

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, March 9th, 1965.

MR. CHAIRMAN: Resolution No. 9, 2 (a) --

MR. MOLGAT: Now this is one of the breakdowns that are new this year, I take it from the past. Have there been any changes in responsibilities of the various people or is it simply in the terminology here in the book.

MR. ROBLIN: There is clarification in the book.

MR. GRAY: Mr. Chairman, my question is why is it called Economy Branch?

MR. ROBLIN: Well the name deals with economy in the broadest sense of the word. It hasn't merely to do -- although it has to do -- it hasn't merely to do with dollars and cents. It's to deal with the whole of the operation of the government insofar as treasury is concerned, including organizations and methods. No, that's in another section, I see that.

MR. HRYHORCZUK: Mr. Chairman, under that salary 2 (a), I see there's a decrease in the appropriation. Is that because that particular branch is becoming more efficient or is it because you find that it is not working.

MR. FROESE: Mr. Chairman, since the word is economy and Economy Branch -- and the Premier mentioned before we left for dinner that Quebec had opted out of quite a number of programs and that's why they got such a larger share.

MR. ROBLIN: I want to correct that. If I said that, I'm not sure that I gave the correct information. I wouldn't like to make a statement at the moment as to what they have contracted out of.

MR. FROESE: My question would be, would it not be better for Manitoba to opt out too of a number of these programs? I'm thinking of the ARDA programs. Couldn't we do our own program

MR. ROBLIN: the ARDA program I think there'll be plenty of opportunity to do that.

MR. CHAIRMAN: 2 (a) -- passed; 2 (b) -- passed; Resolution No. 9 -- passed. Resolution No. 10.

MR. CAMPBELL: With regard to any one of these three, 8, 9 or 10, I gather that all three of them are under the heading of Administration, are they? In other words, the 40 people that are shown as being employed are spread over the three. Could we have the numbers in each of the

MR. ROBLIN: Yes, I think I can give my honourable friend that information if you will just give me a second to look it up. Perhaps some other point could be raised.

MR. HRYHORCZUK: While the First Minister is looking for the answer to that last question, I notice that the increase here is approximately \$22,000, which is one percent if I figure right of the \$22 million additional tax. Is that the reason for the increase here?

MR. ROBLIN: Which section is my honourable friend looking at?

MR. HRYHORCZUK: Taxation Branch.

MR. ROBLIN: We are not at that.

MR. HRYHORCZUK: I thought you raised a question on 9, 10 and 11.

MR. ROBLIN: Perhaps I can best deal with it by saying that in the total Treasury Branch -- would that perhaps get at it better? Last year we provided 78 people; this year we are providing for 90, which is an increase of 12. The increase is as follows: There are 7 in the Data Processing Branch, which we can come to in a few minutes. There are 3 in the old Financial Administration Section, and there are 2 in the Taxation Branch. Does that meet the point?

MR. CAMPBELL: It's not a very important point. I was really wanting the breakdown of the 40 as between these votes of 8, 9 and 10, but I suppose we can make a fairly good guess at it from the salary items. We know that there are 40 in the three votes.

MR. PAULLEY: Mr. Chairman, in connection with item No. 10, the title of the same rather intrigues me -- Organization and Methods Branch. After having passed item No. 7, the Economy Branch, I would like to hear from the First Minister exactly what this particular section of his department does.

MR. ROBLIN: I can give you that information. The Organization Branch is responsible for ...

MR. PAULLEY: I was going to make a comment or two in connection with the economy and the organization of the economy in the Province of Manitoba, or may I say, in my opinion and my colleagues, the lack of organization in the economy of the Province. I would like to hear from the First Minister a full description of what he means, or the government means by

(MR. PAULLEY cont'd) . . . organization and methods, and tell us methods and organization for what.

Now I do know that his Deputy House Leader the Minister of Industry and Commerce has within his department numerous groups and organizations which are presumably charged with the responsibility of organizing the economy of the province industrially-wise, but I wonder who really is answerable to this House insofar as real organization of the economy and the direction that the economy of the Province is taking, or maybe, Mr. Chairman, it would be better for me to say should be taking, because I think as I was able to point out, very reluctantly in my contribution on the Throne Speech, that the economy of the province certainly wasn't advancing to the degree that it should.

Now then, having said that, I would like to find out from my honourable friend, in this particular department of the treasury, Organization and Methods Branch, in this department only charged with the responsibility of collecting revenues for the treasury or is it in effect also charged with assisting the treasury benches -- and Lord knows they need assistance -- in the organization and methods for enhancing the future well-being of our province. Coupled with that is my original question insofar as the experts contained within the personnel of the department.

MR. ROBLIN: Basically speaking, there are 953,000 people who are responsible for organizing the economy of the Province of Manitoba. This is a free enterprise economy -- or perhaps I'll correct that -- this is a mixed economy as our Canadian economy has always been a mixed economy, and by and large the private free enterprise sector have a large responsibility. This particular item has nothing to do with that however, nor has it anything to do with the economic development which comes under the aegis of my friend sitting next to me here.

This particular section has to do with the internal organization and methods of the government itself. When people come asking for new establishments or new personnel for various functions, it's the job of the Organization and Methods Section to look over the request and see whether it can be done with existing personnel or whether we need new people, and generally to try and review any requests for staff and that kind of thing. Office methods are continually under review here. This department has been responsible for a very considerable saving in the cost of administration by identifying places where machinery can be used or identifying obsolete and old-fashioned ways of doing things where we can improve our systems and our methods. Office space layouts, office methods, procedures and accounting, questions of staff and all that kind of thing come under the heading of this section.

MR. PAULLEY: Mr. Chairman, may I thank my honourable friend the First Minister. He didn't surprise me at all when he did say that insofar as Manitoba is concerned we have over 900,000 persons directing the economy of the province. I assure my honourable friend that I agree with him because it's quite evident that this is the way the government in Manitoba is going, 900,000 different ways at the same time.

MR. ROBLIN: Oh that's hardly fair and I suppose my honourable friend means it in a jocular fashion, I guess I'd better accept it in that fashion.

MR. GRAY: Mr. Chairman, I don't want to ask a question for the purpose of putting anyone on the spot but I just want to know. Under the economy item, while you have mentioned about increasing the staff, more work and so on, still the estimates are getting lower, which I'm not objecting with and I wouldn't even object if it's higher, I couldn't object. Our rights are limited to ask questions, but how can it be when the work is increasing, because you have raised the estimates, the revenue or the expenditure from \$20 million twenty years ago or twenty-five years ago to about \$185 million now. So apparently you are increasing your staff, you have more work, more responsibility, then how does it under the Economy Branch that you spend less now than you spent last year?

MR. ROBLIN: We've really passed this item, but I think I should reply to my honourable friend. What's happened here of course is we've moved some personnel around between these various sections. That's what makes the difference.

MR. SCHREYER: I just have one question under Organization and Methods. Gathering from the First Minister's explanation, I assume that this Organization and Methods Branch has to do with the Treasury Board function or some such. My question is, does this Organization and Methods Branch work exclusively under the purview of the Treasury Board.

MR. ROBLIN: It works under the Provincial Treasurer but it reports from time to time to the Treasury Board on matters referred to it.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, what the Honourable Leader of

(MR. SHOEMAKER cont'd) ... the NDP is saying about the people in the province is that he knows of 953 persons and a few heels -- or that many souls and a few heels.

MR. PAULLEY: No, not in Manitoba.

MR. SHOEMAKER: No heels at all.

MR. PAULLEY: With certain exceptions. I wouldn't name you my friend, but now that you've asked for it.

MR. SHOEMAKER: Mr. Chairman, is it the practice of the government to, at regular or irregular intervals, to hire efficiency experts, that is outside of the members of the civil service staff?

MR. ROBLIN: In answer to that question, I think I can say, generally speaking, no. This particular branch is what you would call an efficiency branch and it is their job to continually review the operations of any departments. In cases we sometimes do ask for outside aid if there is a specialized function that we don't feel competent to perform. For example, in checking on data processing machines or data processing systems, we sometimes ask for outside help on that, but basically this particular section does the job.

MR. CAMPBELL: I was going to ask one question that's general in nature also. I see that in the Public Accounts that quite a few of the salaries are given with a bracket showing the total for the period, and that seems to obtain in a good many cases and then I think it doesn't obtain in some cases, because I believe that the Deputy Provincial Treasurer, for instance, gets an extra salary to what is shown in here, does he not?

MR. ROBLIN: That reminds that I have not fulfilled my undertaking to give my honourable friend a list and I thank him for reminding me. I'll send him across a list as soon as I get it duplicated. Any particular one that you're interested in?

MR. CAMPBELL: No, I would just like -- to save the trouble of asking in each department, I would appreciate having a list, but in addition to that I was asking about the information that's contained in the Public Accounts because I think in the one dealing with these votes, page 184 of the Public Accounts, that that practice is followed with some of them and not in the case of the Deputy Minister. My only point is that I've always been an advocate of having as far as possible that information in the Estimates Book itself but -- (Interjection) -- 184 -- several of them on that page and on the next.

MR. ROBLIN: Well, for example take the first name on that page, G. B. Snider, he's holding two appointments so it shows what's been paid under legislation as one appointment, and then if you look again under the Provincial Secretary you'll find his name listed again for the balance, but we do show the total salary there.

MR. CAMPBELL: That's correct and I quite approve of that, but if you look further down on the page I think you'll find that that's not given in the case of the Deputy Minister.

MR. ROBLIN: Of course the reason for that is because he's not holding two appointments within the Civil Service. The other appointment is outside the Civil Service, but as I say, I'll give my honourable friend the details.

MR. CHAIRMAN: 3 (b) -- passed; Resolution No. 10 -- passed, Resolution No. 11 --

MR. TANCHAK: Mr. Chairman, I wondered in the details of estimated revenue, under 13, The Revenue Act 1964, Part I, there isn't a breakdown of what each individual item brings, it's just \$4 million. Now I'd like to know what is the estimated revenue from the fuel heat tax.

MR. ROBLIN: I haven't got that information and we will not produce it till after the period is over.

MR. TANCHAK: But estimated, haven't you got that?

MR. ROBLIN: No.

MR. PAULLEY: Mr. Chairman, in connection with this particular branch, I believe this would be the section that deals with the collection of the various taxes or the responsibility for such. The other day I directed a question to the Provincial Treasurer relative to the matter of possibility of tax evasion in respect to cigarettes and tobacco products. My honourable friend the First Minister at that time indicated to me that no representations had been drawn to his attention, that it might have been drawn to the attention of his department.

Now I made some inquiries since that time, Mr. Chairman, which indicate to me that there are a reasonably fair number of business people in the province who are apparently concerned with what may be a rather highly organized group or number of individuals who are trucking into the Province of Manitoba truck loads of cigarettes and tobacco products from outside of the province.

Now I'm sure that all of us realize that there will be cases of individuals who may travel

(MR. PAULLEY cont'd) . . . to Saskatchewan or the States or to Ontario and pick up a carton or so of cigarettes and bring them into the province. This is actually an evasion of the law as written in the Province of Manitoba but I don't think anyone will really expect the government to attempt to cut down on the individuals such as this. Actually, it's just a game I would say insofar as the individuals are concerned and it's one of those things that I don't think we need to be overly concerned with, but as I say, it has been suggested to me that there is this other possibility of a mass importation into the Province of Manitoba of cigarettes and tobacco products from outside of our jurisdiction which will be evading our taxes. But in addition to this, Mr. Chairman, and this may sound rather strange coming from myself, it will create unfair competition between the distributor, the wholesaler who is carrying on and conducting a legitimate business here in the Province of Manitoba.

Now this leads me up to ask my honourable friend the Provincial Treasurer, has he, since I asked him the question the other day, had an opportunity of investigating further into this matter and, if so, I wonder if he would be kind enough to give us any further information which he may have at the present time.

MR. ROBLIN: Mr. Chairman, there have been a total of 508 inspections under The Tobacco Tax Act and that has resulted in about four or five I think that are being further investigated by the Mounted Police to see whether charges ought to lie or not.

MR. PAULLEY: Are these, Mr. Chairman, Mr. Premier, the four or five that are being investigated, would you consider these major as far as scale is concerned?

MR. ROBLIN: No, our impression is that any evasion of the act to date is not major.

MR. PAULLEY: And you still have no representations direct then have you?

MR. ROBLIN: Well people may have complained direct to the Taxation Branch but they haven't reached my desk.

MR. FROESE: Mr. Chairman, I notice that the item for the Taxation Branch is up considerably, better than \$20,000.00. Is the bulk of this difference going to colour gas, because I think . . .

MR. ROBLIN: Well there have been a couple of new people employed in the branch and there's been the regular salary increases, etcetera, and that makes up the increase.

MR. FROESE: Mr. Chairman, under what item do we discuss the Unsatisfied Judgment Fund?

MR. ROBLIN: The Unsatisfied Judgment Fund should be discussed under the Attorney-General's estimates.

MR. MOLGAT: Mr. Chairman, has the government employed any special investigators insofar as the cigarette tax -- has the government employed any special investigators insofar as the cigarette tax or is this being handled through the RCMP channels?

MR. ROBLIN: The first inspections are done by our own staff. If they find something that they think requires further investigation it is done through the RCMP, and there are four or five cases in that category. Answering my honourable friend again, I think the Unsatisfied Judgment Fund is under Public Utilities, I have been informed.

MR. MOLGAT: Would the First Minister indicate how many people are presently on the staff insofar as the cigarette tax itself are concerned?

MR. ROBLIN: Well there aren't any on there for that specific purpose. That's just one of the items that are covered by the whole of the inspection staff.

MR. MOLGAT: Well could he indicate then what other inspections these people do?

MR. ROBLIN: Well they inspect under the Gasoline Tax, the Amusement Tax, the Tobacco Tax, and all the taxes that are raised directly by the province are inspected through this Department.

MR. SHOEMAKER: Mr. Chairman, would this be the proper time to ask whether or not the First Minister's fears that the farmers were gypping the government of a half million dollars were justified? I refer, Mr. Chairman, to the Premier's Budget Speech of April 26, 1963, which appears in page 1691 of Hansard, in which he said that it was with some regret that -- I'm quoting -- "It is a matter of some regret that I find it necessary to propose the introduction of coloured gasoline and motor fuel for tax exemption purposes", and this of course he says is not a tax increase but it is an administrative change which does not have important implications for revenue. "A study over the past year of all the facts available in Manitoba and a close comparison with the other three western provinces (all of which use coloured gasoline) has convinced us of the need for this step. Under the present system it now appears that revenues of more than a half a million dollars are being lost annually to those who are abusing the

(MR. SHOEMAKER cont'd) the present tax refund system for gasoline and motor fuel. My question is, was it found that there was about a half a million dollars lost -- that's two years ago?

MR. ROBLIN: I stand by the statement and I think probably the losses were even greater than half a million dollars.

MR. HRYHORCZUK: Mr. Chairman, the Honourable the First Minister made the statement that there were certain inspections made to stop evasion of the payment of taxes, and I think almost in the same breath he said something about the increase in the number of employees in this branch. Would that be inspectors, these inspectors that you are talking about that are checking on the evasions?

MR. ROBLIN: This is a general increase in the staff. They have to do a lot more work now that they have these taxes to administer.

MR. PAULLEY: Mr. Chairman, one other point in connection with the cigarette and tobacco tax, I understand that under the BNA Act the provinces have to show the amounts of taxes rather legibly so that in other words they can't have hidden taxation as they do so far as sales tax and the likes of that in the Dominion of Canada. I note that the government or the government agencies, and also the Winnipeg and Central Gas are acquiescing or following through a request that I made insofar as billings for heat and for gas or fuel, their telephone, they are putting it on their respective bills, so much provincial tax. Now the First Minister promised that this would be done. Now this isn't being done as I understand it insofar as the cigarette tax is concerned.

Now I am wondering, and I raise this question once again, whether the province is violating the principle behind the taxation, that is hidden taxes, by not asking the distributors to show on the cigarettes that are sold here in the province that there is this now 10 cent tax on a package of cigarettes. Now I must confess, Mr. Chairman, not because of for any moral reason -- I haven't purchased any cigarettes rather recently and used them -- but I noticed I believe that there is no stamp on the cigarettes indicating a provincial tax and I am wondering whether or not in this we are violating the intent and purpose of The British North American Act.

MR. ROBLIN: I don't think so, Mr. Chairman. It's not a question of showing the tax, in the sense my honourable friend indicates: it's a question of what level it's collected, and we collect it at the retail level. We're following the procedure actually that's been followed in New Brunswick and Quebec for 10, 10, these many years. So I think it's all right.

MR. SHOEMAKER: Mr. Chairman, what is the tax now on cigarettes, please?

MR. ROBLIN: Well, it's eight cents on a pack of 20.

MR. SHOEMAKER: I noticed for sometime after the new three cent tax was imposed on gasoline that most of the pumps, gasoline pumps, in the province continued to show the 14 cents -- that is they had their little sticker on the pump saying the provincial tax was 14 cents, and it took them about two or three months to get around to putting on the 17 cents. In fact some of them I think still have the 14 cent sticker on. I drove up to a pump in Winnipeg the other day -- this is in Winnipeg, Mr. Chairman. -- (Interjection) -- I did. I said, that sticker you have on your pump there isn't correct, is it? It's 14 cents. And he apologized and said, well the weather's been so cold. You have to have a nice warm day, he said, to put those new stickers on. It sounded rather like a weak excuse to me. However, I guess it was right. Mr. Chairman, I noticed that the Neepawa Consumers Co-op and perhaps every other co-op in the province, when you fill up with gas, they give you a bill showing the tax and the price of the gasoline -- and I have before me two bills here I filled up with recently, February 8th I bought 16 gallons -- the gas was \$5.28 and the tax \$2.72 for a total of \$8.00. The other one, February 5th -- I don't know how many gallons, gas \$4.16, tax \$2.04. \$4.16 and \$2.04. When it's put that way it's a third -- a third of the price of total bill was for tax, and it's pretty easy when you start adding up at the end of the year how much you pay if you drive as much as I do for what you pay in the way of a gasoline tax. I noticed that it's not very difficult in this day and age with the size of gasoline tanks that we have on our cars, and if you need a little bit of oil, it costs you \$10.00 -- \$10.00 to fill up with gas if you need a quart or two of oil.

MR. ROBLIN: We'll start taxing oil.

MR. SHOEMAKER: If you start taxing oil why we'll need over a \$10.00 bill.

MR. ROBLIN: if you had a sales tax on your car, it would be a good deal more than that too.

MR. SHOEMAKER: If we had a sales tax on the cars.

MR. ROBLIN: Yes, and it would be a great deal more.

MR. SHOEMAKER: Well, is there a suggestion that we're going to have a sales tax on our car, because ...

MR. ROBLIN: I just suggest to my honourable friend that he count his blessings.

MR. SHOEMAKER: Oh, well, if I'm getting some advance information, I will trade my car off a little earlier. I -- (Interjection) -- Mr. Chairman, I am one of the few fellows in this Assembly that has driven horses -- (interjection) -- drove a horse and cutter, Mr. Chairman, from Neepawa to Grandview and back on two or three occasions. -- (Interjection) -- Well, Mr. Chairman, it wasn't me that raised it. Some of the fellows opposite suggested that if we keep imposing taxes, it will be necessary for us to go back to the horse and buggy days.

MR. MOLGAT: Mr. Chairman, on the item of gasoline tax, does the government inspect at all the quality of the gasoline that is being sold or is this strictly in the hands of the federal government?

MR. ROBLIN: We do occasionally inspect the quality of we have any complaints about it. Recently there has been an inspection on the quality of gasoline and we find it to be satisfactory.

MR. HILLHOUSE: Mr. Chairman, in view of the fact that we have in different filling stations different prices for different -- Grade 1 gasoline sells in one filling station for a certain price, at another filling station for a different price. Now as far as the public is concerned they only know gas by No. 1 grade or No. 2 grade. Don't you think it would be advisable to have gas sold not only by the grade but also qualified by its octane rating.

MR. ROBLIN: I don't think that's a matter that comes within our field of jurisdiction.

MR. CHAIRMAN: 4 (a) -- passed.

MR. MOLGAT: Mr. Chairman, is this the department that will be handling the tax rebates?

MR. ROBLIN: Yes, they'll be handling the tax rebates in this department.

MR. CHAIRMAN: 4 (b) -- passed. Resolution No. 11 -- passed. Next is Data Processing Service Branch, which is covered by Resolution No. 11.

MR. SCHREYER: Mr. Chairman, under item 5 -- yes, Data Processing, is this the branch that services the municipal offices? I understand that in the past, over the course of the past several months municipal offices throughout Manitoba now can avail themselves of central data processing and so on, tax collections.

MR. ROBLIN: Municipal services are provided. Even municipal assessment rolls are taken care of in this section, for example. Anything that lends itself to data processing may be done by this section. It farms out its services to all the different branches of government. It's not really a treasury operation at all; it's a service operation. If any department of government, for example, in the Department of Education, they have their annual marks they have to get out, the payrolls, the municipal assessment rolls, all done by data processing. And for the Highways Branch, if they want calculations respecting earth work or highway temperature research or bridge design or any of those mathematical calculations that lend themselves to data processing, they hire the services of this service department and pay a fee for it. That's why it shows as a nil item here.

MR. SCHREYER: Mr. Chairman, quite -- but does this branch do any work directly for any of the rural municipal offices. I get the impression that some office work for municipal offices is being done here in Winnipeg.

MR. ROBLIN: municipal assessment rolls. I'm not personally aware, except there's nothing to stop it, because if a municipality is willing to pay for the service, this department I am sure would lend its facilities.

MR. PETERS: Mr. Chairman, this equipment that they're using in the Data Processing Department, is it still on rental, or have we bought the equipment.

MR. ROBLIN: It's still on rental. These people don't sell their equipment; they rent it. It's on rental.

MR. PETERS: My understanding is that you can buy some of this equipment.

MR. ROBLIN: Not the type we're using, if I'm correctly informed.

MR. CHERNIACK: Mr. Chairman, I'm wondering if a study has been made and could be made available to us to indicate the savings involved in this data processing work, and the number of employees that might be eliminated, that is, the man hours that could be done. Has any study been made at all to show the usefulness of this project, and is it reflected in the budget in the various departments, especially since there's a marked increase this year.

MR. ROBLIN: This is always an exceedingly difficult thing to lay your finger on, because I'm one of those people that are always I suppose a little skeptical about these money-saving

(MR ROBLIN cont'd) propositions that are presented to a government. Governments find it awfully hard to save money in this way, as my honourable friend from Lakeside can testify.

What really happens, as far as I can judge is that by the installation of these machines, you don't really save staff you've got, but it prevents you from hiring new staff. That's where the saving comes in. And when any particular data processing machine is recommended, we go over it and say, well, now why do you want this, what work will it do, and the answer usually is it will prevent us, for example, hiring a lot of staff on a temporary basis to get out the high school marks -- we don't hire them any more. But as a rule it's a saving in the hiring of additional staff rather than in any diminution of the staff that we already have. Though I'm a sort of a skeptical person on this point, I'm reasonably satisfied that there's a very substantial saving in new staff, because many of the things that we would otherwise do by hand, so to speak, we put through these machines and thus we do not hire additional personnel.

MR. CAMPBELL: . . . the question, Mr. Chairman, that I have been asking year after year, because nobody will be astonished I'm sure to hear that I was a bit skeptical about it resulting in any saving so far as staff was concerned. Now I'm prepared to grant that perhaps the increase hasn't been as big as it would have been without it, and that's about as far I think as I could go at this time. I asked that question some years back when this equipment was first installed, and I've been watching of course with interest the evolution every since, because here's perhaps the first evidence that we have in front of our committee here in "automation in action." We hear the term applied very frequently, and we're warned at times about what automation is going to do in the way of making people almost obsolete as far as clerical jobs are concerned. So, for that reason, I asked that question right at the start, and I've watched the progress -- and going back only as far as the estimates of 1963, that's the year ending '63, which is nearly a three-year term compared to the present one, and I guess it was in operation a year at least before that -- we had ten people in this particular branch. The next year, as I must say I had predicted, and for once I was right, we instead of going down we went up -- we had 12 people. But then I was considerably encouraged the next year, the year that we're in now, because the estimates asked for one less, we got back to 11, and I thought, aha, after all automation is starting to catch up to us, and I guess it caught up to me -- for once in my career I've been wrong; it is starting to drop -- 11. But this time, this time, we're up to 18. I share the pessimism of the Honourable the Provincial Treasurer. I think that he'll find that with these machines -- and this is what makes me a little less afraid to peer into the future and see what automation is going to do, just by this one example that we have here -- I think quite a few of us will need to stick around for quite a few years yet to help these machines out.

MR. SCHREYER: Mr. Chairman, just as a matter of interest for the edification the Member for Lakeside makes the point that here in Manitoba, despite automation we haven't been able to save on man hours of work but I think it is important enough to point out that in the federal department of health where once it took 286 man hours to process family allowance cheques, it now takes -- a correction, where it formerly took 15,000 man hours, it now takes 86; where formerly it took 120 clerks, it now takes 2 and I think that's the other side of the coin.

MR. ROBLIN: I want to say I may have sounded a little too pessimistic to my honourable friend from Lakeside because while I think it is apparent that this particular item of data processing is not going to get less, it's going to grow, because more and more departments instead of hiring staff themselves to do the jobs that the machines can do -- miserable, boring, repetitive jobs, most of them -- will be able to hand that job over to this set of machines. And as we get into new fields and they find that a task that formerly was done by hand, can be automated, then they're going to ask this department to do it and they're going to call for increased staff here. But the control on it is, and I think it's a sensible control, is that we ask the department who wants the service to pay for it out of their estimates. In other words, they can't just get this service for nothing. They've got to include it in their estimates and be responsible for it and pay it and where they see that they can get the service at a lesser cost from the data processing department, than they can by hiring more people themselves, that's what they're going to do. And I expect that we'll see a gradual increase in the demand for the services and an increase in the staff.

MR. CAMPBELL: But Mr. Chairman, if that argument were correct then we should see some corresponding decrease in the other departments and we don't see that either, because they also continue to grow. And I must say to my honourable friend from Brokenhead that I'm not so old fashioned myself that I don't see the difference in a bunch of people writing out the

(MR. CAMPBELL cont'd) . . . cheques by hand and an automated machine coming along to do it. The typewriter was quite an improvement over the handwritten method; the later processes are an improvement over that and I think that's what they're doing the pension cheques with.

MR. ROBLIN: I don't want to prolong this discussion, but I'd like to say that while it's true the other departments will grow, it's for other reasons; and they'll grow less because of the automation that we can bring in.

MR. CAMPBELL: This is just the point, they grow less but they still grow.

MR. ROBLIN: With that I agree.

MR. FROESE: They tell me that machinery of this type gets obsolete very fast. Has any of the equipment been replaced?

MR. ROBLIN: Yes, we replace it all the time. That's one reason why it's not purchased but rented, so that we only pay for the actual use we get out of a particular machine. If we want to replace it by a better one, and there's some money in these estimates incidentally to do this kind of thing, we're not out the capital cost, so we simply rent it.

MR. CHAIRMAN: 5 (a)--passed, 5 (b)--passed, 5(c)--passed, Resolution No. 11 passed, Resolution No. 12. 6 (a) passed.

MR. SHOEMAKER: Mr. Chairman, this is the Insurance Branch and I guess I would like to express some delight in the fact that the estimates are down about \$6,000.00. Now it's general knowledge I think, and members who have purchased insurance since the first of the year will find out that the premiums generally are up a little bit. And I'm rather surprised to find that they're down here. Now there's probably a good reason for it. The record of the -- (Interjection) -- Pardon? Is this not the fleet? Is this not the fleet, Mr. Chairman.

MR. ROBLIN: We passed that long ago.

MR. SHOEMAKER: The fleet of vehicles.

MR. ROBLIN: We passed the fleet long ago.

MR. SHOEMAKER: -- (Interjection) -- Oh you did. This is the Insurance Branch. This is not the premium on the cars, on the provincial cars? We're past that? Oh, I'm sorry. Well Mr. Chairman, let's have an explanation as to why it is down. It looks like the economy branch did a good job here. They cut \$6,000 off.

MR. ROBLIN: Well, I don't know who the credit belongs to but there's one less on the staff here.

MR. PAULLEY: Possibly Mr. Chairman, due to automation. But apart from that there's a question I would like to raise and I think this is the proper branch to raise the matter I have in my mind on, and that deals with the availability of insurance for motorcycles.

MR. ROBLIN: May I just correct a statement that I made -- I'm sorry to interrupt my friend. The staff is not down one, but there's been a switch in the staff so that the type of personnel is changed. A high priced man has gone out to another task and a person at a smaller salary has come in.

MR. PAULLEY: I hope it's more than the minimum wage is, Mr. Chairman. -- (Interjection) -- Thanks. But the point that I wish to raise, Mr. Chairman, representations have been made to me that it's impossible I believe, or practically so for a person who owns and operates a motorcycle in the Province of Manitoba to obtain insurance on the motorcycle. Now as I understand the situation, a three wheel vehicle such as those new ones that the Winnipeg Police Department are using to go around collecting money out of the parking meters, can be covered because they've got three wheels. I also understand that if a motorcycle has more or less permanently attached to it a sidecar, which makes it a three wheel affair, it can get insurance. But if it is a proper motorcycle then there is no insurance available for the operator of the vehicle. I'm also informed however that because of the fact that the party concerned must show financial responsibility or public liability insofar as insurance is concerned, they must on application to the Motor Vehicle Branch -- and I would suggest Mr. Chairman, that this is maybe something that deals with the insurance branch as well as the Minister of Public Utilities -- but as I understand the situation, that on application for the license to operate the motorcycle, responsibility has to be shown, or insurance. They can't get it on the one hand as I understand the situation but they're being forced into paying the \$25.00 into the Unsatisfied Judgment Fund because they can't show on their application for license for their vehicle or their motorcycle, that they have insurance.

Now this matter has been drawn to my attention on a number of occasions, Mr. Chairman, and I would like to hear from my honourable friend the First Minister who is in charge of the insurance department of government and/or the Minister of Public Utilities who of

(MR. PAULLEY cont'd)course is charged with the Motor Vehicle Branch. But I have had definite statements made to me and representations made to me in this regard Mr. Chairman, and if this is the situation, then I would suggest it's an intolerable one, where a person cannot get insurance on a motorcycle and yet by the same token we're now required to say to the Motor Vehicle Branch, before we can operate a motor vehicle that we must have insurance or pay the \$20.00 Unsatisfied Judgment fee. It doesn't seem to me that this is cricket and I wonder whether the representations made to me are correct and what comment the First Minister or the Minister of Public Utilities might have in respect of this matter.

MR. ROBLIN: Mr. Chairman, motorcycle insurance is written usually for a \$19.00 fee. I'm not aware of any person who has not been able to get it. If my honourable friend would give me the details of his case I would be happy to look into it.

MR. PAULLEY: Yes, I will gladly do this Mr. Chairman, and I won't pursue the matter tonight on that general understanding, but as I say this was brought to my attention in good faith by half a dozen different individuals. I would be pleased to hear from my friend the Provincial Treasurer as to the companies that carry this insurance.

MR. ROBLIN: I'll tell you that in private. If I said it here it comes under the heading of advertising.

MR. PAULLEY: All right then, I'll accept this Mr. Chairman for the time being. And may I use the media of this House then to suggest to those insurance companies that are prepared to offer motorcycle insurance, that they follow the lead of the Minister of Industry and Commerce and do a little advertising of the fact that they do carry it and maybe I won't be bothered in this respect.

MR. CHAIRMAN: 6 (a) -- passed. . . .

MR. MOLGAT: Mr. Chairman, I think that the point brought up by the Leader of the NDP -- I've had the same representations, but it goes beyond motorcycles as well. There is an increased number of other type of small vehicles, like these smaller motorcycles, Hondas and those types, these winter vehicles, the skidoos and so on, and I think that we have to have a complete look at the licensing and the insurance of these types of vehicles, because as it stands now while I think there are some companies who will take the insurance, I made a number of calls myself when the complaints came to me and there was some difficulties in getting insurance. There are very few companies who will write it. And when you come along to these other vehicles, the Hondas and the skidoos or snowtoboggans, whatever you wish to call them, then it becomes even more confused because there was some implications last year as you will recall on the licensing of these vehicles, and whether or not they would be licensed or not. I don't know if that is resolved now but I think it's important that the whole matter be taken as one piece. We can't in one breath insist that they be licensed without by the same token making sure that they can qualify for insurance.

MR. SCHREYER: Mr. Chairman, the Leader of the Opposition says that he is confused about these smaller vehicles and I think he is confusing us here too a bit, because when he refers to skidoos and the other power toboggans, it is my understanding that they're not even eligible for a license, therefore what's this point about insurance? It becomes pointless.

MR. ROBLIN: There may very well be some kinds of vehicles which we do license in which this difficulty arises and if members as I say, would give me some lead on this I'll be glad to look into it and see what the situation is.

MR. PAULLEY: . . . Just one more point -- and as I said earlier Mr. Chairman, I accept the position of the First Minister. One point however does come up as to whether or not legislation might be necessary in order to make available either mandatorily or some otherwise, that insurance companies operating in Manitoba should make this available.

MR. SCHREYER: One more question Mr. Chairman. This \$25.00 fee that was levied last, a few months ago, what is the proper term for that \$25.00 fee? Is it a penalty, a fine, a deterrent or what?

MR. ROBLIN: Well I don't know what the proper terminology is, it's no doubt in the statute, but in any case I think probably if we talked about it under utilities, it would be the right place.

MR. MOLGAT: Mr. Chairman, under Insurance Branch, I want to turn for a moment to the assigned risk plan. I think the Minister said the other night there were some people who were unable to get assigned risk plan and that they had the right to appeal. When the plan was set up was it not the understanding that this would be a compulsory matter that if a person could not get insurance under the normal means through an insurance company, and they went to an

(MR. MOLGAT cont'd) assigned risk plan, that the companies participating there had to take it in rotation, that no one company would be involved in all of the risks, but they must take it in rotation as it came?

MR. ROBLIN: Mr. Chairman, that generally speaking is the rule, When someone comes in and asks for insurance and is not able to get it through the normal procedure he applies to the assigned risk plan, which is run by one person, and he in turn distributes these risks among the various carriers in the province. So that by and large everybody who wants insurance can get it either in the normal way or through the assigned risk. However, there was nothing in the original assigned risk agreement which made any stipulation that the insurance company simply had to take people willy nilly under the assigned risk and consequently there were a number who were not covered even under the assigned risk and you might probably say, "well what happens to them and why should we leave this decision, which is a pretty important one, entirely in a non-public arena," so about two years ago or last year I think it was, it was within the recent past at any rate, we came to a new arrangement about the assigned risk and that is that if there was anybody who after going through that procedure was still refused insurance, he could take his case to the appeal for the motor licence Appeal Board -- what's the correct name for that body -- Licence Suspension and Appeal Board and they would examine the whole case and they would rule as to whether the insurance companies had to insure this person or not, because there are some people who just under no circumstances could really be insured, they should provide their own insurance -- they are not insurable risks. Last year there were 3,844 -- I am sorry, in 1963, that's the last figure I have -- there were 3,844 motorists in the assigned risk plan but there were 48 who were refused insurance altogether -- 48. Now those persons had the right to go to the Licence Suspension and Appeal Board and have their case reviewed by this public body to see whether or not they should be insured. I'm afraid I can't say how many of those 48 actually appealed but that is the total number of people as far as our records disclose, applied for insurance of some kind of or another and couldn't get it.

MR. MOLGAT: Well, these 48 people who cannot get assigned risk, presumably have become very bad insurance risks. Are they nevertheless licenced by the province? Are they . . .

MR. ROBLIN: If they put evidence of financial responsibility.

MR. SHOEMAKER: Mr. Chairman, is it the intention of the government to introduce at this session amendments to the assigned risk plan, that is in consideration of the fact that the fund -- I don't know what it stands at now but I think that it's in a pretty healthy state financially and it must have received numerous \$25.00 contributions. I thought I saw a note in one of the newspapers suggesting that the coverage would be broadened in some way or other.

MR. ROBLIN: Well, as I think was stated in the Throne Speech, legislation will be brought in to amend the assigned risk plan to make it possible for people to recover under that -- wait a minute, we are talking about the Unsatisfied Judgment Fund -- that's right.

The Throne Speech says that the Unsatisfied Judgment Fund will be amended to make it possible to recover for property damage. Heretofore it has been limited to damage to life and limb. It will be amended and the Bill will be before the House before long dealing with that subject.

MR. FROESE: Mr. Chairman, I have several questions here. I note that this also covers company inspections. This item also covers company inspections. Just what does a company inspection entail? I know of other companies that fall into the category where the dominion department of insurance make an inspection and these are very thorough and the requirements are very stiff. I just wonder what the provincial department's requirements are under this . . .

MR. ROBLIN: The main function of the provincial department under this section is to examine the solvency of insurance companies and of course this mainly has application to small local companies and also to investigate any complaints that are raised against the way the insurance industry happens to deal with the general public. Those are its two main functions in that field.

MR. FROESE: A further question then, I note that from the budget or the revenue estimated there is an item of \$200,000.00. Is this collected under this item or . . .

MR. ROBLIN: No, I think my honourable friend is probably referring -- there are some collections under this department. For example we licence insurance companies, adjusters and agents, and there is the money that is received for that function, but there is of course a two percent tax on insurance premiums which is levied on all insurance contracts written in the province.

MR. HRYHORCZUK: Mr. Chairman, coming back to the 48 persons who were unable to

(MR. HRYHORCZUK cont'd) obtain policies under the risk plan, I think the First Minister said that those that were unable could appeal and he wasn't sure how many had appealed or whether any did at all, but he also made a statement that in the event they didn't appeal if they could show financial responsibility they could still get their licence. Now just what does he mean by financial responsibility? Does he mean wealth in -- show that they are able to

MR. ROBLIN: They post a bond of some kind or lodge some security. I forget the exact amount of it, I am not sure.

MR. HRYHORCZUK: Then it is a bond or cash security, is it?

MR. SHOEMAKER: Mr. Chairman, I believe that you have to post the \$35,000 bonds

MR. ROBLIN: Is that so, I haven't got that

MR. SHOEMAKER: If you deposit savings bonds or something to the value of \$35,000 why that is considered sufficient.

Well on the -- I don't know if this is the point at which I would like to raise the one question and that is in regard to certain material that goes out to farmers relative to crop insurance refers to their agents as insurance agents. I have seen that term used in several of the information propaganda sheets that go out. They call them insurance agents and yet I don't believe that they are required to purchase an insurance agent's licence nor I don't believe they are required to pass the examinations of an insurance agent so, in fact, they are not insurance agents as such, are they?

MR. ROBLIN: I am not positive about this situation but I think my honourable friend's description is correct. If the Minister of Agriculture were here he no doubt could answer it. It does not come under this branch in any case.

MR. GUTTORMSON: Mr. Chairman, has it come to the Premier's attention that some drivers are prevented from obtaining insurance because of what you might call malicious stories given by people who write into the insurance companies or give malicious reports to the insurance companies. The reason I raise this question -- not too long ago a chap came to see me because he was unable to get insurance and I asked him a number of questions as to his driving record and he advised me about it. His driving record was clear, he had never had any difficulty with the law and yet nobody would give him insurance, so I did some further investigating and made some further enquiries. I learned that the insurance companies had reports that this man's use of alcohol was such that they didn't think he should have insurance and it seemed to me that they had obtained this information from somebody who perhaps wanted to be malicious and as a result of it he wasn't able to get insurance. However, I pointed out to him that he had an opportunity to apply to the assigned risk and I haven't heard since. I was just wondering, are there many cases of this nature?

MR. ROBLIN: Very few, if my honourable friend's friend who thinks he has been unfairly dealt with, he can always take his case to the Superintendent of Insurance whose business it is to look into problems like that.

MR. SHOEMAKER: Mr. Chairman, there is an agency in the City of Winnipeg now that will quote a rate for any risk. Now the First Minister has suggested that it would be advertising if you named the company in the House so I won't name it, but we use it frequently to get a quotation. We give them a little business as well. They will quote a five or six or seven hundred dollar premium on examination of the application and I have not yet had them refuse to give a quote. That is they are similar to Lloyd's of London in that they maintain there is a premium for every type of risk. Now in our operation in Neepawa I would think that probably three or four or five times a month we do make application to the assigned risk plan and I must in all fairness say that we have never in our experience had the assigned risk plan refused to take a risk.

I must say also that there are a number of people in the province that think that the Retail Credit agents or reporters in the various communities -- I don't know what you call them -- that are reporting on the characters of these various persons which they claim that they give out a lot of false information I know that, and I also know that it's almost impossible to get an insurance company to say why they refuse to accept a risk. They may tell an agent by telephone but they certainly will not put it down in letter. They just say they refuse.

MR. ROBLIN: Mr. Chairman, to bring some sense of proportion to this I should report there are over 350,000 registered vehicles in Manitoba and only 48 people who wanted to get insurance through the assigned risk didn't get it, so it seems to me that by and large the insurance industry is doing a pretty fair job in this respect.

MR. GUTTORMSON: Mr. Chairman, though, there are a lot of people that aren't in

(MR. GUTTORMSON cont'd) that figure because the one I cited for example was turned down. He went to two or three different insurance companies and they said no and as far as he was concerned he was just out of luck.

MR. ROBLIN: Well surely one of them would have referred him to the assigned risk plan or my honourable friend could refer him to the assigned risk plan.

MR. GUTTORMSON: The insurance companies didn't and he was desperate and he said I just can't get insurance and they won't even tell me why I can't. He went to the RCMP and they said, "We have nothing against this man," but the insurance companies refused to tell him why they wouldn't give him insurance.

MR. ROBLIN: Well there is recourse. A man has an alternative source to go to and I think he can be looked after.

MR. GUTTORMSON: Well this is true. I did direct him in what procedure to follow but he didn't know that and I am sure there are a lot of people that don't know.

MR. PETERS: Mr. Chairman, I think it's most unfair -- I think that the people the Honourable Member for St. George is referring to -- I have had a few of these brought to my attention and I did direct them to the Superintendent of Insurance but most of these people that fall into this category are beer waiters and their driving habits are good; they have never been arrested or had any violations under the Highway Traffic Act and yet somebody can go and make a report and then the only way they can get coverage is under the assigned risk and I don't think this is fair.

MR. ROBLIN: Yes, but my honourable friend probably is not aware of the fact that under the assigned risk plan you get the regular rate if you have a clear record. You are not surcharged at all under the assigned risk. There are 735 people on the assigned risk plan who've got perfectly clear record but for some reason or other were not insured through their local agent. But they paid the regular rate; they are not surcharged. The rate of surcharge on the balance is strictly related to the fellow's record on accidents and convictions under The Highway Traffic Act, etcetera. So I don't think there is any real injustice here.

MR. CHERNIACK: Mr. Chairman, on that point, what is the protection under this assigned risk? Isn't it less than what is normally available to other purchasers of insurance?

MR. ROBLIN: No. If you are in Class A, that is you have a clear driving record, you get limits up to \$50,000.00. If you are in Class B, those are persons with convictions or accidents or definitely poor risks, the limit there is \$35,000, which is the limit that the province insists on.

MR. GUTTORMSON: Mr. Chairman, isn't it so that a number of these people that go on assigned risks are charged an investigation fee?

MR. ROBLIN: Not that I'm aware of. -- (Interjection) -- Are they? I don't know that. -- (Interjection) -- \$4.00

MR. FROESE: . . . a further question to the point I raised before, that was on the inspection of companies. The Premier mentioned that they were checked as to their solvency and so on. Have any charges been suspended because of insolvency of any of the loan companies or the companies that have been inspected?

MR. ROBLIN: . . . where they have been suspended, but a couple in my honourable friend's constituency, or thereabouts, have been advised to amalgamate in order to strengthen their financial position and they took the advice and did amalgamate.

MR. FROESE: One further question. This has to do with insurance companies. I stand to be corrected on this, but apparently life insurance companies can only invest, is it five per cent or so in investments other than bonds and governmental securities?

MR. ROBLIN: The limit on life insurance companies has recently been raised and is somewhere in the neighbourhood of fifteen or twenty percent. Unfortunately they only invest -- unfortunately in my opinion, they only invest about three percent in equities. But this is a matter which is controlled by the federal statute and not by the province.

MR. FROESE: No, but what are we doing to encourage life insurance companies to invest in other than governmental securities. I think we should encourage them to place their investments in some industrial

MR. ROBLIN: This is a federal matter. We have no control over them.

MR. CHAIRMAN: 6 (a) -- passed, 6 (b) -- passed, Resolution No. 12 -- passed, Resolution No. 13.

MR. GRAY: Mr. Chairman, I understand that the government is carrying their own insurance on many buildings in the province. This item No. 7, Resolution No. 13, this has been

(MR. GRAY cont'd) the same amount paid out every year. I haven't heard of any hold-ups or other

MR. ROBLIN: My honourable friend has got two things mixed up. We're not self-insurers under this item. This is for fidelity, hold-up, burglary and safe insurance.

MR. GRAY: This is exactly what I

MR. ROBLIN: This we buy.

MR. GRAY: This is exactly what I have in mind.

MR. ROBLIN: We buy this. We are self-insurers on fire insurance.

MR. GRAY: I can't hear you

MR. ROBLIN: We are self-insurers on fire insurance. We're not self-insurers under fidelity, hold-up, burglary or safe insurance.

MR. GRAY: This is exactly the question I want to ask.

MR. ROBLIN: I see.

MR. GRAY: In \$12,000 a year, year after year, which could have gone to the same fund that we carry our own insurance. We carry fire insurance, it's true, but we could carry even this, because once we decide on the principle of carrying our own insurance, why waste \$12,000 a year for which we have no damage at all as far as I know and carry our own policy of \$12,000 a year, that's a lot of money, it piles up and our risks of fidelity insurance are very very small. That's exactly the question I want to ask.

MR. ROBLIN: We think that for the amount of the premium, which is \$12,000, it is better for us to have commercial insurance on this particular kind of risk than to insure it ourselves. On fire insurance, where the premiums run to very large sums indeed, we are self-insurers for the first \$500,000, having built up a fund to take care of that. And while there's an argument for what my honourable friend says, I don't deny it, our opinion is that on balance we're justified in using commercial insurers for this type of risk.

MR. CHAIRMAN: Resolution No. 13 -- passed. Resolution No. 14, 8 (a) -- passed.

MR. MOLGAT: Mr. Chairman, what specific fund is it that we're paying interest on here?

MR. ROBLIN: Well where we have other people's money that the treasury is protecting or looking after, safeguarding, and we use it ourselves as we do, it's only right that we should pay interest on it, and that's what this item is. Oh, there must be fifty or sixty different items where we pay \$500 here and \$1,000 there on money that the treasury is by statute obliged to take care of. But seeing it is under our control, we feel we should pay interest on it. I'll just read out some of the items here, because it would be tiresome to read them all, but I'll read the first few: Atomic Energy of Canada Limited, \$12.00; Crop Insurance Agency Trust Fund Account, \$3,700; Employees Group Life Insurance Experience Rating reserved for future losses, \$2,000, a little more than that; Horned Cattle Purchases Act, \$403.00; etcetera -- there's a whole list of accounts.

MR. MOLGAT: Would the A. E. McKenzie Trust come under this, or is that under another

MR. ROBLIN: Ah . . . I'd have to -- I don't think it comes under this. I think it's set up quite separately on its own. Oh no, I'm wrong. The A. E. McKenzie Foundation is in here, and the payment last year was \$6,030.90.

MR. MOLGAT: What is the situation now, so far as the province is concerned with the A. E. McKenzie Trust, because Mr. McKenzie has now died, and I think that the arrangements were to come to a head at the time of his death, were they not?

MR. ROBLIN: Well, I'm glad my honourable friend raised this, because it gives me an opportunity to say what I think all members of the House would want to say, and that is a very brief, but nonetheless sincere word of appreciation for the donation of Mr. McKenzie to the future Brandon College, and while that late gentleman had a long, very long and very vigorous and really fascinating life, he is now dead, and his bequest inured to the benefit of Brandon College.

Now the position is that at the present time, the estate is under review by the court, and we have not yet reached the stage where anything will be done with respect to its future. But what the government is doing, is we're doing something that we tried to have done previously but for reasons which my honourable friend may appreciate have never really been carried through and that is to assess the value of this company to try and come to some judgment as to the calibre of the present management, what its value would be and what steps should be taken to protect its future, particularly with reference to its value to the Brandon College organization

(MR. ROBLIN cont'd) and to the City of Brandon, where it represents no small enterprise. Now, those matters are under review, but nothing of a decisive nature has been arrived at nor will it for some little time yet to come. But eventually we're going to have to decide what to do with this company in the future. Should it be sold? If so, under what terms, and to whom? What is Brandon College's view of this matter? What is the view of the estate? There are a number of matters like that that have to be looked after. The Comptroller-General has accepted the responsibility for looking into this matter and he is doing so in conjunction with Mr. W. A. Johnston, Q.C. of the firm of -- the Johnston, Garson firm gentlemen who is the executor of the estate, and they are looking into the future of this organization to see what should be done about it.

MR. MOLGAT: Mr. Chairman, I want to say that I agree completely with the statement of the First Minister insofar as Mr. McKenzie's grant to Brandon College and the province. It was certainly a very generous donation and one that will permit Brandon College in particular to do a lot of things which otherwise it could not have undertaken without these funds. I realize that there have been some difficult business aspects to this over the years. What exactly is the status now. Does the province own the company, or what portion of it does it own, and how is it being operated at present? Is it being operated by Mr. Johnston and the Comptroller-General? Who makes the decisions from a management standpoint?

MR. ROBLIN: It's being operated by the Board of Directors that have been operating it for the last many years. They are still operating the company and are in charge of administration, and the latest report I have is that it is still being operated in a successful fashion. The exact legal position is one which I expect will have to be referred to the courts for elucidation.

MR. CHERNIACK: might I ask if the government has participated at any meetings of shareholders and the election of directors?

MR. ROBLIN: Yes, we are the main shareholder. We own almost all the shares under the terms of the Trust agreement. It's a very very peculiar agreement. If my honourable friend will look at the statute that covers it, his trained legal eye will immediately discern the problems that are involved in dealing with this matter. Mr. Iliffe represents and has represented the government on the Board for many years past and still does so.

MR. CHERNIACK: shareholder. Who are the directors? Who are the directors elected by the shareholders?

MR. ROBLIN: Well, from memory, the only ones that I can recall besides Mr. Iliffe is Mr. Craig of Brandon, Mr. Lasby Lowes, and one other gentleman. It's a small directorate of four. It was five. That's right -- Mr. Knowlton. These gentlemen have been the directors for many a year. The only missing post is the one filled by Dr. McKenzie himself.

MR. SHOEMAKER: It's not necessary for them to table a report. It is necessary for the San Antonio Mines to annually table a report is it not here?

MR. ROBLIN: Well, my colleague the Minister of Mines will be reporting on that.

MR. CHAIRMAN: 8 (a) -- passed; (b) -- passed; (c) -- passed.

MR. CHERNIACK: Could we have some idea of the nature of the refunds and the actual for last year.

MR. ROBLIN: Well, the refunds are just any -- if anyone overpays us for any purpose from any of the transactions that the government deals in, from A to Z, and there is an overpayment and the refund is made, it comes out of this particular account. The figure for last year -- I haven't yet got the figure for 1964 because the year isn't closed -- the figure for 1963 of course is in the Public Accounts.

MR. CHERNIACK: Mr. Chairman, I remember seeing one of the early returns made in this session dealing with refunds, or with a rebate of fines in the police courts, \$14.00 here and there. Is this the

MR. ROBLIN: That's quite a different thing. That's under the Royal prerogative so to speak. Executive council have the right to refund or rebate or to change certain fines that may be levied, for example under The Game and Fish Act, and these are done by executive action on the Executive Council. We report those to the House so they will know what fines have been remitted or changed during the year. It has nothing to do with this. These are refunds in the normal commercial way of business, money that we have no right to have under any circumstances.

MR. CHAIRMAN: 8 (b) -- passed; (c) -- passed. Resolution No. 14 -- passed. Resolution No. 15.

MR. MOLGAT: Mr. Chairman, on Resolution 15, the Unconditional Grants, I'm happy to see that this item is still in the Estimates. My understanding was that the Michener Commission recommended the abolition of this particular grant, and I'm happy that on this one particular item the government has not acted.

Last year we had some discussion as to whether it was to continue and there appeared to be some hesitation. Can the First Minister indicate to us whether this will continue beyond the next year and whether the areas who are really very concerned about this grant can consider that they may proceed with plans? I think this is particularly so in the unorganized territories where really there is no structure for public works of a local nature. In very many cases there is no local taxation because there are no real means of doing it except through the school districts and so on, and the unconditional grant there has become an important item for many of the areas so far as their basic local public works, their snow plowing and so on, and any change in this particular grant would affect large areas of the province very adversely.

Committees have been set up in a number of areas. Those of which I am particularly familiar in my own constituency for example are making very good use of this grant and it is done on a local basis with a committee being set up. It's the beginning of a local organization and may eventually lead actually to the formation of municipalities as the population grows, but certainly for the time being it does mean that there is a local body interested in doing something and with some funds with which to work. But in order to plan their work they cannot do it on a strict year to year basis and most of them have been laying plans on a two or three year basis either for drainage works for public works. They do this in conjunction with the public works department. The engineers will come out, sit down with them and it has been very successful in most of the areas, but they are always concerned every year, are we going to get the grant or are we not going to get the grant. If they could have some assurance that this would be a continuing program I think they could make better use of their funds.

A number of them have funds accumulated over the years. They haven't spent it completely and if they could plan a program on a three or four year basis knowing that the money would be coming to them, I think that the province would be further ahead because there would be a better expenditure of the money, whereas if they have to go on a straight yearly basis there is a temptation to use it all up even though it may not fit into their actual plans at the time for fear that it won't come again. So if it is at all possible, and I realize that it's difficult for the government on an item like this possibly to give a long range decision, but if it were at all possible I think it would mean better use of the money in most of those areas.

MR. ROBLIN: I think, Mr. Chairman, that we indicated last year that we had no plans to change this policy.

MR. CHAIRMAN: Resolution 15 -- passed.

HON. ROBERT G. SMELLIE (Minister of Municipal Affairs) (Birtle-Russell): Mr. Chairman, last night I was asked a question by the Honourable Member for St. John's and I was not prepared at that time to give him an answer. I am now prepared to give him the answer. The question was as to whether or not the lessee of property, on a railway property for example, would be entitled to a school tax rebate. I would refer my honourable friend to sections 984 and 1003 of The Municipal Act. In section 984, of which we have revisions before us in Bill 14, but the principle does not change, and there it says -- I am reading from the revised section 984 in Bill 14 in subsection (8). "Where any land mentioned in subsections 3 to 5 is exempted by reason of being used for a special purpose and is occupied for any other purpose or for a purpose not permitted by the subsection under which the exemption is granted, the land is liable to assessment for taxation and the owner and the occupier are jointly and severally liable for any taxes levied in respect thereof.

In section 1003 of the Act it refers to premises leased from a railway company and including parts of the right-of-way or the station grounds of the railway, and states in effect that the holders of these properties are liable for taxation as the occupiers. "The name of every such lessee, permittee or licensee shall be placed upon the assessment roll as owner of the land or building, structures, erections, and improvements, and the land forming the site thereof or occupied therewith." So that for purposes of assessment and taxation these people are treated as owners.

Similarly with the occupiers of Crown lands. They have a right or interest in the land and they are placed on the assessment roll as if they were the owners of that land and the taxes are levied against those occupiers so that they will in all cases be subject to taxation, and where school taxes are paid they will be eligible for school tax rebate.

(MR. SMELLIE cont'd)

On another question, I see from Hansard on page 391 that the answer I gave to my honourable friend was not clear. He asked when names could be changed at Court of Revision and if there was only one Court of Revision in each year, and I answered that sometimes there was only one and this is correct. There must be one Court of Revision in each year in every municipality, but in section 1023, subsection (3) of the Act -- and again this is subject to revision in Bill 14 and the section as I read it will be as it is revised by Bill 14. "The court of Revision in addition to its regular annual sitting for which provision is here and before made, from time to time up to the 31st day of May of the year in which taxes are to be levied on the assessment may, and if there are any applications to be heard shall sit as a Court of Revision for the purpose of considering applications by real owners to have their names placed on the assessment roll and tax roll or applications for a change in the name of the owner of land in the assessment roll and tax roll and may order the necessary changes to be made in the rolls." etcetera.

So that for the purposes of changing names, any municipality can hold an additional Court of Revision and if a person applies for such Court of Revision the municipality shall hold a Court of Revision in order to change names in those cases where it is proper to do so. So that those persons who may wish to have such a change made on the Court of Revision may still apply to their municipality at any time before the 31st day of May and the municipality can make that change.

MR. ROBLIN: The member for Brandon very kindly pointed out that I may have left the wrong impression about the McKenzie stock, in leaving the feeling that the government owns it. We don't own it in that sense. We are trustees for Brandon College.

..... continued on next page

MR. CHAIRMAN: Resolution No. 19, 4(c) --

MR. STEINKOPF: Mr. Chairman, there were a couple of questions that were asked me just as we adjourned and I'd like to have the opportunity of replying to them. The Honourable Member for Lakeside was querying the difference in the table here in the number of employees, number of civil servants, those that were covered off by establishments, 5,656, whereas there were a total number of 6,376 shown as employed at December 1964, for a difference of 720 employees. I have been able to get some approximate figures as to how the 720 are made up. Sick and holiday relief in hospitals and other institutions, approximately 100; persons employed on projects of short duration such as to compile figures for reports, approximately 50; persons employed on research projects, approximately 25; and persons qualifying to write civil service examinations, approximately 50. The bulk of the civil servants, some 495, this is just an approximate figure, are those persons covering off establishments where it's been impossible to obtain qualified people, and in this class probably the largest number are in the registered nurses field where there are some 200 positions still not filled. Is that information satisfactory?

The Honourable Member for Ethelbert Plains queried me on the number of people and the breakdown by departments of those on educational leave. The final figures for 1965 -- I have them by departments -- in the Comptroller-General's department there are two who are registered in Industrial Accounting courses. This is an evening type of course and the total amount of money involved is \$188.00. There's one in the Provincial Library, a bachelor of library science, the sum involved there is \$970; in Treasury there is one on a special executive course and the sum of \$1,000; there are two in the Purchasing Department in my department, a total of \$200 -- these are evening classes; a total of 9 in the Department of Agriculture and Conservation studying extra mural subjects at the University of Manitoba in agricultural economics, forestry, extension education and economics, a total of \$14,972; twelve in the Attorney-General's department, bachelor of social work, master of social work, a total of \$18,431; and in the Department of Health, 11, totalling \$27,407. This is the department where the total cost is considerably more. It is \$53,512 but there are recoveries from the federal government of \$22,025 and a recovery of \$4,080 from the Manitoba Hospital Commission, so that the net balance of \$27,407 is chargeable to government. These people are in diploma courses in public health, public health engineering, clinical psychology, master of public health degree and hospital administration. There are a total of 12 in the Department of Mines and Natural Resources at a cost of \$5,176; and 42 in the Department of Welfare for a total cost of \$30,390. Then there are some 45 at the University of Manitoba taking in-service training programs in public administration. These are from every department and those are of the government at the management level. There are 23 first year students taking political science and economics, and 22 second year students taking public finance and functions and policies of Canadian government. That is the final and complete report, and the total of all of that is \$115,000 for 137 people.

MR. MOLGAT: Mr. Chairman, those people who have obtained educational leave, are they under any commitment to the government to remain with the government for a period of time subsequent to the training?

MR. STEINKOPF: Yes, it varies but I think in the Department of Welfare, where we have the largest number, they are under commitment for two years -- to return for at least two years.

MR. CHAIRMAN: 4(c) -- passed; Resolution No. 19 -- passed; Resolution No. 20 -- passed; Resolution No. 21 --

MR. FROESE: Mr. Chairman, under Civil Service Group Life Insurance we have \$66,000. How much coverage does that give to the individual?

MR. STEINKOPF: I have the insurance schedule here and it's published in a brochure that I can give you, but it depends upon the salary of the individual. It's on a sliding scale and it depends on whether they're single or married. There are quite a number of factors on here but the maximum amount, it varies from \$3,000 -- a minimum of \$3,000 to a maximum of \$30,000.

MR. FROESE: Is the schedule available? I'd appreciate getting one.

MR. STEINKOPF: I'll let you have this copy.

MR. CHAIRMAN: Resolution No. 21 -- passed. Resolution No. 22 --

MR. BARKMAN: I think the Minister indicated last year that there was some endeavour being made to try and combine the purchasing power of the various departments including the

(MR. BARKMAN cont'd) utilities. Has any advance been made on this?

MR. STEINKOPF: We've had a number of meetings with the various utilities, but so far we are still purchasing separately. We're not purchasing together yet, but there's a greater interchange of information.

MR. CAMPBELL: Mr. Chairman, I was wanting to ask a question of the -- we're on the Purchasing Bureau are we? Resolution 22, Purchasing Bureau? I want to ask the Minister, Mr. Chairman, if for the government cars, and I'm thinking particularly of Ministers' cars, is the practice still followed of purchasing these cars by open tender?

MR. STEINKOPF: Yes it is.

MR. CAMPBELL: All the Ministers' cars are tendered for, are they? And the lowest tender accepted?

MR. STEINKOPF: Yes I believe they are. I know of no case where they're not.

MR. MOLGAT: Mr. Chairman, what is the policy in practice so far as the purchasing of cars? I'm not thinking only of the government itself, that is of government departments directly, but I'm also thinking of others like Hydro and Telephone and the other corporations. Are the tenders let right across the province to everyone who is interested, or are they, if a vehicle is required let us say in the Minnedosa area, is it tendered strictly in the Minnedosa area? Is it tendered across the province or on a local basis?

HON. WALTER WEIR (Minister of Public Works)(Minnedosa): I stand to be corrected because while the orders are placed through our department they're done through the Purchasing Bureau. My understanding is that many of the cars are set out to tender in a relatively confined area. For instance if it was Minnedosa, it would probably be Minnedosa-Neepawa, something of that scope, with the exception that anybody that enquired for tenders, and I believe that there is one Winnipeg firm who has requested an opportunity to bid on all cars and they receive the opportunity to bid on all cars. But there are areas where I think that the concentration of tenders is what you might call relatively local and others that are all across the province.

MR. BARKMAN: Mr. Chairman, if the tendering is done on that basis and I agree this is quite all right, but why is it then that the advertising is not done in these local areas and basically in the Winnipeg papers only?

MR. WEIR: Mr. Chairman, I think for the most part that the tenders are mailed to the listed garages. I think they are placed in the Winnipeg papers. As far as I know, speaking for my own department and I'm not sure about purchasing, for instance road tenders and what-not are advertised only in the Winnipeg papers and there are special days, Wednesdays and Saturdays, on which tenders show up, so that people that are in the trade recognize the days that tenders will be called and are able to watch certain editions and be able to keep up to date.

MR. MOLGAT: Mr. Chairman, what is the explanation for the purchasing being done by the purchasing bureau but the buying being done by Public Works?

MR. WEIR: Mr. Chairman, if buying is being done the requisitions are made by the Department of Public Works through our automotive purchasing committee and the central provincial garage, the same as all of the requisitions for anything in government service is initiated by the department but the purchasing is actually done by the purchasing department.

MR. STEINKOPF: the Department of Public Works or any other department. The purchasing bureau solicits competitive bids wherever possible and then the bids are tabulated and the record is sent to the deputy minister of each department, but because of the rather specialized nature of the cars and anything else it goes direct. I asked the Minister to reply because he's got more experience on that than I have.

MR. MOLGAT: What is the policy, Mr. Chairman, in regards to other tenders? Can they obtain the prices -- this is one that comes up frequently. The question is asked of me a number of times during the year. In other words, someone who is not the lowest tender, can he come down to the purchasing bureau and find out what the tenders were? This is something that people who are involved in tendering to the government are very concerned about. Now is this information available to them?

MR. STEINKOPF: It has not been the policy over the years to disclose what the low price was. However, the purchasing agent will disclose on request who was the lowest tenderer and also where that person who is enquiring actually ranked in the list of tenderers, but without disclosing the price.

MR. MOLGAT: Mr. Chairman, the Minister in reply to the Member for Carillon constituency indicated that there was -- did I understand him correctly to say more co-operation

(MR. MOLGAT cont'd) and liaison between the purchasing departments? If I recall correctly, last year he indicated to us that he was making a study to amalgamate all the buying. My understanding then was that it wasn't going to be just a matter of co-operation but that there would be one central purchasing bureau which would operate for all of the Crown corporations as well as the Provincial Government rather than have separate purchasing bureaus in each case.

MR. STEINKOPF: I believe I suggested last year that we were investigating the possibilities of doing this and thought if it were possible that it would be highly desirable. We've had a series of meetings on this and so far we haven't been able to work out a system that would be advantageous but we'll still work on it and see if we can do it. The products that the utilities, the hydro and the telephone use are so entirely different to anything that is used by the purchasing bureau that it has been very hard to get them together and we found that it was necessary for us to revise our own specifications here. We spent a lot of time this year in doing that in order to get that up to date and get our department in the position to take another look at seeing where they could be of assistance with the other two, the telephones and the hydro, but we haven't been able to achieve it yet but we'll still continue to try and get to that goal.

MR. MOLGAT: Now to turn back to the cars for a moment, some time ago I think it was the intention of the department to move towards the replacement of cars almost on a yearly basis because of the sales tax saving. The fact that the province does not pay the federal sales tax put them in a position where I think it was more advantageous to not keep the cars too long, put them back rather quickly on the market and that really the net cost, when you took in the fact that there was no sales tax payable on the new unit, and yet when it went on the market as a used car it was treated in the same way as any other used car. What is the policy now and what are we doing about that particular aspect?

HON. WALTER WEIR (Minister of Public Works): Mr. Chairman, I think probably I could answer that question. The sales tax situation has changed and sales tax is now levied by the federal government, as I understand it, on the equity that the government has left in the car at the time it's traded. In other words, the sales tax doesn't apply on the new car when you purchase it but it does apply on the trade-in value of your old car so that the only sales tax-free portion of the car is that part of the car that hasn't been used, so to speak. With this change it has taken out the advantage that there used to be in much of this trading and the policy has now changed to, in place of trading every two years as had been the case, the policy is now to trade pretty well on a mileage basis and the condition of the car, normally 45 to 50 thousand miles unless there is some special condition that warrants trading sooner or keeping the car a little longer.

MR. MOLGAT: The Minister had also indicated previously, Mr. Chairman, that there was consideration to the purchasing of compact cars rather than the standard size models as a matter of efficiency. Has there been any study made into this? What is the policy in that regard?

MR. WEIR: Mr. Chairman, when my estimates come along I'll have information with me. I think I'll be in a better position to answer the honourable member's questions if he doesn't mind waiting until then.

MR. CHAIRMAN: 7 (a) -- passed.

MR. MOLGAT: I have a question also on the matter of pooling which had been indicated by the government. Will that come now or under Public Works?

MR. WEIR: If the honourable member doesn't mind waiting, I think I'll have it better compiled at that time.

MR. CHAIRMAN: 7 (a) -- passed; 7 (b) -- passed; Resolution No. 22 -- passed. Resolution No. 23.

MR. WRIGHT: This assessment of \$60,000 by the Workmen's Compensation Board, am I right in assuming that this covers all government employees excepting the hydro and telephone employees?

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, on 23, on the Workmen's Compensation Board, I'd like some information on partial disability cases. I know of two or three cases that were brought to my attention where one is hurt and is awarded a partial disability pension. For example, I can remember of one case now where one was a foreman on a roofing job and was hurt and did not recover completely and was awarded -- I remember well, it's a \$12.00 partial disability pension.

MR. CHAIRMAN: the honourable member, I think this had better come under the Department of Labour. Here we're concerned with the Workmen's Compensation assessment that's paid by the provincial government in respect of its employees only. I think this had better come under the Department of Labour estimates.

Resolution No. 23 -- passed. Resolution No. 24, 9 (a) --

MR. PAULLEY: Mr. Chairman, I feel that I couldn't let this section pass without making a comment or two. I thought that when this department which we often refer to as the propaganda section of government, I thought that possibly when it was changed from the Department of Industry and Commerce to that of the Provincial Secretary we might have a new look at the whole matter.

However, being one of the recipients of the information bulletins which are issued from time to time by the government, I ought to say to the Provincial Secretary I am a pretty avid reader of the contents of the information bulletins, and while on past occasions I have drawn the attention of the House to numerous angles that the department and the government use in its propaganda machine to the population of the province, and I don't really intend to make any exhaustive speech this evening in connection with this department, but I do want, Mr. Chairman, to once again complain with the bulletins themselves. If the government is going to issue them, I only wish to goodness they would be accurate in what they say to the recipients of this dodger.

I refer to one that was datelined March 5, 1965 dealing with the budget of the Honourable the Provincial Treasurer and the title of this document is "Tax Cuts to Accompany \$185.5 million budget." Then the article goes on that "Premier Duff Roblin, Provincial Treasurer, has budgeted for a record \$185, 477, 152 in current revenues for the fiscal year 1965-6 accompanied by a reduction in certain taxes."

Then, Mr. Chairman, lo and behold as one reads this article, and I must say that this does go out to people who haven't had the opportunity of being in this Assembly and because it comes from government generally speaking figure that it must be so or else the government certainly wouldn't send out guff like this, the next paragraph reads: "In connection with this, here are the tax changes. The one percent land transfer tax will be repealed." Mr. Chairman, the tax was never imposed, so how can a tax that was never imposed be repealed?

Then it goes on in the same paragraph; "The government undertook not to proclaim it pending further studies and the final decision is that it will not be imposed in present form." I have no objection to the government saying that the land transfer tax was never proclaimed and save the few dollars this way, but for goodness sake the public of Manitoba are deservant of better information from the government in this respect because it wasn't a tax change at all.

Then throughout the article it mentions: "No. 2. The December 31st deadline for local school taxpayers to complete their tax payments before qualifying for the direct school tax rebates has been eliminated." Well if this is a tax reduction then I would take another look at it.

Then further the article goes on to say, and of course we have to make an appeal to our farmer friend don't we when we are sending out our propaganda, so we say with item No. 3, "Farmers will get a direct exemption of the one cent a gallon tax on diesel fuel for farm purposes rather than applying for a refund." Well, heavens to Betsy, what tax reduction is this, Mr. Chairman? It just merely states that instead of the individual farmer making an application for the refund of the one cent a gallon tax on his diesel fuel that he won't pay it in the first place. What tax reduction is there?

Then mention is made of the \$10.00 Grade 11 examination fees affecting 13,000 students is eliminated. I guess we will get this information when the Department of Education is before us. No. 5. "The reduction in the personal income surcharge is in effect this calendar year amounting to savings of about \$1.1 million and credits will be granted corporations paying taxes on foreign investment income in keeping with federal provisions."

I say, Mr. Chairman that this whole news item, which I suggest would be carried by most if not all of the weekly newspapers in the Province of Manitoba, but what is the truth of the situation, Mr. Chairman? The truth of the matter is that even the reduction in the taxes of the \$1.1 million was made last August. It was made last August, not in connection with the budget that was laid before this House for our consideration this year.

I note, Mr. Chairman, or rather I don't note I think would be more correct in this piece of propaganda, there is an omission, that if this type of literature is going to be sent out

(MR. PAULLEY cont'd.) across our province directing tax cuts to accompany \$185.5 million budget, to be honest -- to be honest it should have also stated that the reasons that the budget calls for expenditures of \$185.5 million or the balance of the fund in large measure are as a result of the increased taxation that was imposed by the government at its August session. Reference is made here, as I mentioned, to the tax school rebate, but no mention at all of how it got there in the first place in order to make the rebate from the imposition of this government last August.

So, I say, Mr. Chairman, to the Minister and to the government, that while I am sure that I will not be able to persuade them from using this media to attempt to enhance their faltering position in the Province of Manitoba, I do respectfully suggest to them that they be factual in the news items that they send out to the weekly newspapers and to the citizens of Manitoba.

MR. STEINKIPF: Mr. Chairman, I think it is rather difficult to fault the Information Department for any of the releases. That department is charged with the responsibility of distributing the information and not putting it together. The Honourable Leader of the NDP should be thankful that he's not in the opposition in British Columbia. I have just received their information sheet this morning and the type is so big he might be able to read it from that great distance, and the heading is "Dynamic Budget of a Great Society in History-Making Era." Now that covers quite a bit of ground and is a little bit more conclusive I think than anything that our Department of Information ever gives out. I think it confines itself pretty well to the facts with the minimum of interference from any kind of political colour.

MR. PAULLEY: Mr. Chairman, I certainly can't speak for what is in the document that the Minister has shown us from the Province of British Columbia and I don't know whether the article that he has or the paper states actual facts or not. I'm not concerned with what they do in British Columbia or any other jurisdiction. One of the unfortunate things I suppose, Mr. Chairman, is I can't be a member of all of the legislative assemblies in the Dominion of Canada at the same time, otherwise I might be able to make the same criticism in British Columbia as I am now making here. But the point though, Mr. Chairman, is simply this, that notwithstanding what's in this, now I suppose historic document from British Columbia, the fact is that in this document in the Province of Manitoba I maintain that there are inaccuracies.

Now I say to my honourable friend the Provincial Treasurer possibly he is right. Undoubtedly he is right to say that his department are only the boys that send this out. He disclaims any responsibility for the contents of the sheet and I admire the man for it, because I certainly would want to disclaim any responsibility if I was in his shoes for information that is sent out like this. So I say to him I accept his explanation, but as the item however is dealt with under his department as far as the expenditure is concerned, this gives me the opportunity of raising the question at this time. So I say to my honourable friend: Yes, I accept your explanation. All you do is send the guff out, but it certainly is compiled by the government opposite and I can see one shiny-headed individual over there I think that is pretty well responsible for a lot of it, my old pal, and I say this in every respect to the gentleman because we've had many an argument about this in the past.

So once again, Mr. Chairman, I use this as an opportunity to say to the government: I guess I can't stop you from doing this. And here I would agree possibly with my Scotch-minded friend the Member for Lakeside that this expenditure has been catapulting year after year and it should be going the other way, but my purpose of course, Mr. Chairman, is to make a protest because of the fact of it and to protest because it is not accurate when it is sent out.

MR. CAMPBELL: Mr. Chairman, I guess to sum up what the Honourable the Leader has been saying is simply, "I can't stop you from doing this and you can't stop me talking about it."

MR. TANCHAK: Mr. Chairman, listening to the arguments between the two speakers just now, the Honourable Leader of the NDP asked the Minister a question. I don't think that the Minister answered that question. At least I don't think it was a satisfactory question. It seems to me that the Minister tried to kind of throw a smudge around in answering that question. He brings in the Province of British Columbia and says that the Province of British Columbia is making a better job of fooling the people. He didn't exactly say that. And I would like to ask the Minister, does he subscribe to the phrase that two wrongs make a right?

MR. STEINKIPF: No, but I do to the saying that two Wrights made the first aeroplane.

MR. PAULLEY: Mr. Chairman, if I may -- the Minister was kind enough to send this document from British Columbia over to me. I've now had an opportunity of just quickly

(MR. PAULLEY cont'd.) glancing at it. May I suggest to the Government of Manitoba that maybe they had better increase rather than diminish the propoganda department because apparently in this very forward-looking Social Credit Government of British Columbia they don't even know who the Minister of Public Utilities is, because this communication is directed to the Honourable C. L. Shuttleworth, Minister of Public Utilities, Winnipeg, Manitoba, and of course Mr. Shuttleworth went out when Mr. Campbell went out as Premier of this province.

MR. SHOEMAKER: Mr. Chairman, I don't know whether to congratulate the Honourable the Provincial Secretary or to lend him my sympathy because I have always referred to this particular item and the men responsible for it as the Department of Propaganda and the Minister of such. Now I have read in the House on two or three occasions and I do not intend to read it again. . . .

A MEMBER: Aw, come on now read it. Come on now read it.

MR. SHOEMAKER: Mr. Chairman, the simple reason is that I haven't got the article before me but I know it pretty well off by heart and it goes something like this, Mr. Chairman, that the Glassco Commission, and true it was appointed by the Federal Government back in John's time, but it said as regards information service, Mr. Chairman -- did the Honourable the Attorney-General wish to ask me a question?

MR. McLEAN: Who is John?

A MEMBER: They've forgotten pretty soon.

MR. SHOEMAKER: Mr. Chairman, in answer to that question my friends opposite were going to follow him and now they don't know who they were to follow. They are in the wilderness no doubt.

Now, Mr. Chairman, one of the recommendations that the Glassco Commission made was in regard to information services, and they made some pretty strong recommendations and condemnations about information services, and they said that it was not a function of government to promote -- to promote at the expense of the public certain political activities. This is what they said point blank.

Now it is apparent from the Manitoba Budget and Economic Review 65 that is before us that the government opposite do pay some attention to Royal Commissions because I want to read you one sentence from page 35. It says, "Basically we rejected the imposition of a new form of tax because our whole fiscal structure was and is under detailed examination by several federal and provincial Royal Commissions and by the Federal and Provincial Governments through tax structure committees."

A MEMBER: Read the rest of it.

MR. SHOEMAKER: It will take me a while or two to read all of that, but they suggest here that they accept certain recommendations of provincial-federal Royal Commissions, but apparently the one in regard to information services has gone unheeded. Well I, like the Honourable Leader of the NDP, maintain that a lot of the information that emanates from this department is misleading, and you could say a lot of other things about it. -- (Interjection)-- Yes, rather slanted. You could say a lot of things about it that were not very complimentary.

Mr. Chairman, I would like to know whether it is just the red sheets that emanate from this department or is it the red, white and blue. The CNR have a little jingle on the air now "Red, White and Blue Days" or something like that. I know that there are the green sheets and I have been told there are one or two other colours out now. I take it that it is just the red ones that emanate from this department information services.

I have one before me dated November 13th, 1964, headed "Sixty Mile an Hour is Night Time Speed on Trans-Canada." I know of two or three fellows that were fined for going 60 miles an hour at night because of this information. They thought that it applied to all of the highways in the Province of Manitoba.

A MEMBER: Was the Member for Neepawa one of them?

MR. SHOEMAKER: No, Mr. Chairman, the Member for Neepawa was not one of them. I'll tell you without naming the fellow, the Mayor of Neepawa was one of them and he's got a remand two or three times but I imagine he will be coming up some of these days. But he argued, he argued that there was no indication whatever that this did not apply -- this notice that went out, he read it, he read it and he, like a lot of other people in the province, thought that they had extended the night driving to 60 miles an hour on all of the highways. -- (Interjection) -- Mr. Chairman, what was the question from the Attorney-General? Perhaps the Attorney-General is suggesting that I send the Mayor around to see him and he'll fix it up or

(MR. SHOEMAKER cont'd.) . . . something like that. If that is so why that will be fine and dandy.

Mr. Chairman, I notice that there is a slight increase, despite everything that the Leader of the NDP and myself and many others on this side of the House has said in the past, and the uncomplimentary things that we have said about information services, they have increased the item here slightly by \$600. or \$700.00. Perhaps the cost of printing has gone up.

I must confess that I intended to bring into the House at 8:00 o'clock tonight just the red sheets that were published for last year because they stood a pile about eight inches high, the 1964 ones -- that was the red ones. Now the green ones, I don't know how high or how much they weighed but I have a couple of green ones before me and this one makes about as much sense as a lot of the red ones do. This one says at the top, "Income up but production values are down", and it's just about as mixed up as a lot of the other information. -- (Interjection) -- I'm going to reserve this until I get to the agricultural estimates because I'll have a lot more to say about it at that time.

Mr. Chairman, I have before me here a sheet of paper headed, "Advertising by Various Media -- Provincial Government Agencies", and it shows what the various departments of government spent for advertising in 1963. This comes from the 1963 submission of international broadcasters and I must confess I don't know where I got it, but there's the page that I tore out here. But anyway, Provincial Government Agencies, Manitoba Hydro and all the way down the list, it shows what they spent for newspaper advertising, magazine advertising, billboards and posters, direct mail, radio, television, others, and then the total. I don't know what all this was for but they spent \$529,453.12, over half a million dollars here. I'm not suggesting that my honourable friend is responsible for this at all -- 1963, Mr. Chairman. -- (Interjection) -- Well that's what it says here, "Grand Total" -- and it is a grand total too -- "\$343,733 for newspaper; \$63,000 for magazine; \$22,000 for billboards; direct mail, \$10,000; radio, \$36,000; television, \$43,000; others, \$4,000; for a total of \$529,453."

Well, Mr. Chairman, I would like the Minister to get up and say -- well he has admitted that he is not really to blame after all. For this he appreciates the errors of the other departments; he regrets that he has to carry on this sort of activity, and perhaps by this time next year either he will be relieved of his responsibilities in this regard or he will be able to convince the government that they are wrong in putting out a lot of this propaganda.

MR. STEINKOPF: Mr. Chairman, it may amuse the honourable member to learn that I am very proud of the department. It has a staff of four and the establishment is five. It serves a most useful purpose. I think that if there was no information forthcoming from this building on the functions of the government my friend would be the first one to register a complaint. I think that the staff is doing an exceptionally fine job. They have a responsibility too. I sent over the publication of one government only. I have in front of me the equivalent for every province in Canada, and again I don't want to in any way sound apologetic, but I do say that our department is simply one of service, of rendering the service of taking the information that is supplied to the department and disseminating it to the various news media. One only has to take a gander at the two evening newspapers and you wonder how the same release gets the same kind of treatment, or gets entirely different treatment, to understand how in the course of the day in this department of information, that maybe one out of many hundreds of sheets finds the slight error. In the one that the Honourable Leader of the NDP was referring to, I have since had it submitted to me and I think you'll find on the second page a list of the new taxes that were included.

MR. PAULLEY: Let's go over it.

MR. STEINKOPF: This is one of March 5th, page 2, main source of revenue comes from the Canada-Manitoba tax collection agreement. It will amount to 71.3 million despite the reduction in the income surtax. Gasoline and motor fuel taxes will bring in an estimated 35.5 million with liquor profits expected to reach 19.7 and motor vehicle drivers and all the various taxes.

MR. PAULLEY: Well, Mr. Chairman, the Minister is absolutely correct in stating that the main source of revenue as he mentioned comes from Canada tax collections which will amount to so much despite the reduction of income surtax. That's it. Then gasoline, motor fuel taxes will bring in an estimated 35.5 millions of dollars but it doesn't say here, thanks to the tax increases of August '64, then it goes on to say "with liquor profits expected to reach 19.7 million", but it doesn't say thanks to the directive to the Liquor Control Commission to increase the price of liquor by this government. Motor vehicle and drivers'

(MR. PAULLEY cont'd.)licenses, including motor carrier licenses and fees, should bring in 12 million point 9 million. But it doesn't say thanks to the fact of the additional impositions made by the government last August. The tobacco tax for a full year should account for 7 million in revenue, but it doesn't say thanks to the doubling of the tax which was made last August. Then it mentions the Canada-Manitoba Unemployment Assistance Agreement, then goes on to say utilities taxes are estimated at 4 million for a full year but it doesn't go on to say thanks to the increase in taxes of August over what they were previously. This is my complaint Mr. Minister.

It mentions here in Page 2 the only one reduction main source of revenue comes from the Canada-Manitoba Tax Collection Agreement despite the reduction of the income surtax and I suggest that if you're going to be fair or reasonable and forthright in this that the same type of an explanation should accompany the gasoline and motor fuel taxes will bring in an estimated 35.5, thanks to us now having one of the highest gasoline tax rates in the whole of the Dominion of Canada. Now this is my

MR. STEINKOPF: Don't you think honourable member that probably later in the year after the taxes are in that the proper thank yous will be forthcoming? That the thank yous will come after the taxes have been collected?

MR. PAULLEY: The thank yous from whom?

MR. STEINKOPF: Well you're suggesting that we thank the taxpayer for contributing to our coffers or to the general revenues and we've been remiss in not thanking him there in our original submission.

MR. PAULLEY: I don't think, Mr. Chairman, it's a question of thanking them, I think it's just a question of explaining to them why these increased amounts of money. Now this is my point.

MR. MOLGAT: Mr. Chairman, before we leave this item, I have been one of those who have been very critical in the past as well of the information department and the sheets that we get from them. I would like to say that I do approve of one change that was made this year. That's the addition of a sheet that usually comes at the back of the information section, entitled "This Week in History". Now in view of the fact that this usually refers to historical events back in 1815, in 1874, and so on, I will say that it has kept the political atmosphere out of the sheets completely. These are purely of a historical nature, different to the sheets that precede it. However, seriously, I think that this addition is a good one.

I think it is important that we do provide, in our services to the weekly newspapers, this type of information which I think they can make good use of and which a lot of Manitobans should be reminded of. I think it's important that we have pride in the history of our province. There are many aspects of it, that while we may have studied them in school, we are apt to forget later on and this addition to the information sheets I think is a valuable one insofar as developing a sense of pride in our province and I want to commend the department for that addition. That does not mean that I agree with the remainder of the release.

I am concerned though about one other aspect, Mr. Chairman, and that seems to be the great number of information sheets that come from many different sources in the government. And I don't know if I'm on the mailing list for all of them or not. There seems to be new ones coming out every now and then and I suspect that there may be a number of them that I don't get, but right now my list is rather extensive. I have, for example, the green one that comes from the Department of Agriculture, then there's another one that comes from the Department of Education called "Department of Education Bulletin", then I have another one that I get called "MDH" and it's the official publication of the Manitoba Department of Health. It's a little fancier, it's on better paper with pictures -- (Interjection) -- and it's not on the straight Gestetner operation as the other. Then we go on to other fields and I don't suppose these are directly government but I find that the Manitoba Hog Marketing Commission is now sending me some information sheets. I received one called "The Centurian". It's the official publication of the Manitoba Centennial Corporation.

And I wonder, Mr. Chairman, exactly how many different services of this type are going on. How many different departments are producing their own information sheets and how much money are we spending here and there in all sorts of publications. My understanding was when this was established that it was to be the information services for the Provincial Government. I now find that a whole series of departments and other bodies are proceeding to do this, and I think it's time that the government take stock of this situation, find out exactly what's going on and determine exactly how the information is going to be handled and

(MR. MOLGAT cont'd.) not have it scattered about by all different departments producing any amount of material for which the taxpayer eventually must pay.

MR. GRAY: Mr. Chairman, I do receive all the information and I think it's a very, very good idea to give the MLAs a little bit of education on the work they have to do and learn themselves. When they don't go to the library very often, they don't find out of their own. Take this historical thing, I usually send it out to a grandnephew of mine who's in school. Every child in school reads it and they're excited about it and if I didn't send them once for a week they ask me why I didn't send them. I think this information is very, very important, they're all busy people outside of the Legislature, and if we could get all this information digested to us I think it's a wonderful thing. All we have to do is not criticize it but suggest for improvement if necessary.

MR. SHOEMAKER: Have we the information, the number on the mailing list of the various department; that is, how many people in Manitoba and outside of Manitoba receive the red sheets, and the green ones and the blue ones and the ones emanating from all of the departments? Could we have that? As a matter of fact, I wonder if my honourable friend, the Minister of Health, would see that I'm put on the mailing list for the official publication or not. I said in regard to the red sheets that I was a paid-up subscriber; it didn't cost me anything, and it was worth every cent I paid for it. I believe on looking at this one, that it falls into the same category.

MR. CHAIRMAN: 9 (a) -- passed; 9 (b) -- passed; Resolution No. 24 -- passed. Resolution No. 25, (10) --

MR. MOLGAT: Is the Minister going to make a statement on the matter of Civil Defence?

MR. STEINKOPF: Civil Defence, or Emergency Measures Organizations as they now like to be referred to, has not changed materially during the last year, except possibly the importance placed on domestic shelters has changed from the domestic shelter end to those of shelters in commercial buildings and surveys have been made across Canada on the availability of shelters in large commercial buildings.

The Federal Government, during the year, took a pretty good look at the Emergency Measures Organization operation across the country and although some of us thought that there might be a change in policy and possibly a reduction in some of the services that they render, the opposite happened. Practically all of the phases of Emergency Measures Organizations that were in effect heretofore have been strengthened, if anything, and some new ones have been added.

Our own operation in Manitoba has kept pace I believe with the service that has been rendered in other provinces. We have sent any number of people to the various courses. The support in some of the rural parts of Manitoba has been extremely helpful. Some of the areas, particularly a location like Portage la Prairie, have really taken everything that has been offered by the Emergency Measures Organization, and in the event of any kind of a calamity, whether it be on a nuclear basis or simply on a local basis, I think that the Emergency Measures Organization would have a very excellent back-up police, fire and civilian corp to work for and to assist.

I don't think there is anything particularly new except that all of the, as I said before, all of the exercises that were handled throughout the province have been well attended and have worked out very well. Personally, I'm sold on Emergency Measures Organization. They fill a very necessary void, maybe not so much in the event of war as they do in the event of any local tragedy. We had one small case, not small in itself because it was important, but there was a lost child in the St. Vital area. The equipment of the Emergency Measures Organization was brought into play and proved to be rather effective, and it's nice to know that the equipment is in the province and is available in the case of any tragedy of any kind.

MR. MOLGAT: Mr. Chairman, some years ago there were provisions made for an alternate headquarters for the government at Shilo. The building was constructed there actually at very great expense to the taxpayers of Canada. Have any exercises been conducted by the Provincial Government during the course of the past year regarding the use of that building? Have the Ministers actually -- has the government moved out there on any occasion? Has it tested out the headquarters? Is it in functioning order?

MR. STEINKOPF: It's in functioning order. No actual test has taken place during the year. It's intended to invite all members of the House to view it before the end of this month. I hope to announce within the next day or so that arrangements have been completed so that all

(MR. STEINKOPF cont'd) . . . will have an opportunity of inspecting it at first hand to see how it works in an emergency.

MR. PAULLEY: Mr. Chairman, this is one of the items of expenditure that intrigues me year by year. We often talk of ways and means by which government expenditures can be reduced or government monies being used more effectively. While the total amount that has to be provided for in these estimates, \$71,000 - odd, is a relatively small amount of money in the total over-all budget of the province, I note however, that there is an increase in the total over-all expenditures of about \$33,000 and that the grand total expenditure, prior to recoveries from the Government of Canada and the municipalities, amounts to over a third of a million dollars. It seems to me, Mr. Chairman, that this is an expenditure that could well be looked at by this government, the government at Ottawa and by the municipalities.

I note, Mr. Chairman, as I look at the staff count over the last few years that the personnel provided for for this department in 1961 was 14; '62 and '63, 16; '64, 17; and for the year under consideration at the present time the staff count has been increased to 18. Now I appreciate very much, Mr. Chairman, and I say this with a great deal of regret, that the world situation isn't desirable at the present time, particularly the situation over at Viet Nam, and I resent very much some of the policies that are being used in that arena at the present time by our neighbor to the south.

However, that being what it is, I still think that the government should take a closer look at these expenditures under the Emergency Measures because I see no justification for an increase in the staff count in this department. As a matter of fact, Mr. Chairman, it is a truism that the federal authority itself has seen fit to reduce the number of reserve units here in the Greater Winnipeg area. It has seen fit to even reduce staff in some of the other services under the Department of National Defence, but yet here in the Province of Manitoba the expenditures are increasing for this purpose. I respectfully suggest, Mr. Chairman, that if the expenses were being increased due to emergency measures other than those concerned with the matter of Civil Defence that there might be some justification for it, but I find however no justification in view of the approach that is now being taken by our federal authorities in the reduction.

The other day, Mr. Chairman, I came in from my home town down through the north end of Winnipeg, and lo and behold there was a tremendous big billboard -- it looked to me to be about 40 or 50 feet wide, by about 20 feet high -- calling for our participation and support for the Civil Defence here in the Winnipeg area. I say, Mr. Chairman, this is a colossal waste of money. I don't know whether or not the sign in question was paid for by the Metro Emergency section or whether it was paid from some of the appropriations that's in this estimate. I understand, Mr. Chairman, that there's two or three of these large signs in and around the Greater Winnipeg area. I understand too, Mr. Chairman, they cost somewhere in the neighborhood of \$175.00 a month. I think that this is an expenditure that we could well do without at the present time.

I recall, and many of the members here will recall an invitation that was given to the then leader of the Liberal party, Mr. Campbell, member for Lakeside and myself from the Honourable the First Minister of the province to come over and assist him in the building of a basement shelter. I asked the First Minister last year what happened, and he says, "Oh, I gave up and I think maybe in this instance you were right. It wasn't necessary so I gave up."

I suggest, Mr. Chairman, that insofar as this expenditure that we're carrying year by year in our estimates that we should take another look at it. It seems to me that we are perpetuating a staff count, in some respects at least, because we don't know what to do about it. I think that, like Topsy, the expenditures in this particular section of the budget have grown, and I say to the government, don't be afraid of making reductions in this needless expenditure. I suggest that sufficient money could be saved in the total over-all expenditure even to pay for the difference in the price of property at Delta as alleged of the official opposition. If you want to recover that amount of money, I think possibly it can be done here.

And saying this, I realize that there is possibly some personnel within this section, fire-fighters in rural areas and drill teams and the likes of this for the protection in event of fire and the likes of that, that are worthy of continuing. I'm not objecting to that at all. But when I see illustrations as are mentioned here of these billboards, whether the expenditure is within this budget or not, I say that this is a colossal waste of money and is needless.

MR. CAMPBELL: Mr. Chairman, I have always taken an interest in this debate. I haven't always contributed very much to it, but on this occasion I feel that I must agree to quite an extent with what the Honourable Leader of the New Democratic Party has said. He and I are not too often in agreement perhaps, but on this I feel quite the same way as he does about some of these expenditures.

I was rather disappointed to hear my honourable friend the Provincial Secretary say that he was quite sold on the Emergency Measures Organization. When I heard that my honourable friend had been given the assignment of Civil Defence, I said to myself, now at least we've got a businessman in there who I believe will go to work and give this organization a good going over and take a look at it, because the Ministers that we had had previously to that were not in my opinion very good businessmen for this type of thing. They were the Honourable the present Minister of Welfare, the Honourable the Minister of Industry and Commerce, and myself. We three -- maybe there was another one in there some place, but it doesn't make much difference. No one of us, I think, had done a very good job.

I have confessed in this House before that in all my years in public life, the most frustrating experience that I ever faced was the time that I held the office of a Minister in charge of Civil Defence. Perhaps my honourable friends think that I frequently didn't know what to do in certain situations. I admit it in that case. I found it a very frustrating experience, but always -- always Civil Defence was bombarded, if I may use that word, with the statements from people who were in charge of the senior organization about the calamities that could happen, and we just simply couldn't look at the world situation without recognizing that calamities could be upon us. We couldn't contemplate the uneasy way that peace sits in the world, if it really does sit at all; we couldn't look at the international situation and recognize that just one or two little mistakes could start something that would endanger civilization; and recognizing that, say that it can't happen here and we don't need to do anything about it, and for years and years and years this situation has been carried on.

I rather wish that some of us had had the courage to take seriously at that time what Winston Churchill said, because he was the man who years ago, years ago, said that the very fact that the nations now had this capacity to actually create such widespread almost total devastation that that fact in itself was going to be a major factor in ensuring, if not the peace of the world at least the outbreak of any world-wide calamity, and because not many -- as Sir Winston Churchill's advice was frequently ignored, it wasn't ignored in this case but not many people seemed willing to act upon the implications of that advice and so we carried on and carried on.

I confess that this was the situation in our time, but in our time -- I just got from the Library the last public accounts and I see that for the last full year that we were in office we spent in this branch, Civil Defence, \$24,000-odd, and I notice that the recoveries from the government of Canada were \$23,000-odd. Instead of -- and I must be fair in quoting those figures and say that I think perhaps they are not exactly comparable with the present ones because I think perhaps there was a fairly large City of Winnipeg setup at that time as well, and maybe even a metropolitan one as well, so that maybe those figures don't tell the whole story.

But I'd like to ask the Minister in this connection, is some of this expenditure a grant to other municipalities or is the Metropolitan setup that we have completely in addition to this? If it is, then I really do not think that we are getting value for it. I recognize that some of the smaller communities, Portage la Prairie has been named, have done a good job in this sort of thing, but Portage la Prairie has a mayor who will be active in some kind of a thing under almost any circumstances and I think whether there was a Civil Defence organization or an Emergency Measures Organization or no matter what you called it you would find, not only in Portage la Prairie but in a good many communities, you would find an Emergency Measures Organization that was prepared and ready to cope with almost any situation that came along.

I was disappointed too to hear my honourable friend the Minister say that the federal government had seemed to strengthen its organization in this regard rather than cutting it down in any way. Well we don't have to go along with what the federal government does in this. If we don't think the federal government is doing right on it this is one place that we can opt out, and I for one would be prepared to take the responsibility of doing that if we thought that what the federal government was doing was not along the right lines.

It is interesting to note how the thinking changes on this through the years. We had the suggestion of building shelters in our homes, even to the extent that the Honourable the First

(MR. CAMPBELL, cont'd). Minister was quite enthusiastic about this at one time and did invite the Honourable the Leader of the NDP and myself over to inspect it. I don't know what were the reasons of the Honourable Leader of the NDP but I certainly felt that if Duff, Russ and Doug ever got together in one little corner of a house it would be too much of a temptation for somebody to drop a bomb on them, it would really be a godsend in some ways.

Well whatever the reason, this program has apparently been dropped all over. The Honourable the First Minister wasn't the only man that got a lot of publicity out of mentioning this. Nelson Rockefeller in New York had a tremendous program whereby not only the bomb shelters were going to be built in individual homes but in the public buildings, and it is only now I gather from the Honourable the Minister that the federal government is starting to -- maybe not just starting but they are proposing this building of the shelters in commercial buildings.

Mr. Chairman, I think that what Winston Churchill said years ago was right. Even the most power-hungry of the world leaders today recognize that they would be foolhardy if they unleashed the powers that are at their command, and if the terrible tragedy should come that that is done, then with the power of destruction that they've got today neither commercial buildings nor domestic ones can stand against it. There's no use of kidding ourselves about this. They now have the bombs that are -- what is it, a thousand times stronger than the ones that were dropped on Hiroshimo-- and they actually mean that at the point of the strike that devastation will take place for a radius of 10 miles or something of this area.

Well there's no use in my opinion of assuming that you can build against this type of a thing. I'm sorry to have to arrive at the conclusion that the efforts in this regard, well meant though they've been for many years, simply are not doing the job that they were supposed to do and I think that we just have to place our faith in the thing that Sir Winston talked about so many years ago and that is that somebody, the very most dangerous of the world leaders will recognize that this is a power that even they simply dare not unleash and the little things that we can do here in this area I think are pretty futile in the face of the situation that we've got to face today.

I'm sorry to have to arrive at this conclusion after such a long time. I recall that when I was faced with the undesirable position of having to pilot the Civil Defence estimates through this House that the honourable gentleman who is now the First Minister of this province criticized the program of that time by saying that it seemed to him that this year's program was just a case of the same thing over again. Well I think that this has been the history of it all the way through. It's been just about the same thing over again and I must say that I have no alternative to offer. I don't know what you can do with this proposition so I say I think we should not keep on expanding it and we should have a very definite discussion with the federal people about toning down their estimates as well.

MR. STEINKOPF: Mr. Chairman, I don't rise or pose to be an expert on military affairs but it seems interesting that this morning on the news I heard that the present Prime Minister of England who is visiting West Germany reiterated, or promised that the 51,000 British soldiers that were in West Germany would remain there and that the situation was not at all that easy as had been suggested by the late Winston Churchill.

Lest the Honourable Member for Lakeside be disillusioned in my business acumen, he might be interested to know that the budget that was requested of me before we finalized it was the total of \$575,000 and this was finally brought down to \$366,351 or a \$209,000 reduction, and I might say that a very good case was made for the total \$575,000 but it's like I guess carrying insurance, if you live to be 80 or 90 and you look back at the policies that you've been paying on since you were about 20, you think if you had to do it over again you probably could have saved yourself quite a bit of money.

I do think though as a business man, and I've come to this conclusion not easily, that we are in fact getting good value for every dollar that we put into this Emergency Measures Organization. The total sum of \$71,450 is made up of a lot of good assets that we get besides a complete organization complete with civilian personnel who would aid in the event of any civil emergency, and I don't think we should underscore this phase of the Emergency Measures Organization program.

In the event of any emergency and the government was ill-prepared, the public would be right to point an accusing finger at the government, because although they too would be sympathetic today to cut out this expense, I think they'd be the first to blame us if we had taken no precaution whatsoever to look after any of these emergencies that could come about.

(MR. STEINKOPF, cont'd).....

I might add a word to the Honourable Member for Radisson. The billboards that you refer to, sir, are donated by the sign company. Metro pays for the actual painting of the sign but doesn't pay any rent for them and they are up there for a 12 month period gratis.

MR. CAMPBELL: I wonder could the Minister answer my question as to whether any of this appropriation goes to Metro or is theirs in addition.

MR. STEINKOPF: The total is \$366,351.00. The provincial government puts up \$71,450 of that and the municipalities put up \$40,954, and of that Metro Winnipeg puts up \$9,996, just about \$10,000.00. In the case of Metro Winnipeg the province pays 15 percent and Metro pays 10 percent and the federal government pays 75, and the balance of the \$366,000 is paid by the federal government.

MR. PAULLEY: Mr. Chairman, I wonder, I just would like to make one request of the Minister and it is not continuing the debate. Is it possible to get a detailed breakdown of the full expenditure of the \$366,000 in order that we might scrutinize it better than we can in the public accounts, because the public accounts don't give the breakdown of the full amount.

MR. MOLGAT: Mr. Chairman, I wonder if I could have an answer to.....

MR. STEINKOPF: I have it broken down a little more in detail like personnel services, travel equipment, materials and supplies, rent utility services, and others, making a total of what the expenditure is --(Interjection)-- Yes.

MR. PAULLEY: I wonder if I might have that some time. Not tonight.....

MR. STEINKOPF: Yes, I'll be very happy to supply it.

MR. EVANS: Mr. Chairman, I move.....

MR. MOLGAT:more questions on that, Mr. Chairman.

MR. EVANS: I move the Committee rise.

MR. CHAIRMAN: Call in the Speaker. Madam Speaker, the Committee has adopted certain resolutions and asks leave to sit again.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I move, seconded by the Honourable Member for Lac du Bonnet, that the report of the Committee be received.

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

MR. EVANS: Madam Speaker, I beg to move, seconded by the Honourable the Provincial Secretary, 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 Wednesday afternoon.