fault, and I suppose that most of the members of the House would agree with that proposition. The danger that I see in this is not simply the fact that we are supporting an enterprise that through no fault of

(Mr. Molgat, cont'd.) . . . the government, through no fault of anyone except the people involved in the affair, have got themselves in a very bad position. It establishes great dangers of precedence. All over the province we may have these circumstances. We may even have circumstances that would in their own right call for more government assistance, Madam Speaker, because there are other mines in the province which will undoubtedly be closing, not because of anything improper that's gone on in the stock market or in the handling of the company, but for other reasons altogether -- changes in transportation pattern, changes in costs and so on, and it leaves us in the position where, what are we to do as a government and as a province insofar as assisting these people?

I can give one example in my own constituency; a mine that has been operating for many years now closed in the past year. It was a gypsum mine at Amaranth, and it closed, Madam Speaker, for reasons of transportation costs. The charges to transport the gypsum rock from Amaranth to the mill site in Winnipeg were such that the company felt that they could not continue, they found other sources for the rock, and have closed the mine. This puts the small community of Amaranth in a very difficult position. It has been depending in part for some years on the employments from the mine, and here at one fell swoop it's gone. Now, the government did not step in in this particular instance and assist in any way. I don't know whether they were approached or not by the people who owned the mine, but it's one example again of what we are likely to be faced with once we start this. Of course, as we go further north, the dangers are even greater.

Another aspect of this particular case which I do not at all like, is the situation insofar as the stock outstanding at the moment. We were told in committee that the present outstanding are roughly 2,400,000 shares. In addition to this there are options of some I believe 500,000 or 600,000 shares at the moment for a total of some 3 million. Then, of course, the company has treasury stock under their extended letters patent of another 2 million making a total of five. Out of all of this, Madam Speaker, we actually have in escrow only some 400,000 shares. Out of all these shareholders it appears that only two of the major shareholders are prepared to co-operate and to work out with the government of Manitoba in the rehabilitation of this mine and this industry. All these other shareholders, the 2 million other shares outstanding, apparently are not sufficiently interested in this procedure to come forward and be prepared to assist in the rehabilitation work. I'm very much afraid, Madam Speaker, that there is a danger here that substantial profits may be made as a result of the government's support, by the people who presently hold the shares, that these shares may go up on the market as a result of the government guarantee, and that because of the investment of this province, other people will make a stock speculation profit. I have no objections, Madam Speaker, to profits being made, but it seems to me that in a case like this where the government is prepared to advance the money, that the shareholders should have a greater obligation than they apparently are prepared to accept in this particular circumstance.

In the agreement that the government is going to make, I would hope that they can make safeguards against this. I appreciate it's not going to be easy. The First Minister indicated the other day the attempts that he had made to get more shares into escrow and so on, and I realize that he cannot force this on these people. However, it seems to me that in the agreement that we can put in some safeguards for the Province of Manitoba. I would suggest that one of the safeguards should be that if there is a substantial increase in the stock market shares, that the province should either benefit more from the investment that it makes in this, or at the very least that the company be committed to putting up funds in reserve for when we come along to the eventual closing of the mine, because as we proceeded in our discussion it became obvious that there was no guarantee that the mine would continue forever -- in fact no one expects that it will. Some day it will come along and be forced to close. In fact, if you look over the background of this mine, Madam Speaker, it's possible that the mine would have closed even if the stock market negotiations that brought along the final crash had not occurred, because the Survey of Mines, 1963, reporting on the 1961 operation, tells us that the ore reserves at December 31, 1961, were estimated at 161,000 tons. This was just barely over a year's operation at that time, Madam Speaker, and this mine apparently was not keeping up even at that time the necessary amount of development and exploration that it should. However, the stock market transaction has hurried this proposition and here we are faced with a sudden

(Mr. Molgat, cont'd.) . . . closing of the mine. The government must in its agreement see to it that the province, the people of Bissett, and our economy is as much as possible protected against a sudden closing in the future, and if there are going to be profits made on the stock market as a result of the government investment, then I think the government is completely justified in insisting that capital be put aside in that corporation for an orderly closing of that mine when the time comes; for an orderly disposition of the assets so that we don't find ourselves six months, a year, or two years from now faced with the same situation.

I am disappointed that the shareholders interested in the present operation, the stock brokers in particular who have got themselves involved in this as a result of the margin purchase of a certain individual, that these people who are close to the stock market, who operate in it constantly, are not prepared to co-operate more fully with the government. I'm surprised that a number of them, who apparently do hold shares now because of the margin purchase, are also presently some of the underwriters for the option sales. I think it's good that they should underwrite the sales of the options, because this is necessary for someone to do it, but I think it's unfortunate that at the same time they are not equally prepared to put their shares in escrow as are two of the other brokers involved.

Madam Speaker, that leads me on, then, to the much broader field of this whole matter of securities and the protection of the public. I was pleased to hear in committee the other day from the Premier, that the government will take immediate steps to tighten the securities structure in the Province of Manitoba and the Companies Act. I would suggest, Madam Speaker, that the Premier take steps now to get together all of the securities people across Canada -- I'm speaking now for Securities Commission people -- right across Canada from every province, and let us get to work immediately to tighten up this situation. For all we know how much more of this is going on in Manitoba right now? We've had two instances in the past year; The Paton-Cox affair in Brandon, and here the San Antonio affair. These have come to light not because of the securities analysis here, Madam Speaker, but in the case of the Paton-Cox affair, through the Securities Commission in Toronto, and in this particular San Antonio case, because the situation became so serious that they came to the government. Had that not been the case in all possibility it would have gone on, the shareholders involved, the legitimate purchasers of the stock previously could have been defrauded.

I say that we have to take these steps right now. We cannot afford to let the situation go on, Madam Speaker, because if we do it will have very serious effects on the investment in the Province of Manitoba. If shareholders, people who are prepared to invest in risk securities, cannot at least have the guarantee that in addition to the normal risks of the business that they would at least be protected against fraud, then there is a grave danger that our whole development process in the province will be slowed down, because people will be that much more reluctant to invest. So this is an absolute essential, and while I said at the outset, Madam Speaker, that I am opposed to the principle of assisting corporations that get themselves in this trouble, I do intend to vote in favour of the bill, because of the other aspects in it -- the fact that we are faced here in fact with higher costs on the necessity of taking over the town of Bissett than we would be in the loan that the government is making; but I say this, I do so most reluctantly. I do so only on the basis that the government will make a real tight agreement with this corporation; that the government will take steps now, immediately, to tighten the whole matter of securities in the Province of Manitoba.

Madam Speaker, there is another aspect here that I think the government must take action on at once, and that's the question of the diversification of activity in that portion of the province. I would hope that the Minister of Industry and Commerce will have his people in there now -- in fact before now -- to study what other possibilities that there are, because we have to face the distinct possibility of a closing in the more or less distant future. When that comes we have to be as well prepared as we can with alternatives. It seems to me, Madam Speaker, that the government has not been as active in this field as it should and could be. A year ago, speaking on the estimates of the Department of Mines and Natural Resources, I brought up this whole matter of the area to the north-east of Lac du Bonnet -- that area around Cat Lake and Bird Lake and Bernic Lake -- where there was development some years ago in the Province of Manitoba; where certain mines had been operating and then closed down. I pointed out that in the Ontario section there were now mines actively in production. I suggested

(Mr. Molgat, cont'd.) . . . to the Minister then that he investigate the possibility of taking over the railway line that runs from Lac du Bonnet to Pointe du Bois and which was being abandoned by City Hydro. I suggested to him that he consider taking over that line and its extension into those areas to see if by establishing a low-cost transportation in there if we couldn't re-activate some of the Manitoba mines as well as keep the traffic from the Ontario mines coming in through Manitoba rather than going south from their present location into Minaki and Kenora.

I pointed out, too, Madam Speaker, that some years ago the previous government, who had put the road into Bissett and who had put the road into Cat Lake, had surveyed the connection between the two, north from Cat Lake to connect with either Bissett or Wadhope; and that no further action had been taken by the government; that the road had stopped there -- there'd been no further construction. Well, recall that the Minister of Industry and Commerce some years ago had told us glowing plans about a road up along the east side of Lake Winnipeg to open up a good deal of that country. That has not come to pass, Madam Speaker. I suggest that the government get to work at once on the connection of this road from Cat Lake north to connect with the road presently into Bissett. This would provide alternative activity in that whole Bissett country. For one thing, it would encourage the tourist development, because with a circular road, with a dual connection, there'll be more incentive for people to go into the area. Furthermore, the road would open up lakes that lie in between and which, I am told, have excellent tourist potential. It would do another thing, Madam Speaker. It would make this present mining area of Bird Lake, Cat Lake and Bernic Lake somewhat more accessible to the mill at Bissett. If it turned out that for transportation reasons it still was not economical to ship the ore there for milling, at least when the time comes for the closing of the mine at Bissett there would be a possibility of the equipment from there being moved down into this other mining area and possibly reactivating it. I suggest, Madam Speaker, that the government has not acted here as quickly as it should, and that had that road been built we wouldn't be faced with as serious a situation at Bissett as we are now. So I say, let's get to work on it now. Let's take the steps to make sure that when the time comes for the closing of that mine there are alternatives before the people of Bissett, alternatives before the Province of Manitoba. In the meantime, let's make this agreement with the corporation whom we are assisting. Let us make it so that they have responsibilities clearly defined when the time comes for the closing of that mine, that we don't find ourselves some year or two years from now with the same position, with a gun at our head and having to make a decision that I think we all agree in principle is not the one that we want, and yet in the interests of the Bissett area and of development in Manitoba which we must accept.

MADAM SPEAKER: Are you ready for the question?

MR. D. L. CAMPBELL (Lakeside): Madam Speaker, it's not uncommon in this House, I know, for two members to use almost identical arguments and arrive at different conclusions; and I can subscribe to 99.9 percent of what the Leader of this group has said. In fact, I subscribe to it most heartily and I think that his comments on the whole situation are most apt and useful. But I'm sorry to have to report that I am unable to follow him to the conclusion that this bill should be supported because though agreeing with everything else -- and agreeing with everything else -- I feel that the matter of principle here, and practice in this connection, is so important that I cannot support the action that is contemplated. Certainly it's a difficult situation, and I tried to give my very best attention to the problems involved. I greatly regret that it was necessary for me to be absent from one afternoon's sitting of the committee, because I would like to have heard the full representations. But it was unavoidable. I had to be away. But the time that I was there and I heard the whole evening of representations, I am compelled to say that I was not impressed by the representations that were made at the committee. In fact I was quite unimpressed. I felt that the geologist, whose qualifications I'm inclined to think are first-class, was too pessimistic, and I thought the representative of the investment company, to whom I would not be prepared on hearing and watching him in action to give the same blanket vote of confidence that I would to the geologist, was much too optimistic; too ready to seize on almost any proposal that was suggested; too ready to agree to almost any provision in the proposed agreement that was suggested, so long as the ultimate aim of acquiring for the enterprise \$240,000, was going to be achieved. I felt that from the time that the bill was discussed in this House until it came back here that the situation actually deteriorated,

(Mr. Campbell, cont'd.) . . . whereas it should have been strengthened by the representations that were made. And I agree whole-heartedly with what my leader has said with regard to the necessity of strengthening our position, strengthening the province's position and the economy's position as well as the honest shareholder's position with regard to our Securities Act.

I have the feeling that the department that should have been taking the lead in this matter is the Industry and Commerce Department rather than the Mines and Natural Resources Department, and that the branch of that Department that should have been employed to deal with this question is the Business Development Fund directors whom I think are better qualified than the Mines and Resources Department could have been to have properly assessed the financial implications involved here, because I think this was largely a financial problem. I'm afraid that it was -- the crisis was undoubtedly brought to an emergency position by the unfortunate action of a raid on the treasury of the company. But, as my leader has said, I fear that the company was in difficulties even before that happened. However, I think we could have had -- or the government could have had -- during the currency of the negotiations, some very useful advice from the Business Development Fund principals, and that they should have been employed and brought in. The position, however, that I take, is that apart from the Federal Government subsidy this question does not differ in principle from many others that have arisen in the past and that will arise again, and because of the unfortunate circumstances that surround it, particularly in view of the point that was so well made by my leader, that five times as many shares are at present unaccounted for as we have any record of, is a factor that makes this a most doubtful proposition. Maybe those couple of million other shareholders are the people that we're really helping, and I'm sure that's not the wish of this committee.

So I come back to the position that I took when the bill was before us for second reading, and I'm sorry to say that I think that the proposal of this bill does not look as attractive now as it did then following the hearings that should have been -- should have made it more so. So I come back to the position that I took then. If the potential is there, private enterprise should carry this proposal on. If it's not there, the mine will close down in a reasonably short time. I rather doubt the economic benefit to the province as a whole of carrying on. I know that one of the spokesmen before the committee, and one whom I greatly respect, suggested that one reason for taking this position was that a certain economic blight would be put upon the whole area if this mine closed down. I think that economic blight unfortunately has happened already by the action that's been taken, by the unfortunate publicity that has taken place, by the fact that it's necessary for the government to move in and support this venture, and by the fact that the public will be quite concerned about the unsatisfactory financial arrangements that the company itself faces. I'm constrained to say that I feel that there was a large element of bluff in the position put up by the investment people in this regard; and while I recognize that it would be extremely difficult for the province to call the bluff under these circumstances; and while I recognize that the difficulty, if they called the bluff and it turned out not to be a bluff, would be enhanced, yet I think it was worth the effort to make the experiment to see what would have happened, and if we'd lost -- if it wasn't a bluff and the mine did close -- then I think we would have been better to have taken that portion of the \$240,000 that would have been necessary -- and I think nothing like this sum would have been necessary -- to rehabilitate the people of the community that needed rehabilitation -- and I'm convinced that not all of them would have needed rehabilitation. The mining fraternity as a whole -- and I'm not well acquainted with them, but to the extent that I do know of them -- they're a pretty adaptable lot. They frequently move and a lot of them could have adjusted fairly readily to the situation. I have enough confidence in that general area to feel that some of the services would still have remained up in the area. Perhaps the town would have not completely died; but if that had to be faced, then I think the government should have faced it as a necessary situation under the circumstances. So, Madam Chairman, I realize that this is not a simple problem, and I realize that either way we could be wrong, but having looked at it, to the very best of my own judgment I am of the opinion that the bill does not deserve support.

Madam Speaker put the question.

MR. M. SMERCHANSKI (Burrows): Madam Speaker, I would merely like to, in a great deal, disagree with my colleague, the speaker that just finished. I feel that we should support this bill because of the tax revenue to the federal and provincial treasury as well as the fact of

(Mr. Smerchanski, cont'd.) . . . its social implications, and I only want to mention briefly that we should and must in this bill incorporate -- or if not in this bill that the government look into the matter of appointing a proper consultant, not merely to keep an eye on this operation, but in reality to help the present management to further the work in being able to improve the ore situation at the mine, and in this manner extend the life of the mine. Now I assure you that when I say this, this appointment of a consultant is not going to confuse management. This is along the standard practice which is carried out in this type of work with which I am very thoroughly acquainted and know exactly what is necessary. This type of a consultant will instill confidence into the present management, will assist management in the proper direction of its exploration work, and I only hope that the results of this consultant is going to produce the fabulous result that usually results from this type of an effort.

Now, the cost of such a consultant would amount to possibly \$5,000 or \$7,000 per year, but it will make the difference between extending the life of this mine from two years to eight years and maybe ten years, and now is the time to do it. You have a period of grace of possibly one year or two years, and it is within this period of grace that we must take action along this line, and I cannot help but stress most strongly on the members of this House that the amount that the consultant will contribute is far in excess of the total amount of money that the government is putting up to assist this mining operation, and I say this most advisedly. I say it with experience and practise and I'm not saying it because I think it is something that should be done. I would like to back it up with two shining examples that took place in the Red Lake area and with which I am very closely acquainted.

In 1942, Madsen Red Lake was faced with having to be closed in a matter of two months, and because they happened to have hired a very competent type of a consultant, they went in. The miners were leaving; the people were leaving the area; everybody was down in the dumps of life and everything would seem to be just breaking to pieces. A diamond drill was extended into one part of the mine which uncovered the major part of the ore bodies on which Madsen Mines is today, and I only want to again draw to the attention of this House that this was close to 21 years ago. Madsen Red Lake to this day from that particular time has produced over \$40 million worth of gold in the Red Lake area, to say nothing of the amount of employment it has given; to say nothing about the amount of supplies they have purchased -- and from Winnipeg, because Winnipeg is a large supplier of supplies into the Red Lake area.

Another one is the McKenzie Red Lake gold mine. In 1938 and 1939 everybody was proud in the gold mining industry that McKenzie Red Lake was able to make a profit when gold was \$20.00 an ounce, and yet in 1952 and 1953 it was faced with closing, and the matter again came as a matter of months. Proper management was hired, and a proper consultant was engaged; and what happened at McKenzie Red Lake was that the old management got tired; the old management lost that lustre, that sparkle of ambition to develop new ore and prolong the life of the mine, so that the outside consultant was able to point his finger at what appeared to be minor conditions in the operating of the mine, but which was the very life-blood of this mine. Proper consulting is of utmost importance, and I hope and I am completely optimistic that a consultant of this nature can produce and will produce miracles at the mine, because this is what they're supposed to do. They're people who go from mine to mine. They're fully acquainted with the type of underground ore condition. They're fully acquainted with the type of mining conditions, and I would recommend to this House very, very strongly -- and as I said originally, the amount of money that's being asked for here will not equal what a consultant can do in this case, and we have an excellent opportunity to force this consultant upon the present management, and when I say force, I don't mean that the management at the mine is going to feel that this is something they don't want. This is something that they will appreciate and this is something that with some kind of good luck, which I'm sure we will have, you can come up with extending the life of this mine five, six and maybe eight years.

Another thing that I'd like to bring up is that we are very fortunate in this province that we happen to have two people who are acquainted with this type of work, and I'm going to mention their names, not as a matter for the government to hire, or must take, but we are very fortunate that at our university we have one in the name of Professor Wilson, Bruce Wilson, who has had a great deal of experience with International Nickel and Falconbridge in this type of work, and the other man is Professor George Russell whom I think some of you might have

(Mr. Smerchanski, cont'd.) . . . read in the paper, that with his ingenuity and his very hard work they are able to develop a small copper operation in the Snow Lake area, and they truly have produced some fantastic results under very trying conditions, and this is the kind of people that do not know what it is not to be optimistic in connection with mining. In mining you have to be an optimist, but this optimism has to be geared or placed in its proper perspective. You have to be realistic about your optimism. Being optimistic in itself is not enough. You have to be realistic and know the facts, and know the conditions, and then analyze these and then be able to say that there's a certain amount of chance beyond that phase of it so that the chances of success are there and if properly analyzed will result in more ore and in prolonging the life of this mine.

When my Leader mentioned the Cat Lake, Bird Lake area, he did not mention the possibility of other mines being developed in this area, and I do urge the present government to give consideration to the connection of the road from Bissett, or the central Manitoba area at Wadhope to the Cat Lake area at Bird River, because, Madam Speaker, in this area we have a great deal of low-grade copper nickel deposits and if these can be developed economically this can provide work for several thousand people and can be perpetuated for fifteen to twenty years. There are the largest and only known caesium deposits in the entire world, and it is just a matter of time before we're able to develop these. And these will be developed, because you cannot expect to have a deposit of such a large magnitude and of such a good grade of caesium, and the only one in the world; and it will be developed and it will provide employment for many people. We also have the third largest lithium deposits on this North American continent, next to those in North Carolina and at Val d'Or in Quebec, so that although the outlook, the final outlook for Bissett might look bleak, the fact that we have got these potentialities in the Bird Lake, Cat Lake mining area, all we need is a little assistance, a little ability to get into the area of access roads, and I can tell you that Canada has got sufficient mining men, sufficient mining capital and sufficient ambitious programs that these mines will be developed and these mines will produce, and on that, Madam Speaker, I again urge the government to give very serious consideration to the appointment of a proper consultant, and I again assure this House that you're not interfering with management; you are instilling that confidence in management which is required and you're also relieving management of a great deal of anxiety and concern as to when to spend an additional \$10,000 on development or when not to spend \$10,000 on development.

MR. J. M. FROESE (Rhineland): Madam Speaker, before we pass this bill I would like to make a few comments in connection with it. First of all, I feel that this measure as such is lacking public support. Since we've had the bill introduced and we've had the discussions in committee, in speaking to people I find that there is a lack of support in this measure because they feel that we're supporting a mine and a business venture, and they do not consider it a welfare project as such that we're helping people out, and while I know that the government did their utmost in securing a maximum protection or control in stabilizing the mine, and also that the loan is well secured, I feel they did their best in this case and I think the loan as such is well secured so that we have nothing to fear on that count.

I notice that during the discussions on this matter, the matter was also brought up as to other loans that had been made in the past. Prairie Cannery was mentioned as one, which is a concern in my home area, and I wish to point out at this time that Prairie Cannery, when they received their loan, I don't think the Development Fund as such was established at that time and they received those funds from the Co-op Promotion Board -- a trust fund that was set up a number of years ago; so I don't think past occasions like that should govern our actions at this time, and that we should discuss this matter on the merits of the measure before us. I am a little in a quandary because I feel that the principle of relief in this measure is not too clearly defined. Surely, if this was just a business proposal, this would have been referred to the Development Fund and would not come before us, so I assume that this is purely a measure of relief that we are providing for these people at Bissett because also, as the Member for Lakeside pointed out, five times as many shares are unaccounted for at the present time. We don't know who holds those shares, where they are, and at what time they might pop up to try and gain control of the company again. So I will support the measure purely on the grounds that we are trying to relieve these people of the situation they are in at present and that we'll

(Mr. Froese, cont'd.) . . . try and make the business a more stable venture so that it can continue for some time so that if we have to, in the future, rehabilitate them somewhere that we will have lots of time on our hands to do this properly.

HON. C. H. WITNEY (Minister of Mines and Natural Resources)(Flin Flon): Madam Speaker. While to date, Madam Speaker, I have not entered into any of the debate on this bill, I think the members of the House will realize that as the Minister of Mines and Natural Resources I have been very closely connected with the problems. I can recall when it first came to our attention, and I can recall the steam which it generated as we went along in a very short space of time. I can remember the concern. I can remember the -- I suppose you might call it, the brain-racking that we did. I think we recognized all of the ramifications of what could happen as a result of this move. We thought of what might happen -- the attitude of the mining industry, not only here in this province but outside of this province, and we attempted to find factual means to justify what we felt should be done. We had cost accountants make a cost benefit study of the situation. In the cost benefit study they came to a reasonable conclusion that it would be better to take the action that we are taking at the present time. We realize the difficulties that have been expressed in the committee and been expressed in this House, the difficulties that have been expressed by the Honourable Member for Lakeside, and have been expressed by the Honourable Member for Rhineland. We weighed them all up and we came to the conclusion that the only thing that the government could do was the action that it is taking.

I tried in all these negotiations not to allow my own personal feelings to enter too much into the deliberations that took place because I am one member of this House that has a very active and thriving mining community in his constituency, and also have a dead mining town in his constituency; one that was at one time a very lively town and a very happy town. And I was a member too -- not a member of the constituency, but I was in an area quite often in the north country where there were people in Snow Lake who were concerned about their future, who did not know whether they would be working this year or the next year, and now we see in the Snow Lake community such mines as Stall Lake and Osborne Lake and Chisel Lake, that have developed and are employing men. We see new houses; we see new schools; we see expanded hospital facilities; and that came about as a result of exploration and development in the area. It was that entirely that produced the revival of the Snow Lake area.

Taking a look at the area that we are dealing with today I noted the comments of the Honourable the Leader of the Opposition, and I would like to say to him -- I thought it would come up during our discussion of the estimates -- that we did investigate the railway suggestion that he made the last time we met in this House. The suggestion was studied with the Department of Industry and Commerce and the reply I got was that the proposal was found to be impractical. We did provide encouragement for the mine just on the east side of Ontario with a road, and their ore now comes through Lac du Bonnet and most of their supplies are provided from Winnipeg, and in what he wants to accomplish in rejuvenation of that area -- something which we wish to accomplish too -- it can be accomplished through keeping Bissett in existence before Bissett can become a centre of operations, and the road has been improved to Bissett, as he knows, and that in itself will aid in providing Bissett with more importance than it has had.

I would like to say that the Department of Mines and Natural Resources has been in Ottawa with the research people, asking what can be done about the difficult mineralization of that area of the province, particularly with such minerals as caesium, and we have debated with them the pros and cons of having a sort of caesium study group here in Manitoba to meet and discuss how the means may be developed so that this metal can be economically processed. So far, the Department of -- I think it is the Research Council in Canada, has been doing work on caesium and I believe that they have got some results which may be encouraging.

So taking a look at all of the problems that we have, and having been in Bissett and having seen men that have worked there for some 25 to 30 years, and having been in the hall in Bissett when miners, some ten each year, were presented with their 25-year watches, I believe that our action is right; for the question has been asked of the mining industry if these men that have been in this gold mine for some time, if it would be possible to find employment for them elsewhere, and this was asked at the time that these negotiations were under way. We found that it would not be easy for these men that had been there particularly for a long length of time, to find work in other mining communities; and it seemed to us, too, that what had

(Mr. Witney, cont'd.) . . . taken place with the closing of the mine, if it had have closed, would have been premature, and when we consider what has happened through premature closing, if there were some way of preventing it then we felt that that method should be taken. I agree with what has been said about providing for an orderly close-down of a community when ore does run out, because it certainly cannot go on forever, and that point, I believe, is being well taken care of at the present time by the Department of Municipal Affairs who are considering two plans; one plan of action if the mine is to close and one plan for what we hope will turn out to be an extended life for a considerable period of time for the community of Bissett.

Looking back over the past two weeks, or three weeks, and looking at all the words and letters and things that have gone by, listening to all the discussions, watching the editorials, looking at the comments in the newspaper, and also making my own queries of people in the street, I do not find the pessimism that was expressed by the Honourable Member for Rhineland. I believe that there is a fair degree of public support for this measure, and I further believe, Madam Speaker, that the government is doing what it should do under these circumstances.

MR. MOLGAT: Madam Speaker, would the Minister permit a question? He spoke about the improvement to the road to Bissett. He is speaking, of course, of the road from Pine Falls into Manigotagan and back to Bissett. I was speaking of the road from Cat Lake to Bissett which is a road that had been planned and surveyed and has not been completed. Will he tell me whether the government will undertake to complete this?

MR. WITNEY: That road, Madam Speaker, is under consideration.

MADAM SPEAKER: All those in favour of the

MR. LYON: Madam Speaker, there is one point that was mentioned by the Leader of the Opposition that I should make some comment upon from the standpoint of securities legislation. I believe his suggestion was that the government of Manitoba should take initiative at the present time to convene a meeting of all of the securities commissioners across Canada to discuss problems of the nature which have arisen in the San Antonio situation with respect to what the commissioners call "protection from insiders" because, of course, assuming that anything that did take place here within the corporate structure of this company did take place through the actions of the directors at that particular time of approximately one year ago. I can tell him already that, first of all, that these meetings are held annually, that this matter and matters of this nature have been discussed by the commissioners and are under consideration by the commissioners at the present time; the registrar from Manitoba, of course, has participated in these discussions and has been in contact particularly with his counterpart in Ontario on this problem; and I can tell him as well that one of the matters that the commissioners are looking at is a draft amendment, not to The Securities Act of any of the provinces, not to The Companies Act of any of the provinces, but to the Criminal Code, because it's there if there is any weakness at all in the law -- and I must say as a lawyer I'm not prepared at this stage to say that there is a weakness -- but if there is a weakness it must be remedied, they feel, in that sphere of jurisdiction rather than in the provincial Securities Act.

So I rise, not to criticize his point, but to tell him that the very action that he has suggested has already taken place. These annual meetings do take place. He will have the assurance certainly that Manitoba's representations at these meetings will certainly be directed towards seeking out the answer as to whether or not there is action that can be taken to tighten up the Criminal Code which is under the jurisdiction of the federal parliament, or any of the provincial statutes. The present indication would be that the problem is probably attackable through the Code. This is the recommendation of those who are very familiar with the problem. I mention again only what has been mentioned before, that the bulk of the transactions -- in fact all insofar as we are aware from the information that is available to us -- all of the transactions with respect to the internal workings of the company took place through the Toronto and Montreal exchanges -- unfortunately not within our jurisdiction. The Ontario legislation which some have said is superior and tighter to our legislation -- the Ontario legislation under The Securities Act would apply. I don't know, I'm not familiar with the Quebec legislation at all.

But that is enough of the problem. I think we all understand it. If anything can be done recommended by the group of security commissioners, you can rest assured it will be done. We have in evidence before us -- I think the bill has now received third reading -- amendments to our Securities Act this year, which I believe I mentioned at the time arose from this same

(Mr. Lyon, cont'd.) . . . meeting, where they discussed their common problems. One of the problems this year dealt with short-term payment, and these amendments were brought forward and are being put in several of the provinces of Canada. This other matter, I am at liberty to tell him, was discussed and is under consideration at the present time, and he can rest assured that Manitoba will see that it is pursued.

HON. R. SMELLIE (Minister of Municipal Affairs)(Birtle-Russell): Madam Speaker, the Honourable Leader of the Opposition raised one question concerning the community at Bissett and the orderly disposal of the properties there and the dispersal of the community in the event that the mine should close. Now I would like to tell the House that, although he made some comparison with the community of Amaranth, there is no real comparison here. The first distinction must be, of course, that in Bissett there is no form of local government of any kind. This is the only community to my knowledge in the province where this applies, and it arose because the property at Bissett was acquired by the San Antonio Company in the days when the Federal Government were the owners of Crown lands, and that when they acquired the title to these properties they acquired the title to all of the surface rights as well as the minerals. And there is only one owner of real property in Bissett at the present time, and that is the mining company. As I pointed out, there is no form of municipal organization there at all at the present time. One of the problems that we would face in the event that the mine closed, is that there would be no way of providing any municipal services in Bissett without the active co-operation of the mining company. For example, the school is owned wholly by the mining company. It's heated from the plant owned by the mining company, which heats their mine and mill properties. There are no water and sewer facilities in that community except those owned by the mine. Everything that is in that community is operated by the mining company and in conjunction with their mining operations. I think that the situation here is different than it would be in any of the other communities in Manitoba because at the time that the other mines were established in Manitoba where there are communities in isolated situations, agreements were entered into at the time the mines were established, and local government districts were formed; and there is some machinery there at the present time to effect an orderly transition from an operating mine to removal of the people and abandonment of the community. We're taking active steps at the present time, as the Minister of Mines and Resources pointed out, to develop plans to look after this eventuality when it does come, as we know it must sooner or later. And as he pointed out, we will look at two plans; one, an emergent plan in the event that the mine should close suddenly soon; and a second plan to look after the long-range possibility that the mine should close sometime in the distant future, which we all hope will be the case.

The Honourable Member for Lakeside may be a better poker player than I am, but I am one of those who was convinced that unless this action was taken by the government now, this mine would close. And as it was so well pointed out by the Premier the other day, this is not as far as the government is concerned or the people of Manitoba is concerned, assistance that we would like to give just to a mining company. If it were not for the people of Bissett and the problems that they would face immediately, I don't think this would be considered by any of us. But because of the problems those people face, and so immediately, I think this is a measure that we must all consider -- although with reluctance, as all members have stated. But this is a measure which I think deserves the support of all of us in this House.

MR. MOLGAT: Madam Speaker, the Minister stated, I believe, that Bissett was the only town in Manitoba under these circumstances. Is not the town of Pine Falls in exactly the same condition, owned and operated by the company?

MR. SMELLIE: I don't believe it's in exactly the same condition as Bissett, where everything in Pine Falls is owned by the company; and it's not a mining company either. There is some greater possibility for its continuance.

MR. MOLGAT: I thank the Minister for his answer. I appreciate it's not a mining company, but I think if we check, that for Pine Falls proper the conditions are the same as for Bissett. The company, I think, owns everything within Pine Falls.

MR. O. F. BJORNSON (Lac du Bonnet): May I say a word in this connection, because it happens to be in my constituency. It is a policy now of the Pine Falls Paper Company to permit employees to buy homes in Pine Falls, and they're gradually getting out of the area that you're

(Mr. Bjornson, cont'd.) . . . speaking of here, in that -- I think that there have been not a few cases but quite a few now where they permit the employees to buy their homes, and this is, I understand, to be followed as a policy from now on.

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

MR. ROBBLIN: Yeas and nays, please, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House is the proposed motion for the third reading of Bill No. 140, an Act for the relief of the community commonly known as Bissett.

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

YEAS: Messrs. Alexander, Baizley, Barkman, Beard, Bilton, Bjornson, Cherniack, Cowan, Desjardins, Evans, Froese, Gray, Groves, Guttormson, Hamilton, Harris, Harrison, Hillhouse, Jeannotte, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McLean, Martin, Mills, Molgat, Patrick, Paulley, Peters, Roblin, Schreyer, Seaborn, Shewman, Shoemaker, Smellie, Smerchanski, Stanes, Steinkopf, Strickland, Tanchak, Vielfaure, Watt, Weir, Witney, Wright and Mrs. Morrison.

NAYS: Mr. Campbell.

MR. CLERK: Yeas 49; Nays 1.

Madam Speaker declared the motion carried.

. Continued on next page.

MR. LYON: Madam Speaker, I beg to move, seconded by the Honourable Minister of Welfare, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole House to consider the bills standing on the Order Paper for third reading, and also to consider the proposed resolution standing in my name.

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

MR. LYON: Mr. Chairman, I wonder if we might deal with the resolution first of all, and if that be the case I would advise the House or the Committee that His Honour the Lieutenant-Governor having been informed of the subject matter of the resolution recommends it to the House.

MR. CHAIRMAN: Resolved that whereas this House has received the report of the Standing Committee on Statutory Regulations and Orders, recommending that the Committee be authorized to sit during the recess after adjournment or prorogation and that the reasonable expenses of the members of the Committee be paid; therefore be it resolved that the Standing Committee on Statutory Regulations and Orders examine all regulations to which The Regulation Acts applies, filed under that Act from the 14th day of February, 1962, and before the 28th day of February, 1963, and make its report thereon to the first session of the Legislature held in the year 1964; and that the Committee have power to sit during recess after adjournment or prorogation; and be it further resolved that the Provincial Treasurer be authorized to pay from and out of the Consolidated Fund the amount of such reasonable out-of-pocket expenses of the members of the Standing Committee on Statutory Regulations and Orders, necessarily incurred by them in attending the sittings of the Committee during recess as are approved by the Comptroller-General. Resolution be adopted?

MR. PAULLEY: Just one point, Mr. Chairman. Did I understand you to say '64. Is this a typographical error in the Orders before us mentioning '63?

MR. CHAIRMAN: Resolution be adopted?

MR. PAULLEY: Oh. It's OK. I've got my answer from the Clerk.

MR. CHAIRMAN: OK. Resolution be adopted. Should we proceed with the bills now? Bill No. 122. We'll take these page by page.

MR. ROBLIN: Mr. Chairman, I suggest we take 122 clause by clause as it has not been through the committee stage outside the House, then we could take all bills page by page until we come to 132, an Act to amend the Highway Traffic Act, and then we'd go back to clause by clause.

MR. CAMPBELL: the chairman of the committee give us the numbers of the ones that were not considered in Law Amendments Committee, please?

MR. ROBLIN: If I may assist you Mr. Chairman, I can give the numbers here. The ones shown on this Order Paper from 132 to the end of the sheet; all of those were not considered clause by clause previously. So those are ones we will consider clause by clause now -- plus the tax.

Bill No. 122 was read to 2 (d).

MR. MOLGAT: Mr. Chairman, under (a), Collector. Is there going to be any payment to the collectors? Are they going to have a commission, or what's the set-up?

MR. ROBLIN: It is quite likely that a commission will be paid to the collectors in respect of their function under the Act. Nothing has been finalized as yet, but provision is made for it. It is usual in the other provinces.

Bill No. 122, sections 2(d) to 4 (1) were read and passed.

MR. MOLGAT: Mr. Chairman, it will be necessary then for everyone who sells tobacco or cigarettes in the province to obtain a license from the government?

MR. ROBLIN: Right.

MR. MOLGAT: Every retailer, every pool room operator, everyone who handles any of it?

MR. ROBLIN: Yes. Retail and wholesale dealers both.

MR. PAULLEY: Mr. Chairman, might I ask the Honourable the First Minister how is it going to be done insofar as vending machines are concerned?

MR. ROBLIN: How vending machines?

MR. PAULLEY: Vending machines.

MR. ROBLIN: They are similarly taken care of.--(Interjection)-- They're like . . .

MR. GUTTORMSON: Mr. Chairman, could the First Minister explain what will happen in cases where, for instance at a sports day where they have a concession just on the day, the one day. What will happen in cases such as this?

MR. ROBLIN: All retailers must be licensed. All venders. Anyone who sells tobacco has to be licensed.

MR. GUTTORMSON: . . . sports group is holding a sports day they must apply to the government in advance for a license to sell tobacco on that day?

MR. ROBLIN: That's right.

MR. MOLGAT: Could the Minister tell us now what the fee is going to be for this license?

MR. ROBLIN: I don't expect there'll be one. We don't plan on one at the moment.

MR. MOLGAT: . . . retailer licenses at all, regardless . . .

MR. ROBLIN: No, that's not contemplated at the present.

Bill No. 122, sections 4 (1) to 7 (3) (b) were read and passed.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, on tobacco being brought in from United States, will there be a tax applied at the customs? I think presently a Canadian is allowed to bring back, what is it, two cartons of cigarettes -- two pounds --(Interjection) -- one carton of cigarettes, two pounds of tobacco and --(Interjection)-- one pound, and 50 cigars. Will there be provisions for the customs officer to collect the tax?

MR. ROBLIN: We'll deal with that question later in another part of the Bill.

Bill No. 122, sections 7 (3) (c) to 21 were read clause by clause and passed. (Section 17 leave out figure in parenthesis after 17).

MR. MOLGAT: Mr. Chairman, I believe the Minister was going to make a statement was he not on . . .

MR. ROBLIN: I have it here. The provisions of the Act provide that we do have to deal with this matter. If members will look at section 2 (h) of the Bill, where the definition of purchaser comes in, they will see what the provision is: "Purchaser means any person purchasing or receiving delivery of tobacco within the province, or in the case of persons residing or ordinary resident or carrying on business in the province bringing into the province tobacco acquired outside the province for its own use, etcetera. . . ." Well now, that means that the residents of Manitoba will not officially be allowed to bring tobacco purchased say from Saskatchewan or Ontario into Manitoba for their own use. Casual people travelling through the province are not affected. That is the strict letter of the law, but in practice one realizes that this will not apply to people who make casual purchases as they go back and forth. The question of enforcement on this section is one which I'm not prepared to make any positive statement about at this moment because experience in other places is that it's not a particularly important matter in view of the fact that tobacco prices are higher outside Manitoba right now than they are inside Manitoba, so there's really no incentive to smuggle; so that our disposition would be to say that it's right to have a clause in the Act that takes care of this situation, but in practical terms it's unlikely that there'll be a serious enforcement problem.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Chairman, what about tobacco coming in from the States? I think that's cheaper. I don't know, it seems that if we're passing this Bill later on one or the other sections provides for an inspector that can come right inside your home and see if you've paid the tax. I think that's an important thing. Before we pass this Bill I think we should know where we stand on that and not make the Bill and say, "Well, we won't follow the law in this instance. It's not clear enough."

MR. ROBLIN: . . . people coming in across the southern border with cigarettes will be declared at customs.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, I don't know if it's very important but I don't seem to get the distinction as between collector and deputy collector, as to how it will work out in practice. --(Interjection).

MR. MOLGAT: I want to come back to the last statement of the First Minister. Did I understand him correctly to say that they will enforce the tax on people coming in from United States at customs. Does that mean . . .

MR. ROBLIN: That's our present intention.

MR. MOLGAT: Customs' inspectors will levy the tax on behalf of the Province of Manitoba?

MR. ROBLIN: I'm not sure who will do it, but it is our present intention to arrange for that. In regard to the matter raised by the Honourable Member for Brokenhead, the collector is the wholesaler as a rule, the deputy collector is the retailer.

MR. MOLGAT: Mr. Chairman, insofar as the sales between -- I guess the one that will likely affect us most is Ontario and Manitoba, because Kenora being a very popular place for a lot of Manitobans in the summertime there will be a tendency to purchase there and bring in to Manitoba, if there is a differential in price. Now the Minister says there is no saving, at the moment it's higher. Nevertheless it will be against the law for Manitobans to purchase in Ontario and bring cigarettes or tobacco into Manitoba?

MR. ROBLIN: In the same way as you can't go and purchase your "booze" in Kenora and bring it in.

MR. CHAIRMAN: Bill be reported. Pass.

Bill No. 24 was read page by page and passed. Bill No. 34, page 1 was read and passed.

MR. FROESE: Mr. Chairman, I move an amendment to section 2 in that the words in section (a) in the first, second and third line as far as, and including the words "next following" be deleted; that the last word in section (a) be deleted, the word "and"; and that section (b) be deleted.

Mr. Chairman presented the motion.

MR. MOLGAT: What's the effect of the motion, can the member give that again?

MR. FROESE: The effect would be that the official time would then be daylight saving time or central standard time.

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

Remainder of Bill 34 read and passed.

MR. CHAIRMAN: Bill No. 58, page 1 as amended.

MR. CHERNIACK: Bill No. 58. In consultation with the chairman of the committee and the Legislative Counsel, or rather as a result of it, I move, seconded -- do I need a seconder? -- I move that the seventh line of section 2 (b) (i) be amended by adding after the words, "discounts charged," the words "commission, brokerage, legal fees,".

MR. CHAIRMAN: Any further comment? Those in favour -- (Interjection)--

MR. CHERNIACK: "commission, brokerage, legal fees,".

MR. MOLGAT: Mr. Chairman, I think that the Member from St. John's brought this up yesterday in the Law Amendments Committee and as I recall it, when he did he was asking either Legislative Counsel or the Attorney-General to check into this and he was going to discuss with them.

MR. CHERNIACK: I stated that I had done so and that they agreed.

Bills No. 58, 70, were read page by page and passed. Pages 1 to 8 of Bill 81 were read.

MR. T.P. HILLHOUSE (Selkirk): Mr. Chairman, before you pass nine, I wish to move, seconded by the Honourable Member for Carillon, that subsection 2 of section 19 be deleted.

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

Bill No. 81 pages 9 to 15 were read and passed.

MR. MOLGAT: Mr. Chairman, wasn't there some change in 16? It seemed to me that the Member for Rupertsland had made some suggestions here regarding Crown Lands and that there was to be some new wording.

MR. WITNEY: Mr. Chairman, we are providing for a new section 35 under section 88 of the regulations and this has been approved by the Member for Rupertsland; he has agreed to this.

Bill No. 81 pages 16 and 17 were read and passed.

MR. WITNEY: Mr. Chairman, on 18 I would like to move that the words after "act" in the fourth line of subsection one of section 48 be struck out and the following words substituted: "he shall not sell, barter or otherwise dispose of the pelt thereof except for his own use or that of his family". And I further move that all of the words after "who" in the fourth line of subsection 2 of section 48 be struck out and the following words substituted therefor, "sells, barters or otherwise disposes of the pelt thereof contrary to subsection one is guilty of an offense."

Mr. Chairman presented the motion.

MR. MOLGAT: Mr. Chairman, I want to thank the Minister for bringing that in. I think it's a definite improvement over the previous section that he had in there which made it, I believe, very difficult for many Indians particularly in the remote areas. I think that this is a good amendment and I thank him for it.

MR. CHAIRMAN: As amended, agreed?

Bill No.81, pages 18 to 26 were read and passed.

MR. MOLGAT: Mr. Chairman, under section 81, there was some discussion in committee regarding the difficult position that this places the Minister in. I think, if I recall correctly, that he was going to consider some other possibilities here -- suggestions made of the Lieutenant-Governor-in-Council. Has the Minister considered this and is he prepared to make any changes?

MR. WITNEY: I understand Mr. Chairman, that this is a -- I think really I should defer to the Attorney-General on this matter because I believe that they wished it to remain as it is. So in other words, Mr. Chairman, I do not propose any change.

MR. CHAIRMAN: Page 27 passed.

MR. WITNEY: Mr. Chairman, there is an amendment in 84 which was passed in committee so that will be 84 as amended.

MR. CHAIRMAN: That is page 84, (b) ?

MR. WITNEY: I haven't the amendment here, Mr. Chairman.

MR. CHAIRMAN: "If it is shown to the satisfaction of the Judge or Magistrate that the animal referred to or any part thereof or the article was found in his possession under his control, he shall be presumed to have committed the offense with which he is charged." Then deleting, "Until he proves the contrary." Agreed?

Bill No.81, pages 28 to 31 read and passed.

MR. WITNEY: Mr. Chairman, in page 32 I'd like to add a new subsection to section 88. Subsection 35, "providing for the posting of Crown Lands under lease by the tenant thereof and regulating the hunting of wild animals on such Crown Lands."

MR. CHAIRMAN: Agreed.

MR. GUTTORMSON: Does this mean that a man who's got a hay permit on Crown Land that he can post it and prevent hunters from going after ducks or deer, or whatever game they might be chasing?

MR. WITNEY: No, we will not deal with permits, only leases. No, not permits, only leases.

MR. MOLGAT: By leases, what exactly does the Minister mean. What categories of permits and leases has he got now? Which ones will be covered by this?

MR. WITNEY: We are considering the two, the rancher type lease which is a ten-year lease and the farmer operator type of lease which is a five-year lease renewable. Both of those leases are renewable.

MR. MOLGAT: . . . cover neither hay nor grazing permits? Mr. Chairman, on No.34, where the Minister has under regulations the right respecting the length of time to which a person may have possession of a carcass, is he planning any changes there, because with the increasing use of frozen storage and so on, I think that there are a lot of people in the province who really are at many times of the year completely guilty under the Act because they are only allowed to keep wild game for so long. Is he considering changes in the regulations?

MR. WITNEY: I couldn't say whether we are considering changes in the regulations at the present time but as a result of the Honourable the Leader of the Opposition's comments we will.

Balance of Bill 81 read and passed.

MR. CHAIRMAN: Bill 102.

MR. RICHARD SEABORN (Wellington): Mr. Chairman, I beg to advise this House that a motion will be made to delete sections 24 and 25 of this Act on third reading.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Mr. Chairman, I beg to advise that I propose on third reading to move for the deletion of number 16. It would seem to me that instead of having duplicate debate it would be better to have it all on one occasion.

MR. MOLGAT: . . . believe that on third reading that you can make any changes, you can only debate the Bill as such. If there are to be any amendments moved I think they have to be moved here in committee where we are discussing clause by clause.

MR. EVANS: I am advised that we are then quite unable to do this. I think the matter concerns the fact that our present chairman of the committee is vitally interested in one or two sections, and I think we can accomplish it the other way.

MR. MOLGAT: Mr. Chairman, I wonder if this isn't one that we should take clause by clause, because there are a number of sections there where . . .

Bill No. 102, sections 1 to 15 were read and passed.

MR. EVANS: I propose to move that Section 16 of the Bill be deleted. I don't want to repeat at great length the discussion which took place in the committee but I do feel that I should register my objection to this section for a number of reasons.

In the first place it has seemed clear to me that the City has in its own hands now the remedy for any difficulty that it's in. This matter has been discussed in this House before and on that occasion there were very strong objections raised by the Community Club organizations in Winnipeg to the abandonment of the Parks Board. At that time they produced, for me at least, convincing evidence that they had some protection or at least felt they had some protection for their position, and they would find themselves in a better situation if they had a Parks Board than if they were dealing direct with the City Council. I can't recall and haven't had an opportunity since that time to look up whatever notes I made on that occasion, but I became convinced and I think the Law Amendments Committee at that time and the House became convinced that there was some real protection that the Community Club organization either had or felt they had in the Parks Boards and they asked very strongly on that occasion with a well prepared delegation for the continuation of the Parks Board.

Now on this occasion they have not had the opportunity to be so well prepared but nevertheless I think it was Dr. Strawbridge -- if I have the name correctly -- did appear and said he was representing the Community Clubs -- 18 of them if I recall -- and in their name officially requested that the Parks Boards be not eliminated. So I think we must take this very seriously. As far as I can gather, the City of Winnipeg is asking us to solve some domestic matter of their own. I think this is wrong. I don't understand all the ins and outs of it and I submit that no clear explanation of it has been given, but they have some domestic, and I think perhaps merely administrative difficulties and they're asking us to solve it. This I think is wrong. The Legislature in its wisdom last time gave them a remedy; they said "upon the passing of a referendum certainly you will have the power to discontinue the Parks Board." Now we hear from the City representatives themselves that they have the remedy in their own hands. They can transfer the functions to some of their City committees and they certainly have within their own power to reduce staff if that's their concern and I think the situation is by no means clear enough for us to be saddled with the responsibility of settling this one internal domestic matter as far as the City is concerned.

The solution should be for those concerned to come together and make an agreement, to find out where they have common ground and what would be a satisfactory solution from both points of view and I don't see why the people generally referred to as "citizen representatives" or the Community Clubs on that side, and the city aldermen and the City Council and the officials on the other side, cannot come together and arrive at a solution. There's no evidence that they have tried and I think this is the most significant fact. No one has said that they have tried to get together to solve their differences. In fact we were told explicitly that they have not talked to each other for a matter of three years. Well I think it's thoroughly irresponsible that those charged with responsibility in this matter haven't even got together or heard from each other in a matter of three years and yet they bring a matter of this kind in such unsatisfactory state to the Legislature and ask us to solve it for them.

Now I would like to refer just for a moment and perhaps inadequately, to the work being done by the Community Clubs. There are several hundred and as referred to yesterday, perhaps some thousands of people -- and there are thousands of people who do a very great deal of work and bring very great benefit indeed to this City through the Community Club work. They provide the premises -- not necessarily the capital expenditures, I realize that is not the case -- but they do provide people to look after the activities. They have developed some very

(Mr. Evans, cont'd)... extensive sports programs. I think in the Crescentwood Community Club there is an outstanding example of their outdoor ice skating and racing activities. I've been to that Club on a number of occasions when these activities have been under way. I know quite intimately some of the people who have turned out there one and in some cases two nights a week to help to carry on these activities. And not only do they give their own time but they provide a very large amount of money for themselves. They have undertaken the responsibility of canvassing door to door to raise subscriptions to carry on this work on a community basis and I think from the point of view of their work for the community, the fact that they're willing to put their own time into it, the fact that they are willing to put up as far as time and money are concerned, entitle them to very close consideration, and when they say emphatically and without qualification that they believe they have some protection in the Parks Board I think we should not take that protection away from them. I think they're entitled to that kind of consideration. I think they're entitled to a chance to sit down with the City of Winnipeg and resolve their differences. I think that should not be done by us on this occasion when this bill is brought in in the dying minutes of a session when it cannot receive proper consideration; when it is not reasonable to expect that the Community Club people could come here and state their case properly, because we didn't know this provision was coming in until a week ago and it was impossible for the Community Clubs to learn of it, to become properly organized to come down here and present their points of view. And so for that reason, Mr. Chairman, I move, that this Section 16 of this Bill be deleted.

MR. DESJARDINS: Mr. Chairman, I will go along with the Honourable Minister with this amendment for a number of reasons. Yesterday in committee when I asked His Worship the Mayor if he remembered when he asked that the Police Commission should be deleted -- should be done away with -- after I'd asked him if he was satisfied with the way it was going now and he answered in the affirmative; he told me that this, at the time that they weren't too satisfied because there was a judge in the Police Commission. Well that was only part of the answer. Every member of committee at the time -- I don't remember if it's two or three years ago -- had agreed that this should be done but the Mayor definitely wanted to see the Police Commission out. Now the members that represented the City yesterday came in and they were supposed to know so much about the -- ready to do this work and they didn't even know themselves how many aldermen were on the committee. Well that wasn't very good education. The Mayor didn't know, the Chairman of Finance didn't even know themselves. My Leader asked somebody else and I think it was indicated that it was six, not five. So this is another point; I can't see that they're too interested. In the past I've advocated in this House that we should have a Department of Youth and Recreation. I certainly can't see where we should do away with the Parks Board. I think that it would hurt us a lot, that we would lose some of the volunteers. They can say what they want, that they're playing ball, that they're very happy with the citizen members. I can't see how they can say from one side of their mouth that they're happy with the citizen members and they're trying to throw them out by naming an advisory committee, which actually, if you don't want to take their advice, means nothing. I think that it is important that we keep the volunteers. This is one of the fields -- we have other fields that we couldn't do -- we'd be lost without volunteers and this is a chance -- now I can't see, especially when they have the majority of aldermen, I can't see why they can't get along with those people -- those people can't have a voice -- and I'll go along with the motion of the Honourable Minister.

MR. FRED GROVES (St. Vital): Mr. Chairman, I think what the Minister suggested when he spoke was that we should ask the City of Winnipeg to emasculate the Parks Board and I think that if they were to do this it would be wrong. I think if the City Council were to deliberately set out to remove from the Parks Board the programs which they can move, that there would be a public outcry in Winnipeg that would not be necessary and . . .

MR. EVANS: If you will allow me to make a comment on that. I did not suggest that. I said that they had the power to do it if they wished.

MR. GROVES: Oh, all right. And again, I think that if the City of Winnipeg came before this Legislature after having done this that the citizen members of the Parks Board would have far more to complain about than they have now because they would have been rendered ineffective. I think that the Minister's complaint insofar as the citizen members are concerned is adequately taken care of by the amendment that was proposed by my colleague the Member from

(Mr. Groves, cont'd)...Winnipeg Centre, yesterday whereby there was an advisory board of five citizen members that would be appointed by the City Council to act with them in their recreation program.

Now I have been for many years active in the Community Club movement in my area and we get absolutely no aid from the City authorities in St. Vital and we're envious of the aid that the Community Clubs in the City of Winnipeg get from the City. I don't think that the City Council needs to take a back seat to any City Council in this country for their record on, particularly their financial support of recreation activities in Manitoba. The City, as I said yesterday in committee, can take away practically all of the functions of the present Parks Board and leave them with just a very few parks to administer and all of the equipment which they would not need in that connection. The City obviously is having administrative troubles in this department, mainly stemming from the fact that 80 percent of their function has been taken away by Metro. This is costing the taxpayers in my opinion and as stated by the City representatives yesterday, a lot of unnecessary money, and I think that we should give the City Council the opportunity to clean up this mess. The citizen members that we're worried so much about will be there; they are provided for by Mr. Cowan's amendment and I think that it would be wrong for us to not grant them this request. I would like to read again, just to get it on the record, what the Municipal Enquiry Commission, headed by Dr. Murray Fisher, had to say about this matter; and in their recommendation No. 27 they say, "Many of the existing municipal boards, such as Parks Board, Community Centre Boards, Public Recreation Commission and joint municipal boards, should be abolished." And their comment in connection with this recommendation: "The administration of these services can be done by a committee of council with a minority of co-opted citizen members if this is considered desirable. The advantages are (a) Responsibility is fixed on the council; (b) Confusion among citizens is avoided; and (c) with larger municipal units the council can confine its efforts to determining policy and leaving the details of administration to competent and trained staff." And finally, "Some of the joint municipal boards can be eliminated because their duties will be taken over by the regional or inter-municipal council." Now they're referring here of course to another recommendation which they made whereby regional inter-municipal councils would be set up particularly in the rural areas, and I maintain that this could apply in this case because of the fact that Metro has taken over about 80 percent of the Parks Board functions. So I would support the clause that's in the Bill with the amendment providing for citizen members that was moved yesterday in committee by the member from Winnipeg Centre and vote against the motion of the Minister.

MR. PAULLEY: Mr. Chairman, on a point of order, I believe that the motion of the Honourable Minister of Industry and Commerce is that clause 16 in the Bill be deleted. Now it's my understanding that there was an amendment proposed and agreed upon by majority in the committee yesterday. We haven't that amendment before us. I think, Mr. Chairman, the amendment should be read out and then the motion would be "clause 16 as amended be deleted" and then we'll have the proposition squarely before us. So I would appreciate before we proceed, knowing what the amendment was.

MR. CHAIRMAN: Subsection 6 would be added saying "the city in each year shall appoint a recreation advisory committee of not less than five persons, none of whom shall be members of council." The Member from -- (Interjection) -- this is found ...

MR. PAULLEY:present bill deleted?

MR. CHAIRMAN: No. Clause 5 will remain as is if we got to this. The Member from Winnipeg Centre.

MR. JAMES COWAN (Winnipeg Centre): Mr. Chairman, I would like to point out that we can't blame the city because this has come to this session in the dying moments of the session. This Bill was forwarded to the Legislature on March 19th, and it has been because of the slowness in the printing, and priority is given to government bills, but it was also mentioned in the newspaper from time to time, and this proposal was mentioned in the newspapers, so that it isn't the fault of the city if it comes to the session near the end of the session. I would like to point out that the city aren't asking this Legislature to solve their problems. The city are asking permission from the Legislature so that they can solve their own problems. They've got problems here and they want to be able to solve them. As we said before, their Superintendent of Parks Board died, Metro took over their Assistant Superintendent and the next man in charge

(Mr. Cowan, cont'd)... also was taken over by Metro. They have now in charge of Parks the man who was their accountant, and they have, as the Mayor pointed out, friction in the department between the recreation and between the other portion in the Parks Board. The City of Winnipeg want to re-organize it because 80 percent of the Parks work was taken away when this Legislature without a referendum put it in the hands of Metro. It took away the large part, the zoo, and the golf courses, and they have left about 20 percent of their parks work plus various items that were given from time to time by city council -- Brookside Cemetery, the boulevards and other matters including recreation. They can take away recreation at any time they want and take away any say that citizen members might have with regard to recreation. They can take that away any time they want; but they don't want to take it away in the piecemeal sort of a way; they want to re-organize the whole department; they want to divide the work up among other city departments to some extent and they want to save the taxpayers money. If we want to help the City of Winnipeg Council to save their taxpayers some money, to help take off some burden of real property owners, and home owners, we can do that by giving the city council this opportunity to re-organize their work more efficiently. They're not going to interfere with the operation of the community clubs; they help the community clubs quite a lot. As the Member for St. Vital has pointed out in their city there's no help from city council. City council of Winnipeg gives a lot of help to community clubs and it will continue to do so. It wants to help citizen persons, and it has provided by this amendment that there shall be an advisory committee of citizens with respect to recreation and this advisory committee will have far more power and far more say than they have had in the past because they will have a direct connection to city council. They will have a direct voice to city council instead of through the Parks Board and then perhaps to City council, very very indirectly. They will have more say than in the past. This recreation committee I'm sure will be of quite a lot of help to the city as a similar committee was with regard to the zoo. A few years ago a zoological committee of citizen members was set up and that zoological committee took a great interest in the Winnipeg zoo and it has been the foundation for getting the great changes that have been made to the zoo in recent years. So that we have had this sort of a citizens' committee in the past and it has been effective then and will be effective again.

Now this is something that has the unanimous approval of city council a responsible elected group and it is something that we should approve of and let them re-organize their work so that they can carry on more efficiently.

MR. MAITLAND STEINKOPF (River Heights): Mr. Chairman, this seems to be still a very sensitive topic in that it involves many hundreds, thousands, of people in the City of Winnipeg, and particularly the children. When the community clubs come to us and say, please do not have anything to do with this section we'd like to leave it the way it is, I'm inclined to ask myself, why is it before us? It seems to me that it's a personal matter, it isn't good business. We're told that the only reason for this action is an economic one yet no one has advanced even a fragment of suggestion or idea of what is involved financially; and doing a little figuring on one zone it would appear that there isn't as much involved in the financial savings for the City of Winnipeg as there would be in the time that we're discussing it here. The city maintain that the only reason and the only benefit for having it come before us is to clean up this internal mess between a couple of the employees which apparently they're not big enough to face themselves. I think if we had the two people involved here in the alley we could either beat them up or put a little sense into their heads and get this thing cleaned up in a hurry without this hot potato business being thrown around and finally in our laps to make a decision. It really is none of our business and I would again suggest that this personal vendetta or whatever it is that's going on behind the scenes be cleaned up, that the recreation department which now must be a very large part of the Parks Board -- and I agree with the Honourable Member for St. Boniface -- which is becoming a very important part of the day to day life of the citizens of Winnipeg, the recreation aspect of it, that this be set up in a separate body immediately, and then if it was found necessary to come back to us next year and say disband the Parks Board because they've only got a few little parks and a few lawn mowers, I don't think we'd bat an eye, it would pass just as fast as can be done. I would very much go along with the motion as put forward by the Minister of Industry and Commerce.

MR. CHERNIACK: Mr. Chairman, the Honourable Members from St. Vital and Winnipeg

(Mr. Cherniack, cont'd)... Centre have stated a number of facts as to the position that the city is in and could be in if it decided to exercise its powers, and they have spelled out clearly to me the fact that the city could decimate the present organization of the Parks Board by taking recreation out. No one has challenged this statement. The Honourable Member from River Heights just suggested that the city do it, and the city has stated -- I think he suggested that the city do it and come back next year and show that there is so little left in the Parks Board that it should be wound up -- the City has informed us that this is poor administrative planning. To rip apart a department for the sake of proving that it is not a necessary structure is I think harmful and not a positive contribution to the problem.

The Honourable Member from River Heights also referred to the fact that this was not a serious economic problem. I'm inclined to agree with him. I think it's an administrative problem. I don't see that there's much involved in terms of savings. As a matter of fact my hope is that if this section passes, and if the motion is defeated, that the community clubs will have a much closer liaison and a direct approach and attack on the city council and will succeed in increasing the contribution by the city to recreation and thus to that extent increase the cost to the city. This doesn't bother me. I think this would be good.

There was reference made to a personal vendetta, and if there is any problem and if it is an internal one should we not permit the city to solve its problem in the way that the city feels it can best do it. Now this government is the creator of the municipal government. It is sometimes I think inclined to be somewhat paternalistic and feel somewhat superior. It is a different level of government. It has been called a higher level of government. I'm not sure if that term is acceptable in all respects. The people who have elected many of the members present in this House today also elected a city council, and that city council as far as I'm concerned is as responsible to its electors as are the members of this House. I would suggest that the only way you give a feeling of responsibility to elected people is to let them solve their problems, to permit them to deal with the problems, and my feeling is that you get better and better representation the more responsibility you leave with the people who have the burden of carrying out the work assigned to them. I think responsible government means a recognition that the people who are charged with the problem, and this government -- I don't mean this government -- this province has charged the City of Winnipeg with the problem of recreation and when they are prepared to tackle it and deal with it then I think it is wrong to make it difficult for them to deal with it. When they come as elected representatives of the people and say, we feel the best way to deal with this is this way, then I say they ought to be given that responsibility so that they can't slough it off. They can do it by saying, well our hands are tied, the legislature wouldn't let us deal with the problem and therefore we can't really tackle it.

My main concern has been, and is, that I think that the community clubs have not been getting enough support from the city council and I am convinced that they will have a closer liaison with the city council this way. I don't think they understand it very well. You must recall that when Mr. Hart Green came before the committee he spoke in his personal capacity as a citizen. He did not speak as a representative of anybody. Dr. Strawbridge came as president of a Community Club and stated that he felt that he was speaking on behalf of the 17 I think it was. I do not think that he stated that he was speaking as a result of instructions from the 17. I think that he stated that he was voicing what he thought was their opinion. I believe that neither he nor Mr. Green, nor the members here who have spoken for the Community Clubs, really understand the fact that the Community Clubs will not be protected if the City of Winnipeg decides to take them out of the Parks Board, which it can do. If they realize that I think they would see that the amendment to the section puts an onus on the City Council to have an advisory committee which it is not now required to have.

I suggest that responsible representation on our part is to permit those people who are elected in the same way as we are to handle the responsibility which we have given to them.

MR. CHAIRMAN: The Honourable Minister of Education.

HON. STEWART E. McLEAN, Q.C. (Minister of Education) (Dauphin): Mr. Chairman, I would like to support the motion which my colleague the Honourable Minister of Industry and Commerce has made. I can't add anything to the points he has made and the Honourable Member for St. Boniface and the Member for River Heights. However, the Honourable Member

(Mr. McLean, cont'd)... for St. John's has suggested that the Honourable Members for St. Vital and Winnipeg Centre have made the argument about decimating the work of the Parks Board and that no one has challenged that statement. Well for what it may be worth, Mr. Chairman, I am prepared to challenge the statement. I heard this argument yesterday and I really didn't take it seriously because it's so obviously without merit that it doesn't need much thought.

Mr. Chairman, it would have been quite possible for the Winnipeg City Council to have passed a by-law saying that as of the 1st of June, 1963, the functions of the Parks Board with regard to recreation were taken away from the Parks Board; to have made specific plans with respect to the other functions that are now part of the responsibility for the Parks Board and to have come to this Legislature and presented us with those facts and that plan. The dates and everything -- there could have been virtually no overlapping -- if there could have been any overlapping, which I doubt. No one has suggested that there need be any lengthy period of hiatus when somebody is going to be paid for doing nothing. I believe Mr. Chairman, that that argument has no weight. And indeed, Mr. Chairman, the point was given away -- if I might use that expression -- by the Honourable Member for St. Vital when he said in referring to the suggestion that we have made, that if the City Council wishes to take recreation out of the Parks Board all they have to do is pass a by-law. And what did the Member for St. Vital say? He said there would be an outcry if the by-law was passed. And that's the very point, Mr. Chairman, that the City Council realize this. We've been having this argument and these points presented for three years to us and they haven't enough intestinal fortitude to do themselves what they're now asking this Legislature to do against the express will of a large number of citizens of the City of Winnipeg who, rightly or wrongly, are honestly convinced that their best welfare in serving the recreational needs of the boys and girls of Winnipeg lies in continuing the administration under the Parks Board. The Honourable Member for St. John's asks for responsible representation. Well, that's what we would like to see from the City of Winnipeg in this matter of their own administration.

MR. HILLHOUSE: Mr. Chairman, I hope the members will not feel that I am presumptuous in taking part in this debate but I feel that as far as the Minister of Industry and Commerce is concerned, I think he has a very strong point in the fact that there is a method by which this Parks Board can be got rid of, namely by referendum. Now the thought has occurred to me that most members of this committee feel it is most essential and in the best interests of the Community Clubs in Winnipeg that there be a recreational commission. Now I thought this by way of compromise: If the Honourable Minister would amend his motion so that this subsection 6 which we enacted would be retained, then you would have your Parks Board and there would be statutory and mandatory authority on the part of the City of Winnipeg to appoint a recreational commission.

HON. GEORGE JOHNSON (Minister of Health) (Gimli):is the idea because everyone's overlooked the basic thing here. If you abolish the Parks Board all the assets, uniforms...

MR. HILLHOUSE: But I'm giving statutory authority for a recreational commission to be appointed.

MR. JOHNSON: Right. And I think this is a good suggestion because as it is the City would have us abolish the Parks Board and this is what the Community Clubs are worried about. The Parks Board assets of all the Community Clubs are vested with the Parks Board and no one from the City at any time in the last four years has come to this Legislature and given us or the Community Clubs any assurance that a recreational committee would be continued and that these assets would in effect be vested in a body such as they are now vested in -- that is, the Parks Board. I think the suggestion of the Honourable Member from Selkirk is very good.

MR. COWAN: Mr. Chairman, the title to all this property is vested in the City of Winnipeg. The land is all vested in the City of Winnipeg; not the Parks Board. The City aren't asking this Legislature to change the Parks Board. They're simply asking for permission to pass a by-law so that they can make the change. That's the way the section reads, so that the City can make the change. They're not asking for the Legislature to do that. If the citizens of Winnipeg don't like the City aldermen they can throw them out; they can vote them out. But here we are providing for a committee, a recreation committee that will be able to advise City

(Mr. Cowan, cont'd)... Council and will be able to look after the problem. Surely we should let the City of Winnipeg clean up their mess. We're saying more or less to them, "You've got to continue this mess. You had a setup to look after all these parks. They were taken partly away and we're not going to let you clean up the mess." We should surely let the City of Winnipeg clean up the mess.

MR. DESJARDINS: Mr. Chairman, I just want to add a word. I've heard this too many times now -- "If they don't like these people, throw them out" and that reminds me of listening to a debate between the Mayor of the City and the Chairman of Metro. I think that this is a vital point here. I do think that there is room for elected members and I think at times it's good to have a balance with people that are not worried about elections. Sometimes it's not always those that are thinking the most that are the most popular. I think that at times it's good where you know -- it's a difficult thing to do -- you have no pressure on you of election. I'm not against elected representatives of the public but I think it's wrong the way the Mayor did in this TV interview, just pretend that if people were not elected they're probably more sincere than elected representatives because they're not always counting votes the way most of us -- probably all of us are doing here, at times anyway. I don't like this idea of if they don't like them throw them out. The people cannot see everything; they're not working every day with those things. That is the idea of different committees that are set up by different governments, or commissions. The same as we have the Police Commission. It's felt that was good. That's why it was suggested that this should be done. At least the people should have a chance to a referendum. This is all I wanted to ask but I think that this is an important point.

MR. CHAIRMAN: Are you ready for the question? The motion is that Bill No. 102 be amended by deleting Section 16.

After a voice vote the Chairman declared the motion carried.

MR. PAULLEY: Mr. Chairman, the question before the House was Section 16, as amended -- not Section 16.

MR. CHAIRMAN: Oh, correct. Have the record read Section 16, as amended. Do you want to put the question again.

MR. CLERK: Yes.

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

A standing vote was taken with the following result - Yeas 28; Nays 18. The motion was declared carried.

MR. CHAIRMAN: I think it will save confusion if we leave the Legislative Counsel to re-number the following sections and I call the sections as they are presently numbered in the Bill. Is that agreeable?

Sections 17 to Section 24 of Bill No. 102 were read and passed.

MR. W. G. MARTIN (St. Matthews) Mr. Chairman, I would like to present an amendment at the present time on the question before us in Sections 24 and 25 that have to do with the Sunday activities. We realized last night and yesterday afternoon in committee this is a highly controversial subject, that there's a wide diversity of opinion on the whole thing and one thing I just felt I should like to say because something has been said, well, he was a former minister. Well from some of the arguments in the committee one would think that I was trying to capitalize on that fact. It isn't that at all. The Honourable Member for St. Boniface said, "We don't have to go to church all day. We don't have to spend the day in bed or on our knees." Nobody has said you should. What are we going to do with our idle time? Do anything you like with your idle time. Everybody can have a good time. Go to church -- that's the fine thing. If you want then afterwards to go out and have your picnic or go on a motor trip or whatever you're going to do -- well, that's your own business. The whole thing that is before us -- the whole question is not religious emotionalism -- Heaven help save us from that -- but it is, are we going to yield this one day of the week, which we call in our statutes, as we said before, the Lord's Day -- are we going to yield this day to the forces of commercialism? Three years ago we passed our amendment to The Lord's Day Act and there was arguments on both sides of the House, and I remember the arguments of our Honourable Member from St. Boniface and others that we must give the boys and girls a chance. What were they going to do? We're talking now about parks board and recreation centers and so forth. Everything that we can do for them should be done, and that Act took care of amateur sports. We were very careful to point out that

(Mr. Martin cont'd) this was a question of amateur sport.

Now this wide diversity of opinion, Mr. Chairman, is such, and we realize that we're dealing with issues that are of vital importance to every citizen of the province. The responsibility and concern of the provincial government is for the whole province and not for one segment of it. The referendum which we had, the issue before us today, is because of the results of a referendum carried out by the City of Winnipeg. It was the decision of one municipality. I think the whole thing was unfair because a thing of this importance, as we're trying to point out, should be dealt with in only one way, and that's an amendment to The Lord's Day Act. That's the only fair and that's the only equitable way of dealing with it, not because city council places a referendum before the people and then they come along and say that the people have asked for it so they must have it. As the Honourable the Minister of Education suggested to the committee, for Heaven's sake, during the course of the years the city councils may ask for everything, and quite unacceptable to the government, but because they ask for it that doesn't mean that our hands are tied and therefore we have to deal with it. I say that their approach is wrong, and I repeat that in view of it at all it should, after thorough consideration, be dealt with in the form of an amendment to The Lord's Day Act. Therefore, Mr. Chairman, I beg to move that Sections 24 and 25 as amended be deleted.

MR. DESJARDINS: Yesterday the Honourable Minister of Education and today the Honourable Member for St. Matthews stated that I, at the time, was fighting for amateur sports and that I've changed my tune. I said last night that it wasn't right, and I'm saying again it isn't right, and I'm going to prove it.

Now on March 21st, 1960, this is what I said: "I agree with the Reverend Member from St. Matthews. I feel that it is hypocrisy to talk about non-profit organizations and I am sure that no one would object if the word "non-profit" was deleted from the Bill. I certainly do not agree with him, however, when he attacks sports and the people connected with it." I was referring then -- I think that he took about three-quarters of his speech to attack somebody that was manager of a team or something. Then -- (interjection) -- I will.

Now I said on the following page: "The important part of this bill is if someone is needed to provide for and assist others to rest, to relax, then I say, let them. I say that this should be permissible. If they are professionals, if they earn a livelihood or earn a few extra dollars, this is secondary." Then "I debated with the thought of offering -- this is where the members are a little mixed up. "I debated with the thought of offering a compromise, that is to say, restrict the privileges extended in this bill to amateur organizations. This bill would have a better chance of going through, but, Sir I don't feel that it would answer the needs of society. I am against restricting these privileges to non profit organizations" -- that's clear enough -- "but on the other hand, I think we should extend a helping hand to the minor amateur sport. I would be in favour of adding" -- adding -- "another clause which would read something like this: Games or contest will be permitted on Sunday from 5:30 to 10:30," -- because this was going to stop at 5:30 -- "when the participants are less than 19 years of age and receive no compensation in any way, directly or indirectly, for participating in such games or contests." --(Interjection) -- No there's about three-quarters that are yours on nuclear arms.

Now, Mr. Chairman, on March 26th: "Mr. Speaker, it has been said by the Leader of the Opposition that we're not ready for this bill and the last speaker repeated the same remark. I think that we could look at it this way also that we are ready, but that we cannot compromise; that we cannot play around with this bill. We have to make up our minds." See everybody is saying, well why not Lord's Day Act? I shouldn't say everybody, but the last speaker today, this is unfair to bring in this. Well we were talking about The Lord's Day Act then. Well I'm not going to read all this, although I admit there's some pretty good stuff in those speeches and I won't speak very long.

But the honourable member that just spoke now makes a big thing of commercialism. We're not worried; I'm not worried for one about those people that have those teams. I'm talking about the people having a chance to have some recreation by watching good sport. The honourable member voted at the time against second reading because he didn't want to discuss this business of amateur. I think that I'm not the one that's changing my mind. He's saying today that if it is amateur that would be fine. He didn't speak like this in 1960, he was against all this -- period.

(Mr. Desjardins cont'd)

But the best one of all is today. "We're not against them doing anything in their free time. They don't have to stay in bed or on their knees like the Honourable Member from St. Boniface said, let them do anything they want." But they can't go and watch a pro baseball team; they can't go and watch a pro hockey team; they can't do any of that stuff. If they don't like that, if they like to get up at 6:00 and go and play golf, well that's fine; but there are a lot of people -- and I repeat again -- a lot of people that are very happy and they're resting and they're having the family together, to go and watch a game. Professional sports -- I said last night that sport is not wrong and professional sport is not wrong. It's no disgrace -- it's no disgrace to be paid by entertaining other people. That's what we're doing right here in this House, and some of them are not paid as well as we are. No, I don't think that this is a disgrace at all.

I think that we should remember this, and this is the thing that gripes me, is all this thing of having to defend sports as something that is wrong, when it is one of the greatest things going. We're having more and more leisure time now. We're having more and more leisure time: we have certain hours that we work, the labour relations, all this is improving. We have more time on our hands and we want to go and see sports and there's nothing wrong with that. The doctors don't quit on Sunday. The Ministers and the Priests, they don't quit on Sunday. That's their day, but they're getting paid for it or they wouldn't live. I'm certainly not stating that this is wrong, but I'm trying to give you an idea. Now the streetcar conductors, the restaurants, those places are open on Sunday. Does anybody want to close all these things? Go back to what the Honourable Member from Logan said last night, to bake and do everything on Saturday? I think that that's wrong. I think that that's wrong and I'm not going to -- like the Honourable Attorney-General said yesterday, pretty well everything was said on this in 1960 and now, but I wanted to get this clear that I'm not only in favour of amateur sports -- you can't have a principle and then change it, and I'm not quitting my principles about change it to 5:30 either. I'll bring in an amendment that we forget about this 5:30. You don't change; you don't have a principle of 5:30, and all of a sudden you feel guilty when you're finished your golf game. No, I'm not going to go for that at all.

MR. COWAN: Mr. Chairman, I would like to point out to the members of the committee that perhaps somewhere at the committee meeting this bill was amended to provide that the time for the performance of these activities would be between 1:30 and 5:30 in the afternoon. It is not from 12:00 noon on as in the original bill. Secondly, the clause relating to movies was eliminated so that all that there is left is Sunday sports and the bowling, and I would like to point out again that on the bowling the vote was 44,345 to 24,582, almost two to one. You can bowl today on Sunday if you belong to a club but you can't bowl legally if you don't belong to a club. Surely just because you belong to a club, shouldn't entitle you to bowl and because you don't belong to a club you can't bowl. All these clauses were approved by the City of Winnipeg electors in quite a large number -- the Sunday sports, 39 thousand and some to 29 thousand and some. We are living in a democracy and we should try and carry out the wishes of the people.

MR. EVANS: Mr. Chairman, I'll try to state my position in more or less telegram style in view of the fact that we are under pressure. I said I objected in principle. I will tell you my principle is that I don't think the Fourth Commandment says anything about recreation or amusement: I think it's a prohibition against work. In that I think, that is my matter of principle, and I think that the arrangements should be made to reduce to the minimum the effort to make money on the seventh day. I think the intention is to have one day in seven when people stop making money and try and have an opportunity to think about something else. This cannot apply universally, but I think it has been a great value in our society and I would like to see it continue.

I foresee a step by step process by which we will soon arrive at a state of business as usual on Sunday, including such things as we have already allowed for plus, in stages, such things as we are now contemplating, commercial entertainment, which is new. Up to now, we have considered amateur sports and that is a good thing to have. The next step is commercial entertainment; the next thing I foresee is night clubs and other restaurants and places where thoroughly respectable and good recreation can be had, and there's nothing wrong with that. The next in stage would be stores, and a full wide-open Sunday to which I object. But I am confronted with the situation where a referendum has been held and I think this matter should be considered. What I

(Mr. Evans cont'd) might feel I had to do, after a proper debate of the matter, would be this, to say that my personal views must not be allowed to impose upon people, who want it in large majority, something that they don't want.

I think as representatives here we are in a position where we are expected to persuade, as far as we can possibly go, and then if it is the democratic wish after all the discussion has taken place to have something done, then it might be necessary for me, confronted as I would be with public opinion in Winnipeg as a whole, I might be forced to reconsider my position, but I say it's wrong to do it the way it's being done. As I said in committee, this is an action to destroy The Lord's Day Act in Manitoba by an amendment to the Winnipeg Charter. It is the wrong thing to do and it's being done in the wrong way.

I accept my honourable friend's statement that this bill comes to us late, through no fault of the city, and that perhaps helped me with one difficulty that occurred to my mind, but I won't press on that. Well it is in fact at the last minute, and permits of no proper discussion. My honourable friend from St. Boniface said that perhaps we could delay it another day, but I think he knows provision is made in the legislative system for debate at various stages and delayed over weeks, days at least, in order that views may be expressed to the public through the medium of the press, and that time shall be allowed for public opinion to form and for us to learn of public opinion and to hear it here. I think he allowed an amendment of a charter of one municipality out of 19 to in fact take away from the other municipalities the right to decide for themselves, because this matter should be decided not only on a Greater Winnipeg basis, it should be decided on a Manitoba basis, and to face the other municipalities of Greater Winnipeg and the other municipalities of Manitoba with afacto situation in which their decision has been made is wrong; it is conducted through the wrong Act. I think if the honourable members will read the proposed amendment they will find a substantial number, perhaps six or eight occasions, in which it says that The Lord's Day Act is being contravened by the provision of this charter. It says "in spite of The Lord's Day Act" or words to that effect. And it says "in each of the activities that's being proposed, that though it's declared illegal by The Lord's Day Act, we propose that Winnipeg people should be allowed to do it." There surely is a contradiction there. I do not believe that one act should be amended through an amendment of a City Charter, and so I believe a decision on this should be postponed.

Then I would like to say a word about the individual items. I do not believe it would be right in this place to choose among the activities that the City of Winnipeg has indicated they would like to carry on, and if the principle is decided that commercial entertainment is to be allowed on Sunday in the City of Winnipeg through their charter amendment, I do not believe it is right for us to choose as between one form of commercial entertainment and another. When I say commercial entertainment, let me be quite sure that I explain myself. In the first place, I see commercial entertainment as being paid performers up on a stage; paid performers up on a playing field. In the case of bowling, it is slightly different. It is a form of participation sport and has that much more to commend it in my view, but I don't raise that point.

And so if the amendment should carry, which I hope it -- if this provision should be allowed and if the City of Winnipeg should be allowed to go forward and provide commercial entertainment on Sunday, I think it is not right for me to express a view contrary to what particular items should go forward. So in my view it is not a contradiction for me to vote against having commercial entertainment and then later on to pick and choose among the items. If the thing should happen to pass then I will have no further voice, as I will allow the choice of the City of Winnipeg to go forward as far as my vote is concerned. This will probably not come to a recorded vote. I just wish to inform the committee that the Honourable the Minister of Agriculture asked me to pair with him because his views differ from mine.

MR. TANCHAK: Mr. Chairman, I haven't taken any part in this so far. I have my own convictions, but what the Honourable the Minister of Industry and Commerce just mentioned, he doesn't like making money on Sunday. I wonder how we can stop that. I would suggest that quite a few of the members here, even some of those who oppose to making money on Sunday and probably the Honourable the Minister of Industry and Commerce also makes money on Sunday, although he says he doesn't like to. I would suggest that any of the members who have any kind of an investment

MR. EVANS: Would my friend tell me just what way I make money by my own activity on

(Mr. Evans cont'd) Sunday?

MR. TANCHAK: I'm just coming to that. By your own activity, no, but I'm taking it from a different angle. If the Minister or any one of us has an investment, interest grows daily, and I would suggest -- yes, that's quite true -- that we are making money on those investments. What about the farmer who is growing grain? What about the steers that he feeds? He's also making money on Sunday. I would presume I'm making because they're putting on fat, so I do not think that we could overcome that or completely say that we shouldn't make money on Sunday. I think the way our society is run now that a certain amount of money is made almost by every individual.

I will not agree with the Honourable Member for St. Matthews who seems to imply that we should disregard referendums. Like the people of Winnipeg had a referendum; they asked the senior government to do something for them; I think we should take heed. In other words, if we didn't, then why put the people to the trouble of voting? I do not agree with his contention that as we accede to the demands of the lower level governments that we may as well have no MLA's. We may as not have them. Is it not true that it was the legislators here who gave the people of Winnipeg the privilege to ask for changes in the City Charter? It was the members who gave them that privilege and they are expressing their privilege by a referendum. I feel that since the people of Winnipeg have spoken on this matter, we should not deny them their wishes.

The Premier quite often likes to quote, to say this, and he says the people of Manitoba have spoken when he refers to the elections. I would say this should apply just as well to the people of the City of Winnipeg. The people of the City of Winnipeg have also spoken and I do not believe that any member, myself included, or private member, back-bencher or any Minister has the right to try and impose his own conscience on the people who, by a majority vote, expressed their own conscience. I think this is what we call our democracy and I think and I would urge the members to accept the amendment that was yesterday brought forward in the committee by the Honourable the Minister of Agriculture. I fully endorse that.

MR. STEINKOPF: Mr. Chairman, I don't like to belabour the debate, but I would like to say something about this business of setting a precedent. I think that that term is the greatest obstruction sledge hammer that ever stood in the way of progress. I have my own feelings on the matter and I think it's a personal thing which one shouldn't have to get up and stand on a soap box and make a speech about, because it is something that is personal. But on the other hand, I don't think I can just sit idly by and not express my own sentiments.

I live in a block where on Sunday morning you can see the families going to early Mass. Later on, you can see them going to the United Church or any other church that they're going to and some of the better ones of my faith go to the Synagogue on Saturday morning and maybe on Friday evening. But almost without exception, all of them have told me that they would like to see this Sunday sport. They have expressed that by the ballot and I don't think that there is any doubt that this is their wish. I see no reason why they will be made poorer citizens because we pass this bill. I don't see why I am contributing to anybody's financial gain because I take my children to the corner bowling alley and bowl on Sunday afternoon, when it is the only time that I can really be with them. I think that our family is richer not only from a religious point of view and that probably we are just a little nearer to God when we leave the bowling alley than if we didn't have that opportunity.

This business of professionalism, I agree completely with the member for St. Boniface, is not an issue, that people who get paid for their sport are only a very small minority. The fact that a baseball team or a football team becomes richer money-wise because of the income they receive on a Sunday is another contribution to our way of life, because in this city we happen to be blessed with sporting organizations and most of them are run by civic-minded citizens, such as the baseball team or the football team, that are in effect non-profit organizations. I think our community would be less rich if these organizations were not here. I think that it would not be the type of community in which I would like to bring up my children. They have requested, or I suppose they are behind a move to have Sunday sport and Sunday bowling, and I would very much like to support this part of the bill.

And I'd go a little farther. When it comes to the hours, I do not think that they have to be that closely regulated. You cannot turn religion on or off and I think once that you have

(Mr. Steinkopf cont'd) opened the Sundays for this type of sport that it should remain open. There could be a curfew at the end. I suggest it be a little later than 5:30 because most of this sport I think would take part at a time when daylight is important, and if a deadline has to be set I would suggest that we consider it a little later than 5:30.

MR. GUTTORMSON: Does the Chairman wish to call it 12:30 or

MR. ROBLIN: Mr. Chairman, if there are other members who wish to speak on this point, I think that we should move the committee rise and the Speaker will resume the Chair. I guess there's no disposition to take a vote at the moment. In that case I move the Committee rise.

MR. MOLGAT: have the Chairman leave the Chair?

MR. ROBLIN: No, I want to advance the proceedings one stage. I move the Committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

DEPUTY CHAIRMAN: Madam Speaker, the House has adopted certain resolutions, passed Bills Nos. 122, 24, 34 and 78 without amendments, and Bills No. 58 and 81 with amendments, and directed me to report the same.

MR. KEITH ALEXANDER (ROBLIN): Madam Speaker, I beg to move, seconded by the Honourable Member from Virden, that the report of the Committee be received.

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

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

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